



CITY OF DEL REY OAKS

650 CANYON DEL REY BLVD, DEL REY OAKS, CALIFORNIA 93940
PHONE (831) 394-8511 FAX (831) 394-6421

MEETING AGENDA OF THE CITY OF DEL REY OAKS CITY COUNCIL TUESDAY, JUNE 23, 2026 AT 6:00 PM

Del Rey Oaks City Hall is inviting you to an **IN-PERSON MEETING AT CITY HALL**

PLEASE NOTE THIS WILL BE LIVE STREAMED FOR VIEWING ONLY
YOU WILL NOT BE ABLE TO MAKE PUBLIC COMMENTS ON ZOOM

Join Meeting

<http://bit.ly/4q8aLjm>

- 1. ROLL CALL - Council**
- 2. PLEDGE OF ALLEGIANCE**
- 3. PUBLIC COMMENTS: General Public Comment must deal with matters subject to the jurisdiction of the City and the Council that are not on the Agenda. Anyone wishing to address the City Council on matters not appearing on the Agenda may do so now. The public may comment on any other matter listed on the Agenda at the time the matter is being considered. There will be a time limit of not more than three minutes for each speaker. No action will be taken on matters brought up under this item and all comments will be referred to staff.**
- 4. CONSENT AGENDA:**
 - A. MINUTES: (CEQA: as to all, not a project per Guidelines Article 20, Section 15378)**
 - [1.](#) May 19, 2026, Regular City Council Meeting Minutes
 - [2.](#) June 8, 2026, Special City Council Meeting Minutes
 - B. MONTHLY REPORTS: (CEQA: as to all, not a project per Guidelines Article 20, Section 15378)**
 - [1.](#) Fire Department Response Report, May 2026
 - [2.](#) Police Activity Response Report, May 2026
 - [3.](#) Monthly Financial Report, May 2026

C. MISCELLANEOUS: (CEQA: as to all, not a project per Guidelines Article 20, Section 15378)

- 1.** Consider Approval of the FY 2026-27 Budget Documents
- 2.** Consider Approval of Resolution 2026-17, to Call and provide for a General Municipal Election to be held in the City of Del Rey Oaks on Tuesday, November 3, 2026
- 3.** Adopt Resolution 2026-18, Amending Conflict of Interest Code
- 4.** Adopt Resolution 2026-16 Approving a 3.03 percent rate increase to charges by the City's franchised hauler, Greenwaste Recovery, for the collection of solid waste, recycling and organics, effective July 1, 2026
- 5.** Adopt Resolution 2026-21 Amending Exhibit A&B of the Memorandum of Understanding between ReGen Monterey and Member Agencies for FY 2026-27

5. OLD BUSINESS:

- A.** None

6. NEW BUSINESS:

- A.** Consider Annual AB 2561 Staffing Vacancies Report and Adopt Resolution 2026-20, to comply with Government Code Section 3502.3
- B.** Selection of Development Partner for Former Fort Ord Properties and Authorization to Negotiate an Exclusive Negotiating Agreement with Shea Homes

7. STAFF REPORTS:

- A.** Council Reports are in the packet

8. CORRESPONDENCE:

- A.** Correspondence is in the packet

9. Closed Session: As permitted by Government Code Section 54956 et. seq. the Council may adjourn to a Closed Session to consider specific matters dealing with certain litigation, personnel, or labor/real property negotiations.

- A. Public Comment on Closed Session Items: Anyone wishing to address the City Council on an item to be discussed in closed session may do so now. There will be a time limit of not more than three minutes for each speaker. No action will be taken on matters brought up under this public comment period.**

B. Closed Session Items:

- 1.** Conference with Legal Counsel – Existing Litigation (Government Code § 54956.9(a))
California Native Plant Society vs. Fort Ord Reuse Authority, et al
Superior Court of the State of California, County of Monterey, Case No. 20CV001529

Attachments:

Settlement Agreement and General Release dated May 15, 2023

Enforcement of Settlement Letter dated June 11, 2026

Regarding APN 031-191-013

10. NEXT MEETING DATE:

Tuesday, August 25, 2026 at 6:00pm- No Regular Scheduled Meeting for July 2026

11. ADJOURNMENT

Information distributed to the Council at the meeting becomes part of the public record. A copy of written material, pictures, etc. must be provided to the secretary for- this purpose. All enclosures and materials regarding these agenda items are available for public review at the Del Rey Oaks City Hall, 650 Canyon Del Rey Road, Del Rey Oaks.

City of Del Rey Oaks

**City Hall
650 Canyon Del Rey Blvd
Del Rey Oaks, CA 93940**



Action Minutes

Tuesday, May 19, 2026

6:00 PM

City Council – Regular Meeting

Del Rey Oaks City Council

**Scott Donaldson – Mayor
Mike Burger – Vice Mayor
John Uy – Councilmember
Kim Shirley – Councilmember
Jeremy Hallock – Councilmember**

6:00 PM – Called to Order:

The meeting was called to order by Mayor Donaldson

Roll Call: Present: Mayor Donaldson, Vice Mayor Burger, Councilmember Shirley, Councilmember Hallock and Councilmember Uy

Absent: None

Also Present: City Manager Guertin, City Attorney Lorca, City Clerk Minami, Deputy City Clerk Batra

Pledge of Allegiance:

Led by Mayor Donaldson

Public Comment:

Gary Kreeger: Wants to piggyback on neighboring cities and have a vacancy tax in DRO and fight Marina Coast Water for more water, like Seaside is trying to do.

Megan, from PG&E: Introduces herself and says she will make herself available to anyone who has questions.

Ann Auburn: Asks why the street sweeper just cleans the middle of the streets and not the sides.

PROCLAMATIONS:

Mayor Donaldson reads the following proclamations:

Celebrating National Public Works Week May 17-24, 2026
 Celebrating Professional Municipal Clerks Week May 3-9, 2026
 Celebrating the 10th Anniversary of Palenke Arts

Councilmember Uy reads the following proclamation:

Celebrating National Pride Month June 2026

CONSENT AGENDA:

A. MINUTES: (CEQA: as to all, not a project per Guidelines Article 20, Section 15378)

1. April 28, 2026 City Council Meeting Minutes

B. MONTHLY REPORTS: (CEQA: as to all, not a project per Guidelines Article 20, Section 15378)

1. Fire Department Response Report, April 2026
2. Police Activity Report, April 2026
3. Financial Reports, April 2026

C. MISCELLANEOUS: (CEQA: as to all, not a project per Guidelines Article 20, Section 15378)

1. Consider the adoption of the modified Military Equipment Use Policy and the First Reading of Ordinance #324, consistent with the requirements of AB 481
2. Adopt Resolution 2026-08 Approving the FY 2026-27 SB1 Funded Project List
3. Consider Adoption of Resolution 2026-09 approving the Transportation Agency for Monterey County (TAMC) Master State & Federal Funding Agreement and authorize the City Manager to execute the agreement
4. Consider Approval of the Pavement Management Program Update 2025 Reimbursement Agreement with the Transportation Agency of Monterey County (TAMC) and to authorize the City Manager to execute the Agreement of behalf of the City Council
5. Change order from Coastal Paving

PUBLIC COMMENT:

None

A motion was made by **Councilmember Hallock**, seconded by **Councilmember Uy**, to approve the Consent Agenda as presented.

Motion passed unanimously 5-0

OLD BUSINESS: None

NEW BUSINESS:

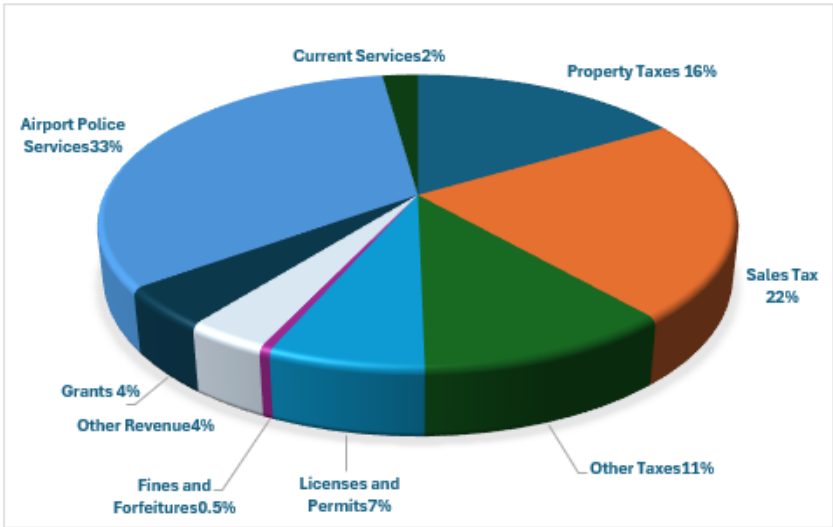
Consider Overview of Recommended FY 2026-27 Budget

City Manager Guertin: Still fine-tuning, and there will be a special meeting in early June to review one more time. Introduces Elizabeth "Beth" Mariano of RGS to present the budget documents.

Beth Mariano: Shares screen and the following presentation:

	FY 2026	FY 2027		
	Current	Proposed	Increase/	Percent
GENERAL FUND SUMMARY	Budget	Budget	(Decrease)	Change
FY 2027 Proposed Budget				
Total Estimated Revenue	5,093,050.00	5,421,420.00	328,370.00	6.1%
Total Operating Budget	5,430,015.00	5,518,730.00	88,715.00	1.6%
Excess (Deficit) of Revenue Over Expenditures	(336,965.00)	(97,310.00)	239,655.00	
Transfers Out-CIP	(430,446.00)	(78,000.00)	(78,000.00)	
Transfers Out-REAP	(13,885.00)	-	-	
Net General Fund Surplus (Deficit)	(781,296.00)	(175,310.00)	161,655.00	

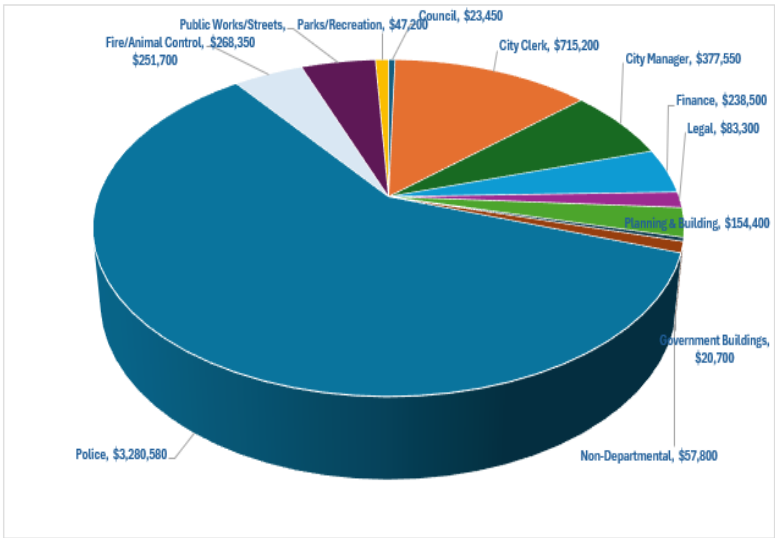
The chart shows the percentage allocation of the City's revenue



Revenue:

Airport Police Services	\$ 1,784,798	32.9%	
Sales Tax	1,206,835	22.3%	
Property Taxes	887,437	16.4%	71.6%
Other Taxes	600,600	11.1%	
Licenses and Permits	367,350	6.8%	
Grants	238,600	4.4%	
Other Revenue	194,200	3.6%	
Current Services	115,500	2.1%	
Fines and Forfeitures	26,100	0.5%	
Total Estimated Revenue	\$ 5,421,420	100%	

The chart shows the General Fund expenditures by department



Expenditures:

Police	\$ 3,280,580	59.4%
City Clerk	715,200	13.0%
City Manager	377,550	6.8%
Public Works/Street	268,350	4.9%
Finance	238,500	4.3%
Fire/Animal Control	251,700	4.6%
Planning & Building Reg	154,400	2.8%
Legal	83,300	1.5%
Non-Departmental	57,800	1.0%
Parks/Recreation	47,200	0.9%
Council	23,450	0.4%
Government Buildings	20,700	0.4%
Total Appropriations	\$ 5,518,730	100%

FY 2027 Estimated Fund Balance

	Audited Fund Balance 6/30/2025	Estimated Fund Balance 6/30/2026	Estimated Revenue FY 26-27	Interfund Transfers FY 26-27	Appropriations FY 26-27	Surplus (Deficit) FY 26-27	Est. Fund Bal. 6/30/2027
100 General Fund							
Available							
Unassigned-Economic Uncertainties	1,652,182	1,652,182					1,652,182
Unappropriated	2,039,478	1,258,182					1,082,872
Available Fund Balance	<u>3,691,660</u>	<u>2,910,364</u>	<u>5,421,420</u>	<u>(78,000)</u>	<u>(5,518,730)</u>	<u>(175,310)</u>	<u>2,735,054</u>

GENERAL FUND SUMMARY:

Expenditures By Department	FY 2025 Actual	FY 2026 Budget	FY 2027		
			Proposed Budget	Increase (Decrease)	Percent Change
110 Council	21,009.87	30,400.00	23,450.00	(6,950.00)	-22.9%
111 City Clerk	583,576.52	654,800.00	715,200.00	60,400.00	8.4%
120 City Manager	328,044.15	345,115.00	377,550.00	32,435.00	8.6%
130 Finance	377,516.83	290,000.00	238,500.00	(51,500.00)	-17.8%
150 Legal	51,881.19	89,300.00	83,300.00	(6,000.00)	-6.7%
160 Planning and Buildin	134,781.42	255,400.00	154,400.00	(101,000.00)	-39.5%
180 Government Buildin	11,893.78	20,200.00	20,700.00	500.00	2.4%
190 Non-Depratmental	101,934.32	56,800.00	57,800.00	1,000.00	1.7%
210 Police	2,570,155.12	3,074,800.00	3,280,580.00	205,780.00	6.3%
220 Fire/Animal Control	236,615.60	243,300.00	251,700.00	8,400.00	3.3%
311 Public Works/Street	232,520.80	258,050.00	268,350.00	10,300.00	3.8%
411 Parks/Recreation	40,354.79	111,850.00	47,200.00	(64,650.00)	-57.8%
Total Operating Budget	4,690,284.39	5,430,015.00	5,518,730.00	88,715.00	1.6%

Contributions to Non-Profit Organizations	FY 2024	FY 2025	FY 2026	FY 2027
Community Human Services -JPA Contribution	\$ 4,800.00	4,900.00	5,025.00	5,025.00
Central Coast- SBDC(Small Buss Dev Center)		2,500.00	2,500.00	2,500.00
Monterey Peninsula Chamber of Commerce	\$ 600.00	700.00	700.00	700.00
United Way	\$ 3,000.00	3,000.00	3,000.00	3,000.00
Casa De Noche	\$ 1,700.00	1,700.00	1,700.00	1,700.00
Shuman Hearthouse	\$ 1,700.00	1,700.00	1,700.00	1,700.00
Total	\$11,800.00	14,500.00	14,625.00	14,625.00
FY 2027 Budget-Non Departmental 100-190-64551				\$ 15,000.00

**City of Del Rey Oaks
FY 2027 Funded Capital Improvement Projects**

Project Description	FY 2026-27	Funding Source
CIP 533 Vehicle Replacement-PD	45,000	GF Fund Balance
CIP 540 Server Repalcement	20,000	GF Fund Balance
CIP 543 PD Radio Replacement	10,000	GF Fund Balance
CIP 544 Technology Repalcement	3,000	GF Fund Balance
Total	\$ 78,000	

This item is to be received by Council and no vote is required.

The following questions and comments were discussed:

City Manager Guertin: Revenue streams are narrow. Hotel is the best option for revenue, but that is in the future. Staff is very mindful of the budget. Insurance liability and insurance are the biggest cost drivers, and it is out of our control. Rosita Road is the number one priority this year.

Options will be brought to the Finance Committee and City Council for revenue generation ideas. The former garden center property is one idea, discussions in the future. Hopefully, to avoid service reductions in the city. Maybe to review the STR ordinance. Explains the delay in the new budgeting software and how long it takes bigger jurisdictions to get Clear-Gov up and running.

Vice Mayor Burger: Not a warm and fuzzy budget, but great leadership. Really wants to review the Short-Term Rental ordinance.

Councilmember Uy: Conservative budget and revenue projection. Staff are thoughtful of how things impact the budget. Team effort. No strategic planning in this budget, let's have a session without spending any money on a consultant. What is a sustainable source of income on the former ft ord property?

City Manager Guertin: Hotel is the best option and more sales tax sources. It will be 5-10 years before the city sees an increase in property taxes from homes built on that property. Economic reserve will be used to bridge the gap. We can facilitate a strategic planning session through a team effort.

Councilmember Hallock: Thanks all the staff and Budget Committee.

Councilmember Shirley: Thanks, everyone involved. Appreciates a conservative plan. Would like to see something in the former Garden Center parcel. Concerned that the strategic planning session was removed from the budget, it's an opportunity for residents to see what is accomplished. Glad it's still going to happen. Points out that the area for election costs is missing in the budget. Wants the reserve separated out, to make it easier to understand.

Mayor Donaldson: Reviews comments. Takes revenue to keep good staff. There are only a certain amount of cuts we can make without having an impact of services and the quality of life to residents. Hard to fill former Garden Center parcel because of FORTAG construction, a temporary use is important for a revenue source. Should look at the Short-term rental ordinance too, for future discussion. A proposal for an ENA with a new developer will be coming to council in the future for development down the road.

PUBLIC COMMENTS:

Gary Kreeger: Lots of smart folks in Del Rey Oaks to have a strategic planning session without spending a lot of money. Have it on a Saturday, more community involvement. Wants annual updates on items such as the South Boundary Road development and the former development lawsuit.

The Council received the item, and no decision was made.

STAFF REPORTS: In the packet with the correspondence

NEXT MEETING DATE: Tuesday, June 23, 2026 at 6:00 pm

ADJOURNMENT: 7:25PM

Attest: _____

Date:-----

City of Del Rey Oaks

**City Hall
650 Canyon Del Rey Blvd
Del Rey Oaks, CA 93940**



Action Minutes

Monday, June 8, 2026

6:00 PM

City Council – Special Meeting

Del Rey Oaks City Council

**Scott Donaldson – Mayor
Mike Burger – Vice Mayor
John Uy – Councilmember
Kim Shirley – Councilmember
Jeremy Hallock – Councilmember**

6:00 PM – Called to Order:

The meeting was called to order by Mayor Donaldson

Roll Call: Present: Mayor Donaldson, Vice Mayor Burger, Councilmember Shirley and Councilmember Uy

Absent: Councilmember Hallock

Also Present: City Manager Guertin, City Attorney Lorca, City Clerk Minami, Administrative Service Technician Matthews

Pledge of Allegiance:

Led by Mayor Donaldson

Public Comment:

None

CONSENT AGENDA:

A. Approve Amendment of Del Rey Park ADA Sidewalk Improvements Project Funding Source

B. Approve an Amended Resolution Adopting a List of Projects for FY 2026-27 Funded by SB1

Councilmember Uy: Pulled item 4.A. to ask what went wrong with the ADA Sidewalk Improvement funding.

City Manager Guertin: Staff did nothing wrong; it was about the timing of the project and communication with the County regarding the document.

PUBLIC COMMENT:

None

A motion was made by **Councilmember Shirley**, seconded by **Councilmember Burger**, to approve the Consent Agenda as presented.

Motion passed unanimously 4-0

Councilmember Hallock absent

NEW BUSINESS:

A. Review Proposed Budget for Fiscal Year 2026-2027

City Manager Guertin introduces Elizabeth Mariano of RGS Consulting to review the budget document and slide show.

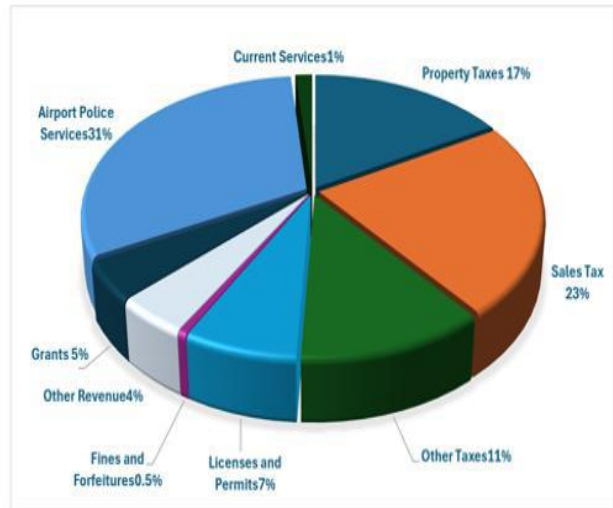
FY 2026-2027 Proposed Budget GENERAL FUND SUMMARY

	FY 2026 Current Budget	FY 2027 Proposed Budget	Increase/ (Decrease)	Percent Change
Total Estimated Revenue	5,093,050.00	5,320,550.00	227,500.00	4.5%
Total Operating Budget	5,430,015.00	5,507,180.00	77,165.00	1.4%
Excess (Deficit) of Revenue Over Expenditures	<u>(336,965.00)</u>	<u>(186,630.00)</u>	<u>150,335.00</u>	

FY 2026-2027 Proposed Budget GENERAL FUND OPERATING REVENUE

Airport Police Services	\$ 1,665,780	31.3%	
Sales Tax	1,206,835	22.7%	
Property Taxes	887,435	16.7%	70.7%
Other Taxes	610,600	11.5%	
Licenses and Permits	370,400	7.0%	
Grants	238,600	4.5%	
Other Revenue	237,700	4.5%	
Current Services	75,100	1.4%	
Fines and Forfeitures	28,100	0.5%	
FY 2026-2027 Estimated Revenue	\$ 5,320,550	100%	

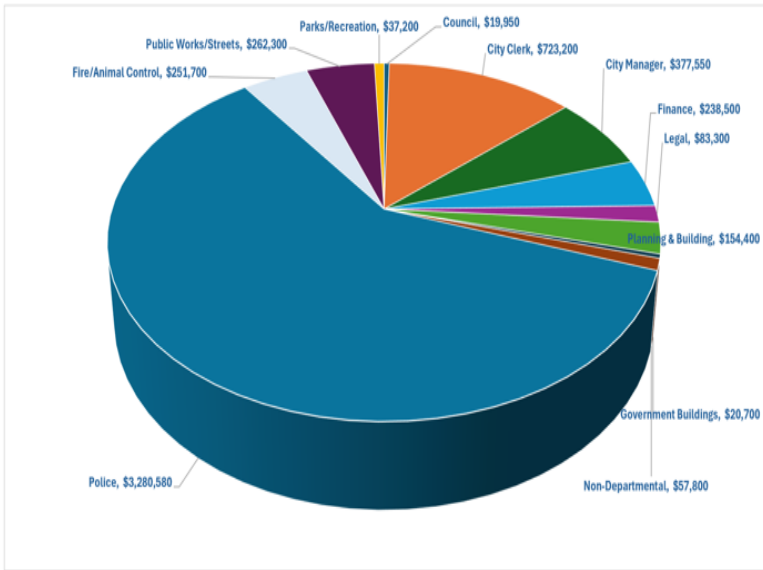
The chart shows the percentage allocation of the City's revenue



**FY 2026-2027 Proposed Budget
GENERAL FUND OPERATING EXPENDITURES**

Police	\$ 3,280,580	59.6%
City Clerk	723,200	13.1%
City Manager	377,550	6.9%
Public Works/Street	262,300	4.8%
Fire/Animal Control	251,700	4.6%
Finance	238,500	4.3%
Planning & Building Regulations	154,400	2.8%
Legal	83,300	1.5%
Non-Departmental	57,800	1.0%
Parks/Recreation	37,200	0.7%
Government Buildings	20,700	0.4%
Council	19,950	0.4%
FY 2026-2027 Total Appropriations	\$ 5,507,180	100%

The chart shows the General Fund expenditures by department



**FY 2026-2027 Proposed Budget
CONTRIBUTIONS TO NON-PROFIT ORGANIZATIONS**

	<u>FY 2024-2025</u>	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>	<u>Change</u>	
Community Human Services -JPA Contribution	4,900.00	5,025.00	5,025.00	1.4%	
Central Coast- SBDC(Small Buss Dev Center)	2,500.00	2,500.00	2,500.00	0.0%	
Monterey Peninsula Chamber of Commerce	700.00	700.00	700.00	0.0%	
United Way	3,000.00	3,000.00	3,000.00	0.0%	
Casa De Noche	1,700.00	1,700.00	1,700.00	0.0%	
Shuman Hearthouse	1,700.00	1,700.00	1,700.00	0.0%	
Total	14,500.00	14,625.00	14,625.00	1.8%	
FY 2026-2027 Budget			\$ 15,000.00	6.7%	
				3.5%	
311 Public Works/Street	232,521	258,050	262,300	4,250	1.6%
411 Parks/Recreation	40,355	111,850	37,200	(74,650)	-66.7%
FY 2026-2027 Total Operating Expenditures	4,690,284	5,430,015	5,507,180	77,165	1.4%

ESTIMATED FUND BALANCE 06/30/2027

	Audited Fund Balance <u>6/30/2025</u>	Estimated Fund Balance <u>6/30/2026</u>	Estimated Revenue <u>FY 2026-2027</u>	Interfund Transfers <u>FY 2026-2027</u>	Appropriations <u>FY 2026-2027</u>	Surplus (Deficit) <u>FY 2026-2027</u>	Est. Fund Bal. <u>6/30/2027</u>
100 General Fund							
Available							
Unassigned-Economic Uncertainties	1,652,182	1,652,182					1,652,182
Unappropriated	<u>2,039,478</u>	<u>1,258,182</u>					<u>993,552</u>
Available Fund Balance	<u><u>3,691,660</u></u>	<u><u>2,910,364</u></u>	<u><u>5,320,550</u></u>	<u><u>(78,000)</u></u>	<u><u>(5,507,180)</u></u>	<u><u>(264,630)</u></u>	<u><u>2,645,734</u></u>

**FY 2026-2027 Proposed Budget
FY 2026-2027 FUNDED CAPITAL PROJECTS**

Project Description	FY 2026-27	Funding Source
CIP 533 Vehicle Replacement-PD	45,000	GF Fund Balance
CIP 540 Server Repalcement	20,000	GF Fund Balance
CIP 543 PD Radio Replacement	10,000	GF Fund Balance
CIP 544 Technology Repalcement	<u>3,000</u>	GF Fund Balance
Total	<u><u>\$ 78,000</u></u>	

FY 2026-2027 Proposed Budget
FY 2026-2027 FUNDED CAPITAL PROJECTS-Detail

	FY 2024-2025	FY 2025-2026	FY 2024-2025	FY 2025-2026	Est	FY 2026-2027	FY 2026-2027
	Budget	Budget	Actuals	Actuals (as of	Carryover to	Proposed	FY 2026-2027
				04/30/2026)	FY 2026-2027	Budget	Budget+CO
301 - Capital Projects							
533 Vehicle Replacement	45,000	45,000			90,000	45,000	135,000
537 Saucito Rd & Work Ave Imp Project		81,150		81,150	-		-
540 Server Replacement					-	20,000	20,000
541 City Hall Facility Repairs & Upgrades	20,000	20,000	20,000	7,374	12,626		12,626
542 Council Chamber Technology Project	5,000	5,000	5,000		5,000		5,000
543 PD Radio Replacement	10,000	10,000			20,000	10,000	30,000
544 Technology Replacement		3,000			3,000	3,000	6,000
545 City Hall Sewer Upgrades		40,000			40,000		40,000
546 City Hall Chamber Renovations		50,000			50,000		50,000
547 City Hall Fence Replacement		20,000			20,000		20,000
548 City Hall Parking Lot Improvements		167,446		6,396	161,050		161,050
549 Adair Stairs Repairs		15,000			15,000		15,000
550 Del Rey Oaks Garden Center				2,386	(2,386)		(2,386)
Total Expenditures	80,000.00	456,596.00	25,000.00	97,306.00	414,290.00	78,000.00	492,290.00

The following comments and questions were raised during the Budget presentation:

City Manager Guertin: Revenues are tight. We trimmed off several items from the budget, including training, travel, and contracts. The major hit in expenses is insurance that includes workers' compensation, liability, and all medical premiums. No colas this year. We reduced without compromising services to residents. Recommend accepting this budget document and coming back for a mid-year review to make any modifications needed.

Councilmember Burger: Appreciates all of the hard work and hopefully it will work it's self out at mid-year.

Councilmember Uy: Is this budget stable?

City Manager Guertin: The economy is the biggest factor, and revenue fails during inflationary times. We are in the same boat as the surrounding cities, but better than most. It's not looking bad, but it's not great either.

Councilmember Shirley: Grateful for the reserves. Work memorial property is our best option for revenue.

City Manager Guertin: The city needs to get immediate temporary use and revenue at that property and then do careful planning on a permanent project and use.

Councilmember Shirley: We need more parking at City Hall for events, meetings and for Frog Pond use. How about the public works yard? Would like to direct staff to talk to the parks department about their parking situation.

Councilmember Shirley: Is Section 115 trust on track? Wants to keep it on the radar.

City Manager Guertin: Explains how it works and how it was approved in 2019 before Covid hit the economy, and we have invested some since then. 40% is the goal. Maybe next year we can invest more, depending on the economy.

Councilmember Shirley: Vehicle reserve should be all vehicles, not just PD.

City Manager Guertin: Explains the higher use of PD vehicles, etc.

Mayor Donaldson: Important for staff to address parking issues and inform the council as needed. Wants to see what they come up with regarding parking.

Councilmember Uy: Good idea to have more parking for events.

Councilmember Burger: Would like to hear pros and cons from staff about parking. Also worried about the cost of upkeep of the new trail that the city will maintain.

PUBLIC COMMENTS:

Gary Kreeger: Vacancy tax, lean on Stone Creek landlords. It would be nice to have something at the Garden Center property.

Alice Green: Folks were concerned about the cost of upkeep of the trail, and it was ignored.

Mayor Donaldson: This is the most transparent budget in the area. It has been reviewed and changed many times and heard at 6 different meetings by June 30th, both during the day and in the evenings. Thanks, staff, for identifying cuts without impact to services.

The Council received the item, and no decision was made.

NEXT REGULAR MEETING DATE:

Tuesday, June 23, 2026 at 6:00 pm

ADJOURNMENT: 6:45 PM

Attest: _____

Date:-----



FIRE DEPARTMENT

1635 Broadway Avenue
Seaside, CA 93955

Telephone (831) 899-6790
FAX (831) 899-6261

June 8, 2026

John Guertin, City Manager
Del Rey Oaks City Hall
650 Canyon Del Rey
Del Rey Oaks, CA 93940

Dear Mr. Guertin:

Enclosed is a copy of the response reports for the Seaside Fire Department response to Del Rey Oaks for the period of May 1, 2026, through May 31, 2026.

The Seaside Fire Department responded to the following incidents in May:

Incident #

260501-SEA01064	260518-SEA01183	260530-SEA01276
260507-SEA01104	260522-SEA01210	
260507-SEA01106	260523-SEA01220	
260508-SEA01111	260528-SEA01256	
260510-SEA01125	260529-SEA01271	

There are eleven (11) fire calls for May. If you have any questions, please contact me.

Sincerely,

Paul Blaha
Fire Chief
CC: File

**SEASIDE FIRE DEPARTMENT
City of Del Rey Oaks - Response Report**

Incident Date	Incident Number	Alarm Time	Arrival Time	Response Time (Minutes)	Incident Type Code	District	Street Or Highway Name	Priority
5/1/2026	260501-SEA01064	12:48:00 PM	12:55:00 PM	6.00	Motor vehicle collision	29	Gardens	Emergent
5/7/2026	260507-SEA01104	3:08:00 PM	3:27:00 PM	19.00	Citizen assist / service call - Staged	29	PALOMA	Non emergent
5/7/2026	260507-SEA01106	8:15:00 PM	8:30:00 PM	15.00	Citizen assist / service call - Staged	29	PALOMA	Non emergent
5/8/2026	260508-SEA01111	2:25:00 PM	2:33:00 PM	8.00	Unconscious victim	29	Paloma	Emergent
5/10/2026	260510-SEA01125	9:57:00 AM	10:05:00 AM	8.00	Well person check	29	PALOMA	Emergent
5/18/2026	260518-SEA01183	2:19:00 PM	2:25:00 PM	6.00	Fall	29	Canyon Del Rey	Emergent
5/22/2026	260522-SEA01210	4:15:00 PM	4:22:00 PM	7.00	Motor vehicle collision	29	Mtv Sns	Emergent
5/23/2026	260523-SEA01220	1:49:00 PM	1:57:00 PM	8.00	Bomb threat / bomb response / suspicious package	29	Carlton	Non emergent
5/28/2026	260528-SEA01256	6:48:00 AM	6:57:00 AM	9.00	Fall	29	Pheasant Ridg	Emergent
5/29/2026	260529-SEA01271	9:55:00 AM	10:02:00 AM	7.00	Malfunctioning alarm	29	Pheasant Ridg	Non emergent
5/30/2026	260530-SEA01276	3:50:00 AM	4:00:00 AM	10.00	No appropriate choice (medical response)	29	Work	Emergent

Total Calls 11
 Incidents #1104 and #1106 have extended response time due to personnel had to stage for police activity. Highlighted above in yellow



POLICE

DEL REY OAKS

City Council Report

May 2026

Chris Bourquin - Chief

Case #	Date	Offense Code 1	Offense Code Description	DRO	MPAD	OJ	Residential	Commercial
26-115	05/01/2026	Information Only			X			X
26-116	05/01/2026	ACN	Non-Injury Traffic Collision	X				X
26-117	05/01/2026	ACN	Non-Injury Traffic Collision	X				X
26-118	05/01/2026	Lost Property						
26-119	05/02/2026	484(A) PC	Petty Theft (Shoplifting)	X				X
26-120	05/05/2026	Lost Property			X			X
26-121	05/07/2026	5150 W&I		X				X
26-122	05/09/2026	Information Only			X			X
26-123	05/10/2026	5150 W&I		X			X	
26-124	05/10/2026	Information Only			X			X
26-125	05/13/2026	AOD	Outside Assist		X			X
26-126	05/13/2026	20002(A)(1) VC	Hit and Run	X				X
26-127	05/13/2026	Towed Vehicle		X				X
26-128	05/14/2026	Civil		X			X	
26-129	05/16/2026	11377(A) HS	Possess methamphetamine		X			X
26-130	05/18/2026	647(F) PC	Public Intoxication	X			X	
26-131	05/18/2026	Lost Property			X			X
26-132	05/18/2026	Susp Circ		X				X
26-133	05/20/2026	Surrendered Property		X			X	
26-134	05/20/2026	Information Only		X				X
26-135	05/21/2026	Lost Property			X			X
26-136	05/22/2026	ACN	Non-Injury Traffic Collision	X				X
26-137	05/23/2026	Information Only		X				X
26-138	05/25/2026	12500(A) VC	Unlicensed Driver			X		X
26-139	05/26/2026	Susp Circ		X			X	
26-140	05/26/2026	Information Only		X				X
26-141	05/27/2026	484(A) PC	Petty Theft from Vehicle	X				X
26-142	05/29/2026	5150 W&I		X			X	
26-143	05/29/2026	21810 PC		X			X	
26-144	05/31/2026	245(A)(1) PC	Assault w/ Deadly Weapon			X		
26-145	05/31/2026	Information Only		X				X
31 Cases								

Calls for Service	
Month	YTD
330	1,451

Case Reports	
Month	YTD
31	145

Alarms					
Residential		Commercial		MPAD	
Mo.	YTD	Mo.	YTD	Mo.	YTD
0	2	1	9	5	27

Citations					
Moving		Parking		Warning	
Mo.	YTD	Mo.	YTD	Mo.	YTD
20	81	33	112	12	44



Group A Offense Report

Printed On: 06/01/2026

Page 1 of 1

Item 2.

Beginning Date: 05/01/2026

Ending Date: 05/31/2026

Agency: All

Offense	Reported in 2026	Reported in 2025	Percent Change	Offenses Cleared	Percent Cleared	Percent Of Category	Rate Per 100,000*
Murder	0	0	NA	0	0.00%	0.00%	NA
Negligent Manslaughter	0	0	NA	0	0.00%	0.00%	NA
Justifiable Homicide	0	0	NA	0	0.00%	0.00%	NA
Non-consensual Sex Offenses:							
Rape	0	0	NA	0	0.00%	0.00%	NA
Sodomy	0	0	NA	0	0.00%	0.00%	NA
Sexual Assault with Object	0	0	NA	0	0.00%	0.00%	NA
Fondling	0	0	NA	0	0.00%	0.00%	NA
Aggravated Assault	1	0	NA	0	0.00%	100.00%	NA
Simple Assault	0	0	NA	0	0.00%	0.00%	NA
Intimidation	0	1	-100.00%	0	0.00%	0.00%	NA
Kidnapping/Abduction	0	0	NA	0	0.00%	0.00%	NA
Consensual Sex Offenses:							
Incest	0	0	NA	0	0.00%	0.00%	NA
Statutory Rape	0	0	NA	0	0.00%	0.00%	NA
Human Trafficking, Commercial Sex Acts	0	0	NA	0	0.00%	0.00%	NA
Human Trafficking, Involuntary Servitude	0	0	NA	0	0.00%	0.00%	NA
Crimes Against Persons Total	1	1	0%	0	0.00%	20%	NA
Robbery	0	0	NA	0	0.00%	0.00%	NA
Burglary/Breaking & Entering	0	0	NA	0	0.00%	0.00%	NA
Larceny/Theft Offenses	2	1	100.00%	1	50.00%	100.00%	NA
Motor Vehicle Theft	0	0	NA	0	0.00%	0.00%	NA
Arson	0	0	NA	0	0.00%	0.00%	NA
Destruction Of Property	0	2	-100.00%	0	0.00%	0.00%	NA
Counterfeiting/Forgery	0	1	-100.00%	0	0.00%	0.00%	NA
Fraud Offense	0	1	-100.00%	0	0.00%	0.00%	NA
Embezzlement	0	0	NA	0	0.00%	0.00%	NA
Extortion/Blackmail	0	0	NA	0	0.00%	0.00%	NA
Bribery	0	0	NA	0	0.00%	0.00%	NA
Stolen Property Offenses	0	0	NA	0	0.00%	0.00%	NA
Crimes Against Property Total	2	5	-60%	1	50%	40%	NA
Drug/Narcotic Violations	1	0	NA	0	0.00%	50.00%	NA
Drug Equipment Violations	0	0	NA	0	0.00%	0.00%	NA
Gambling Offenses	0	0	NA	0	0.00%	0.00%	NA
Pornography/Obscene Material	0	0	NA	0	0.00%	0.00%	NA
Prostitution	0	0	NA	0	0.00%	0.00%	NA
Weapons Law Violation	1	0	NA	1	100.00%	50.00%	NA
Animal Cruelty	0	0	NA	0	0.00%	0.00%	NA
Crimes Against Society Total	2	0	NA	1	50%	40%	NA
Total Group "A" Offenses	5	6	-16.67%	2	40%	100%	NA

Note: The Rate per 100,000 will be 'NA' when the Adjusted Population Base is Zero.



Group A Offense Report

Printed On: 06/01/2026

Page 1 of 1

Item 2.

Beginning Date: 01/01/2026

Ending Date: 05/31/2026

Agency: All

Offense	Reported in 2026	Reported in 2025	Percent Change	Offenses Cleared	Percent Cleared	Percent Of Category	Rate Per 100,000*
Murder	0	0	NA	0	0.00%	0.00%	NA
Negligent Manslaughter	0	0	NA	0	0.00%	0.00%	NA
Justifiable Homicide	0	0	NA	0	0.00%	0.00%	NA
Non-consensual Sex Offenses:							
Rape	0	0	NA	0	0.00%	0.00%	NA
Sodomy	0	0	NA	0	0.00%	0.00%	NA
Sexual Assault with Object	0	0	NA	0	0.00%	0.00%	NA
Fondling	0	0	NA	0	0.00%	0.00%	NA
Aggravated Assault	2	1	100.00%	1	50.00%	40.00%	NA
Simple Assault	3	2	50.00%	1	33.33%	60.00%	NA
Intimidation	0	2	-100.00%	0	0.00%	0.00%	NA
Kidnapping/Abduction	0	0	NA	0	0.00%	0.00%	NA
Consensual Sex Offenses:							
Incest	0	0	NA	0	0.00%	0.00%	NA
Statutory Rape	0	0	NA	0	0.00%	0.00%	NA
Human Trafficking, Commercial Sex Acts	0	0	NA	0	0.00%	0.00%	NA
Human Trafficking, Involuntary Servitude	0	0	NA	0	0.00%	0.00%	NA
Crimes Against Persons Total	5	5	0%	2	40%	21.74%	NA
Robbery	1	1	0.00%	1	100.00%	9.09%	NA
Burglary/Breaking & Entering	1	0	NA	0	0.00%	9.09%	NA
Larceny/Theft Offenses	7	6	16.67%	2	28.57%	63.64%	NA
Motor Vehicle Theft	0	1	-100.00%	0	0.00%	0.00%	NA
Arson	0	0	NA	0	0.00%	0.00%	NA
Destruction Of Property	0	3	-100.00%	0	0.00%	0.00%	NA
Counterfeiting/Forgery	1	1	0.00%	1	100.00%	9.09%	NA
Fraud Offense	0	4	-100.00%	0	0.00%	0.00%	NA
Embezzlement	1	0	NA	0	0.00%	9.09%	NA
Extortion/Blackmail	0	0	NA	0	0.00%	0.00%	NA
Bribery	0	0	NA	0	0.00%	0.00%	NA
Stolen Property Offenses	0	0	NA	0	0.00%	0.00%	NA
Crimes Against Property Total	11	16	-31.25%	4	36.36%	47.83%	NA
Drug/Narcotic Violations	3	1	200.00%	2	66.67%	42.86%	NA
Drug Equipment Violations	2	0	NA	2	100.00%	28.57%	NA
Gambling Offenses	0	0	NA	0	0.00%	0.00%	NA
Pornography/Obscene Material	0	0	NA	0	0.00%	0.00%	NA
Prostitution	0	0	NA	0	0.00%	0.00%	NA
Weapons Law Violation	2	0	NA	1	50.00%	28.57%	NA
Animal Cruelty	0	0	NA	0	0.00%	0.00%	NA
Crimes Against Society Total	7	1	600%	5	71.43%	30.43%	NA
Total Group "A" Offenses	23	22	4.55%	11	47.83%	100%	NA

Note: The Rate per 100,000 will be 'NA' when the Adjusted Population Base is Zero.



CITY OF DEL REY OAKS

650 CANYON DEL REY BLVD, DEL REY OAKS, CALIFORNIA 93940
PHONE (831) 394-8511 FAX (831) 394-6421

Staff Report

DATE: June 23, 2026

TO: Honorable Mayor and City Council

FROM: John Guertin, City Manager

SUBJECT: Receive May 2026 Financial Reports

CEQA: This action does not constitute a “project” as defined by the California Environmental Quality Act (CEQA) guidelines section 15378 as it is an administrative activity of the City that will not result in direct or indirect physical changes in the environment.

Consideration

Receive May 2026 Financial Reports.

Background

The Members of the Budget and Finance Committee routinely receive financial reports for the previous month.

Summary & Discussion

Attached are the May 2026 financial reports.

- May 2026 Cash and Investments – The report shows where the City’s funds are invested. The City continues to have a healthy cash balance of \$13,399,664, much of which is restricted for specific purposes.
- May 2026 Check Register –This is a listing of all the payments issued during the month. The total checks issued are \$198,130.
- May 2026 General Fund Summary – This is a one-page summary of the General Fund summarized as follows:

	FY 2026 Budget	May 2026 Actual	FY 2026 YTD Actual	% Collected/ Spent
Revenue	\$ 5,093,050	\$ 347,981	\$ 4,838,744	95%
Expenditures	5,430,015	307,674	4,574,130	84%
Net Revenue over Expend	(336,965)	40,307	264,614	
Transfers Out to CIP	(430,446)		(9,760)	2%
Transfers Out to Grants	(13,885)		(13,885)	0%
	(444,331)	-	(23,645)	
Net Operating Surplus	\$ (781,296)	\$ 40,307	\$ 240,969	

At 92% of the year (11 months) the revenues are at 95%. Expenditure is 84% of the budget. For the month of May 2026, the General Fund shows a surplus net revenue over expenditure of \$40,307 and year-to-date surplus of \$240,969.

- May 2026 Statement of Revenues and Expenditures – shows fiscal year-to-date actuals in comparison with FY 2026 Budget.
- Encumbrance Summary Report represents the purchase orders with a total outstanding balance of \$779,989 as of May 30, 2026.

Fiscal Impacts

None. This is informational only.

Recommendation

Staff recommend receiving the reports.

ATTACHMENTS:

- Cash and Investments 2026-05
- Check/Voucher Register 2026-05
- General Fund Summary 2026-05
- Statement of Revenues & Expenditures 2026-05
- Encumbrance Summary 2026-05

Respectfully Submitted,

John Guertin, City Manager

**City of Del Rey Oaks
Summary of Cash & Investments
As of May 31, 2026**

Accounts			
Unrestricted			
General Checking	\$	1,405,523	
Cash with TDS-Parking		500	
Local Agency Investment Fund			
Reserve for Economic Uncertainties		1,652,182	3.810%
Unappropriated Funds		1,595,573	3.810%
Total Unrestricted	<u>\$</u>	<u>4,653,778</u>	
Restricted			
PARS-115 Trust Fund	\$	410,842	
Dev - Monterey Peninsula Partner		9,063	
Fidelity Title Escrow Acct - GJM/SBR Intersection		1,056,168	
Fidelity Title Escrow Acct - SBR Construction		7,269,813	
Total Restricted	<u>\$</u>	<u>8,745,886</u>	
Total Cash and Investments	<u>\$</u>	<u>13,399,664</u>	

**City of Del Rey Oaks
Check/Voucher Register
From 05/01/2026 Through 05/31/2026**

Check Number	Payee	Transaction Description	Check Amount	
23626	Access Monterey Peninsula, Inc.	Video Services Del Rey Oaks City Council Meeting 03/24/2026	\$ 300.00	5/13/2026
	Access Monterey Peninsula, Inc.	Video Services Del Rey Oaks City Council Meeting 04/28/2026	300.00	5/13/2026
	Access Monterey Peninsula, Inc.	Video Services Del Rey Oaks City Council Meeting 11/18/2026	300.00	5/13/2026
	Access Monterey Peninsula, Inc.	Video Services Del Rey Oaks Planning Commission Meeting 02/18/2026	300.00	5/13/2026
	Access Monterey Peninsula, Inc.	Video Services Del Rey Planning Commission Meeting 04/08/2026	300.00	5/13/2026
23627	AMERICAN LOCK & KEY	929 Keys - Clerks Office	13.11	5/13/2026
23628	AT&T	Airport Internet Service Period 04/25/2026 to 05/24/2026	84.89	5/13/2026
23629	AT&T MOBILITY	Aircard PW Service Period 04/03/26 to 05/02/26	40.74	5/13/2026
	AT&T MOBILITY	CM Service Period 04/03/26 to 05/02/26	50.53	5/13/2026
	AT&T MOBILITY	PD Telephone Service Period 04/03/26 to 05/02/26	261.77	5/13/2026
	AT&T MOBILITY	PW Service Period 04/03/26 to 05/02/26	45.48	5/13/2026
23630	Big Brand Tire & Service	2018 Ford F-350 Super Duty XLT Tire Plate 1410725 CA	614.78	5/13/2026
23631	CORELOGIC SOLUTIONS, LLC.	Software 2026-04	163.91	5/13/2026
23632	CORONADO DEISEL MOBILE SERVICES, INC.	Ford Explorer #91 Alt Fan Belt Repair	311.30	5/13/2026
23633	ECONOMIC&PLANNING SYSTEMS, INC.	Del Rey Oaks Fort Ord Disposition Project 252123 2026-03	3,825.00	5/13/2026
23634	FENTON & KELLER	City Attorney General Services - 2026-03	1,539.86	5/13/2026
23635	G.P.S. SOLUTIONS	FY25/26 Plan Checking/Building Inspection Services -2026-04	3,494.26	5/13/2026
23636	John Guertin	Guertin - Wellness 2026-05	500.00	5/13/2026
23637	KRISTOFER MOORE	LTE Network Extender - Reimbursement	273.11	5/13/2026
23638	Monterey County Peace Officers	MCPOA Range	280.00	5/13/2026
23639	MONTEREY BAY TECHNOLOGIES, INC.	Invoice for PO2526-41	2,100.00	5/13/2026
	MONTEREY BAY TECHNOLOGIES, INC.	Setup Configuration new laptop for laptop and PC - Stacy	877.50	5/13/2026
23640	Monterey County, Environmental Health	Direct Cost Per MOA Service Period 10/01/2025 - 12/31/2025	28.47	5/13/2026
23641	MONTEREY PENINSULA ENGINEERING, INC.	Rosita & Paloma Removal of Existing Curb	35,000.00	5/13/2026
23642	PG&E	Service Period 03/24/2026 to 04/21/2026	2,495.10	5/13/2026
23643	PRECISION ALARMS AND AUTOMATION, INC.	Alarm Inspections & Monitoring 2026-05	170.00	5/13/2026
	PRECISION ALARMS AND AUTOMATION, INC.	Service Call - Photoelectric Smoke Detector, Lite Speed & Clip Ivory	533.90	5/13/2026
23644	PURE WATER	Supplies 2026-05	47.50	5/13/2026
23645	REGIONAL GOVERNMENT SERVICES	FY25/26 Accounting Services 2026-03	9,163.20	5/13/2026
23646	RingCentral, Inc.	Service Period 04/29/2026 to 05/28/2026	454.96	5/13/2026
23647	Stacy Matthews	Meeting Supplies 4-29-2026	34.11	5/13/2026
23648	TERMINIX, INC.	Pest Control 2026-04	124.00	5/13/2026
23649	US Bank Equipment Finance	Konika Minolta Copier Lease 2026-03	135.80	5/13/2026
	US Bank Equipment Finance	Konika Minolta Copier Lease 2026-04	397.84	5/13/2026
23650	AFLAC	Premium 2026-05	1,216.16	5/27/2026
23651	AMERICAN SUPPLY COMPANY	Supplies	94.39	5/27/2026
23652	AT&T	Internet City Hall & PD Service Period 05-13-26 to 06-12-26	203.30	5/27/2026
23653	AT&T CAL NET 2	Outside PD Phone Service Periods 04-19-26 to 05- 18-26	32.61	5/27/2026
23654	CALIFORNIA-AMERICAN WATER	Service Period 04/21/2026 - 05/20/2026	1,349.34	5/27/2026
23655	CITY OF SEASIDE	Street Sweeping Services April - June 2026	3,017.04	5/27/2026
	CITY OF SEASIDE	Street Sweeping Services Jan-Mar 2026	3,017.04	5/27/2026
	CITY OF SEASIDE	Street Sweeping Services July - Sept 2025	3,017.04	5/27/2026
	CITY OF SEASIDE	Street Sweeping Services Oct-Dec 2025	3,017.04	5/27/2026

**City of Del Rey Oaks
Check/Voucher Register
From 05/01/2026 Through 05/31/2026**

Check Number	Payee	Transaction Description	Check Amount	
23656	CoPower	Dental Premiums 2026-06	2,560.79	5/27/2026
23657	CORONADO DEISEL MOBILE SERVICES, INC.	Invoice for PO2526-62	852.84	5/27/2026
23658	ECONOMIC&PLANNING SYSTEMS, INC.	Del Rey Oaks Fort Ord Disposition 2026-04	11,288.75	5/27/2026
23659	I.D. CHECKING GUIDE	2026 Manuals	56.81	5/27/2026
23660	I.M.P.A.C.GOVERNM'T SER	5564-9924 2026-05	7,815.58	5/27/2026
23661	JAMES DE CHALK	Emergency Bathroom Cleaning	150.00	5/27/2026
	JAMES DE CHALK	Janitorial Services - City Hall and Park Restrooms - 2026-05	1,400.00	5/27/2026
23662	Justin Tang	Wellness Reimbursement - 2026-05	500.00	5/27/2026
23663	MBS BUSINESS SYSTEMS, INC.	Konika Minolta Copier - Billing Period 05/23/26 to 08/22/26	250.04	5/27/2026
23664	Napa Auto Parts	Auto Parts	220.49	5/27/2026
23665	NEILL ENGINEERS CORP	Retainer 01/01/0226 to 03/31/2026	300.00	5/27/2026
23666	ODP Business Solutions, LLC	Supplies	182.53	5/27/2026
23667	PG&E	Service Period 04/14/2026 - 05/12/2026	79.95	5/27/2026
23668	PRECISION ALARMS AND AUTOMATION, INC.	Service Call - Phnotoelectric Smoke Detecor, Lite Speed & Clip Ivory (Remainder of Balance FY25/26 Accounting Services 2026-04	54.00	5/27/2026
23669	REGIONAL GOVERNMENT SERIVCES		10,021.84	5/27/2026
23670	ROGER GUZMAN	Training Reimbursmeent - MCCLEO Training May 3-6, 2026	460.50	5/27/2026
23671	SMITH & ENRIGHT LANDSCAPING, INC.	FY25-26 Weekly Landscape Maintenance - 2026-05	1,578.50	5/27/2026
	SMITH & ENRIGHT LANDSCAPING, INC.	Weed Abatement 2026-04	2,496.00	5/27/2026
23672	STATE OF CALIFORNIA - DOJ	Acct#145168 -Fingerpring Apps & Peace Officers-Billed 2026-04	119.00	5/27/2026
23673	Stericycle, Inc.	Shred Service 2026-04	204.63	5/27/2026
23674	VSP	Vision Premium 2026-06	262.81	5/27/2026
ACH 2026-05-08	7-Eleven Mastercard	PD & PW Fuel Charges 2026-05	3,283.46	5/8/2026
	PERS	CalPERS 1900 457 (05/08) Contribution 05/15/2026	3,200.00	5/8/2026
	PERS	PERS 3100 Contribution Retirement 04/18-05/01/24 -Plan 26934	2,469.61	5/8/2026
	PERS	PERS 3100 Contribution Retirement 4/18-5/01/26 - Plan 1364	671.93	5/8/2026
	PERS	PERS 3100 Contribution Retirement 4/18-5/01/26 - Plan 25623	5,195.96	5/8/2026
	PERS	PERS 3100 Contribution Retirment 4/18-5/01/26 - Plan 1365	3,497.05	5/8/2026
ACH 2026-05-09	P.E.R.S.-HEALTH	CalPERS 1800 Health 05/2026	43,620.75	5/8/2026
ACH 2026-05-15	ADP	ADP fees	648.50	5/15/2026
ACH 2026-05-22	PERS	CalPERS 1900 457 (05/22) Contribution 05/31/2026	3,200.00	5/22/2026
	PERS	PERS 3100 Contribution Retirement 05/02 - 05/15/2026 - Plan 1365	3,576.88	5/22/2026
	PERS	PERS 3100 Contribution Retirement 05/02-05/15/26 -Plan 26934	2,469.61	5/22/2026
	PERS	PERS 3100 Contribution Retirement 5/2-5/15/26 - Plan 1364	671.93	5/22/2026
	PERS	PERS 3100 Contribution Retirement 5/2-5/15/26 - Plan 25623	5,244.02	5/22/2026
Report Total			\$ 198,129.84	

City of Del Rey Oaks
Statement of Revenues and Expenditures
100 - General Fund
From 05/01/2026 Through 05/31/2026

		FY 2026	May 2026	FY 2026	Percent Collected
		<u>Budget</u>	<u>Actual</u>	<u>YTD Actual</u>	<u>/Spent</u>
Revenues					
Property Taxes	000	870,000.00	0.00	886,889.52	102%
Sales Tax	000	1,189,000.00	141,953.39	1,145,501.80	96%
Other Taxes	000	571,900.00	33,503.93	553,877.86	97%
Licenses and Permits	000	352,050.00	16,246.20	359,842.87	102%
Fines and Forfeitures	000	25,100.00	2,560.90	26,178.87	104%
Other Revenue	000	201,100.00	13,941.73	158,303.40	79%
Grants	000	246,100.00	9,676.93	229,020.75	93%
Airport Police Services	000	1,489,000.00	124,083.00	1,352,672.50	91%
Current Services	210	148,800.00	6,015.18	126,455.94	85%
Total Revenues		<u>5,093,050.00</u>	<u>347,981.26</u>	<u>4,838,743.51</u>	<u>95%</u>
Expenditures					
Council	110	30,400.00	1,206.32	17,580.29	58%
City Clerk	111	654,800.00	44,236.87	605,931.69	93%
City Manager	120	345,115.00	22,791.68	318,232.13	92%
Finance	130	290,000.00	11,749.03	238,663.09	82%
Legal	150	89,300.00	7,331.05	36,848.01	41%
Planning & Building Regulation	160	255,400.00	18,908.01	141,482.03	55%
Government Buildings	180	20,200.00	1,444.58	11,842.58	59%
Non-Departmental	190	56,800.00	0.00	25,688.16	45%
Police	210	3,074,800.00	178,023.22	2,703,410.24	88%
Fire/Animal Control	220	243,300.00	0.00	182,784.75	75%
Public Works/Streets	311	258,050.00	13,324.12	243,412.52	94%
Parks/Recreation	411	111,850.00	8,658.89	48,254.46	43%
Total Expenditures		<u>5,430,015.00</u>	<u>307,673.77</u>	<u>4,574,129.95</u>	<u>84%</u>
Excess(Deficit) of Revenue Over Expenditures		(336,965.00)	40,307.49	264,613.56	—

**City of Del Rey Oaks
Statement of Revenues and Expenditures**

Item 3.

100 - General Fund

From 5/1/2026 Through 5/31/2026

		FY 2026 Budget	May 2026 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Revenue					
Non Department Specific	000				
P/T-Secured	41110	599,800.00	0.00	618,628.76	103.13%
P/T-Unsecured	41120	31,200.00	0.00	30,865.67	98.92%
P/T-Prior Secured	41130	6,200.00	0.00	5,611.37	90.50%
Prior Unsecured	41140	100.00	0.00	0.00	0.00%
P/T-Unitary Tax	41150	13,500.00	0.00	14,005.01	103.74%
P/T-Supplemental Roll (SB813)	41160	12,400.00	0.00	11,915.28	96.09%
Property Tax - VLF	41170	204,500.00	0.00	207,837.00	101.63%
Prop Tax-Interest/Penalty	41180	2,300.00	0.00	(1,973.57)	(85.80)%
Sales Tax	42210	409,000.00	54,307.89	391,694.62	95.76%
Sales Tax - 145 (Measure S-1%)	42220	520,000.00	58,640.05	503,265.82	96.78%
Sales Tax -409 (Measure R 1/2%)	42221	260,000.00	29,005.45	250,541.36	96.36%
Cannabis Tax	42222	100,000.00	14,002.71	80,145.29	80.14%
Transient Occupancy Tax	42230	250,000.00	14,484.90	266,877.29	106.75%
STR Annual Licenses Fee	42231	12,000.00	1,320.00	12,258.24	102.15%
Property Transfer Tax	42250	8,700.00	13.75	5,864.66	67.40%
Sewer Impact	42290	22,000.00	0.00	22,181.41	100.82%
Business Licenses	42310	230,000.00	3,571.77	239,397.00	104.08%
HOUN (Home Occupational User Permit)	42311	4,000.00	800.00	3,520.00	88.00%
Gas Franchises	42761	8,200.00	0.00	8,657.44	105.57%
Electric Franchises	42762	22,000.00	0.00	23,977.07	108.98%
Garbage Franchises	42763	110,000.00	0.00	110,495.27	100.45%
Cable Tv Franchises	42764	26,000.00	5,002.57	20,432.59	78.58%
Water Franchises	42765	25,000.00	0.00	15,246.84	60.98%
SB1186 Disability Access Fund	43311	1,000.00	80.00	733.00	73.30%
SB1473 Environmental Assessment Fee	43312	100.00	11.00	127.95	127.95%
Variance Fee	43318	0.00	0.00	3,213.05	0.00%
Architectural Review (ARC)	43319	0.00	0.00	1,200.00	0.00%
Building Permits	43320	64,000.00	5,279.68	62,452.06	97.58%
Strong-Motion Instrumental Program (SMIP) Fees	43322	300.00	58.67	373.42	124.47%
Cannabis Business Permit	43325	5,000.00	0.00	5,000.00	100.00%
Plan Check Fees	43330	20,500.00	2,649.75	16,290.72	79.46%
Encroachment/Street Opening Permits Fees	43340	8,400.00	300.00	6,000.00	71.42%
Plumbing Permits	43350	3,900.00	170.00	1,477.92	37.89%
Electrical Permits	43360	3,250.00	255.00	3,017.88	92.85%
Tree Removal Permits	43361	0.00	100.00	1,906.00	0.00%
Other Licenses/Permits	43390	1,000.00	0.00	0.00	0.00%
Fines & Forfeitures	45000	2,600.00	361.90	2,585.87	99.45%
Vehicle Code Fines	45510	5,500.00	650.00	4,359.00	79.25%
Parking and Admin Fines	45512	17,000.00	1,549.00	19,234.00	113.14%
Interest Earned	46100	175,000.00	0.00	103,149.62	58.94%
Interest Earned-PARS	46101	20,000.00	6,164.21	33,063.12	165.31%
Rental Income - Garden Center	46815	18,000.00	0.00	15,000.00	83.33%
Rental Income - Airport RV	46816	39,600.00	3,927.26	43,370.86	109.52%
Rental Income - PW Bldg (CHC Enterprise)	46817	24,000.00	0.00	6,000.00	25.00%
HOPTR	47130	1,200.00	0.00	1,081.71	90.14%
Vehicle License Collection	47140	2,500.00	0.00	2,414.14	96.56%
COPS	47240	194,000.00	8,333.33	193,203.28	99.58%
SB1383 Organics Recycling	47243	6,000.00	0.00	5,000.00	83.33%
Prop 172	47750	20,000.00	1,340.69	17,013.79	85.06%
Wellness Program	47760	15,000.00	0.00	10,772.04	71.81%
Police Grants & Other Reimbursements	47780	2,500.00	2.91	2,506.14	100.24%

**City of Del Rey Oaks
Statement of Revenues and Expenditures**

Item 3.

100 - General Fund

From 5/1/2026 Through 5/31/2026

		FY 2026 Budget	May 2026 Actual	FY 2026 YTD Actual	Percent Collected/Spent
POST Reimbursements	47781	7,000.00	0.00	525.50	7.50%
Grant Other Agencies	47783	1,600.00	0.00	0.00	0.00%
Police Service Fees	48210	1,000.00	75.00	1,335.00	133.50%
Police Services-Special Events	48211	40,000.00	0.00	34,920.00	87.30%
Use Permits	48805	7,000.00	0.00	7,510.00	107.28%
Conditional Use Permits	48806	0.00	1,500.00	1,500.00	0.00%
Maps/Publications	48810	100.00	0.00	0.00	0.00%
Property Inspections	48825	5,000.00	0.00	2,035.00	40.70%
Miscellaneous Revenue	48840	10,000.00	1,187.60	6,185.31	61.85%
Credit Card Processing Fee	48841	0.00	165.32	3,544.77	0.00%
LAFCO Refund & Interest for FORA	48842	400.00	0.00	0.00	0.00%
Rental - Park	48910	3,700.00	660.00	6,555.00	177.16%
Day Use Permits (Park only)	48911	0.00	300.00	1,500.00	0.00%
Old Town Hall Rental Fee	48912	0.00	0.00	1,110.00	0.00%
Miscellaneous Refunds	48930	1,000.00	7,627.85	17,360.44	1,736.04%
Total Non Department Specific		3,604,050.00	223,898.26	3,486,071.01	96.73%
Police	210				
Airport Police Services	48220	1,489,000.00	124,083.00	1,352,672.50	90.84%
Total Police		1,489,000.00	124,083.00	1,352,672.50	90.84%
Total Revenue		5,093,050.00	347,981.26	4,838,743.51	95.01%
Expenditures					
Council	110				
Council Member Stipend	61115	7,500.00	525.00	5,775.00	77.00%
Medicare-ER	61130	200.00	43.31	262.21	131.10%
Social Security-ER	61131	500.00	0.00	195.30	39.06%
Unemployment Ins-Fed & State	61132	100.00	0.00	32.57	32.57%
Dental Expense	61135	8,900.00	638.01	7,656.12	86.02%
Materials/Supply	62410	200.00	0.00	540.75	270.37%
Membership Dues-Professional Org	64550	2,500.00	0.00	1,670.18	66.80%
Strategic Planning	64570	5,000.00	0.00	0.00	0.00%
Misc Expenses	64580	2,500.00	0.00	264.54	10.58%
Travel Expenses	64610	3,000.00	0.00	1,183.62	39.45%
Total Council		30,400.00	1,206.32	17,580.29	57.83%
City Clerk	111				
Payroll	61105	252,300.00	20,606.40	241,226.74	95.61%
Overtime	61110	5,000.00	346.68	3,515.85	70.31%
PERS UAL - After 06/30/18	61123	11,100.00	0.00	890.00	8.01%
PERS UAL-Before 06/30/2018	61124	41,000.00	0.00	51,139.00	124.72%
PERS Retirement	61125	26,700.00	1,646.36	19,631.00	73.52%
Medicare-ER	61130	3,800.00	302.64	3,661.34	96.35%
Unemployment Ins-Fed & State	61132	1,200.00	0.00	363.99	30.33%
Dental Expense	61135	5,700.00	447.25	5,367.00	94.15%
Health Insurance	61140	122,800.00	11,058.05	112,357.29	91.49%
Vision Ins	61145	800.00	59.60	715.20	89.40%
Workers Comp and EAP	61150	4,000.00	0.00	4,455.41	111.38%
Wellness Program	61155	1,500.00	0.00	919.72	61.31%
Educational Incentive Pay	61157	6,000.00	461.54	5,490.48	91.50%
Longevity Pay	61158	3,700.00	328.70	3,887.00	105.05%
Materials/Supply	62410	6,000.00	3,299.70	7,105.71	118.42%
Office Supplies	62430	7,000.00	834.01	7,965.93	113.79%
Repair/Maintenance	63505	1,000.00	0.00	801.66	80.16%
Other Outside Services	63508	10,000.00	3,488.24	12,841.46	128.41%
Shredding Services	63509	1,000.00	102.31	1,043.65	104.36%

**City of Del Rey Oaks
Statement of Revenues and Expenditures**

Item 3.

100 - General Fund

From 5/1/2026 Through 5/31/2026

		FY 2026 Budget	May 2026 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Short Term Rental Services	63511	17,500.00	0.00	17,500.00	100.00%
Telephone	63530	3,000.00	446.58	2,403.42	80.11%
Internet	63531	1,500.00	101.65	1,187.47	79.16%
Website Design & Maintenance	63535	1,000.00	0.00	742.50	74.25%
Postage / Shipping	63540	2,000.00	0.00	1,796.30	89.81%
Training	63605	11,000.00	50.00	1,792.74	16.29%
Insurance-Liability	63620	62,400.00	0.00	63,683.40	102.05%
Contract Services - IT	63635	10,600.00	0.00	9,600.00	90.56%
Software/Server Subscription	64310	15,500.00	327.82	10,304.87	66.48%
Agenda Management System	64315	7,000.00	0.00	7,742.41	110.60%
Municipal Code Service	64320	5,000.00	0.00	906.04	18.12%
Membership Dues-Professional Org	64550	1,000.00	0.00	337.78	33.77%
Membership Dues-Government Agency	64552	700.00	0.00	740.50	105.78%
Printing / Publications	64575	2,000.00	0.00	162.91	8.14%
Misc Expenses	64580	500.00	34.11	1,754.02	350.80%
Election Cost	64588	500.00	0.00	0.00	0.00%
Travel Expenses	64610	3,000.00	295.23	1,898.90	63.29%
Total City Clerk		654,800.00	44,236.87	605,931.69	92.54%
City Manager	120				
Payroll	61105	207,750.00	16,016.00	175,576.28	84.51%
PERS UAL - After 06/30/18	61123	500.00	0.00	445.00	89.00%
PERS Retirement	61125	16,550.00	1,195.28	13,066.11	78.94%
Medicare-ER	61130	3,050.00	232.24	2,791.29	91.51%
Unemployment Ins-Fed & State	61132	100.00	0.00	0.00	0.00%
Dental Expense	61135	2,400.00	193.29	2,319.48	96.64%
Health Insurance	61140	48,400.00	4,342.36	44,877.96	92.72%
Health Insurance -Retiree	61141	1,900.00	162.00	1,758.00	92.52%
Vision Ins	61145	400.00	15.71	188.52	47.13%
Workers Comp and EAP	61150	3,000.00	0.00	2,970.94	99.03%
Wellness Program	61155	500.00	0.00	0.00	0.00%
Educational Incentive Pay	61157	465.00	0.00	461.55	99.25%
Admin Leave	61175	0.00	0.00	14,048.32	0.00%
Auto Allowance	61180	5,400.00	415.40	4,939.80	91.47%
Office Supplies	62430	300.00	44.00	74.94	24.98%
Insurance-Liability	63620	51,000.00	0.00	51,297.72	100.58%
Membership Dues-Professional Org	64550	1,700.00	0.00	1,660.00	97.64%
Membership Dues-Government Agency	64552	700.00	0.00	900.00	128.57%
Travel Expenses	64610	1,000.00	175.40	856.22	85.62%
Total City Manager		345,115.00	22,791.68	318,232.13	92.21%
Finance	130				
ADP Payroll Fees	62310	8,500.00	648.50	10,821.09	127.30%
Bank Service Charges	62320	6,000.00	279.94	4,737.15	78.95%
Credit Card Fees	62321	5,000.00	0.00	4,649.25	92.98%
Accounting Software	62431	5,000.00	798.75	5,923.34	118.46%
Budget Software	62433	14,000.00	0.00	14,000.00	100.00%
Audit-General	63625	42,000.00	0.00	36,175.00	86.13%
Audit -Sales Tax	63626	5,000.00	0.00	0.00	0.00%
Actuarial Services	63627	4,500.00	0.00	1,550.00	34.44%
Accounting Services-RGS	63645	200,000.00	10,021.84	160,807.26	80.40%
Total Finance		290,000.00	11,749.03	238,663.09	82.30%
Legal	150				
Legal Services	63650	86,000.00	7,331.05	34,676.27	40.32%
Legal Advert	64560	3,300.00	0.00	2,171.74	65.81%
Total Legal		89,300.00	7,331.05	36,848.01	41.26%

**City of Del Rey Oaks
Statement of Revenues and Expenditures**

Item 3.

100 - General Fund

From 5/1/2026 Through 5/31/2026

		FY 2026 Budget	May 2026 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Planning & Building Regulation	160				
Economic Development Services	63639	95,000.00	15,113.75	27,600.42	29.05%
Planning Services	63640	40,000.00	0.00	39,116.50	97.79%
Contract Services - Housing Element	63642	50,000.00	0.00	20,351.50	40.70%
Building Inspections Services	63648	62,400.00	3,494.26	53,513.61	85.75%
Engineering Services	63649	5,000.00	300.00	900.00	18.00%
Code Enforcement Services	63656	2,000.00	0.00	0.00	0.00%
Travel Expenses	64610	1,000.00	0.00	0.00	0.00%
Total Planning & Building Regulation		255,400.00	18,908.01	141,482.03	55.40%
Government Buildings	180				
Materials/Supply	62410	2,000.00	32.27	32.27	1.61%
Repair/Maintenance	63505	5,000.00	0.00	1,704.35	34.08%
Other Outside Services	63508	1,000.00	0.00	0.00	0.00%
Utilities - PG&E	63520	8,000.00	712.31	4,855.96	60.69%
Janitorial Services	63660	4,200.00	700.00	5,250.00	125.00%
Total Government Buildings		20,200.00	1,444.58	11,842.58	58.63%
Non-Departmental	190				
Materials/Supply	62410	500.00	0.00	177.78	35.55%
Insurance-Liability	63620	25,000.00	0.00	(4,091.10)	(16.36)%
Insurance-Property	63621	9,000.00	0.00	7,812.76	86.80%
Membership Dues-Professional Org	64550	500.00	0.00	500.00	100.00%
Membership Dues-Non Profit Agency Contrib	64551	15,000.00	0.00	13,675.00	91.16%
Membership Dues-Government Agency	64552	5,500.00	0.00	5,161.71	93.84%
Misc Expenses	64580	1,000.00	0.00	2,077.33	207.73%
S.M.I.P.	64930	200.00	0.00	280.41	140.20%
SB 1473	64940	100.00	0.00	94.27	94.27%
Total Non-Departmental		56,800.00	0.00	25,688.16	45.23%
Police	210				
Payroll	61105	1,167,800.00	70,285.28	860,976.50	73.72%
Overtime	61110	200,000.00	27,325.28	279,402.51	139.70%
Reserves Payroll	61120	120,000.00	15,160.52	138,561.41	115.46%
PERS UAL - After 06/30/18	61123	30,400.00	0.00	25,476.01	83.80%
PERS UAL-Before 06/30/2018	61124	111,000.00	0.00	115,906.99	104.42%
PERS Retirement	61125	163,000.00	10,248.82	119,247.36	73.15%
PERS 457 Expense	61126	32,400.00	2,400.00	26,850.00	82.87%
Medicare-ER	61130	17,400.00	1,862.95	20,843.63	119.79%
Social Security-ER	61131	1,000.00	0.00	234.61	23.46%
Unemployment Ins-Fed & State	61132	13,000.00	0.00	1,189.50	9.15%
Dental Expense	61135	16,200.00	1,155.26	12,703.38	78.41%
Health Insurance	61140	342,300.00	24,718.06	251,260.29	73.40%
Vision Ins	61145	2,500.00	171.79	1,892.40	75.69%
Workers Comp and EAP	61150	141,500.00	0.00	139,617.18	98.66%
Wellness Program	61155	5,000.00	1,500.00	5,272.04	105.44%
Educational Incentive Pay	61157	16,800.00	1,384.64	14,830.10	88.27%
Longevity Pay	61158	9,300.00	885.27	10,370.88	111.51%
Uniform Allowance	61160	10,000.00	0.00	8,250.00	82.50%
Admin Leave	61175	0.00	8,863.68	55,353.12	0.00%
Materials/Supply	62410	15,000.00	2,000.63	10,945.98	72.97%
Ammunition	62420	5,000.00	0.00	2,166.44	43.32%
Body Armor Vests	62422	3,300.00	0.00	3,281.38	99.43%
Office Supplies	62430	5,000.00	606.98	4,938.48	98.76%
Auto Operations - Supplies / Equip	62710	1,000.00	0.00	0.00	0.00%
Auto Operations - Fuel	62720	30,000.00	2,783.22	22,405.38	74.68%
Repair/Maintenance	63505	2,200.00	0.00	2,092.65	95.12%

**City of Del Rey Oaks
Statement of Revenues and Expenditures**

Item 3.

100 - General Fund

From 5/1/2026 Through 5/31/2026

		FY 2026 Budget	May 2026 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Other Outside Services	63508	5,000.00	935.59	6,541.71	130.83%
Shredding Services	63509	1,000.00	102.32	1,043.71	104.37%
Utilities - PG&E	63520	8,000.00	784.71	4,980.33	62.25%
Telephone	63530	8,000.00	829.96	6,048.03	75.60%
Internet	63531	6,000.00	389.46	3,662.84	61.04%
Annual Maintenance-Records Mgmt Software	63537	5,000.00	0.00	4,912.00	98.24%
Record Management-Historical	63538	3,600.00	0.00	3,512.38	97.56%
Postage / Shipping	63540	500.00	0.00	451.52	90.30%
Training	63605	5,000.00	39.85	8,629.57	172.59%
Insurance-Liability	63620	290,200.00	0.00	286,763.68	98.81%
Insurance-Property	63621	9,000.00	0.00	7,812.75	86.80%
Insurance-Vehicles	63622	2,550.00	0.00	2,383.00	93.45%
Insurance-ADWRP	63624	0.00	0.00	829.00	0.00%
Audit-General	63625	5,000.00	0.00	4,725.00	94.50%
Actuarial Services	63627	2,500.00	0.00	1,550.00	62.00%
Professional Services	63628	16,000.00	0.00	8,000.00	50.00%
Contract Services - IT	63635	13,500.00	0.00	9,600.00	71.11%
Contract Services-Others	63637	4,200.00	308.47	3,604.13	85.81%
Legal Services	63650	3,800.00	0.00	1,730.30	45.53%
Janitorial Services	63660	4,200.00	700.00	5,250.00	125.00%
911-NGEN Phase II Upgrade	63664	7,000.00	0.00	0.00	0.00%
911-Radio Dispatch	63665	61,800.00	0.00	61,760.00	99.93%
911-Inform MDT Terminal Service	63666	1,000.00	0.00	934.00	93.40%
911-Notification System	63667	400.00	0.00	0.00	0.00%
911-NGEN O&M	63668	14,400.00	0.00	14,312.00	99.38%
911-NGEN Debt (Capital Fee)	63669	8,100.00	0.00	8,045.00	99.32%
Auto Repair/Maintenance	63730	23,000.00	311.30	16,558.46	71.99%
Parking & Admin Citations Services	63812	9,000.00	680.48	9,191.57	102.12%
Animal Regulation Fire	63820	500.00	0.00	0.00	0.00%
Fund Jail & Prisoner	63830	1,500.00	0.00	983.00	65.53%
ACJIS System	63840	9,000.00	0.00	8,211.94	91.24%
Software/Server Subscription	64310	22,700.00	0.00	22,169.24	97.66%
Personnel Recruit & Pre-Employment	64545	3,000.00	119.00	1,618.00	53.93%
Membership Dues-Professional Org	64550	8,300.00	130.00	6,171.48	74.35%
Membership Dues-Non Profit Agency Contrib	64551	500.00	0.00	500.00	100.00%
Membership Dues-Government Agency	64552	5,700.00	0.00	6,333.50	111.11%
Books and Periodicals	64565	900.00	56.81	487.77	54.19%
Printing / Publications	64575	2,000.00	0.00	381.35	19.06%
Misc Expenses	64580	2,200.00	0.00	2,465.77	112.08%
Travel Expenses	64610	13,000.00	1,282.89	10,593.33	81.48%
Principal-Motorola Lease-Cameras	65104	21,350.00	0.00	21,319.32	99.85%
Principal-Dell	65105	5,300.00	0.00	5,276.34	99.55%
Total Police		3,074,800.00	178,023.22	2,703,410.24	87.92%
Fire/Animal Control	220				
Fire Seaside	63810	243,300.00	0.00	182,784.75	75.12%
Total Fire/Animal Control		243,300.00	0.00	182,784.75	75.13%
Public Works/Streets	311				
Payroll	61105	87,800.00	6,748.80	81,804.80	93.17%
PERS UAL - After 06/30/18	61123	500.00	0.00	445.00	89.00%
PERS Retirement	61125	7,100.00	457.60	5,423.87	76.39%
Medicare-ER	61130	1,300.00	97.86	1,228.47	94.49%
Unemployment Ins-Fed & State	61132	100.00	0.00	91.01	91.01%
Dental Expense	61135	1,600.00	126.98	1,523.76	95.23%
Health Insurance	61140	37,200.00	3,340.28	35,275.78	94.82%

**City of Del Rey Oaks
Statement of Revenues and Expenditures**

Item 3.

100 - General Fund

From 5/1/2026 Through 5/31/2026

		FY 2026 Budget	May 2026 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Vision Ins	61145	300.00	15.71	188.52	62.84%
Workers Comp and EAP	61150	1,500.00	0.00	1,485.47	99.03%
Wellness Program	61155	500.00	0.00	320.45	64.09%
Educational Incentive Pay	61157	1,200.00	92.30	1,097.60	91.46%
Materials/Supply	62410	10,000.00	220.49	6,721.48	67.21%
Office Supplies	62430	1,500.00	0.00	373.53	24.90%
Auto Operations - Supplies / Equip	62710	2,500.00	614.78	829.08	33.16%
Auto Operations - Fuel	62720	5,000.00	500.24	2,977.52	59.55%
Repair/Maintenance	63505	17,900.00	0.00	37,550.05	209.77%
Other Outside Services	63508	1,000.00	0.00	100.00	10.00%
Gabilan Crew	63515	3,000.00	0.00	0.00	0.00%
Utilities - PG&E	63520	5,000.00	62.83	3,346.87	66.93%
Utilities - Water	63525	6,250.00	960.03	5,209.22	83.34%
Telephone	63530	200.00	45.48	362.13	181.06%
Internet	63531	600.00	40.74	404.90	67.48%
Training	63605	2,000.00	0.00	758.69	37.93%
Insurance-Liability	63620	21,200.00	0.00	21,227.80	100.13%
Insurance-Vehicles	63622	5,000.00	0.00	2,397.00	47.94%
SB1383 Organics Waste Regs Services	63654	14,000.00	0.00	11,500.00	82.14%
Hazardous Waste Disposal	63655	500.00	0.00	0.00	0.00%
Auto Repair/Maintenance	63730	5,000.00	0.00	3,117.52	62.35%
Printing / Publications	64575	1,300.00	0.00	0.00	0.00%
Storm Water Project - Phase 4	64920	15,000.00	0.00	17,652.00	117.68%
Equipment	66302	2,000.00	0.00	0.00	0.00%
Total Public Works/Streets		258,050.00	13,324.12	243,412.52	94.33%
Parks/Recreation	411				
Materials/Supply	62410	10,000.00	172.74	5,944.60	59.44%
Office Supplies	62430	1,000.00	80.12	186.35	18.63%
Repair/Maintenance	63505	20,000.00	7,923.00	33,605.68	168.02%
Utilities - Water	63525	5,750.00	483.03	8,517.83	148.13%
Contract Services - Consultant	63612	75,000.00	0.00	0.00	0.00%
Travel Expenses	64610	100.00	0.00	0.00	0.00%
Total Parks/Recreation		111,850.00	8,658.89	48,254.46	43.14%
Total Expenditures		5,430,015.00	307,673.77	4,574,129.95	84.24%
Net Revenues		(336,965.00)	40,307.49	264,613.56	(78.52)%
Other Financing Sources and Uses					
Non Department Specific	000				
Transfers Out to CIP	81003	(430,446.00)	0.00	(9,759.64)	2.26%
Transfers Out to Grants	81004	(13,885.00)	0.00	(1,370.00)	9.86%
Total Non Department Specific		(444,331.00)	0.00	(11,129.64)	2.50%
Total Other Financing Sources and Uses		(444,331.00)	0.00	(11,129.64)	2.50%
Net Revenues After Other Financing Sources and Uses		(781,296.00)	40,307.49	253,483.92	

**City of Del Rey Oaks
Statement of Revenues and Expenditures**

Item 3.

210 - Gas Tax Fund

From 5/1/2026 Through 5/31/2026

		FY 2026 Budget	May 2026 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Revenue					
Non Department Specific	000				
Gas Tax 2103	47010	15,000.00	1,058.00	13,415.25	89.43%
Gas Tax 2105	47020	10,100.00	754.85	8,764.17	86.77%
Gas Tax 2106	47030	9,200.00	752.36	8,263.58	89.82%
Gas Tax 2107	47040	13,700.00	1,015.99	11,604.00	84.70%
Gas Tax 2107.5	47050	1,000.00	0.00	1,000.00	100.00%
Total Non Department Specific		<u>49,000.00</u>	<u>3,581.20</u>	<u>43,047.00</u>	87.85%
Total Revenue		<u>49,000.00</u>	<u>3,581.20</u>	<u>43,047.00</u>	<u>87.85%</u>
Expenditures					
Public Works/Streets	311				
Street Sweeping	63510	12,070.00	12,068.16	12,068.16	99.98%
Street Lighting	63910	21,900.00	3,198.01	18,193.33	83.07%
Principal-PG&E	65751	2,550.00	421.66	2,319.13	90.94%
Total Public Works/Streets		<u>36,520.00</u>	<u>15,687.83</u>	<u>32,580.62</u>	89.21%
Total Expenditures		<u>36,520.00</u>	<u>15,687.83</u>	<u>32,580.62</u>	<u>89.21%</u>
Net Revenues		12,480.00	(12,106.63)	10,466.38	83.86%
Net Revenues After Other Financing Sources and Uses		<u>12,480.00</u>	<u>(12,106.63)</u>	<u>10,466.38</u>	<u>83.86%</u>

**City of Del Rey Oaks
Statement of Revenues and Expenditures**

Item 3.

211 - SB1 Fund-RMRA

From 5/1/2026 Through 5/31/2026

		FY 2026 Budget	May 2026 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Revenue					
Non Department Specific	000				
SB 1 Funds	47777	<u>41,300.00</u>	<u>4,003.14</u>	<u>40,112.59</u>	<u>97.12%</u>
Total Non Department Specific		<u>41,300.00</u>	<u>4,003.14</u>	<u>40,112.59</u>	<u>97.12%</u>
Total Revenue		<u><u>41,300.00</u></u>	<u><u>4,003.14</u></u>	<u><u>40,112.59</u></u>	<u><u>97.12%</u></u>
Expenditures					
Saucito Rd & Work Ave Improvement Project	537				
Curb and Gutter Repair	66327	<u>24,046.50</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00%</u>
Total Saucito Rd & Work Ave Improvement Project		<u>24,046.50</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00%</u>
Rosita Emergency Repairs	539				
Curb and Gutter Repair	66327	<u>65,000.00</u>	<u>35,000.00</u>	<u>35,000.00</u>	<u>53.84%</u>
Total Rosita Emergency Repairs		<u>65,000.00</u>	<u>35,000.00</u>	<u>35,000.00</u>	<u>53.85%</u>
Total Expenditures		<u><u>89,046.50</u></u>	<u><u>35,000.00</u></u>	<u><u>35,000.00</u></u>	<u><u>39.31%</u></u>
Net Revenues		(47,746.50)	(30,996.86)	5,112.59	(10.70)%
Other Financing Sources and Uses					
Non Department Specific	000				
Transfers Out to CIP	81003	<u>(13,550.00)</u>	<u>0.00</u>	<u>(13,550.00)</u>	<u>100.00%</u>
Total Non Department Specific		<u>(13,550.00)</u>	<u>0.00</u>	<u>(13,550.00)</u>	<u>100.00%</u>
Total Other Financing Sources and Uses		<u><u>(13,550.00)</u></u>	<u><u>0.00</u></u>	<u><u>(13,550.00)</u></u>	<u><u>100.00%</u></u>
Net Revenues After Other Financing Sources and Uses		<u><u>(61,296.50)</u></u>	<u><u>(30,996.86)</u></u>	<u><u>(8,437.41)</u></u>	<u><u>13.76%</u></u>

**City of Del Rey Oaks
Statement of Revenues and Expenditures**

Item 3.

212 - Measure X Fund

From 5/1/2026 Through 5/31/2026

		FY 2026 Budget	May 2026 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Revenue					
Non Department Specific	000				
Measure X	47775	95,900.00	0.00	79,938.23	83.35%
Total Non Department Specific		95,900.00	0.00	79,938.23	83.36%
Total Revenue		95,900.00	0.00	79,938.23	83.36%
Expenditures					
Debt Service - Measure X	610				
Principal - Measure X Loan	65103	83,900.00	0.00	67,301.98	80.21%
Interest - Measure X	65203	12,000.00	0.00	12,636.25	105.30%
Total Debt Service - Measure X		95,900.00	0.00	79,938.23	83.36%
Total Expenditures		95,900.00	0.00	79,938.23	83.36%
Net Revenues		0.00	0.00	0.00	0.00%
Net Revenues After Other Financing Sources and Uses		0.00	0.00	0.00	0.00%

**City of Del Rey Oaks
Statement of Revenues and Expenditures**

Item 3.

214 - RSTP

From 5/1/2026 Through 5/31/2026

		<u>FY 2026 Budget</u>	<u>May 2026 Actual</u>	<u>FY 2026 YTD Actual</u>	<u>Percent Collected/Spent</u>
Revenue					
Non Department Specific	000				
RSTP Funds	47776	<u>67,602.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00%</u>
Total Non Department Specific		<u>67,602.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00%</u>
Total Revenue		<u><u>67,602.00</u></u>	<u><u>0.00</u></u>	<u><u>0.00</u></u>	<u><u>0.00%</u></u>
Net Revenues		67,602.00	0.00	0.00	0.00%
Other Financing Sources and Uses					
Non Department Specific	000				
Transfers Out to CIP	81003	<u>(67,602.00)</u>	<u>0.00</u>	<u>(67,600.00)</u>	<u>99.99%</u>
Total Non Department Specific		<u>(67,602.00)</u>	<u>0.00</u>	<u>(67,600.00)</u>	<u>100.00%</u>
Total Other Financing Sources and Uses		<u>(67,602.00)</u>	<u>0.00</u>	<u>(67,600.00)</u>	<u>100.00%</u>
Net Revenues After Other Financing Sources and Uses		<u><u>0.00</u></u>	<u><u>0.00</u></u>	<u><u>(67,600.00)</u></u>	<u><u>0.00%</u></u>

**City of Del Rey Oaks
Statement of Revenues and Expenditures**

Item 3.

221 - FORA Habitat Management Fund

From 5/1/2026 Through 5/31/2026

		FY 2026 Budget	May 2026 Actual	FY 2026 YTD Actual	Percent Collected/Spent
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Expenditures					
Planning & Building Regulation	160				
Contract Services - Habitat Management Plan	63646	14,448.00	0.00	529.75	3.66%
Total Planning & Building Regulation		<u>14,448.00</u>	<u>0.00</u>	<u>529.75</u>	<u>3.67%</u>
Total Expenditures		<u>14,448.00</u>	<u>0.00</u>	<u>529.75</u>	<u>3.67%</u>
Net Revenues		(14,448.00)	0.00	(529.75)	3.66%
Net Revenues After Other Financing Sources and Uses		<u>(14,448.00)</u>	<u>0.00</u>	<u>(529.75)</u>	<u>3.66%</u>

**City of Del Rey Oaks
Statement of Revenues and Expenditures**

Item 3.

222 - FORA Land Development
From 5/1/2026 Through 5/31/2026

		<u>FY 2026 Budget</u>	<u>May 2026 Actual</u>	<u>FY 2026 YTD Actual</u>	<u>Percent Collected/Spent</u>
Expenditures					
Planning & Building Regulation	160				
Misc Expenses	64580	<u>8,094.58</u>	<u>0.00</u>	<u>8,094.58</u>	<u>100.00%</u>
Total Planning & Building Regulation		<u>8,094.58</u>	<u>0.00</u>	<u>8,094.58</u>	<u>100.00%</u>
Total Expenditures		<u>8,094.58</u>	<u>0.00</u>	<u>8,094.58</u>	<u>100.00%</u>
Net Revenues		<u>(8,094.58)</u>	<u>0.00</u>	<u>(8,094.58)</u>	<u>100.00%</u>
Net Revenues After Other Financing Sources and Uses		<u>(8,094.58)</u>	<u>0.00</u>	<u>(8,094.58)</u>	<u>100.00%</u>

City of Del Rey Oaks
Statement of Revenues and Expenditures

Item 3.

231 - BSCC-Officer Wellness & Mental Health Grant

From 5/1/2026 Through 5/31/2026

		<u>FY 2026 Budget</u>	<u>May 2026 Actual</u>	<u>FY 2026 YTD Actual</u>	<u>Percent Collected/Spent</u>
Expenditures					
Police	210				
Law Enforcement Wellness App	64314	<u>2,000.00</u>	<u>0.00</u>	<u>10,835.00</u>	<u>541.75%</u>
Total Police		<u>2,000.00</u>	<u>0.00</u>	<u>10,835.00</u>	<u>541.75%</u>
Total Expenditures		<u>2,000.00</u>	<u>0.00</u>	<u>10,835.00</u>	<u>541.75%</u>
Net Revenues		<u>(2,000.00)</u>	<u>0.00</u>	<u>(10,835.00)</u>	<u>541.75%</u>
Net Revenues After Other Financing Sources and Uses		<u><u>(2,000.00)</u></u>	<u><u>0.00</u></u>	<u><u>(10,835.00)</u></u>	<u><u>541.75%</u></u>

**City of Del Rey Oaks
Statement of Revenues and Expenditures**

Item 3.

235 - Asset Forfeitures

From 5/1/2026 Through 5/31/2026

		<u>FY 2026 Budget</u>	<u>May 2026 Actual</u>	<u>FY 2026 YTD Actual</u>	<u>Percent Collected/Spent</u>
Revenue					
Police	210				
Police Grants & Other Reimbursements	47780	<u>0.00</u>	<u>0.00</u>	<u>1,846.26</u>	<u>0.00%</u>
Total Police		<u>0.00</u>	<u>0.00</u>	<u>1,846.26</u>	<u>0.00%</u>
Total Revenue		<u>0.00</u>	<u>0.00</u>	<u>1,846.26</u>	<u>0.00%</u>
Net Revenues		<u>0.00</u>	<u>0.00</u>	<u>1,846.26</u>	<u>0.00%</u>
Net Revenues After Other Financing Sources and Uses		<u>0.00</u>	<u>0.00</u>	<u>1,846.26</u>	<u>0.00%</u>

**City of Del Rey Oaks
Statement of Revenues and Expenditures**

Item 3.

236 - Drug Enforcement Administration (DEA)

From 5/1/2026 Through 5/31/2026

		FY 2026 Budget	May 2026 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Revenue					
Police	210				
DEA Reimbursements	47782	<u>46,128.26</u>	<u>9,352.55</u>	<u>30,304.30</u>	<u>65.69%</u>
Total Police		<u>46,128.26</u>	<u>9,352.55</u>	<u>30,304.30</u>	<u>65.70%</u>
Total Revenue		<u>46,128.26</u>	<u>9,352.55</u>	<u>30,304.30</u>	<u>65.70%</u>
Expenditures					
Police	210				
Overtime-DEA	61111	<u>46,128.26</u>	<u>819.18</u>	<u>41,206.25</u>	<u>89.32%</u>
Total Police		<u>46,128.26</u>	<u>819.18</u>	<u>41,206.25</u>	<u>89.33%</u>
Total Expenditures		<u>46,128.26</u>	<u>819.18</u>	<u>41,206.25</u>	<u>89.33%</u>
Net Revenues		0.00	8,533.37	(10,901.95)	0.00%
Net Revenues After Other Financing Sources and Uses		<u>0.00</u>	<u>8,533.37</u>	<u>(10,901.95)</u>	<u>0.00%</u>

**City of Del Rey Oaks
Statement of Revenues and Expenditures**

Item 3.

242 - REAP Grant

From 5/1/2026 Through 5/31/2026

		FY 2026 Budget	May 2026 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Other Financing Sources and Uses					
Non Department Specific	000				
Transfers In from GF	82003	<u>13,885.00</u>	<u>0.00</u>	<u>1,370.00</u>	<u>9.86%</u>
Total Non Department Specific		<u>13,885.00</u>	<u>0.00</u>	<u>1,370.00</u>	<u>9.87%</u>
Total Other Financing Sources and Uses		<u>13,885.00</u>	<u>0.00</u>	<u>1,370.00</u>	<u>9.87%</u>
Net Revenues After Other Financing Sources and Uses		<u><u>13,885.00</u></u>	<u><u>0.00</u></u>	<u><u>1,370.00</u></u>	<u><u>9.86%</u></u>

**City of Del Rey Oaks
Statement of Revenues and Expenditures**

Item 3.

260 - CDBG Fund

From 5/1/2026 Through 5/31/2026

		FY 2026 Budget	May 2026 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Revenue					
Parks/Recreation	411				
CDBG Grant	47765	90,000.00	0.00	0.00	0.00%
Total Parks/Recreation		90,000.00	0.00	0.00	0.00%
Total Revenue		90,000.00	0.00	0.00	0.00%
Expenditures					
Parks/Recreation	411				
Park Improvements	66420	90,000.00	0.00	0.00	0.00%
Total Parks/Recreation		90,000.00	0.00	0.00	0.00%
Total Expenditures		90,000.00	0.00	0.00	0.00%
Net Revenues		0.00	0.00	0.00	0.00%
Net Revenues After Other Financing Sources and Uses		0.00	0.00	0.00	0.00%

**City of Del Rey Oaks
Statement of Revenues and Expenditures**

Item 3.

301 - Capital Projects

From 5/1/2026 Through 5/31/2026

		FY 2026 Budget	May 2026 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Expenditures					
Vehicle Replacement	533				
Vehicle Replacement	66735	90,000.00	0.00	0.00	0.00%
Total Vehicle Replacement		90,000.00	0.00	0.00	0.00%
Saucito Rd & Work Ave Improvement Project	537				
Repairs and Improvements	66322	81,150.00	0.00	81,150.00	100.00%
Total Saucito Rd & Work Ave Improvement Project		81,150.00	0.00	81,150.00	100.00%
City Hall Facility Repairs & Upgrades	541				
Repairs and Improvements	66322	20,000.00	0.00	7,373.64	36.86%
Total City Hall Facility Repairs & Upgrades		20,000.00	0.00	7,373.64	36.87%
Council Chamber Technology Project	542				
Technology Upgrades	66323	5,000.00	0.00	0.00	0.00%
Total Council Chamber Technology Project		5,000.00	0.00	0.00	0.00%
PD Radio Replacement	543				
PD Radio Replacement	66736	20,000.00	0.00	0.00	0.00%
Total PD Radio Replacement		20,000.00	0.00	0.00	0.00%
Technology Replacement	544				
Technology Replacement	66324	3,000.00	0.00	0.00	0.00%
Total Technology Replacement		3,000.00	0.00	0.00	0.00%
City Hall Sewer Upgrades	545				
City Hall Sewer Upgrades	66426	40,000.00	0.00	0.00	0.00%
Total City Hall Sewer Upgrades		40,000.00	0.00	0.00	0.00%
City Hall Chamber Renovations	546				
City Hall Chamber Renovations	66427	50,000.00	0.00	0.00	0.00%
Total City Hall Chamber Renovations		50,000.00	0.00	0.00	0.00%
City Hall Fence Replacement	547				
City Hall Fence Replacement	66428	20,000.00	0.00	0.00	0.00%
Total City Hall Fence Replacement		20,000.00	0.00	0.00	0.00%
City Hall Parking Lot Improvements	548				
City Hall Parking Lot Impvts	66429	167,446.00	0.00	6,396.00	3.81%
Total City Hall Parking Lot Improvements		167,446.00	0.00	6,396.00	3.82%
Adair Stairs Repairs	549				
Adair Stairs Repairs	66430	15,000.00	0.00	0.00	0.00%
Total Adair Stairs Repairs		15,000.00	0.00	0.00	0.00%
Del Rey Oaks Garden Center	550				
Repair/Maintenance	63505	0.00	0.00	2,386.00	0.00%
Repairs and Improvements	66322	0.00	6,667.75	6,667.75	0.00%
Total Del Rey Oaks Garden Center		0.00	6,667.75	9,053.75	0.00%
Del Rey ADA Sidewalk Improvements	551				
Sidewalk Improvements	66325	83,300.00	4,164.08	83,281.57	99.97%
Total Del Rey ADA Sidewalk Improvements		83,300.00	4,164.08	83,281.57	99.98%
Total Expenditures		594,896.00	10,831.83	187,254.96	31.48%
Net Revenues		(594,896.00)	(10,831.83)	(187,254.96)	31.47%
Other Financing Sources and Uses					
Vehicle Replacement	533				
Transfers In from GF	82003	90,000.00	0.00	0.00	0.00%
Total Vehicle Replacement		90,000.00	0.00	0.00	0.00%
Saucito Rd & Work Ave Improvement Project	537				
Transfers In from RSTP	82006	67,600.00	0.00	67,600.00	100.00%
Transfers In from SB1-RMRA	82007	13,550.00	0.00	13,550.00	100.00%
Total Saucito Rd & Work Ave Improvement Project		81,150.00	0.00	81,150.00	100.00%

**City of Del Rey Oaks
Statement of Revenues and Expenditures**

Item 3.

301 - Capital Projects

From 5/1/2026 Through 5/31/2026

		FY 2026 Budget	May 2026 Actual	FY 2026 YTD Actual	Percent Collected/Spent
City Hall Facility Repairs & Upgrades	541				
Transfers In from GF	82003	20,000.00	0.00	7,373.64	36.86%
Total City Hall Facility Repairs & Upgrades		20,000.00	0.00	7,373.64	36.87%
Council Chamber Technology Project	542				
Transfers In from GF	82003	5,000.00	0.00	0.00	0.00%
Total Council Chamber Technology Project		5,000.00	0.00	0.00	0.00%
PD Radio Replacement	543				
Transfers In from GF	82003	20,000.00	0.00	0.00	0.00%
Total PD Radio Replacement		20,000.00	0.00	0.00	0.00%
Technology Replacement	544				
Transfers In from GF	82003	3,000.00	0.00	0.00	0.00%
Total Technology Replacement		3,000.00	0.00	0.00	0.00%
City Hall Sewer Upgrades	545				
Transfers In from GF	82003	40,000.00	0.00	0.00	0.00%
Total City Hall Sewer Upgrades		40,000.00	0.00	0.00	0.00%
City Hall Chamber Renovations	546				
Transfers In from GF	82003	50,000.00	0.00	0.00	0.00%
Total City Hall Chamber Renovations		50,000.00	0.00	0.00	0.00%
City Hall Fence Replacement	547				
Transfers In from GF	82003	20,000.00	0.00	0.00	0.00%
Total City Hall Fence Replacement		20,000.00	0.00	0.00	0.00%
City Hall Parking Lot Improvements	548				
Transfers In from GF	82003	167,446.00	0.00	0.00	0.00%
Total City Hall Parking Lot Improvements		167,446.00	0.00	0.00	0.00%
Adair Stairs Repairs	549				
Transfers In from GF	82003	15,000.00	0.00	0.00	0.00%
Total Adair Stairs Repairs		15,000.00	0.00	0.00	0.00%
Del Rey Oaks Garden Center	550				
Transfers In from GF	82003	0.00	0.00	2,386.00	0.00%
Total Del Rey Oaks Garden Center		0.00	0.00	2,386.00	0.00%
Total Other Financing Sources and Uses		511,596.00	0.00	90,909.64	17.77%
Net Revenues After Other Financing Sources and Uses		<u>(83,300.00)</u>	<u>(10,831.83)</u>	<u>(96,345.32)</u>	<u>115.66%</u>

**City of Del Rey Oaks
Statement of Revenues and Expenditures**

Item 3.

321 - SBR Engineering Fund
From 5/1/2026 Through 5/31/2026

		FY 2026 Budget	May 2026 Actual	FY 2026 YTD Actual	Percent Collected/Spent
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Expenditures					
SBR Contract-Engineering & Others	518				
Contract Services - Engineering	63611	<u>411,649.00</u>	<u>0.00</u>	<u>15,396.70</u>	<u>3.74%</u>
Total SBR Contract-Engineering & Others		<u>411,649.00</u>	<u>0.00</u>	<u>15,396.70</u>	<u>3.74%</u>
Total Expenditures		<u>411,649.00</u>	<u>0.00</u>	<u>15,396.70</u>	<u>3.74%</u>
Net Revenues		<u>(411,649.00)</u>	<u>0.00</u>	<u>(15,396.70)</u>	<u>3.74%</u>
Net Revenues After Other Financing Sources and Uses		<u>(411,649.00)</u>	<u>0.00</u>	<u>(15,396.70)</u>	<u>3.74%</u>

**City of Del Rey Oaks
Statement of Revenues and Expenditures**

Item 3.

331 - FHA Grant Fund

From 5/1/2026 Through 5/31/2026

		FY 2026 Budget	May 2026 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Revenue					
Non Department Specific	000				
FHWA Grant	47523	543,400.00	0.00	501,655.54	92.31%
Total Non Department Specific		543,400.00	0.00	501,655.54	92.32%
Total Revenue		543,400.00	0.00	501,655.54	92.32%
Expenditures					
Rosita Emergency Repairs	539				
Contract Services - Engineering	63611	4,019.22	0.00	1,421.00	35.35%
Road Construction	66411	48,806.78	0.00	0.00	0.00%
Total Rosita Emergency Repairs		52,826.00	0.00	1,421.00	2.69%
Total Expenditures		52,826.00	0.00	1,421.00	2.69%
Net Revenues		490,574.00	0.00	500,234.54	101.96%
Net Revenues After Other Financing Sources and Uses		490,574.00	0.00	500,234.54	101.96%

**City of Del Rey Oaks
Statement of Revenues and Expenditures**

Item 3.

332 - FEMA & OES

From 5/1/2026 Through 5/31/2026

		FY 2026 Budget	May 2026 Actual	FY 2026 YTD Actual	Percent Collected/Spent
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Expenditures					
City Hall Facility Repairs & Upgrades	541				
Repairs and Improvements	66322	4,851.00	0.00	0.00	0.00%
Total City Hall Facility Repairs & Upgrades		<u>4,851.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00%</u>
Total Expenditures		<u>4,851.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00%</u>
Net Revenues		(4,851.00)	0.00	0.00	0.00%
Net Revenues After Other Financing Sources and Uses		<u>(4,851.00)</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00%</u>

**City of Del Rey Oaks
Encumbrance Summary
Balance as of 05/31/2026**

Vendor Name	PO Number	Encumbrance Description	Enc Date	Encumbrance Amount	Current Balance	Fund Code	Dept-Project Code	GL Code
Access Monterey Peninsula, Inc.	PO2526-36	Video operators to produce, broadcast, record and live stream DRO meetings	7/1/2025	7,200.00	5,100.00	100	111	63508
CHAVAN AND ASSOCIATES, LLP	PO2526-37	City Audit Services FY 2026	7/1/2025	40,000.00	8,215.00	100	130	63625
				5,000.00	275.00			
				<u>45,000.00</u>	<u>8,490.00</u>			
Dell Financial Services LLC	PO2526-38	Power Edge R660xs Server	8/26/2025	5,276.35	0.01	100	210	64318
G.P.S. SOLUTIONS	PO2526-39	FY25/26 Plan Checking & Building Inspection Services	7/1/2025	54,849.28	8,886.39	100	160	63648
MONTEREY BAY TECHNOLOGIES, INC.	PO2526-41	FY25/26 IT Services Retainer	7/1/2025	9,000.00	1,950.00	100	111	63635
MONTEREY BAY TECHNOLOGIES, INC.	PO2526-41	FY25/26 IT Services Retainer	7/1/2025	9,000.00	1,950.00	100	210	63635
	Total PO2526-41	FY25/26 IT Services Retainer	7/1/2025	<u>18,000.00</u>	<u>3,900.00</u>			
SMITH & ENRIGHT LANDSCAPING, INC.	PO2526-42	FY25-26 Weekly Landscape Maintenance	8/26/2025	16,680.00	2,781.50	100	411	63505
FENTON & KELLER	PO2526-44	FY25/26 Legal Services	7/1/2025	80,000.00	49,666.48	100	150	63650
FENTON & KELLER	PO2526-44	FY25/26 Legal Services	7/1/2025	3,000.00	1,269.70	100	210	63650
	Total PO2526-44	FY25/26 Legal Services	7/1/2025	<u>83,000.00</u>	<u>50,936.18</u>			
REGIONAL GOVERNMENT SERVICES	PO2526-45	FY25/26 Accounting Services	9/11/2025	150,000.00	64,192.74	100	130	63645
CITY OF SEASIDE	PO2526-46	FY 25/26 Fire Protection	7/1/2025	243,713.00	60,928.25	100	220	63810
County of Monterey	PO2526-47	FY25/26 9-1-1 Dispatch & Related Services	7/1/2025	46,360.00	40.00	100	210	63665
County of Monterey	PO2526-47	FY25/26 9-1-1 Dispatch & Related Services	7/1/2025	10,822.00	88.00	100	210	63668
County of Monterey	PO2526-47	FY25/26 9-1-1 Dispatch & Related Services	7/1/2025	315.00	0.00	100	210	63669
	Total PO2526-47	FY25/26 9-1-1 Dispatch & Related Services	7/1/2025	<u>57,497.00</u>	<u>128.00</u>			
MONTEREY PENINSULA ENGINEERING, INC.	PO2526-48	Slurry & restriping of the road and intersection	7/1/2025	35,000.00	0.00	211	539	66327
DENISE DUFFY & ASSOCIATES	PO2526-52	Task 772 Former Fort Ord Planning	7/1/2025	17,000.00	9,499.50	100	160	63640
DENISE DUFFY & ASSOCIATES	PO2526-53	Task 776 Planning & Consulting	7/1/2025	30,000.00	1,534.00	100	160	63640
DENISE DUFFY & ASSOCIATES	PO2526-54	Task 779-D Adoption & Finalization HCD	7/1/2025	7,000.00	4.50	100	160	63642
DENISE DUFFY & ASSOCIATES	PO2526-55	Task 779-E Housing Element Implementation	7/1/2025	43,000.00	29,644.00	100	160	63642
DENISE DUFFY & ASSOCIATES	PO2526-56	Task 782 Habitat Management Plan	7/1/2025	30,000.00	29,470.25	221	160	63646
DENISE DUFFY & ASSOCIATES	PO2526-57	Task 4 - Project 2024-40 South Boundary Road Realignment	7/1/2025	90,500.00	85,036.30	321	518	63611
Whitson Engineers	PO2526-59	SBR Engineering - Contract Services	7/1/2025	320,000.00	310,067.00	321	518	63611
JAMES DE CHALK	PO2526-60	Janitorial Services	12/16/2025	4,900.00	5,250.00	100	180	63660
			12/16/2025	4,900.00	5,250.00	100	210	63660
				<u>9,800.00</u>	<u>10,500.00</u>			
City of Seaside	PO2526-61	Street Sweeping	9/3/2025	12,068.16	0.00	210	311	63510
Coronado	PO2526-62	Mobile Car Repairs	12/16/2025	13,342.97	9,714.89	100	210	63730
Coronado	PO2526-62	Mobile Car Repairs	12/16/2025	1,133.17	0.00	100	311	63730
				<u>14,476.14</u>	<u>9,714.89</u>			
Neil Engineering	PO2526-63	Engineering Services	10/1/2025	25,000.00	18,604.00	301	548	66429
Monterey Regional	PO2526-64	FY 2026 SB1383 Implementation	7/1/2025	14,000.00	7,000.00	100	311	63654
Monterey Regional	PO2526-65	Ft Ord Development Consulting Services	2/24/2026	75,000.00	47,571.23	100	160	63639
Coastal Paving	PO2526-67	DRO Park ADA Sidewalk Improvements	3/24/2026	99,281.57	16,000.00	301	551	66325
Report Balance				\$ 1,503,341.50	\$ 779,988.74			



Proposed Operating Budget FY 2026 – 2027



The City of Del Rey Oaks was incorporated on September 3, 1953. The city government includes City Council, Planning Commission, Police Department, City Clerk’s Office and Public Works Department

City Council



Scott Donaldson
Mayor



Michael Burger
Vice Mayor



Jeremu Hallock
Council Member



John Uy
Council Member



Kim Shirley
Council Member

Submitted by



John Guertin
City Manager

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CITY OF DEL REY OAKS

650 CANYON DEL REY BLVD, DEL REY OAKS, CALIFORNIA 93940
 PHONE (831) 394-8511 FAX (831) 394-6421

Staff Report

TO: Honorable Mayor and City Council Members
FROM: John Guertin, City Manager
DATE: June 23, 2026
SUBJECT: Fiscal Year 2026-2027 Proposed Budget

Staff are pleased to present the FY 2026-2027 Proposed Budget for council and recommended adoption. Due to flat revenue projections for the General Fund, the operating budget is essentially a continuation of the 2026 budget, with some minimal changes. The annual budget serves as the City's primary financial planning document and establishes the framework for monitoring municipal services, funding capital projects, and advancing the City Council's strategic priorities for the upcoming fiscal year.

The proposed FY 2026-2027 Budget was developed through a collaborative process involving all City departments and the Council's Finance Committee. It reflects the City Council's priorities and staff's continued commitment to maintaining the City's long-term fiscal health and preserving essential City services while advancing the City Council goals. Departments reviewed operational needs, anticipated projected expenditures, staffing requirements, and ongoing contractual obligations in developing the budget. Staff also evaluated historical revenue performance, projected inflation, and labor and benefit costs in preparing the proposed budget.

On March 18, April 13, and May 8, 2026, staff met with the Finance Committee to review budget development efforts and the proposed budget. On June 8, the City Council reviewed the proposed budget and gave staff directions for modifications. The proposed budget reflects a cautious and conservative approach to revenue forecasting while continuing to prioritize municipal services, infrastructure maintenance, and public safety.

Economic Outlook for FY 2026-2027

The latest projections for the City's economic outlook are flat. HdL, the City's consultant for Sales Tax information, expects a moderate increase of approximately 1.9% in the City's sales tax due to continued inflation and high interest rates having a negative effect on consumer spending. Since Sales Tax makes up 23% of the City's revenue, sales tax growth or no growth, has a dramatic impact on the City's budget. As a result, staff are recommending a very conservative approach in developing the FY 2026 budget. Services are being kept at the level that revenue can support.

Addressing fluctuations in sales tax revenue growth by managing or reducing expenditures annually is not a sustainable practice if the City is to maintain current service levels. This highlights the fact that the City needs to diversify its revenue base. The City's best opportunity for this is through thoughtful economic development of the former Fort Ord and Work Memorial Park properties. The development of a more diverse revenue base is an important aspect of the City's financial planning for the future.

General Fund Summary FY 2026-2027

	FY 2025-2026 Current Budget	FY 2026-2027 Proposed Budget	Increase/ (Decrease)	Percent Change
Total Estimated Revenue	5,093,050.00	5,320,550.00	227,500.00	4.5%
Total Operating Budget	5,430,015.00	5,507,180.00	77,165.00	1.4%
Excess (Deficit) of Revenue Over Expenditures	(336,965.00)	(186,630.00)	150,335.00	

As the table above shows, we are anticipating a 4.5% increase in revenue and a 1.4% increase in expenditure. The General Fund operating revenues and expenses will have a slight use of fund balance to balance the FY 2026-2027 budget.

All departments adjusted their budgets in an attempt to meet available revenue for the year, considering that some expenses, such as insurance and utilities, are beyond the control of the City. This is an austere General Fund budget.

General Fund Revenues & Expenditures

Below is a brief description of the General Fund estimated revenue changes followed by a summary of the General Fund Budget by Departments.

	FY 2024-2025 Actuals	FY 2025-2026 Current Budget	FY 2026-2027 Proposed Budget	Increase/ (Decrease)	Percent Change
Revenues:					
Airport Police Services	1,342,230	1,489,000	1,665,780	176,780	11.9%
Sales Tax	1,216,015	1,189,000	1,206,835	17,835	1.5%
Property Taxes	862,401	870,000	887,435	17,435	2.0%
Other Taxes	547,445	571,900	610,600	38,700	6.8%
Licenses and Permits	301,940	352,050	370,400	18,350	5.2%
Grants	234,853	246,100	238,600	(7,500)	-3.0%
Other Revenue	326,628	282,700	237,700	(45,000)	-15.9%
Current Services	101,600	67,200	75,100	7,900	11.8%
Fines and Forfeitures	33,251	25,100	28,100	3,000	12.0%
Total Revenues	4,966,363	5,093,050	5,320,550	227,500	4.5%

Revenue Highlights

General Fund revenues are estimated to increase by \$227,500, a 4.5% increase over the prior year.

Sales Tax is conservatively budgeted with an increase of 1.5% due to the current economy.

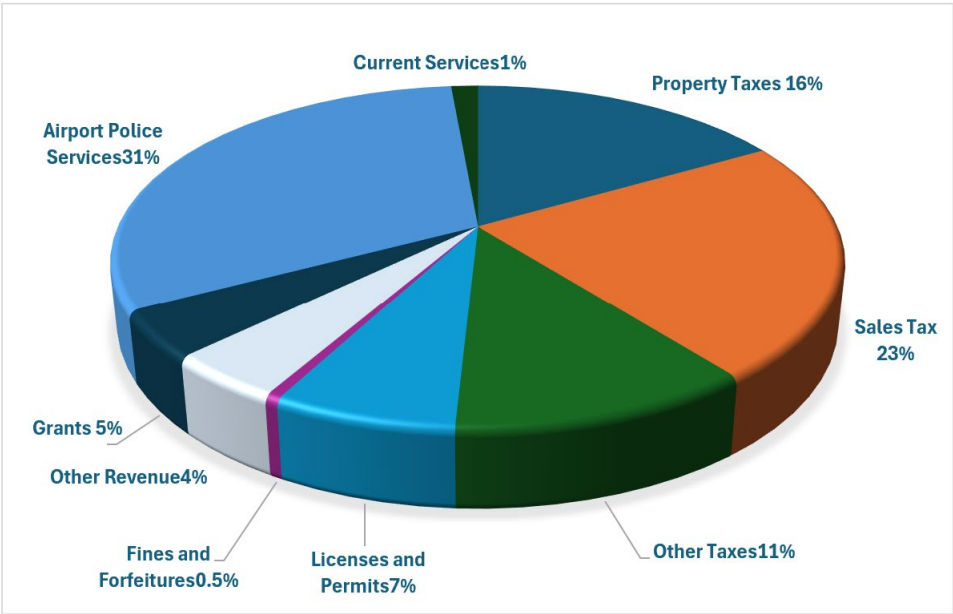
Airport Police Services revenue is projected to have an increase of \$176,780. A portion of this is attributed to the need to purchase a new vehicle.

Other Revenue is projected to have a decrease due to end of leases-Garden Center and Public Works Building.

Fines and Forfeitures are projected to have an increase due to the collection received from parking citations.

All other revenues are flat or will have a slight decrease. For the revenue details refer to the FY 2026-2027 Proposed Budget Detail.

The chart below shows the percentage allocation of the City's revenues.



Expenditures

The General Fund Operating Budget shows a 1.4% increase in expenditure.

Below is a General Fund summary by department followed by a brief discussion regarding the operating expenditures highlights.

	FY 2024-2025 Actual	FY 2025-2026 Current Budget	FY 2026-2027 Proposed Budget	Increase/ (Decrease)	Percent Change
Expenditures:					
Police	2,570,155	3,074,800	3,280,580	205,780	6.7%
City Clerk	583,576	654,800	723,200	68,400	10.4%
City Manager	328,044	345,115	377,550	32,435	9.4%
Public Works/Streets	232,521	258,050	262,300	4,250	1.6%
Fire/Animal Control	236,615	243,300	251,700	8,400	3.5%
Finance	377,517	290,000	238,500	(51,500)	-17.8%
Planning & Building	134,784	255,400	154,400	(101,000)	-39.5%
Legal	51,881	89,300	83,300	(6,000)	-6.7%
Non-Departmental	101,934	56,800	57,800	1,000	1.8%
Parks/Recreation	40,354	111,850	37,200	(74,650)	-66.7%
Council	21,010	30,400	19,950	(10,450)	-34.4%
Government Buildings	11,893	20,200	20,700	500	2.5%
Total-General Fund	4,690,284	5,430,015	5,507,180	77,165	1.4%

Operating Expenditures Highlights

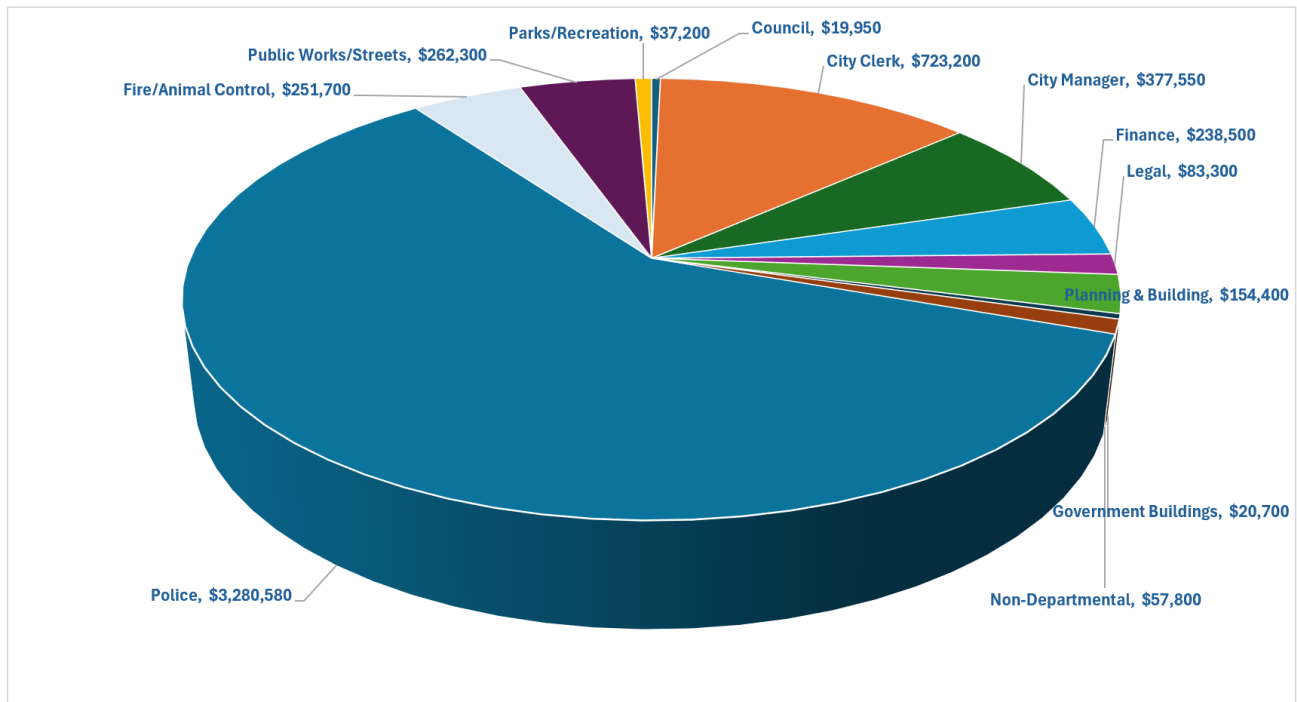
There is an increase for all the departments in Liability Insurance of \$148, 200, Health, Vision & Dental \$71,300 and UAL \$27,000.

Employee salary step increases.

Reductions in training, travel, and some contract services.

For the line-item detail to the Appropriations refer to the attached FY 2026-2027 Proposed Budget Detail.

The chart below shows the General Fund expenditure by department.



All Funds Budget Summary and Discussion

This table below shows the City's budget by fund.

City of Del Rey Oaks							
FY 2026-2027 Budget Summary by Fund							
Fund	Audited Fund Balance 6/30/2025	Estimated Fund Balance 6/30/2026	Estimated Revenue FY 2026-2027	Interfund Transfers FY 2026-2027	Appropriations FY 2026-2027	Surplus (Deficit) FY 2026-2027	Est. Fund Bal. 6/30/2027
100 General Fund							
<u>Available</u>							
Unassigned-Economic Uncertainties	1,652,182	1,652,182					1,652,182
Unappropriated	2,039,478	1,258,182					993,552
Available Fund Balance	3,691,660	2,910,364	5,320,550	(78,000)	(5,507,180)	(264,630)	2,645,734
<u>Special Revenue Funds</u>							
210 Gas Tax Fund	127,738	140,218	49,000		(41,520)	7,480	147,698
211 SB1 Fund	113,633	52,337	44,305		-	44,305	96,642
212 Measure X	388	388	100,705		(100,705)	-	388
214 RSTP	-	-	15,600			15,600	15,600
221 FORA Habitat Management Fund	724,901	710,453	-		(14,448)	(14,448)	696,005
222 FOR A Land Development	8,095	-	-		-	-	-
231 BSCC Officer Wellness & Health	10,835	-	-		-	-	-
235 Asset Forfeitures	-	1,846	-		-	-	1,846
236 DEA Grant	4,105	4,105	40,000		(40,000)	-	4,105
242 REAP Grant	(13,885)	-	-		-	-	-
<u>Capital Project Funds</u>							
301 Capital Projects Fund (GF Only)	(3,801)	(3,801)	-	78,000	(78,000)	-	(3,801)
321 SBR Engineering Fund	411,649	-	-	-	-	-	-
322 SBR/GJM Intersection Fund	1,056,168	1,056,168	-	-	-	-	1,056,168
323 SBR Construction Fund	7,269,813	7,269,813	-	-	-	-	7,269,813
332 FEMA & OES	4,851	-	-	-	-	-	-
331 FHWA Grant Fund	(490,574)	-	-	-	-	-	-
Total All Funds	12,915,576	12,141,891	5,570,160	-	(5,781,853)	(211,693)	11,930,198

Special Revenue and Capital Project Funds Budgets (Non-General Fund)

The non-general fund revenues are used in accordance with the grant or legal requirements. Appropriations details are included in the FY 2026-2027 Proposed Budget Detail. Below are a brief description of each fund and its use.

The following **Special Revenue Funds** are used to account for funds as required by law or agreement. These monies can be used only for specific purposes as noted below.

The **Gas Tax Fund** is used to account for gas tax revenues received. For FY 2026-2027, the fund shows an operating surplus of \$7,480, with an estimated year-end balance of \$147,698. These funds can be used only for street maintenance and repair purposes. The City uses these monies for street sweeping and street lighting. This year's budget also includes a Repairs & Maintenance allocation of \$5,000 for additional street maintenance projects. The surplus funds are available to be used as a match for grants or built up for a major street project.

The **SB1 Fund** is used to account for gas tax revenues generated under Senate Bill 1, otherwise known as the Road Rehabilitation Maintenance Act which can be spent only on street related purposes. For FY 2026-2027 all funds allocated for repairs to Rosita Road.

The **Measure X Fund** was used in FY 2018-2019 to pay for the major street resurfacing project which the city borrowed against its future share of Measure X revenues. In FY 2018-2019, the City received an advance of \$861,300 of future Measure X revenues to pay for the City's largest street improvement project budgeted at \$1.2 million. Over the next 10 years, TAMC will withhold the City's Measure X allocation to repay the advance, therefore the City will not receive any additional Measure X funds until the \$861,300 advance is paid in full. Measure X is administered by TAMC.

The funds are reflected in the City's budget even though the City does not receive the money to track the amounts that are being paid to the Measure X Loan.

The **FORA Habitat Fund** is used to account for the monies received from FORA for the habitat management program the City agreed to manage. The funds can be spent only for this purpose.

The **BSCC Officer Wellness & Health Fund** and **Asset Forfeitures Fund** can be used only for police-related expenditures as allowed by law and under the grant guidelines.

The **Drug Enforcement Administration (DEA) Grant** is used to account for the DEA grant reimbursements for overtime pay for police officers trained to work on the DEA Task Force. The grant runs through September 30, 2026.

The **REAP Grant** can be used only for developing and implementing the Housing Element and this grant has ended.

The following **Capital Project Funds** are used to account for funds as required by law or agreement for major capital improvements. These monies can be used only for specific purposes as noted below.

The **Capital Projects Fund** is used to account for the City's major capital projects that are funded by the General Fund. The budget process will deliberate on how much of the General Fund fund balance should be used to fund the City's upcoming major construction projects.

The **SBR/GJM Intersection Construction Fund** is used to account for the monies received from FORA for the construction of the Intersection at South Boundary Road (SBR) and General Jim Moore Road which is presently on hold.

The **SBR Construction Fund** is used to account for the monies received from FORA for the construction of South Boundary Road.

Capital Improvements

Below is a summary of the proposed capital improvement projects included in the Proposed Budget.

Project Description	Estimated Cost	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Funded	Unfunded	Source
CIP 537 Saucito/Work Ave Impv Project	\$ 81,150	81,150.00					\$ 81,150	\$ -	SB 1-Funded in FY 2025, CO for FY2026
Angelus/Rosita Drainage Repairs	\$ 150,000	\$ 150,000					\$ 150,000	\$ -	SB 1-Funded in FY 2025, CO for FY2026
Rosita Emergency Repair (Const. Eng.)	\$ 74,100	\$ 74,100					\$ 74,100	\$ -	Measure X FB/ CO to FY 2026
Rosita Emergency Repair (Prelm. Eng.)	\$ 49,400	\$ 49,400					\$ 49,400	\$ -	FHWA Grant Fund 331/ CO to FY 2026
Rosita Emergency Repair (Construction.)	\$ 494,000	\$ 494,000					\$ 494,000	\$ -	FHWA Grant Fund 331/ CO to FY 2026
Wildfire Fuels Reduction	\$ 297,300	\$ 297,300					\$ 297,300	\$ -	Cal Fire Grant
CIP 5xx City Hall Roof Repairs	\$ -	\$ -	\$ -				\$ -	\$ -	GF ARPA FB
CIP 548 City Hall Parking Lot Improvements	\$ 167,446		\$ 167,446				\$ 167,446	\$ -	GF ARPA FB
CIP 533 Vehicle Replacement-PD	\$ 135,000	\$ 45,000	\$ 45,000	\$ 45,000			\$ 135,000	\$ -	GF Fund Balance
CIP 540 Server Replacement	\$ 20,000		\$ 20,000				\$ 20,000	\$ -	GF Fund Balance
CIP 541 City Hall Facility Repairs & Upgrades	\$ 20,000		\$ 20,000				\$ 20,000	\$ -	GF Fund Balance
CIP 542-Council Chamber Technology Upgrades	\$ 10,000	\$ 5,000	\$ 5,000	\$ -			\$ 10,000	\$ -	GF Fund Balance
CIP 543 PD Radio Replacement	\$ 30,000	\$ 10,000	\$ 10,000	\$ 10,000			\$ 30,000	\$ -	GF Fund Balance
CIP 544 Technology Replacement	\$ 6,000		\$ 3,000	\$ 3,000			\$ 6,000	\$ -	GF Fund Balance
CIP 545 City Hall Sewer Upgrades	\$ 40,000		\$ 40,000				\$ 40,000	\$ -	GF Fund Balance
CIP 546 City Hall Chamber Renovation	\$ 50,000		\$ 50,000				\$ 50,000	\$ -	GF Fund Balance
CIP 547 City Hall Fence Replacement	\$ 20,000		\$ 20,000				\$ 20,000	\$ -	GF Fund Balance
CIP 549 Adair Stairs Repairs	\$ 15,000		15,000.00				\$ 15,000	\$ -	GF Fund Balance
CIP 550 Del Rey Oaks Garden Center	\$ -						\$ -	\$ -	GF Fund Balance
Del Rey Park Accessibility Improvements	\$ 90,000	\$ 90,000					\$ 90,000	\$ -	2025 CDBG; CO to FY 2026
Via Verde Curb & Gutter Repair	\$ -						\$ -	\$ -	Gas Tax
Tot Playground Replacement	\$ 170,000				\$ 170,000		\$ -	\$ 170,000	TBD
Street Resurfacing Program	\$ 1,000,000					\$ 1,000,000	\$ -	\$ 1,000,000	Measure X New Loan
South Boundary Realignment Design	\$ 500,000	\$ 300,000	\$ 200,000				\$ 500,000	\$ -	SBR Engineering Fund 321
Total	\$ 3,419,396	\$ 1,595,950	\$ 575,446	\$ 78,000	\$ 170,000	\$ 1,000,000	\$ 2,249,396	\$ 1,170,000	

As the Funding Source summary shows below, of the \$3.4 million in projects over the next 5 years all projects are funded except for \$1,170,000 which are scheduled for future years.

Funding Source		FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Funded	Unfunded
General Fund 100	346,000.00	60,000.00	208,000.00	78,000.00			346,000.00	-
General Fund-ARPA Transfer	167,446.00		167,446.00				167,446.00	
Gas Tax Fund 210	-			-			-	
SB1 Fund 211	231,150.00	231,150.00					231,150.00	
Measure X New Loan	1,000,000.00	-				1,000,000.00		1,000,000.00
Measure X 212	74,100.00	74,100.00					74,100.00	
CalFire 251	297,300.00	297,300.00					297,300.00	
CDBG Fund 260	90,000.00	90,000.00					90,000.00	
FHA Grant 331	543,400.00	543,400.00					543,400.00	
SBR Engineering Fund 321	500,000.00	300,000.00	200,000.00	-			500,000.00	
TBD	170,000.00				170,000.00		-	170,000.00
Total	3,419,396.00	1,595,950.00	575,446.00	78,000.00	170,000.00	1,000,000.00	2,249,396.00	1,170,000.00

City’s Existing Debt

On June 30, 2025, the City had the existing debt shown below. The FY 2026-2027 budget includes payments on the financed purchases in the Police Department budget. Payments of \$100,705 on the Measure X loan are budgeted in the Measure X fund.

	Balance 06/30/2025	Term	Notes
Finance purchase agreements: (Capital Leases)			
PG&E OBF Energy Efficiency Upgrades	\$ 17,709	9.56 years	Included in operating budget
Police Department-Body Cams	\$ 39,504	5 years	Included in operating budget
Subtotal finance purchase agreements	<u>\$ 57,213</u>		
Loans Payable			
Federal Group International, LLC	\$ 1,200,000	Undetermined	To be paid from Fort Ord Dev revenues
Federal Group International, LLC Compound Interest	\$ 502,223	Undetermined	To be paid from Fort Ord Dev revenues
TAMC Measure X Loan	\$ 387,083	10 years	Being paid from City's Measure X revenue
Subtotal Loans Payable	<u>\$ 2,089,306</u>		
Total Debt	<u>\$ 2,146,519</u>		

Of the total debt of \$2,146,519 the General Fund is responsible for only \$57,213 for the financed purchases which are included in the police department operating budget and the PG&E debt is budgeted by Gas Tax.

RECOMMENDATION

Adopt the proposed budget for FY 2026-2027.

CONCLUSION

On June 8, 2026, Special Council meeting, the Council and community reviewed and provided feedback and recommendations that were used and included in the development of the recommended budget.

Respectfully submitted,

John Guertin
City Manager

- Attachments:
- FY 2026-2027 Proposed Budget (Resolution 2026-15)
 - FY 2026-2027 Appropriations Limit (Resolution 2026-11)
 - FY 2026-2027 Salary Schedule (Resolution 2026-15)
 - FY 2026-2027 Position Control (Resolution 2026-15)
 - FY 2026-2027 Chart of Accounts

RESOLUTION NO. 2026-16

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DEL REY OAKS APPROVING THE BUDGET FOR FISCAL YEAR 2026-2027

-oOo-

WHEREAS, the City of Del Rey Oaks staff is required to present a balanced budget prior to the start of each fiscal year which begins July 1 of the current year; and

WHEREAS, the City Staff works diligently to present a transparent, fiscally responsible, and balanced budget; and

WHEREAS the Budget presented for Fiscal Year 2026-2027 is transparent, fiscally responsible, and balanced.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Del Rey Oaks, California that the attached FY 2026-2027 Budget is hereby approved along with the attached Salary Schedule and Position Control list.

PASSED AND ADOPTED at a regular meeting of the Del Rey Oaks City Council duly held on June 23, 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Scott Donaldson,
Mayor

ATTEST:

Karen Minami
City Clerk

RESOLUTION NO. 2026-12**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DEL REY OAKS
ESTABLISHING AN APPROPRIATIONS LIMIT FOR THE FISCAL YEAR 2026-2027
PURSUANT TO ARTICLE XIII B OF THE CALIFORNIA CONSTITUTION**

WHEREAS, Article XIII B of the California Constitution provides that the total annual appropriations subject to limitation of each governmental entity, including this City, shall not exceed the appropriation limit of such entity of government for the prior year adjusted for changes in the cost of living or personal income and population, except as otherwise provided for in said Article XIII B and implementing State statutes; and

WHEREAS, pursuant to said Article XIII B of said California Constitution, and 7900 et seq. of the California Government Code, the City is required to set its appropriations limit for each fiscal year; and

WHEREAS, the City Council of the City of Del Rey Oaks has interpreted the technical provisions of said Proposition 4 computations and has caused a technical review to be made of the documentation for the City's said appropriation limitation, and has caused the numbers upon which the City's appropriation limit was and is based to be calculated on the basis of increase/decrease in city or county population; and

WHEREAS, based on such calculations the City Clerk has determined the said appropriation limit and pursuant to Section 7910 of said California Government Code has made available to the public the documentation used in the determination of said appropriation limit;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Del Rey Oaks, California that said appropriation limit for fiscal year 2026-2027 shall be and is hereby set in the amount of \$5,923,606 for said fiscal year. The Appropriations from Proceeds of Taxes Subject to the Limit is \$2,874,129.

Therefore, the City's Appropriations Subject to the Limit are under the Appropriations Limit.

PASSED AND ADOPTED at a regular meeting of the Del Rey Oaks City Council
duly held on June 23, 2026 by the following vote:

AYES:
NAYS:
ABSENT:
ABSTAIN:

Scott Donaldson,
Mayor

ATTEST:

Karen Minami
City Clerk



CITY OF DEL REY OAKS

650 CANYON DEL REY BLVD, DEL REY OAKS, CALIFORNIA 93940
PHONE (831) 394-8511 FAX (831) 394-6421

Staff Report

TO: Honorable Mayor and Council Members
FROM: John Guertin, City Manager
DATE: June 23, 2026
SUBJECT: Establishing an Appropriations Limit for FY 2026-2027

CEQA:

This action does not constitute a "project" as defined by the California Environmental Quality Act (CEQA) guidelines section 15378.

Discussion:

Article XIII B of the California Constitution provides that the total annual appropriations subject to limitations of each governmental entity, shall not exceed the appropriations limit of such entity of government for the prior year, adjusted for changes in population and inflation mandated by Proposition 4 (1979) and Proposition 111 (1990), except as otherwise provided in said Article XIII B and implementing state statutes. Pursuant to Article XIII B of the California Constitution, and Section 7900 et seq. of the California Government Code, the City is required to calculate and set its appropriations limit for each fiscal year.

Pursuant to Section 7910 of the California Government Code, the City has made available to the public the documentation used in the determination of the appropriations limit. The appropriations limit for Fiscal Year 2025-2026 was calculated at \$5,669,731 and a new appropriations limit for Fiscal Year 2026-2027 has been calculated as \$5,923,606 using the inflation factor and annual percent change in population as required by state law.

Fiscal Impact:

There is no direct fiscal impact that would result from adopting the proposed annual Appropriations Limit.

Recommendation:

Staff recommends the adoption of the proposed appropriations limit for Fiscal Year 2026-2027 in the amount of \$5,923,606.

Respectfully submitted,

John Guertin
City Manager

Attachments:
Resolution for FY 2026-2027 Appropriation Limit
Schedule 1-3

RESOLUTION NO. 2026-11

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DEL REY OAKS
ESTABLISHING AN APPROPRIATIONS LIMIT FOR THE FISCAL YEAR 2026-2027
PURSUANT TO ARTICLE XIII B OF THE CALIFORNIA CONSTITUTION**

WHEREAS, Article XIII B of the California Constitution provides that the total annual appropriations subject to limitation of each governmental entity, including this City, shall not exceed the appropriation limit of such entity of government for the prior year adjusted for changes in the cost of living or personal income and population, except as otherwise provided for in said Article XIII B and implementing State statutes; and

WHEREAS, pursuant to said Article XIII B of said California Constitution, and 7900 et seq. of the California Government Code, the City is required to set its appropriations limit for each fiscal year; and

WHEREAS, the City Council of the City of Del Rey Oaks has interpreted the technical provisions of said Proposition 4 computations and has caused a technical review to be made of the documentation for the City's said appropriation limitation, and has caused the numbers upon which the City's appropriation limit was and is based to be calculated on the basis of increase/decrease in city or county population; and

WHEREAS, based on such calculations the City Clerk has determined the said appropriation limit and pursuant to Section 7910 of said California Government Code has made available to the public the documentation used in the determination of said appropriation limit;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Del Rey Oaks, California that said appropriation limit for fiscal year 2026-2027 shall be and is hereby set in the amount of \$5,923,606 for said fiscal year. The Appropriations from Proceeds of Taxes Subject to the Limit is \$2,874,129.

Therefore, the City's Appropriations Subject to the Limit are under the Appropriations Limit.

PASSED AND ADOPTED at a regular meeting of the Del Rey Oaks City Council
duly held on June 23, 2026 by the following vote:

AYES:
NAYS:
ABSENT:
ABSTAIN:

Scott Donaldson,
Mayor

ATTEST:

John Guertin
City Manager

CITY OF DEL REY OAKS
 APPROPRIATIONS LIMIT CALCULATION
 FY 2026-2027

SCHEDULE 1

Item 1.

FY 2025-2026 Appropriation Limit		<u>\$5,669,731</u>
Add: 2026-27 Multiplier	x	<u>1.0448</u>
FY 2026-27 Appropriation Limit		<u><u>5,923,606</u></u>

Note: The multiplier is calculated based on information provided by the State Department of Finance as follows:

California per Capita personal Income		4.95 percent
Change in City's population:		-0.45 percent

Convert the above percentages to factors and multiply

		1.0495
	x	<u>0.9955</u>
FY 2026-27 Multiplier		<u><u>1.0448</u></u>

CITY OF DEL REY OAKS
APPROPRIATIONS SUBJECT TO LIMITATION
FY 2026-2027

SCHEDULE 3

Item 1.

Proceeds of Taxes	3,049,477
Exclusions:	<u>0</u>
Appropriations Subject to Limitation	3,049,477
Appropriations Limit	<u>5,923,606</u>
Appropriations Over/(Under) Limit	<u><u>(2,874,129)</u></u>

CITY OF DEL REY OAKS
 SCHEDULE TO CATEGORIZE REVENUE
 FY 2026-2027

SCHEDULE 2

Item 1.

	<u>PROCEEDS FROM TAXES</u>	<u>NON-PROCEEDS FROM TAXES</u>
<u>GENERAL FUND</u>		
<u>TAXES</u>		
PROPERTY TAXES	887,435	
SALES TAX	1,206,835	
OTHER TAXES	658,000	
FRANCHISE FEES		204,700
<u>LICENSES AND PERMITS</u>		116,900
<u>FINES AND PENALTIES</u>		28,100
<u>INTERGOVERNMENTAL</u>		238,600
<u>USE OF PROPERTY</u>		46,700
<u>CHARGES FOR SERVICES</u>		1,744,780
<u>OTHER REVENUE</u>		0
<u>MX - TRANSPORTATION SAFETY & INVESTMENT</u>	100,705	
<u>SB1 ROAD MAINTENANCE & REHAB</u>	44,305	
<u>SPECIAL GAS TAX FUND</u>	49,000	0
ARPA Fund		0
Asset Forfeitures		0
RSTP		15,600
REAP Grant		0
Cal-Fire Grant		0
CDBG Grant		0
FHWA Grant		0
DEA		40,000
<u>ALL FUNDS</u>		
INVESTMENT EARNINGS	103,197	85,303
	<u>3,049,477</u>	<u>2,520,683</u>
<u>INVESTMENT EARNINGS DISTRIBUTION</u>		
PROCEEDS FROM TAXES	2,946,280	54.75%
NON-PROCEEDS FROM TAXES	2,435,380	45.25%
	<u>5,381,660</u>	<u>100.00%</u>
General Fund	188,500	
Measure X Transportation Fund	0	
SB1 Road Maintenance Fund	0	
Special Gas Tax Fund	0	
Total Investment Earnings	<u>188,500</u>	



CITY OF DEL REY OAKS

650 CANYON DEL REY BLVD, DEL REY OAKS, CALIFORNIA 93940
 PHONE (831) 394-8511 FAX (831) 394-6421

The FY 2026-2027 Budget in Brief

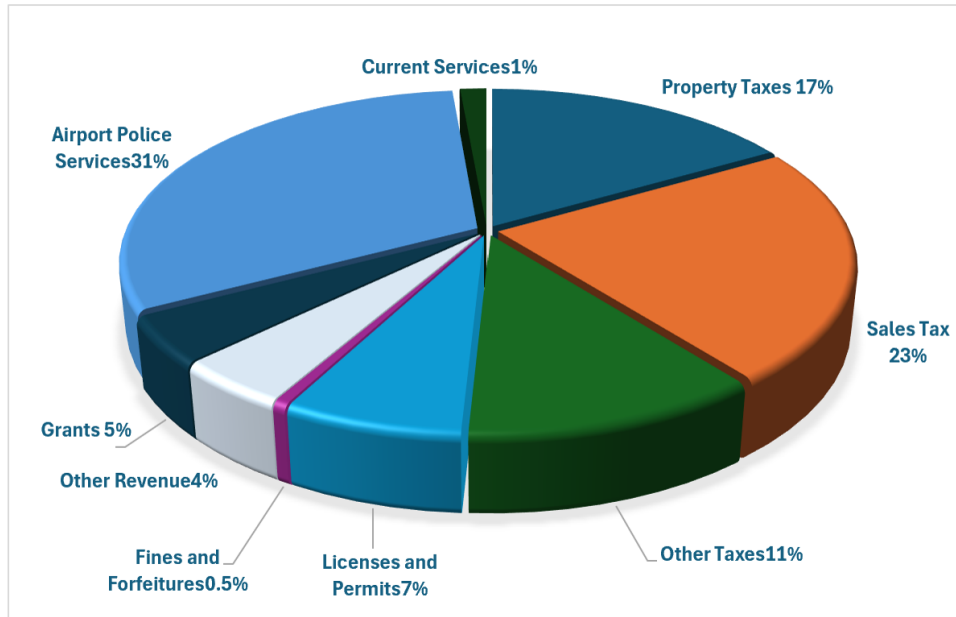
FY 2026-2027 General Fund Estimated Revenues

As shown in the table below, 70.7% of the General Fund revenue comes from three sources – Airport Police Services, Sales Tax and Property Taxes.

Revenue:

Airport Police Services	\$ 1,665,780	31.3%	
Sales Tax	1,206,835	22.7%	
Property Taxes	887,435	16.7%	70.7%
Other Taxes	610,600	11.5%	
Licenses and Permits	370,400	7.0%	
Grants	238,600	4.5%	
Other Revenue	237,700	4.5%	
Current Services	75,100	1.4%	
Fines and Forfeitures	28,100	0.5%	
Total Estimated Revenue	\$ 5,320,550	100%	

The chart shows the percentage allocation of the City's revenue



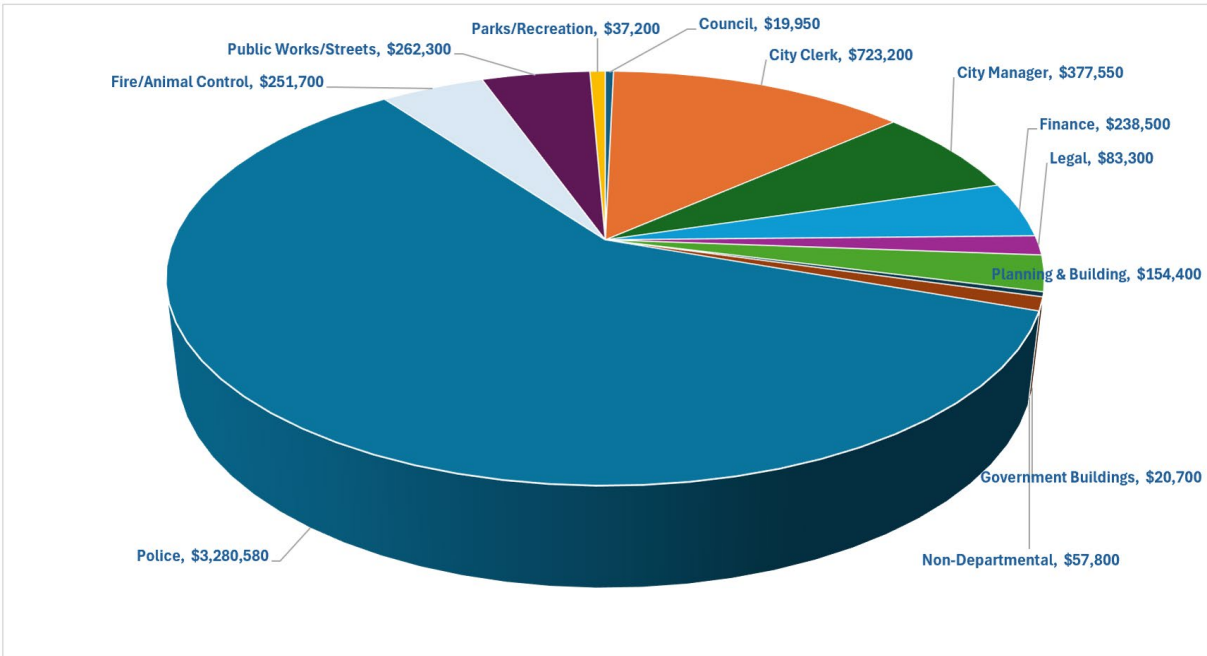
FY 2026-2027 General Fund Operating Budget

The FY 2026-2027 General Fund proposed operating budget totals \$5,507,180. Police department expenditures represent the largest expense at 59.6% of the operating budget. The proposed FY 2026-2027 General Fund operating budget, by department/service activity is as follows:

Expenditures:

Police	\$ 3,280,580	59.6%
City Clerk	723,200	13.1%
City Manager	377,550	6.9%
Public Works/Street	262,300	4.8%
Fire/Animal Control	251,700	4.6%
Finance	238,500	4.3%
Planning & Building Regulations	154,400	2.8%
Legal	83,300	1.5%
Non-Departmental	57,800	1.0%
Parks/Recreation	37,200	0.7%
Government Buildings	20,700	0.4%
Council	19,950	0.4%
FY 2027 Total Appropriations	\$ 5,507,180	100%

The chart shows the General Fund expenditures by department



Fifteen full-time positions are proposed for FY 2026-2027. Eleven Police positions are authorized but only 10 positions are filled for FY 2026-2027 Budget.

SUMMARIES & SCHEDULES
General Fund Summary

	FY 2024-2025	FY 2025-2026	FY 2026-2027		
	Actuals	Current Budget	Proposed Budget	Increase/ (Decrease)	Percent Change
Revenues:					
Airport Police Services	1,342,230	1,489,000	1,665,780	176,780	11.9%
Sales Tax	1,216,015	1,189,000	1,206,835	17,835	1.5%
Property Taxes	862,401	870,000	887,435	17,435	2.0%
Other Taxes	547,445	571,900	610,600	38,700	6.8%
Licenses and Permits	301,940	352,050	370,400	18,350	5.2%
Grants	234,853	246,100	238,600	(7,500)	-3.0%
Other Revenue	326,628	282,700	237,700	(45,000)	-15.9%
Current Services	101,600	67,200	75,100	7,900	11.8%
Fines and Forfeitures	33,251	25,100	28,100	3,000	12.0%
Total Revenues	4,966,363	5,093,050	5,320,550	227,500	4.5%

	FY 2024-2025	FY 2025-2026	FY 2026-2027		
	Actual	Current Budget	Proposed Budget	Increase/ (Decrease)	Percent Change
Expenditures:					
Police	2,570,155	3,074,800	3,280,580	205,780	6.7%
City Clerk	583,576	654,800	723,200	68,400	10.4%
City Manager	328,044	345,115	377,550	32,435	9.4%
Public Works/Streets	232,521	258,050	262,300	4,250	1.6%
Fire/Animal Control	236,615	243,300	251,700	8,400	3.5%
Finance	377,517	290,000	238,500	(51,500)	-17.8%
Planning & Building	134,784	255,400	154,400	(101,000)	-39.5%
Legal	51,881	89,300	83,300	(6,000)	-6.7%
Non-Departmental	101,934	56,800	57,800	1,000	1.8%
Parks/Recreation	40,354	111,850	37,200	(74,650)	-66.7%
Council	21,010	30,400	19,950	(10,450)	-34.4%
Government Buildings	11,893	20,200	20,700	500	2.5%
Total-General Fund	4,690,284	5,430,015	5,507,180	77,165	1.4%

SUMMARIES & SCHEDULES

Fund Balance

City of Del Rey Oaks							
FY 2026-2027 Budget Summary by Fund							
Fund	Audited Fund Balance 6/30/2025	Estimated Fund Balance 6/30/2026	Estimated Revenue FY 2026-2027	Interfund Transfers FY 2026-2027	Appropriations FY 2026-2027	Surplus (Deficit) FY 2026-2027	Est. Fund Bal. 6/30/2027
100 General Fund							
<u>Available</u>							
Unassigned-Economic Uncertainties	1,652,182	1,652,182					1,652,182
Unappropriated	2,039,478	1,258,182					993,552
Available Fund Balance	3,691,660	2,910,364	5,320,550	(78,000)	(5,507,180)	(264,630)	2,645,734
<u>Special Revenue Funds</u>							
210 Gas Tax Fund	127,738	140,218	49,000		(41,520)	7,480	147,698
211 SB1 Fund	113,633	52,337	44,305		-	44,305	96,642
212 Measure X	388	388	100,705		(100,705)	-	388
214 RSTP	-	-	15,600			15,600	15,600
221 FORA Habitat Management Fund	724,901	710,453	-		(14,448)	(14,448)	696,005
222 FOR A Land Development	8,095	-	-		-	-	-
231 BSCC Officer Wellness & Health	10,835	-	-		-	-	-
235 Asset Forfeitures	-	1,846	-		-	-	1,846
236 DEA Grant	4,105	4,105	40,000		(40,000)	-	4,105
242 REAP Grant	(13,885)	-	-		-	-	-
<u>Capital Project Funds</u>							
301 Capital Projects Fund (GF Only)	(3,801)	(3,801)	-	78,000	(78,000)	-	(3,801)
321 SBR Engineering Fund	411,649	-	-	-	-	-	-
322 SBR/GJM Intersection Fund	1,056,168	1,056,168	-	-	-	-	1,056,168
323 SBR Construction Fund	7,269,813	7,269,813	-	-	-	-	7,269,813
332 FEMA & OES	4,851	-	-	-	-	-	-
331 FHWA Grant Fund	(490,574)	-	-	-	-	-	-
Total All Funds	12,915,576	12,141,891	5,570,160	-	(5,781,853)	(211,693)	11,930,198

SUMMARIES & SCHEDULES

Fund Transfers

Account Number			<u>Transfers In</u>	<u>Transfers Out</u>
	To fund Capital Projects			
301 533 66735	Vehicle Replacement		45,000	
301 540 66303	Server Replacement		20,000	
301 543 66736	PD Radio Replacement		10,000	
301 544 66324	Technology Replacement		3,000	
100 000 81003	Transfers Out from General Fund			78,000
Total-All Funds			<u>78,000</u>	<u>78,000</u>

SUMMARIES & SCHEDULES
Capital Improvement Projects Plan

Project Description	Estimated Cost	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Funded	Unfunded	Source
CIP 537 Saucito/Work Ave Impv Project	\$ 81,150	\$ 81,150					\$ 81,150	\$ -	SB 1-Funded in FY 2025, CO for FY2026
Angelus/Rosita Drainage Repairs	150,000	150,000					150,000	-	SB 1-Funded in FY 2025, CO for FY2026
Rosita Emergency Repair (Const. Eng.)	74,100	74,100					74,100	-	Measure X FB/ CO to FY 2026
Rosita Emergency Repair (Prelim. Eng.)	49,400	49,400					49,400	-	FHWA Grant Fund 331/ CO to FY 2026
Rosita Emergency Repair (Construction.)	494,000	494,000					494,000	-	FHWA Grant Fund 331/ CO to FY 2026
Wildfire Fuels Reduction	297,300	297,300					297,300	-	Cal Fire Grant
CIP 5xx City Hall Roof Repairs	-	-	-				-	-	GF ARPA FB
CIP 548 City Hall Parking Lot Improvements	167,446		167,446				167,446	-	GF ARPA FB
CIP 533 Vehicle Replacement-PD	135,000	45,000	45,000	45,000			135,000	-	GF Fund Balance
CIP 540 Server Repalcement	20,000			20,000			20,000	-	GF Fund Balance
CIP 541 City Hall Facility Repairs & Upgrades	20,000		20,000				20,000	-	GF Fund Balance
CIP 542-Council Chamber Technology Upgrades	10,000	5,000	5,000	-			10,000	-	GF Fund Balance
CIP 543 PD Radio Replacement	30,000	10,000	10,000	10,000			30,000	-	GF Fund Balance
CIP 544 Technology Repalcement	6,000		3,000	3,000			6,000	-	GF Fund Balance
CIP 545 City Hall Sewer Upgrades	40,000		40,000				40,000	-	GF Fund Balance
CIP 546 City Hall Chamber Renovation	50,000		50,000				50,000	-	GF Fund Balance
CIP 547 City Hall Fence Replacement	20,000		20,000				20,000	-	GF Fund Balance
CIP 549 Adair Stairs Repairs	15,000		15,000				15,000	-	GF Fund Balance
CIP 550 Del Rey Oaks Garden Center	-						-	-	GF Fund Balance
Del Rey Park Accessibility Improvements	90,000	90,000					90,000	-	2025 CDBG; CO to FY 2026
Via Verde Curb & Gutter Repair	-						-	-	Gas Tax
Tot Playground Replacement	170,000				170,000		-	170,000	TBD
Street Resurfacing Program	1,000,000					1,000,000	-	1,000,000	Measure X New Loan
South Boundary Realignment Design	\$ 500,000	\$ 300,000	\$ 200,000				\$ 500,000	\$ -	SBR Engineering Fund 321
Total	\$ 3,419,396	\$ 1,595,950	\$ 575,446	\$ 78,000	\$ 170,000	\$ 1,000,000	\$ 2,249,396	\$ 1,170,000	

Funding Source		FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Funded	Unfunded
General Fund 100	\$ 346,000	\$ 60,000	\$ 208,000	\$ 78,000			\$ 346,000	\$ -
General Fund-ARPA Transfer	167,446		167,446				167,446	
Gas Tax Fund 210	-			-			-	
SB1 Fund 211	231,150	231,150					231,150	
Measure X New Loan	1,000,000	-				1,000,000		1,000,000
Measure X 212	74,100	74,100					74,100	
CalFire 251	297,300	297,300					297,300	
CDBG Fund 260	90,000	90,000					90,000	
FHA Grant 331	543,400	543,400					543,400	
SBR Engineering Fund 321	500,000	300,000	200,000	-			500,000	
TBD	170,000			-	170,000	-	-	170,000
Total	\$ 3,419,396	\$ 1,595,950	\$ 575,446	\$ 78,000	\$ 170,000	\$ 1,000,000	\$ 2,249,396	\$ 1,170,000

Note 5- LONG TERM LIABILITIES
FY 2025 Audit

	Balance 06/30/2025	Term	Notes
Finance purchase agreements: (Capital Leases)			
PG&E OBF Energy Efficiency Upgrades	\$ 17,709	9.56 years	Included in operating budget
Police Department-Body Cams	\$ 39,504	5 years	Included in operating budget
Subtotal finance purchase agreements	<u>\$ 57,213</u>		
Loans Payable			
Federal Group International, LLC	\$ 1,200,000	Undetermined	To be paid from Fort Ord Dev revenues
Federal Group International, LLC Compound Interest	\$ 502,223	Undetermined	To be paid from Fort Ord Dev revenues
TAMC Measure X Loan	\$ 387,083	10 years	Being paid from City's Measure X revenue
Subtotal Loans Payable	<u>\$ 2,089,306</u>		
Total Debt	<u>\$ 2,146,519</u>		

**City of Del Rey Oaks
FY 2026-2027 Proposed Budget**

				FY 2024-2025	FY 2025-2026	FY 2026-2027	Increase	Percent
				Actuals	Current Budget	Proposed Budget	(Decrease)	Change
100 - General Fund								
Revenue								
			Non Department Specific					
Fund	Dept	Account						
100	000	41110	P/T-Secured	599,567	599,800	611,800	12,000	2.0%
100	000	41120	P/T-Unsecured	31,296	31,200	31,850	650	2.1%
100	000	41130	P/T-Prior Secured	6,048	6,200	6,325	125	2.0%
100	000	41140	Prior Unsecured	267	100	100	-	0.0%
100	000	41150	P/T-Unitary Tax	12,265	13,500	13,770	270	2.0%
100	000	41160	P/T-Supplemental Roll (SB813)	9,790	12,400	12,650	250	2.0%
100	000	41170	Property Tax - VLF	200,489	204,500	208,590	4,090	2.0%
100	000	41180	Prop Tax-Interest/Penalty	2,679	2,300	2,350	50	2.2%
100	000	42210	Sales Tax	418,247	409,000	415,135	6,135	1.5%
100	000	42220	Sales Tax - 145 (Measure S-1%)	530,815	520,000	527,800	7,800	1.5%
100	000	42221	Sales Tax -409 (Measure R 1/2%)	266,953	260,000	263,900	3,900	1.5%
100	000	42222	Cannabis Tax	100,992	100,000	100,000	-	0.0%
100	000	42230	Transient Occupancy Tax	243,157	250,000	275,000	25,000	10.0%
100	000	42231	STR Annual Licenses Fee	-	12,000	13,600	1,600	13.3%
100	000	42250	Property Transfer Tax	4,675	8,700	8,700	-	0.0%
100	000	42290	Sewer Impact	21,713	22,000	22,200	200	0.9%
100	000	42310	Business Licenses	227,181	230,000	235,000	5,000	2.2%
100	000	42311	HOUP (Home Occ User Permit)	-	4,000	3,500	(500)	-12.5%
100	000	42761	Gas Franchises	7,330	8,200	8,700	500	6.1%
100	000	42762	Electric Franchises	24,142	22,000	25,000	3,000	13.6%
100	000	42763	Garbage Franchises	105,237	110,000	120,000	10,000	9.1%
100	000	42764	Cable Tv Franchises	22,603	26,000	26,000	-	0.0%
100	000	42765	Water Franchises	17,595	25,000	25,000	-	0.0%
100	000	43311	SB1186 Disability Access Fund	1,332	1,000	1,000	-	0.0%
100	000	43312	SB1473 Environmental Assess Fee	84	100	150	50	50.0%
100	000	43318	Variance Fee	-	-	4,000	4,000	0.0%
100	000	43319	Architectural Review (ARC)	-	-	1,500	1,500	100.0%
100	000	43320	Building Permits	41,254	64,000	71,000	7,000	10.9%
100	000	43322	Strong-Motion Instrumental Prog (SMIP) Fees	67	300	350	50	16.7%
100	000	43325	Cannabis Business Permit	5,000	5,000	6,200	1,200	24.0%
100	000	43330	Plan Check Fees	15,179	20,500	17,000	(3,500)	-17.1%
100	000	43340	Encroachment/Street Opening Permits Fees	8,950	8,400	7,100	(1,300)	-15.5%
100	000	43350	Plumbing Permits	2,750	3,900	1,800	(2,100)	-53.8%
100	000	43360	Electrical Permits	1,625	3,250	3,500	250	7.7%
100	000	43361	Tree Removal Permits	-	-	2,300	2,300	100.0%
100	000	43390	Other Licenses/Permits	-	1,000	1,000	-	0.0%
100	000	45000	Fines & Forfeitures	3,026	2,600	2,600	-	0.0%
100	000	45510	Vehicle Code Fines	6,535	5,500	5,500	-	0.0%
100	000	45512	Parking and Admin Fines	23,690	17,000	20,000	3,000	17.6%
100	000	46100	Interest Earned	172,894	175,000	160,000	(15,000)	-8.6%
100	000	46101	Interest Earned-PARS	28,191	20,000	28,500	8,500	42.5%
100	000	46815	Rental Income - Garden Center	24,700	18,000	-	(18,000)	-100.0%
100	000	46816	Rental Income - Airport RV	42,910	39,600	43,000	3,400	8.6%
100	000	46817	Rental Income - PW Bldg (CHC Enterp)	41,547	24,000	-	(24,000)	-100.0%
100	000	47130	HOPTR	2,042	1,200	1,200	-	0.0%
100	000	47140	Vehicle License Collection	-	2,500	2,500	-	0.0%
100	000	47240	COPS	194,663	194,000	194,000	-	0.0%
100	000	47243	SB1383 Organics Recycling	6,250	6,000	6,000	-	0.0%
100	000	47750	Prop 172	18,318	20,000	20,000	-	0.0%
100	000	47760	MBSIA -Wellness & Safety Program	7,500	15,000	7,500	(7,500)	-50.0%
100	000	47780	Police Grants & Other Reimbursements	3,399	2,500	2,500	-	0.0%
100	000	47781	POST Reimbursements	4,723	7,000	7,000	-	0.0%
100	000	47783	Grant Other Agencies	-	1,600	1,600	-	0.0%
100	000	47912	DDA Negotiation Payment	10,000	-	-	-	100.0%
100	000	48210	Police Service Fees	1,575	1,000	1,600	600	60.0%
100	000	48211	Police Services-Special Events	36,688	40,000	43,500	3,500	8.8%
100	000	48212	Public Events	-	-	-	-	0.0%
100	000	48805	Use Permits	31,890	7,000	9,400	2,400	34.3%

**City of Del Rey Oaks
FY 2026-2027 Proposed Budget**

				FY 2024-2025	FY 2025-2026	FY 2026-2027	Increase	Percent
				Actuals	Current Budget	Proposed Budget	(Decrease)	Change
100	000	48810	Maps/Publications	-	100	100	-	0.0%
100	000	48825	Property Inspections	1,500	5,000	2,600	(2,400)	-48.0%
100	000	48840	Miscellaneous Revenue	24,845	10,000	6,500	(3,500)	-35.0%
100	000	48841	Credit Card Processing Fee	-	-	4,000	4,000	100.0%
100	000	48842	LAFCO Refund & Interest for FORA	413	400	400	-	0.0%
100	000	48910	Rental - Park	4,690	3,700	7,000	3,300	89.2%
100	000	48911	Day Use Permits (Park only)	-	-	1,500	1,500	100.0%
100	000	48912	Old Town Hall Rental Fee	-	-	1,400	1,400	100.0%
100	000	48930	Miscellaneous Refunds	2,862	1,000	1,000	-	0.0%
100	210	48220	Airport Police Services	1,342,230	1,489,000	1,665,780	176,780	11.9%
Total Revenue				4,966,363	5,093,050	5,320,550	227,500	4.5%
Expenditures								
Council								
100	110	61115	Council Member Stipend	6,600	7,500	7,500	-	0.0%
100	110	61130	Medicare-ER	96	200	200	-	0.0%
100	110	61131	Social Security-ER	409	500	500	-	0.0%
100	110	61132	Unemployment Ins-Fed & State	40	100	100	-	0.0%
100	110	61135	Dental Expense	6,894	8,900	8,100	(800)	-9.0%
100	110	62410	Materials/Supply	-	200	550	350	175.0%
100	110	64550	Membership Dues-Professional Org	2,132	2,500	2,500	-	0.0%
100	110	64570	Strategic Planning	-	5,000	-	(5,000)	-100.0%
100	110	64580	Misc Expenses	2,731	2,500	500	(2,000)	-80.0%
100	110	64610	Travel Expenses	2,109	3,000	-	(3,000)	-100.0%
Total Council				21,010	30,400	19,950	(10,450)	-34.4%
City Clerk								
100	111	61105	Payroll	237,364	252,300	265,500	13,200	5.2%
100	111	61110	Overtime	2,827	5,000	5,000	-	0.0%
100	111	61123	PERS UAL - After 06/30/18	-	11,100	17,679	6,579	59.3%
100	111	61124	PERS UAL-Before 06/30/2018	44,451	41,000	42,121	1,121	2.7%
100	111	61125	PERS Retirement	19,841	26,700	28,100	1,400	5.2%
100	111	61130	Medicare-ER	3,445	3,800	4,000	200	5.3%
100	111	61132	Unemployment Ins-Fed & State	575	1,200	1,200	-	0.0%
100	111	61135	Dental Expense	5,534	5,700	5,700	-	0.0%
100	111	61140	Health Insurance	111,610	122,800	138,900	16,100	13.1%
100	111	61145	Vision Ins	751	800	800	-	0.0%
100	111	61150	Workers Comp and EAP	13,498	4,000	4,000	-	0.0%
100	111	61155	Wellness Program	1,607	1,500	1,500	-	0.0%
100	111	61157	Educational Incentive Pay	5,817	6,000	6,000	-	0.0%
100	111	61158	Longevity Pay	3,442	3,700	3,700	-	0.0%
100	111	62410	Materials/Supply	1,547	6,000	4,500	(1,500)	-25.0%
100	111	62430	Office Supplies	5,867	7,000	7,000	-	0.0%
100	111	63505	Repair/Maintenance	107	1,000	1,000	-	0.0%
100	111	63508	Other Outside Services	10,745	10,000	10,000	-	0.0%
100	111	63509	Shredding Services	1,138	1,000	1,000	-	0.0%
100	111	63511	Short Term Rental Services	-	17,500	15,000	(2,500)	-14.3%
100	111	63530	Telephone	3,326	3,000	3,000	-	0.0%
100	111	63531	Internet	4,823	1,500	1,500	-	0.0%
100	111	63535	Website Design & Maintenance	743	1,000	1,000	-	0.0%
100	111	63540	Postage / Shipping	1,913	2,000	2,000	-	0.0%
100	111	63605	Training	7,065	11,000	6,000	(5,000)	-45.5%
100	111	63620	Insurance-Liability	38,792	62,400	87,800	25,400	40.7%
100	111	63635	Contract Services - IT	11,700	10,600	11,200	600	5.7%
100	111	64310	Software/Server Subscription	12,289	15,500	15,500	-	0.0%
100	111	64315	Agenda Management System	12,528	7,000	12,700	5,700	81.4%
100	111	64320	Municipal Code Service	3,484	5,000	5,000	-	0.0%
100	111	64550	Membership Dues-Professional Org	1,130	1,000	1,000	-	0.0%
100	111	64552	Membership Dues-Government Agency	647	700	800	100	14.3%

**City of Del Rey Oaks
FY 2026-2027 Proposed Budget**

				FY 2024-2025	FY 2025-2026	FY 2026-2027	Increase	Percent
				Actuals	Current Budget	Proposed Budget	(Decrease)	Change
100	111	64575	Printing / Publications	1,582	2,000	1,000	(1,000)	-50.0%
100	111	64580	Misc Expenses	1,175	500	500	-	0.0%
100	111	64588	Election Cost	6,387	500	10,000	9,500	1900.0%
100	111	64610	Travel Expenses	5,828	3,000	1,500	(1,500)	-50.0%
Total City Clerk				583,577	654,800	723,200	68,400	10.4%
City Manager								
100	120	61105	Payroll	199,678	207,750	214,035	6,285	3.0%
100	120	61175	Payroll-Leave	4,090	-	-	-	0.0%
100	120	61123	PERS UAL - After 06/30/18	-	500	500	-	0.0%
100	120	61124	PERS UAL-Before 06/30/2018	396	-	-	-	0.0%
100	120	61125	PERS Retirement	16,365	16,550	17,000	450	2.7%
100	120	61130	Medicare-ER	2,955	3,050	3,100	50	1.6%
100	120	61132	Unemployment Ins-Fed & State	42	100	100	-	0.0%
100	120	61135	Dental Expense	2,319	2,400	2,400	-	0.0%
100	120	61140	Health Insurance	43,530	48,400	54,700	6,300	13.0%
100	120	61141	Health Insurance -Retiree	945	1,900	1,900	-	0.0%
100	120	61145	Vision Ins	290	400	400	-	0.0%
100	120	61150	Workers Comp and EAP	11,811	3,000	3,000	-	0.0%
100	120	61155	Wellness Program	536	500	500	-	0.0%
100	120	61157	Educational Incentive Pay	1,662	465	465	-	0.0%
100	120	61180	Auto Allowance	5,445	5,400	5,400	-	0.0%
100	120	62430	Office Supplies	10	300	50	(250)	-83.3%
100	120	63620	Insurance-Liability	35,299	51,000	68,400	17,400	34.1%
100	120	64550	Membership Dues-Professional Org	1,660	1,700	2,800	1,100	64.7%
100	120	64552	Membership Dues-Gov Agency	947	700	800	100	14.3%
100	120	64611	Traning			1,000	1,000	100.0%
100	120	64610	Travel Expenses	67	1,000	1,000	-	0.0%
Total City Manager				328,044	345,115	377,550	32,435	9.4%
Finance								
100	130	62310	ADP Payroll Fees	9,280	8,500	9,000	500	5.9%
100	130	62320	Bank Service Charges	8,639	6,000	6,000	-	0.0%
100	130	62321	Credit Card Fees	1,769	5,000	5,000	-	0.0%
100	130	62431	Accounting Software	5,734	5,000	6,000	1,000	20.0%
100	130	62433	Budget Software	-	14,000	11,000	(3,000)	-21.4%
100	130	63625	Audit-General	40,075	42,000	42,000	-	0.0%
100	130	63626	Audit -Sales Tax	-	5,000	5,000	-	0.0%
100	130	63627	Actuarial Services	2,500	4,500	4,500	-	0.0%
100	130	63645	Accounting Services-RGS	289,540	200,000	150,000	(50,000)	-25.0%
100	130	63651	Contract Services-Fee Study	19,980			-	0.0%
Total Finance				377,517	290,000	238,500	(51,500)	-17.8%
Legal								
100	150	63650	Legal Services	50,623	86,000	80,000	(6,000)	-7.0%
100	150	64560	Legal Advert	1,258	3,300	3,300	-	0.0%
Total Legal				51,881	89,300	83,300	(6,000)	-6.7%
Planning & Building Regulation								
100	160	63639	Economic Development Services	-	95,000	50,000	(45,000)	-47.4%
100	160	63640	Planning Services	87,263	40,000	40,000	-	0.0%
100	160	63642	Contract Services - Housing Element	-	50,000	-	(50,000)	-100.0%
100	160	63648	Building Inspections Services	46,318	62,400	62,400	-	0.0%
100	160	63649	Engineering Services	1,200	5,000	-	(5,000)	-100.0%
100	160	63656	Code Enforcement Services	-	2,000	2,000	-	0.0%
100	160	64610	Travel Expenses	-	1,000	-	(1,000)	-100.0%
Total Planning & Building Regulation				134,781	255,400	154,400	(101,000)	-39.5%
Government Buildings								
100	180	62410	Materials/Supply	-	2,000	2,000	-	0.0%
100	180	63505	Repair/Maintenance	2,620	5,000	5,000	-	0.0%
100	180	63508	Other Outside Services	116	1,000	1,000	-	0.0%
100	180	63520	Utilities - PG&E	6,158	8,000	8,000	-	0.0%
100	180	63660	Janitorial Services	3,000	4,200	4,700	500	11.9%
Total Government Buildings				11,894	20,200	20,700	500	2.5%

**City of Del Rey Oaks
FY 2026-2027 Proposed Budget**

			FY 2024-2025	FY 2025-2026	FY 2026-2027	Increase	Percent
			Actuals	Current Budget	Proposed Budget	(Decrease)	Change
Non-Departmental							
100	190	62410	31	500	500	-	0.0%
100	190	63620	24,359	25,000	25,000	-	0.0%
100	190	63621	8,362	9,000	10,000	1,000	11.1%
100	190	63623	52,643	-	-	-	0.0%
100	190	64550	500	500	500	-	0.0%
100	190	64551	11,100	15,000	15,000	-	0.0%
100	190	64552	4,460	5,500	5,500	-	0.0%
100	190	64580	169	1,000	1,000	-	0.0%
100	190	64930	235	200	200	-	0.0%
100	190	64940	76	100	100	-	0.0%
Total Non-Departmental			101,934	56,800	57,800	1,000	1.8%
Police							
100	210	61105	945,987	1,167,800	1,188,900	21,100	1.8%
100	210	61110	184,444	200,000	200,000	-	0.0%
100	210	61120	88,299	120,000	120,000	-	0.0%
100	210	61123	13,165	30,400	41,684	11,284	37.1%
100	210	61124	110,338	111,000	119,016	8,016	7.2%
100	210	61125	122,028	163,000	167,100	4,100	2.5%
100	210	61126	27,450	32,400	32,400	-	0.0%
100	210	61130	18,619	17,400	17,700	300	1.7%
100	210	61131	865	1,000	1,000	-	0.0%
100	210	61132	7,926	13,000	13,000	-	0.0%
100	210	61135	13,090	16,200	16,200	-	0.0%
100	210	61140	256,209	342,300	387,300	45,000	13.1%
100	210	61145	2,047	2,500	2,400	(100)	-4.0%
100	210	61150	138,358	141,500	141,900	400	0.3%
100	210	61155	3,213	5,000	5,000	-	0.0%
100	210	61157	15,627	16,800	18,000	1,200	7.1%
100	210	61158	9,941	9,300	11,400	2,100	22.6%
100	210	61160	8,500	10,000	10,000	-	0.0%
100	210	61175	25,523	-	-	-	0.0%
100	210	62410	6,679	15,000	10,000	(5,000)	-33.3%
100	210	62420	4,278	5,000	5,000	-	0.0%
100	210	62422	-	3,300	5,000	1,700	51.5%
100	210	62430	3,296	5,000	5,000	-	0.0%
100	210	62710	571	1,000	1,000	-	0.0%
100	210	62720	33,115	30,000	30,000	-	0.0%
100	210	63505	1,990	2,200	2,200	-	0.0%
100	210	63508	7,963	5,000	8,000	3,000	60.0%
100	210	63509	1,138	1,000	1,000	-	0.0%
100	210	63520	7,759	8,000	8,000	-	0.0%
100	210	63530	7,063	8,000	8,000	-	0.0%
100	210	63531	9,022	6,000	6,000	-	0.0%
100	210	63537	6,568	5,000	5,000	-	0.0%
100	210	63538	-	3,600	3,600	-	0.0%
100	210	63540	158	500	750	250	50.0%
100	210	63605	8,660	5,000	6,000	1,000	20.0%
100	210	63620	203,069	290,200	388,400	98,200	33.8%
100	210	63621	8,362	9,000	10,000	1,000	11.1%
100	210	63622	2,524	2,550	2,550	-	0.0%
100	210	63624	-	-	1,000	1,000	100.0%
100	210	63625	-	5,000	5,000	-	0.0%
100	210	63627	2,500	2,500	2,500	-	0.0%
100	210	63628	12,000	16,000	16,000	-	0.0%
100	210	63635	11,700	13,500	14,100	600	4.4%
100	210	63637	4,339	4,200	9,200	5,000	119.0%
100	210	63650	12,177	3,800	3,800	-	0.0%
100	210	63660	3,000	4,200	4,200	-	0.0%
100	210	63664	-	7,000	7,000	-	0.0%
100	210	63665	58,156	61,800	61,100	(700)	-1.1%

**City of Del Rey Oaks
FY 2026-2027 Proposed Budget**

				FY 2024-2025	FY 2025-2026	FY 2026-2027	Increase	Percent
				Actuals	Current Budget	Proposed Budget	(Decrease)	Change
100	210	63666	911-Inform MDT Terminal Service	728	1,000	1,000	-	0.0%
100	210	63667	911-Notification System	-	400	400	-	0.0%
100	210	63668	911-NGEN O&M	12,956	14,400	14,300	(100)	-0.7%
100	210	63669	911-NGEN Debt (Capital Fee)	7,633	8,100	8,100	-	0.0%
100	210	63730	Auto Repair/Maintenance	18,682	23,000	23,000	-	0.0%
100	210	63812	Parking & Admin Citations Services	9,911	9,000	9,000	-	0.0%
100	210	63820	Animal Regulation Fire	-	500	500	-	0.0%
100	210	63830	Fund Jail & Prisoner	-	1,500	1,500	-	0.0%
100	210	63840	ACJIS System	14,247	9,000	12,000	3,000	33.3%
100	210	64310	Software/Server Subscription	17,860	22,700	22,700	-	0.0%
100	210	64545	Personnel Recruit & Pre-Employment	51	3,000	3,000	-	0.0%
100	210	64550	Membership Dues-Professional Org	7,203	8,300	10,500	2,200	26.5%
100	210	64551	Membership Dues-Non Profit Agency Contrib	500	500	500	-	0.0%
100	210	64552	Membership Dues-Government Agency	5,000	5,700	6,300	600	10.5%
100	210	64565	Books and Periodicals	266	900	900	-	0.0%
100	210	64575	Printing / Publications	1,384	2,000	2,000	-	0.0%
100	210	64580	Misc Expenses	2,652	2,200	2,200	-	0.0%
100	210	64610	Travel Expenses	13,862	13,000	13,000	-	0.0%
100	210	65104	Principal-Motorola Lease-Cameras	19,752	21,350	21,350	-	0.0%
100	210	65105	Principal-Dell	-	5,300	5,300	-	0.0%
100	210	65205	Interest-Dell	-	-	630	630	100.0%
100	210	65106	Principal-Sunridge Records Mgmt	8,612	-	-	-	0.0%
100	210	65107	Interest-Sunridge Records Mgmt	101	-	-	-	0.0%
100	210	66735	Vehicle Replacement	21,040	-	-	-	0.0%
Total Police				2,570,155	3,074,800	3,280,580	205,780	6.7%
Fire/Animal Control								
100	220	63810	Fire Seaside	236,616	243,300	251,700	8,400	3.5%
Total Fire/Animal Control				236,616	243,300	251,700	8,400	3.5%
Public Works/Streets								
100	311	61105	Payroll	84,282	87,800	87,800	-	0.0%
100	311	61123	PERS UAL - After 06/30/18	-	500	500	-	0.0%
100	311	61124	PERS UAL-Before 06/30/2018	396	-	-	-	0.0%
100	311	61125	PERS Retirement	5,913	7,100	7,100	-	0.0%
100	311	61130	Medicare-ER	1,222	1,300	1,300	-	0.0%
100	311	61132	Unemployment Ins-Fed & State	42	100	100	-	0.0%
100	311	61135	Dental Expense	1,524	1,600	1,600	-	0.0%
100	311	61140	Health Insurance	33,484	37,200	42,100	4,900	13.2%
100	311	61145	Vision Ins	198	300	200	(100)	-33.3%
100	311	61150	Workers Comp and EAP	5,062	1,500	1,300	(200)	-13.3%
100	311	61155	Wellness Program	536	500	500	-	0.0%
100	311	61157	Educational Incentive Pay	1,118	1,200	1,200	-	0.0%
100	311	62410	Materials/Supply	9,076	10,000	10,000	-	0.0%
100	311	62430	Office Supplies	1,394	1,500	800	(700)	-46.7%
100	311	62710	Auto Operations - Supplies / Equip	555	2,500	1,500	(1,000)	-40.0%
100	311	62720	Auto Operations - Fuel	3,824	5,000	4,000	(1,000)	-20.0%
100	311	63505	Repair/Maintenance	27,913	17,900	17,900	-	0.0%
100	311	63508	Other Outside Services	186	1,000	500	(500)	-50.0%
100	311	63515	Gabilan Crew	-	3,000	1,500	(1,500)	-50.0%
100	311	63520	Utilities - PG&E	2,868	5,000	5,000	-	0.0%
100	311	63525	Utilities - Water	5,723	6,250	6,250	-	0.0%
100	311	63530	Telephone	177	200	300	100	50.0%
100	311	63531	Internet	362	600	600	-	0.0%
100	311	63605	Training	568	2,000	1,000	(1,000)	-50.0%
100	311	63620	Insurance-Liability	14,602	21,200	28,400	7,200	34.0%
100	311	63622	Insurance-Vehicles	2,524	5,000	5,000	-	0.0%
100	311	63649	Engineering Services	6,134	-	3,600	3,600	0.0%
100	311	63654	SB1383 Organics Waste Regs Services	4,500	14,000	14,000	-	0.0%
100	311	63655	Hazardous Waste Disposal	-	500	250	(250)	-50.0%
100	311	63730	Auto Repair/Maintenance	2,481	5,000	2,500	(2,500)	-50.0%
100	311	64575	Printing / Publications	989	1,300	-	(1,300)	-100.0%
100	311	64920	Storm Water Project - Phase 4	14,870	15,000	15,000	-	0.0%
100	311	66302	Equipment	-	2,000	500	(1,500)	-75.0%

**City of Del Rey Oaks
FY 2026-2027 Proposed Budget**

			FY 2024-2025 Actuals	FY 2025-2026 Current Budget	FY 2026-2027 Proposed Budget	Increase (Decrease)	Percent Change	
Total Public Works/Streets			232,521	258,050	262,300	4,250	1.6%	
Parks/Recreation								
100	411	62410	Materials/Supply	8,045	10,000	10,000	-	0.0%
100	411	62430	Office Supplies	73	1,000	100	(900)	-90.0%
100	411	63505	Repair/Maintenance	25,164	20,000	20,000	-	0.0%
100	411	63525	Utilities - Water	7,073	5,750	7,000	1,250	21.7%
100	411	63612	Contract Services - Consultant	-	75,000	-	(75,000)	-100.0%
100	411	64610	Travel Expenses	-	100	100	-	0.0%
Total Parks/Recreation			40,355	111,850	37,200	(74,650)	-66.7%	
Total Expenditures			4,690,284	5,430,015	5,507,180	77,165	1.4%	
Net Revenues Over Expenditures			276,079	(336,965)	(186,630)			
Other Financing Sources and Uses								
Non Department Specific								
100	000	81003	Transfers Out to CIP	-	(430,446)	(78,000)		
100	000	81004	Transfers Out to REAP Fund 242	-	(13,885)	-		
100	000	82005	Transfers In from ARPA	-	-	-		
Total Other Financing Sources and Uses			-	(444,331)	(78,000)			
Net Revenues After Other Financing Sources and Uses			276,079	(781,296)	(264,630)			

			FY 2024-2025 Actuals	FY 2025-2026 Current Budget	FY 2026-2027 Proposed Budget	Increase (Decrease)	Percent Change
GENERAL FUND SUMMARY:							
Revenue			4,966,363	5,093,050	5,320,550	227,500	4.5%
Transfers In from ARPA			-	-	-		
Expenditures							
110	Council		21,010	30,400	19,950	(10,450)	-34.4%
111	City Clerk		583,577	654,800	723,200	68,400	10.4%
120	City Manager		328,044	345,115	377,550	32,435	9.4%
130	Finance		377,517	290,000	238,500	(51,500)	-17.8%
150	Legal		51,881	89,300	83,300	(6,000)	-6.7%
160	Planning and Building Regulations		134,781	255,400	154,400	(101,000)	-39.5%
180	Government Buildings		11,894	20,200	20,700	500	2.5%
190	Non-Departmental		101,934	56,800	57,800	1,000	1.8%
210	Police		2,570,155	3,074,800	3,280,580	205,780	6.7%
220	Fire/Animal Control		236,616	243,300	251,700	8,400	3.5%
311	Public Works/Street		232,521	258,050	262,300	4,250	1.6%
411	Parks/Recreation		40,355	111,850	37,200	(74,650)	-66.7%
Total			4,690,284	5,430,015	5,507,180	77,165	1.4%
Net Revenues over Expenditures			276,079	(336,965)	(186,630)		
Transfers Out-CIP			-	(430,446)	(78,000)		
Transfer Out to REAP			-	(13,885)	-		
			-	(444,331)	(78,000)		
Excess(Deficit) of Revenue Over Expenditures			276,079	(781,296)	(264,630)		

Beginning Fund Balance, 7/1/2025	3,691,660	2,910,364
Estimated Ending Fund Balance, 06/30/2026	2,910,364	2,645,734

**City of Del Rey Oaks
FY 2026-2027 Proposed Budget**

				FY 2024-2025	FY 2025-2026	FY 2026-2027	Increase	Percent
				Actuals	Current Budget	Proposed Budget	(Decrease)	Change
210 - Gas Tax Fund								
Revenue								
Non Department Specific								
210	000	47010	Gas Tax 2103	15,100	15,000	15,000	-	0.0%
210	000	47020	Gas Tax 2105	9,820	10,100	10,100	-	0.0%
210	000	47030	Gas Tax 2106	9,092	9,200	9,200	-	0.0%
210	000	47040	Gas Tax 2107	12,988	13,700	13,700	-	0.0%
210	000	47050	Gas Tax 2107.5	1,000	1,000	1,000	-	0.0%
Total Revenue				48,000	49,000	49,000	-	0.0%
Expenditures								
Public Works/Streets								
210	311	63505	Repairs & Maintenance	-	-	5,000	5,000	100.0%
210	311	63510	Street Sweeping	9,614	12,070	12,070	-	0.0%
210	311	63910	Street Lighting	17,329	21,900	21,900	-	0.0%
210	311	65751	Principal-PG&E	2,530	2,550	2,550	-	0.0%
Total Expenditures				29,472	36,520	41,520	5,000	13.7%
Net Revenues				18,528	12,480	7,480		
Beginning Fund Balance, 7/1/2025					127,738	140,218		
Estimated Ending Fund Balance, 06/30/2026					140,218	147,698		
211 - SB1 Fund-RMRA								
Revenue								
Non Department Specific								
211	000	47777	SB 1 Funds	39,306	41,300	44,305	3,005	7.3%
Total Revenue				39,306	41,300	44,305	3,005	7.3%
Expenditures								
211	537	66327	Saucito Rd & Work Ave Impr Project	2,404	24,047	-	(24,047)	-100.0%
211	539	66327	Rosita Emergency Repairs	85,000	65,000	-	(65,000)	-100.0%
Total Expenditures				87,404	89,047	-	(89,047)	-100.0%
Net Revenues				(48,098)	(47,747)	44,305		
Other Financing Sources and Uses								
Non Department Specific								
211	000	81003	Transfers Out to CIP	-	(13,550)	-	13,550	-100.0%
Total Other Financing Sources and Uses				-	(13,550)	-	13,550	-100.0%
Net Revenues After Other Financing Sources and Uses				(48,098)	(61,297)	44,305		
Beginning Fund Balance, 7/1/2025					113,633	52,337		
Estimated Ending Fund Balance, 06/30/2026					52,337	96,642		

Item 1.

City of Del Rey Oaks
 FY 2026-2027 Proposed Budget

				FY 2024-2025 Actuals	FY 2025-2026 Current Budget	FY 2026-2027 Proposed Budget	Increase (Decrease)	Percent Change
212 - Measure X Fund								
Revenue								
			Non Department Specific					
212	000	47775	Measure X	100,953	95,900	100,705	4,805	5.0%
Total Revenue				100,953	95,900	100,705	4,805	5.0%
Expenditures								
			Debt Service - Measure X					
212	610	65103	Principal - Measure X Loan	79,393	83,900	87,705	3,805	4.5%
212	610	65203	Interest - Measure X	20,470	12,000	13,000	1,000	8.3%
Total Expenditures				99,863	95,900	100,705	4,805	5.0%
Net Revenues				1,090	-	-		
Other Financing Sources and Uses								
			Rosita Emergency Repairs					
212	539	81004	Transfers Out to Grants-Rosarita Emer Repairs	-	-	-	-	0.0%
Total Other Financing Sources and Uses				-	-	-	-	0.0%
Net Revenues After Other Financing Sources and Uses				1,090	-	-		
Beginning Fund Balance, 7/1/2025					388	388		
Estimated Ending Fund Balance, 06/30/2026					388	388		

				FY 2024-2025 Actuals	FY 2025-2026 Current Budget	FY 2026-2027 Proposed Budget	Increase (Decrease)	Percent Change
214 - RSTP								
Revenue								
			Non Department Specific					
214	000	47776	RSTP Funds	-	67,602	15,600	(52,002)	-76.9%
Total Revenue				-	67,602	15,600	(52,002)	-76.9%
Net Revenues				-	67,602	15,600		
Other Financing Sources and Uses								
			Non Department Specific					
214	000	81003	Transfers Out to CIP	-	(67,602)	-		
Total Other Financing Sources and Uses				-	(67,602)	-		0.0%
Net Revenues After Other Financing Sources and Uses				-	-	15,600		
Beginning Fund Balance, 7/1/2025					-	15,600		
Estimated Ending Fund Balance, 06/30/2026					-	-		

				FY 2024-2025 Actuals	FY 2025-2026 Current Budget	FY 2026-2027 Proposed Budget	Increase (Decrease)	Percent Change
221 - FORA Habitat Management Fund								
Expenditures								
			Planning & Building Regulation					
221	160	63646	Contract Services - Habitat Mgmt Plan	-	14,448	14,448	-	0.0%
Total Expenditures				-	14,448	14,448	-	0.0%
Net Revenues After Other Financing Sources and Uses				-	14,448	14,448		

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**City of Del Rey Oaks
FY 2026-2027 Proposed Budget**

	FY 2024-2025 Actuals	FY 2025-2026 Current Budget	FY 2026-2027 Proposed Budget	Increase (Decrease)	Percent Change
Beginning Fund Balance, 7/1/2025		724,901	710,453		
Estimated Ending Fund Balance, 06/30/2026		710,453	696,005		

222 - FORA Land Development			FY 2024-2025 Actuals	FY 2025-2026 Current Budget	FY 2026-2027 Proposed Budget	Increase (Decrease)	Percent Change
Revenue							
		Non Department Specific					
222	000	47911	DDA Developer Deposit	75,000	-	-	0.0%
		Total Revenue		75,000	-	-	0.0%
Expenditures							
		Planning & Building Regulation					
222	160	63639	Economic Development Services	44,874	-	-	0.0%
222	160	63650	Legal Services	22,031	-	-	0.0%
222	160	64580	Misc Expenses	-	8,095	(8,095)	-100.0%
		Total Expenditures		66,905	8,095	(8,095)	-100.0%
		Net Revenues After Other Financing Sources and Uses		8,095	(8,120)	-	
Beginning Fund Balance, 7/1/2025				8,095	-		
Estimated Ending Fund Balance, 06/30/2026				-	-		

231 - BSCC-Officer Wellness & Mental Health Grant			FY 2024-2025 Actuals	FY 2025-2026 Current Budget	FY 2026-2027 Proposed Budget	Increase (Decrease)	Percent Change
Expenditures							
		Police					
231	210	64314	Law Enforcement Wellness App	1,999	2,000	(2,000)	-100.0%
		Total Expenditures		1,999	2,000	(2,000)	-100.0%
		Net Revenues After Other Financing Sources and Uses		(1,999)	(2,000)	-	
Beginning Fund Balance, 7/1/2025				10,835	0		
Estimated Ending Fund Balance, 06/30/2026				0	0		

235 - Asset Forfeitures			FY 2024-2025 Actuals	FY 2025-2026 Current Budget	FY 2026-2027 Proposed Budget	Increase (Decrease)	Percent Change
Revenue							
		Police Grants & Other Reimbursements					
235	210	47780		-	-	-	0.00
		Total Revenue		-	-	-	0.0%
		Net Revenues After Other Financing Sources and Uses		-	-	-	
Beginning Fund Balance, 7/1/2025				-	1,846		
Estimated Ending Fund Balance, 06/30/2026				1,846	1,846		

**City of Del Rey Oaks
FY 2026-2027 Proposed Budget**

				FY 2024-2025	FY 2025-2026	FY 2026-2027	Increase	Percent
				Actuals	Current	Proposed	(Decrease)	Change
236 - Drug Enforcement Administration (DEA)								
Revenue								
			Police					
236	210	47782	DEA Reimbursements	32,896	46,128	40,000	(6,128)	-13.3%
Total Revenue				32,896	46,128	40,000	(6,128)	-13.3%
Expenditures								
236	210	61111	Overtime-DEA	35,533	46,128	40,000	(6,128)	-13.3%
Total Expenditures				35,533	46,128	40,000	(6,128)	-13.3%
Net Revenues After Other Financing Sources and Uses				(2,636)	-	-		
Beginning Fund Balance, 7/1/2025					4,105	4,105		
Estimated Ending Fund Balance, 06/30/2026					4,105	4,105		

				FY 2024-2025	FY 2025-2026	FY 2026-2027	Increase	Percent
				Actuals	Current	Proposed	(Decrease)	Change
242 - REAP Grant								
Revenue								
242	160	47241	AMBAG REAP Grant	48,571	-	-	-	0.00
Total Revenue				48,571	-	-	-	0.0%
Expenditures								
242	160	63640	Planning Services	62,456	-	-	-	0.00
Total Expenditures				62,456	-	-	-	0.0%
100	000	82003	Transfers In from GF		13,885	-	-	0.00
Net Revenues After Other Financing Sources and Uses				(13,885)	13,885	-	-	
Beginning Fund Balance, 7/1/2025					(13,885)	-		
Estimated Ending Fund Balance, 06/30/2026					(12,515)	-		

				FY 2024-2025	FY 2025-2026	FY 2026-2027	Increase	Percent
				Actuals	Current	Proposed	(Decrease)	Change
251 - Cal Fire Grant								
Revenue								
251	411	47768	Cal Fire Grant	297,300	-	-	-	0.00
Total Revenue				297,300	-	-	-	0.0%
Expenditures								
251	411	63913	Tree Service	297,300	-	-	-	0.00
Total Expenditures				297,300	-	-	-	0.0%
Net Revenues After Other Financing Sources and Uses				-	-	-		
Beginning Fund Balance, 7/1/2025					-	-		
Estimated Ending Fund Balance, 06/30/2026					-	-		

**City of Del Rey Oaks
FY 2026-2027 Proposed Budget**

			FY 2024-2025 Actuals	FY 2025-2026 Current Budget	FY 2026-2027 Proposed Budget	Increase (Decrease)	Percent Change
260 - CDBG Fund							
Revenue							
260	411	47765	CDBG Grant	-	90,000	-	0.00
			Total Revenue	-	90,000	-	0.0%
Expenditures							
260	411	66420	Park Improvements	-	90,000	-	0.00
			Total Expenditures	-	90,000	-	0.0%
			Net Revenues After Other Financing Sources and Uses	-	-	-	
Beginning Fund Balance, 7/1/2025				-	-		
Estimated Ending Fund Balance, 06/30/2026				-	-		

			FY 2024-2025 Actuals	FY 2025-2026 Current Budget	FY 2026-2027 Proposed Budget	Increase (Decrease)	Percent Change
301 - Capital Projects							
Expenditures							
			Includes CO				
301	533	66735	Vehicle Replacement	-	90,000	45,000	45,000
301	537	66322	Saucito Rd & Work Ave Imp Project	-	81,150	-	-
301	540	66303	Server Replacement	-	-	20,000	20,000
301	541	66322	City Hall Facility Repairs & Upgrades	20,298	20,000	-	-
301	542	66323	Council Chamber Technology Project	7,651	5,000	-	-
301	543	66736	PD Radio Replacement	-	20,000	10,000	10,000
301	544	66324	Technology Replacement	-	3,000	3,000	3,000
301	545	66426	City Hall Sewer Upgrades	-	40,000	-	-
301	546	66427	City Hall Chamber Renovations	-	50,000	-	-
301	547	66428	City Hall Fence Replacement	-	20,000	-	-
301	548	66429	City Hall Parking Lot Improvements	-	167,446	-	-
301	549	66430	Adair Stairs Repairs	-	15,000	-	-
301	550	63505	Del Rey Oaks Garden Center	-	-	-	-
			Total Expenditures	27,949	511,596	78,000	78,000
Other Financing Sources and Uses							
301	533	82003	Transfers In from GF	-	90,000	45,000	45,000
301	537	82006	Transfers In from RSTP	-	67,600	-	-
301	537	82007	Transfers In from SB1-RMRA	-	13,550	-	-
301	540	82003	Transfers In from GF	-	-	20,000	20,000
301	541	82003	Transfers In from GF	23,199	20,000	-	-
301	542	82003	Transfers In from GF	-	5,000	-	-
301	543	82003	Transfers In from GF	-	20,000	10,000	10,000
301	544	82003	Transfers In from GF	-	3,000	3,000	3,000
301	545	82003	Transfers In from GF	-	40,000	-	-
301	546	82003	Transfers In from GF	-	50,000	-	-
301	547	82003	Transfers In from GF	-	20,000	-	-
301	548	82003	Transfers In from GF	-	167,446	-	-
301	549	82003	Transfers In from GF	-	15,000	-	-
301	550	82003	Transfers In from GF	-	-	-	-
			Total Other Financing Sources and Uses	23,199	511,596	78,000	78,000
			Net Revenues After Other Financing Sources and Uses	(4,751)	-	-	

**City of Del Rey Oaks
FY 2026-2027 Proposed Budget**

	FY 2024-2025 Actuals	FY 2025-2026 Current Budget	FY 2026-2027 Proposed Budget	Increase (Decrease)	Percent Change
Beginning Fund Balance, 7/1/2025		3,801	3,801		
Estimated Ending Fund Balance, 06/30/2026		3,801			

	FY 2024-2025 Actuals	FY 2025-2026 Current Budget	FY 2026-2027 Proposed Budget	Increase (Decrease)	Percent Change
321 - SBR Engineering Fund					
Expenditures					
321 518 63611					
	76,925	411,649	-	(411,649)	-100.0%
	76,925	411,649	-	(411,649)	-100.0%
	(76,925)	411,649	-		
Beginning Fund Balance, 7/1/2025					
		411,649	0		
Estimated Ending Fund Balance, 06/30/2026					
		0	0		

	FY 2024-2025 Actuals	FY 2025-2026 Current Budget	FY 2026-2027 Proposed Budget	Increase (Decrease)	Percent Change
331 - FHA Grant Fund					
Revenue					
331 000 47523					
	-	543,400	-	(501,656)	-100%
	-	543,400	-	(501,656)	-100%
Expenditures					
331 539 63611					
	86,352	4,019	-	(4,019)	-100%
331 539 66411					
	445,193	48,807	-	(48,807)	-100%
	531,545	52,826	-	(52,826)	-100%
	(531,545)	490,574	-		
Other Financing Sources and Uses					
331 539 82004					
	-	-	-	-	0.00
	-	-	-	-	0.0%
	(531,545)	490,574	-		
Beginning Fund Balance, 7/1/2025					
		(490,574)	(0)		
Estimated Ending Fund Balance, 06/30/2026					
		(0)	(0)		

	FY 2024-2025 Actuals	FY 2025-2026 Current Budget	FY 2026-2027 Proposed Budget	Increase (Decrease)	Percent Change
332 - FEMA & OES					
Revenue					
332 000 47519					
	14,554	-	-	-	0.00
332 000 47520					
	58,217	-	-	-	0.00
	72,771	-	-	-	0.0%
Expenditures					
332 541 66322					
	67,920	4,851	-	(4,851)	-100%
	67,920	4,851	-	(4,851)	-100%
	4,851	(4,851)	-		

**City of Del Rey Oaks
FY 2026-2027 Proposed Budget**

	FY 2024-2025 Actuals	FY 2025-2026 Current Budget	FY 2026-2027 Proposed Budget	Increase (Decrease)	Percent Change
Beginning Fund Balance, 7/1/2025		4,851	4,851		
Estimated Ending Fund Balance, 06/30/2026		-	4,851		

CITY OF DEL REY OAKS
SALARY SCHEDULE FOR FISCAL YEAR 2026-2027
Effective 8/15/2026

Title	Step 1	Step 2	Step 3	Step 4	Step 5	Contract
City Manager	Per Contract					
Monthly						17,870.67
Bi-weekly						8,248.00
Hourly Rate						103.10
Annual						214,448.00
Assistant City Manager & Chief of Police	Per Contract					
Monthly						15,400.00
Bi-weekly						7,107.69
Hourly Rate						88.85
Annual	-	-	-	-	-	184,800.00
City Clerk						
Monthly	7,323.33	7,689.08	8,073.83	8,477.75	8,902.42	
Bi-weekly	3,380.00	3,548.80	3,726.40	3,912.80	4,108.80	
Hourly Rate	42.25	44.36	46.58	48.91	51.36	
Annual	87,880.00	92,269.00	96,886.00	101,733.00	106,829.00	
Deputy City Clerk/Permit Clerk						
Monthly	5,550.17	5,827.50	6,118.67	6,425.50	6,746.17	
Bi-weekly	2,561.60	2,689.60	2,824.00	2,965.60	3,113.60	
Hourly Rate	32.02	33.62	35.30	37.07	38.92	
Annual	66,602.00	69,930.00	73,424.00	77,106.00	80,954.00	
Administrative Services Technician						
Monthly	5,550.17	5,827.50	6,118.67	6,425.50	6,746.17	
Bi-weekly	2,561.60	2,689.60	2,824.00	2,965.60	3,113.60	
Hourly Rate	32.02	33.62	35.30	37.07	38.92	
Annual	66,602.00	69,930.00	73,424.00	77,106.00	80,954.00	
Police Commander						
Monthly	8,952.58	9,400.33	9,869.83	10,363.08	10,881.75	
Bi-weekly	4,131.96	4,338.60	4,555.32	4,782.96	5,022.36	
Hourly Rate	49.19	51.65	54.23	56.94	59.79	
Annual	107,431.00	112,804.00	118,438.00	124,357.00	130,581.00	
Police Sergeant						
Monthly	7,900.58	8,295.58	8,710.50	9,145.50	9,602.33	
Bi-weekly	3,646.44	3,828.72	4,020.24	4,221.00	4,431.84	
Hourly Rate	43.41	45.58	47.86	50.25	52.76	
Annual	94,807.00	99,547.00	104,526.00	109,746.00	115,228.00	
Police Officer						
Monthly	6,814.08	7,154.42	7,513.00	7,887.92	8,282.83	
Bi-weekly	3,144.96	3,302.04	3,467.52	3,640.56	3,822.84	
Hourly Rate	37.44	39.31	41.28	43.34	45.51	
Annual	81,769.00	85,853.00	90,156.00	94,655.00	99,394.00	
Police Officer - Reserve						
Hourly Rate					45.51	
Public Works Supervisor						
Monthly	5,938.42	6,234.83	6,546.83	6,874.42	7,311.17	
Bi-weekly	2,740.80	2,877.60	3,021.60	3,172.80	3,374.40	
Hourly Rate	34.26	35.97	37.77	39.66	42.18	
Annual	71,261.00	74,818.00	78,562.00	82,493.00	87,734.00	
Temporary/Part Time EE	At the discretion of the City Manager					
Hourly Rate					50.00	

**City of Del Rey Oaks
Position Control List for FY 2026-2027**

	Actual	Budget	Proposed
Position	2024-2025	2025-2026	2026-2027
City Manager	1	1	1
Deputy City Clerk & Assistant to the City Manager	0	0	0
City Clerk	1	1	1
Administrative Services Technician	1	1	1
Deputy City Clerk/Permit Clerk	1	1	1
Assistant City Manager and Chief of Police	0	0	1
Chief of Police	1	1	0
Commander	1	1	1
Sergeant	3	3	2
Police Officer *	5	5	6
Public Works Supervisor	1	1	1
Total Positions	15	15	15

*Police Officer positions are authorized at 6 but only 5 positions are filled for FY 2026-2027 Budget

Chart of Accounts

Account Code	Account Title
FUNDS:	
100	General Fund
210	Gas Tax Fund
211	SB1 Fund-RMRA
212	Measure X Fund
213	Corona Virus Relief Fund
214	RSTP
221	FORA Habitat Management Fund
222	FORA Land Development
223	ARPA Fund
231	BSCC-Officer Wellness & Mental Health Grant
235	Asset Forfeitures
236	Drug Enforcement Administration (DEA)
242	REAP Grant
251	Cal Fire Grant
260	CDBG Fund
301	Capital Projects
310	TAMC Street Projects
311	Prop 68 Grant Fund
321	SBR Engineering Fund
322	SBR/GJM Intersection Construction Fund
323	SBR Construction Fund
331	FHA Grant Fund
332	FEMA & OES
910	Government Wide
920	General Long-Term Debt
DEPARTMENT/PROJECTS:	
000	Non Department Specific
110	Council
111	City Clerk
120	City Manager
130	Finance
140	Administration
150	Legal
160	Planning & Building Regulation
180	Government Buildings
190	Non-Departmental
210	Police
211	Cops
220	Fire/Animal Control
311	Public Works/Streets
411	Parks/Recreation

Chart of Accounts

Account Code	Account Title
500	Capital Projects
511	Street Slurry
512	Traffic Calming
513	Hwy 218 Corridor Planning
514	Street Reconstruction
515	Three Cedars, LLC
516	SBR Sewer Design
517	Solar City Hall
518	SBR Contract-Engineering & Others
519	JCFA HCP Funds
520	Portola/Work Walkway
521	Street Curb Replacement
522	Park Improvements
523	Street Improvements
524	Via Verde/Los Encinos Street Repair
525	Angelus/Rosita Storm Drain Repair (Engineering)
526	Angelus/Rosita Storm Drain Repair (Construction)
527	City Hall Parking Lot Imp
528	Park Parking Lot
529	Park Play Structure
530	Basketball Court Reconstruction
531	Park Parking Lot/Accessibility Project
532	Housing Element 6th Cycle
533	Vehicle Replacement
534	Safeway Parking Improvements (Sinkhole)
535	Safeway Repairs
536	Curb Repair
537	Saucito/Work Gutter & Curb
538	Via Verde Curb & Gutter Repair
539	Rosita Emergency Repairs
541	City Hall Facility Repairs & Upgrades
542	Council Chamber Technology Project
543	PD Radio Replacement
544	Technology Replacement
545	City Hall Sewer Upgrades
546	City Hall Chamber Renovations
547	City Hall Fence Replacement
548	City Hall Parking Lot Improvements
549	Adair Stairs Repairs
550	Del Rey Oaks Garden Center
610	Debt Service - Measure X
700	Transfer In/Out
999	Government-Wide

Chart of Accounts

Account Code Account Title

REVENUE ACCOUNTS:

41000	Taxes
41110	P/T-Secured
41120	P/T-Unsecured
41130	P/T-Prior Secured
41140	Prior Unsecured
41150	P/T-Unitary Tax
41160	P/T-Supplemental Roll (SB813)
41170	Property Tax - VLF
41180	Prop Tax-Interest/Penalty
41190	P/T - Administrative Fee
42000	Other Taxes
42210	Sales Tax
42220	Sales Tax - 145 (Measure S-1%)
42221	Sales Tax -409 (Measure R 1/2%)
42222	Cannabis Tax
42223	Cannabis Tax-Delinquent
42230	Transient Occupancy Tax
42231	STR Annual License Fee
42235	Less Sales Tax Admin Fee
42250	Property Transfer Tax
42290	Sewer Impact
42310	Business Licenses
42311	HOUP (Home Occupational User Permit)
42700	Franchise Fees
42761	Gas Franchises
42762	Electric Franchises
42763	Garbage Franchises
42764	Cable Tv Franchises
42765	Water Franchises
43000	Licenses & Permits
43311	SB1186 Disability Access Fund
43312	SB1473 Environmental Assessment Fee
43318	Variance Fee
43319	Architectural Review (ARC)
43320	Building Permits
43322	Strong-Motion Instrumental Program (SMIP) Fees
43325	Cannabis Business Permit
43330	Plan Check Fees
43340	Street Opening Permits Fees
43350	Plumbing Permits
43360	Electrical Permits

Chart of Accounts

Account Code	Account Title
43361	Tree Removal Permits
43390	Other Licenses/Permits
45000	Fines & Forfeitures
45510	Vehicle Code Fines
45512	Parking and Admin Fines
46100	Interest Earned
46101	Interest Earned-PARS
46200	Interest Income-GASB 87
46815	Rental Income - Garden Center
46816	Rental Income - Airport RV
46817	Rental Income - PW Bldg (CHC Enterprise)
47000	Other Agency Revenue
47010	Gas Tax 2103
47020	Gas Tax 2105
47030	Gas Tax 2106
47040	Gas Tax 2107
47050	Gas Tax 2107.5
47110	Motor Vehicle License Fee(Mvlf)
47130	HOPTR
47140	Vehicle License Collection
47240	COPS
47241	AMBAG REAP Grant
47242	HCD LEAP Grant
47243	SB1383 Organics Recycling
47340	CARES Act
47519	OES
47520	FEMA
47521	ARPA Grant
47523	FHWA Grant
47750	Prop 172
47751	Prop 68 Grant
47760	Wellness Program
47761	Officer Wellness & Mental Health Grant
47765	CDBG Grant
47767	FORA Caretaker Grant
47768	Cal Fire Grant
47770	Traffic Congestion Relief-Ab438
47771	FORA Contribution for SBR/GJM Intersection
47772	FORA Contribution for SBR Construction
47774	Measure X Loan/Advance
47775	Measure X
47776	RSTP Funds
47777	SB 1 Funds

Chart of Accounts

Account Code	Account Title
47778	SBR Engineering
47779	JCFA HCP Funds
47780	Police Grants & Other Reimbursements
47781	POST Reimbursements
47782	DEA Reimbursements
47783	Grant Other Agencies
47910	FORA Caretaker Grant
47911	DDA Developer Deposit
47912	DDA Negotiation Payment
48000	Current Services
48210	Police Service Fees
48211	Police Services-Special Events
48212	Public Events
48220	Airport Police Services
48250	Pd Donations
48805	Use Permits
48806	Conditional Use Permits
48810	Maps/Publications
48825	Property Inspections
48840	Miscellaneous Revenue
48841	Credit Card Processing Fee
48842	LAFCO Refund & Interest for FORA
48844	Donations
48910	Rental - Park
48911	Day use Permits (Park Only)
48912	Old Town Hall Rental Fee
48920	Rental Income - PW Bldg
48925	Lease Revenue-GASB 87
48930	Miscellaneous Refunds
48950	Bank Reconciliation Adjustments
48960	Restitution
48970	MBASIA Contribution
49110	Transfers In - Corona Virus Relief Fund
49200	Sale Of Assets
49205	Special Item-Conversion of Land Held for Resale
49206	Special Item-Gain on Land due to FORA Dissolution
49210	Sale Of FORA Land
49220	Proceeds from Capital Lease
49999	Loan Revenue (Contra Account)
82000	Transfers In
82003	Transfers In from GF
82004	Transfers In from Measure X
82005	Transfers In from ARPA

Chart of Accounts

Account Code	Account Title
EXPENDITURE ACCOUNTS:	
61000	Salaries & Benefits
61105	Payroll
61107	Temp Payroll
61110	Overtime
61111	Overtime-DEA
61112	Overtime-Cannabis Tax Fund Grant
61115	Council Member Stipend
61120	Reserves Payroll
61123	PERS UAL - After 06/30/18
61124	PERS UAL-Before 06/30/2018
61125	PERS Retirement
61126	PERS 457 Expense
61127	Dental Exp - City Council
61130	Medicare-ER
61131	Social Security-ER
61132	Unemployment Ins-Fed & State
61135	Dental Expense
61140	Health Insurance
61141	Health Insurance -Retiree
61145	Vision Ins
61150	Workers Comp and EAP
61155	Wellness Program
61157	Educational Incentive Pay
61158	Longevity Pay
61160	Uniform Allowance
61165	Deferred Compensation
61170	Opeb
61171	PARS
61175	Admin Leave
61180	Auto Allowance
61196	Reimbursements - Exp
61197	OPEB Expense (GASB 75)
61199	Compensated Absences
62000	Supplies
62310	ADP Payroll Fees
62320	Bank Service Charges
62321	Credit Card Fees
62325	Bank Reconciliation Adjustments
62327	Grant Writing Services
62410	Materials/Supply
62420	Ammunition

Chart of Accounts

Account Code	Account Title
62422	Body Armor Vests
62430	Office Supplies
62431	Accounting Software
62432	MuniCode Updates
62433	Budget Software
62440	Special Supply Police
62450	Radio System Lease - Principal
62451	Radio System Lease - Interest
62460	PD Safety Equip Lease - Principal
62461	PD Safety Equip Lease - Interest
62710	Auto Operations - Supplies / Equip
62720	Auto Operations - Fuel
63000	Outside Services
63300	Bank Service Charges
63505	Repair/Maintenance
63508	Other Outside Services
63509	Shredding Services
63510	Street Sweeping
63511	Short Term Rental Services
63515	Gabilan Crew
63520	Utilities - PG&E
63525	Utilities - Water
63530	Telephone
63531	Internet
63535	Website Design & Maintenance
63537	Annual Maintenance-Records Mgmt Software
63538	Record Management-Historical
63539	Annual Maintenance-MDT
63540	Postage / Shipping
63605	Training
63610	Other Permits PW Engineering
63611	Contract Services - Engineering
63612	Contract Services - Consultant (Park Planning)
63615	Equipment Maint
63620	Insurance-Liability
63621	Insurance-Property
63622	Insurance-Vehicles
63623	Insurance-PLL (Pollution Legal Liability)
63624	Insurance-ADWRP
63625	Audit-General
63626	Audit -Sales Tax
63627	Actuarial Services
63628	Professional Services

Chart of Accounts

Account Code	Account Title
63630	Contract Accounting DNU
63635	Contract Services - IT
63636	Contract Services - MIP
63637	Contract Services-Others
63638	Housing Element Cost - 6th Cycle
63639	Economic Development Services
63640	Planning Services
63641	Contractual Services - Cop
63642	Contract Services - Housing Element
63643	Contractual Services - Icop
63644	Contractual Services - PW
63645	Accounting Services-RGS
63646	Contract Services - Habitat Management Plan
63647	Contract Services - Cannabis
63648	Building Inspections Services
63649	Engineering Services
63650	Legal Services
63651	Contract Services -Fee Study
63652	HR Services-RGS
63653	Contract Services - PM
63654	Organic Waste Regs Services
63655	Hazardous Waste Disposal
63656	Code Enforcement Services
63657	Temporary Assistance
63660	Janitorial Services
63664	911-NGEN Phase II Upgrade
63665	911-Radio Dispatch
63666	911-Inform MDT Terminal Service
63667	911-Notification System
63668	911-NGEN O&M
63669	911-NGEN Debt (Capital Fee)
63670	Comm Hum Serv Non-Dept
63694	Mpp - Planning Services
63695	Mpp - Legal Services
63730	Auto Repair/Maintenance
63800	Police And Fire
63810	Fire Seaside
63812	Parking & Admin Citations Services
63820	Animal Regulation Fire
63830	Fund Jail & Prisoner
63840	ACJIS System
63910	Street Lighting
63913	Tree Service

Chart of Accounts

Account Code	Account Title
63955	Capital Improvements
63956	2019 Resurface Project
64310	Software/Server Subscription
64314	Law Enforcement Wellness App
64315	Agenda Management System
64316	Document Management System
64317	Council Chamber Technology
64318	Computer Server
64320	Municipal Code Service
64330	Records Retention Services
64545	Personnel Recruit & Pre-Employment
64550	Membership Dues-Professional Org
64551	Membership Dues-Non Profit Agency Contrib
64552	Membership Dues-Government Agency
64555	Ad Promotion City Council
64560	Legal Advert
64565	Books and Periodicals
64570	Strategic Planning
64575	Printing / Publications
64580	Misc Expenses
64581	Personnel Manual
64588	Election Cost
64610	Travel Expenses
64920	Storm Water Project - Phase 4
64930	S.M.I.P.
64940	SB 1473
65000	Debt Service
65101	Principal - Fora Loan
65102	Principal - Mbasia Loan
65103	Principal - Measure X Loan
65104	Principal-Motorola Lease-Cameras
65106	Principal-Sunridge Records Mgmt
65107	Interest-Sunridge Records Mgmt
65201	Interest - Fora Loan
65202	Interest - Mbasia Loan
65203	Interest - Measure X
65204	Interest-Motorola Lease-Cameras
65310	Land Payments To Fora
65740	Principal-Auto Lease
65741	Interest-Auto Lease
65750	Mbasia Principal Payments
65751	Principal-PG&E
65971	Interest Expense

Chart of Accounts

Account Code	Account Title
65972	LAIF Interest Exp
66000	Capital Outlays and Projects
66210	Storage Shed
66300	Furniture & Equipment
66302	Equipment
66303	Server Equipment
66305	Mobile Data Terminals
66306	Portable Radios
66308	Capital Outlay Ecogreen (PG&E)
66310	Habitat Management Planning
66322	Repairs and Improvements
66323	Technology Upgrades
66324	Technology Replacement
66327	Curb and Gutter Repair
66410	Street Improvements
66411	Road Construction
66420	Park Improvements
66425	Parking Lot Improvements & Repairs
66426	City Hall Sewer Upgrades
66427	City Hall Chamber Renovations
66428	City Hall Fence Replacement
66429	City Hall Parking Lot Improvements
66430	Adair Stairs Repairs
66735	Vehicle Replacement
66736	PD Radio Replacement
66905	Contingency
66910	Capital Outlay (Contra Account)
80000	Transfers Out
80100	Capital Outlay Fund
80101	Gain/Loss on Disposal of Capital Assets
80102	Reserve Fund Account
80211	Gain/Loss for debt Forgiveness
81003	Transfers Out to CIP
81004	Transfers Out to Grants
81005	Transfers Out to GF
82006	Transfers In from RSTP
82007	Transfers In from SB1-RMRA



CITY OF DEL REY OAKS

650 CANYON DEL REY BLVD., DEL REY OAKS, CALIFORNIA 93940
PHONE (831) 394-8511 FAX (831) 394-6421

STAFF REPORT

DATE: June 23, 2026

TO: Honorable Mayor and City Council

FROM: John Guertin, City Manager

SUBJECT: Approve City Investment Policy FY 2026-2027

CEQA: This action does not constitute a “project” as defined by the California Environmental Quality Act (CEQA) guidelines section 15378 as it is an organizational activity of the City that will not result in direct or indirect physical changes in the environment.

RECOMMENDATION

Staff recommend that the City Council approve the City Investment Policy by resolution.

BACKGROUND

California Government Code Section 53646(a) (2) states that the treasurer or chief fiscal officer of a local agency may render annually to the legislative body of the local agency an investment policy, which the legislative body shall consider at a public meeting. State law further requires the Treasurer or Chief Financial Officer to submit detailed information on all securities, investments, and monies of an agency on a quarterly basis.

SUMMARY AND DISCUSSION

The recommended action is routine in nature and will become part of our annual budget adoption process. The Investment Policy allows investment in all investment vehicles permitted by State law. However, in actual practice the funds managed by the City have historically been invested in the Local Agency Investment Fund (LAIF). Staff will look for higher yielding investments than LAIF that meet the criteria of Safety, Liquidity, and Yield in that order. Staff does not anticipate making any investment until the end of the Fiscal Year.

FISCAL IMPACT

The City’s LAIF balance as of \$3,247,756 as of May 2026 is currently returning 3.81%. By becoming a more active, but still conservative, participant in the investment market, the City should net modestly higher yields resulting in more revenue for the City.

RECOMMENDED ACTION

Staff recommend that the City Council adopt a City Investment Policy by resolution.

ATTACHMENT(S)

1. Resolution 2026-13
2. Investment Policy

**A RESOLUTION OF THE CITY OF DEL REY OAKS
ESTABLISHING THE INVESTMENT POLICY**

WHEREAS the City of Del Rey Oaks may invest surplus monies not required for the immediate necessities of the local agency in accordance with the provisions of California Government Code Sections 5921 and 53630 et seq.; and

WHEREAS it is necessary to establish the policy and guidelines for the City of Del Rey Oaks City Council to invest public funds in a manner which will provide a high level of safety and security of principal; and

WHEREAS the City Manager of the City of Del Rey Oaks shall annually prepare and submit a statement of investment policy and such policy, and any changes thereto, shall be considered by the legislative body at a public meeting; and

WHEREAS the City of Del Rey Oaks Investment Policy has been developed and presented to this City Council on June 23, 2026.

NOW, THEREFORE, BE IT RESOLVED by the City of Del Rey Oaks City Council that it does hereby adopt the attached Investment Policy, marked "Exhibit A," and authorizes and directs the City Manager to use said Policy in the investment of City funds.

PASSED AND ADOPTED by the City of Del Rey Oaks City Council at the regular meeting duly held on the 23rd day of June 2026 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Scott Donaldson

Mayor

Karen Minami
City Clerk

CITY OF DEL REY OAKS INVESTMENT POLICY

PURPOSE

The purpose of this document is to identify various policies and procedures that enhance opportunities for a prudent and systematic investment process and to organize and formalize investment-related activities. Investments shall be made with judgment and care, under circumstances then prevailing, which people of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The ultimate goal is to enhance the economic status of the City while protecting its invested cash.

The investment policies and practices of the City of Del Rey Oaks are based on state law and prudent money management. All funds will be invested in accordance with the City of Del Rey Oaks and the authority governing investments for local governments as set forth in the California Government Code, Sections 53601 through 53686. The provisions of relevant bond documents restrict the investments of bond proceeds.

OBJECTIVE

The City has a fiduciary responsibility to maximize the productive use of all the assets entrusted to its care and to invest wisely and prudently manage those public funds. As such, the City shall strive to maintain the level of investment of all idle funds as near 100% as possible through daily and projected cash flow determinations, investing in those investment vehicles deemed prudent and allowable under current legislation of the State of California and the ordinances and resolutions of the City of Del Rey Oaks.

SCOPE

It is intended that this policy cover all funds and investment activities of the City of Del Rey Oaks. This investment policy applies to all City transactions involving the financial assets and related activity of all funds. Any additional funds that may be created from time to time shall also be administered with the provisions of this policy and comply with current State Government Code.

The City will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiency with regard to investment pricing, safekeeping, and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

AUTHORIZATION

The City of Del Rey Oaks City Council has delegated investment authority to the City Manager. This delegation is further authorized by Section 53600, et seq. of the Government Code of the State of California, which specifies the various permissible investment vehicles, collateralization levels, portfolio limits, and reporting requirements.

GUIDELINES

Government Code Section 53600.5 states: “When investing, reinvesting, purchasing, acquiring, exchanging, selling, and managing public funds, the primary objective of the trustee shall be to safeguard the principal of funds under its control. The secondary objective shall be to meet the liquidity needs of the depositor. The third objective shall be to achieve a return on the funds under its control.”

Simply stated, *safety of principal* is the foremost objective, followed by *liquidity* and *return on investment* (known as yield). Each investment transaction shall seek to first ensure that capital losses are avoided, whether they are from market erosion or security defaults.

1. Government Code Section 53601 authorizes the following investment vehicles:

<u>Permitted Investments/Deposits</u>	<u>Maximum Percentages of Portfolio</u>	<u>Maximum Maturity</u>	<u>Minimum Quality Requirements</u>
U.S. Treasury Obligations	Unlimited	5 Years*	None
U.S. Agencies Obligations ^(g)	Unlimited	5 Years*	None
Certificates of Deposit	Unlimited	5 Years*	None
Negotiable Certificates	30%	5 Years*	None
Bankers Acceptances	40% ^b	180 Days	None
Commercial Paper	25% ^c	270 Days	A-1/P-1/F-1
L.A.I.F.	40 Million ^a	N/A	None
CalTRUST Investment Pool ^(h)	Unlimited	N/A	None
Repurchase Agreements	Unlimited	1 Year	None
Reverse Repurchase Agreements	20%	92 Days	None
Mutual Funds and Money Market			
Mutual Funds	20%	n/a	Multiple ^{d, e}
Medium Term Notes ^f	30%	5 Years*	“A” rating

*Maximum term unless expressly authorized by Governing Body and within the prescribed time frame for said approval

- (a) Limit set by LAIF Governing Board, not the Government Code.
- (b) No more than 30 percent of the agency’s money may be in Bankers’ Acceptances of any one commercial bank.
- (c) Ten percent of the outstanding commercial paper of any single corporate issuer.
- (d) A mutual fund must receive the highest ranking by not less than two nationally recognized rating agencies or the fund must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of \$500 million, and has at least five years’ experience investing in instruments authorized by Government Code sections 53601 and 53635.
- (e) A money market mutual fund must receive the highest ranking by not less than two nationally recognized statistical rating organizations or retain an investment advisor registered with the SEC or exempt from registration and who has not less than five years’ experience

investing in money market instruments with assets under management in excess of \$50 million. Item 1.

(f) "Medium-term notes" are defined in Government Code Section 53601 as "all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating with the U.S. or by depository institutions licensed by the U.S. or any state and operating within the U.S."

(g) Includes U.S. Government Sponsored Enterprise Obligations

(h) Investment Trust of California dba CalTRUST

2. Criteria for selecting investments, and the order of priority, are:

- A) Safety. The safety and risk associated with an investment refers to the potential loss of principal, interest, or a combination of these amounts. Investments of the City of Del Rey Oaks shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio. The City only invests in those instruments that are considered very safe.
 - B) Liquidity. This refers to the ability to "cash in" at any moment with a minimal chance of losing some portion of principal or interest. Liquidity is an important investment quality especially when the unexpected need for funds occurs. The City of Del Rey Oaks investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements, which might be reasonably anticipated. It is the City's full intent, at the time of purchase, to hold all investments until maturity to ensure the return of all invested principal dollars.
 - C) Yield. Yield is the potential dollar earnings an investment can provide and sometimes is described as the rate of return. The City of Del Rey Oaks investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the City's investment risk constraints and the cash flow characteristics of the portfolio.
3. An amount of money deemed sufficient to meet one payroll and two weeks claims shall be maintained in highly liquid investment vehicles such as the State Local Agency Investment Fund, or other similar investment instruments.
4. The City will attempt to obtain the highest yield obtainable when selecting investments, provided that criteria for safety and liquidity are met. Ordinarily, through a positive yield curve (i.e., longer term investment rates are higher than those of shorter maturities), the City attempts to ladder its maturities to meet anticipated cash maturities that carry a higher rate than is available in the extremely short market of 30 days or less.
5. Most investments are highly liquid, with the exception of certificates of deposit held by banks and savings and loans. Investments in Certificate of Deposit shall be fully insured or collateralized. When insurance is pledged, it shall be through the FDIC. Collateralization shall be in the amount of 110% of principal when government securities are pledged or 150% of principal when backed

by first deeds of trust. Maturities are selected to anticipate cash needs, thereby obviating the need for forced liquidation.

6. When investing in Bankers Acceptances, Treasury Bills and Notes, Government Agency Securities and Commercial Paper, securities for these investments shall be conducted on a delivery-versus-payment basis. Securities are held by a third-party custodian designated by the City Manager and evidenced by safekeeping receipts when such delivery directly to the City would be impractical.
7. With the exception of Treasury Notes and other government Agency Issues, the maturity of any given investment shall not exceed 1 year.
8. Bond Proceeds shall include any notes, bonds or other instruments issued on behalf of the City of Del Rey Oaks for which the members of the Board of Directors serve as the governing body. Should the City of Del Rey Oaks elect to issue bonds for any purpose, the Indenture of Trust shall be the governing document specifying allowable investments for the proceeds of the issue as prescribed by law.
9. Investment income shall be shared by all funds on a proportionate ratio of each funds balance to total pooled cash with investment income distributed accordingly on a quarterly basis.
10. Investments in any other vehicle like Repurchase and Reverse Repurchase Agreements shall not be authorized unless the investment is made through the pooled money portfolio of the Local Agency Investment Fund.
11. The City Manager shall annually render to the City Council for consideration at a public meeting, a statement of investment policy. The City Manager will also render an investment report to the City Council within 30 days following the end of each calendar quarter. The quarterly report shall include types of investment, issuer, date of maturity, par and dollar amount invested on all securities, investments and monies held by the City of Del Rey Oaks. The report shall state compliance with the investment policy or manner in which the portfolio is not in compliance. It should also include a statement denoting the ability to meet the City's expenditure requirement for the next six months or provide an explanation as to why sufficient money shall, or may, not be available.
12. Any State of California legislative action that further restricts allowable maturities, investment type or percentage allocations, will be incorporated into the City of Del Rey Oaks Policy and supersede any and all previous language.
13. Officers and employees involved in the investment process shall refrain from personal business activities that could conflict with proper execution of the investment program, or that could impair their ability to make impartial decisions.

The basic premises underlying the City's investment philosophy are, and will continue to be, to safeguard principal, to meet the liquidity needs of the organization and to return an acceptable yield.

June 23, 2026



CITY OF DEL REY OAKS

650 CANYON DEL REY BLVD., DEL REY OAKS, CALIFORNIA 93940
PHONE (831) 394-8511 FAX (831) 394-6421

Staff Report

DATE: June 23, 2026

TO: Honorable Mayor and City Council

FROM: John Guertin, City Manager

SUBJECT: Adoption of Comprehensive Fee Schedule for FY 2026-2027.

CEQA: The California Environmental Quality Act (CEQA) does not apply to activities that will not result in a direct or reasonably foreseeable indirect physical change in the environment and is otherwise not considered a project as defined by CEQA Statute §21065 and CEQA Guidelines §§15060(c)(3) and 15378. Adoption of the Comprehensive Fee Schedule meets these criteria and is not subject to CEQA. No additional environmental review is required.

Recommendation

Adopt a Resolution Approving the Comprehensive Fee Schedule for Fiscal Year 2026-2027 to Continue Certain Department Fees, Rates, and Charges, and Amending Certain Fees, Rates, and Charges for Fiscal Year 2026-2027.

Background

On February 25, 2025, the City Council adopted Resolution No. 2025-01 updating and establishing user and regulatory fees following completion of a comprehensive cost-of-service study. Resolution No. 2025-01 further authorized the City Manager to annually update applicable fees based on the annual percentage change in the All-Urban Consumer Price Index (CPI) for the San Francisco-Oakland-Hayward metropolitan area.

The purpose of this annual adjustment process is to ensure that fees remain aligned with the City's cost of providing services, keep pace with inflation, avoid large periodic fee increases, and reduce the subsidy of fee-supported services by the General Fund.

Discussion

Resolution No. 2025-01 authorizes annual fee adjustments based upon the annual percentage change in the San Francisco-Oakland-Hayward All Urban Consumer Price Index (CPI). The CPI increase applicable to Fiscal Year 2026-2027 is 3.8 percent.

Accordingly, staff have reviewed the City's Comprehensive Fee Schedule and recommend increasing applicable user and regulatory fees by 3.8 percent effective July 1, 2026. The adjustment applies to those fees subject to annual CPI indexing and is intended to maintain the City's cost recovery levels as personnel, contractual, materials, and administrative costs continue to increase.

The proposed CPI adjustment is consistent with the policy direction established by the City Council in Resolution No. 2025-01 and does not alter the methodology or structure of the City's fee program. Rather, it represents the routine annual inflationary adjustment contemplated by the Resolution.

The proposed Comprehensive Fee Schedule for Fiscal Year 2026-2027 continues existing fees, rates, and charges while amending applicable fees by 3.8 percent. Fees established by statute, contract, separate City Council action, or other legal authorities that are not subject to CPI adjustment remain unchanged unless otherwise identified in the attached fee schedule.

Fiscal Impacts

The proposed fee adjustments are expected to maintain the City's cost recovery for user and regulatory services and reduce the degree to which General Fund revenues subsidize services that primarily benefit individual applicants or users.

The precise fiscal impact will depend on service demand during Fiscal Year 2026-2027; however, the recommended adjustments will help ensure that revenues generated from fees keep pace with inflationary increases in the City's cost of providing services.

ATTACHMENTS:

1. Resolution Approving the Comprehensive Fee Schedule for Fiscal Year 2026-2027
2. Comprehensive Fee Schedule for Fiscal Year 2026-2027

Respectfully Submitted,

John Guertin
City Manager

RESOLUTION NO. 2026-19

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DEL REY OAKS APPROVING THE COMPREHENSIVE FEE SCHEDULE FOR FISCAL YEAR 2026-2027 TO CONTINUE CERTAIN DEPARTMENT FEES, RATES, AND CHARGES, AND AMENDING CERTAIN FEES, RATES, AND CHARGES FOR FISCAL YEAR 2026-2027

WHEREAS, the City Council has previously established fees, rates, and charges for various municipal services, permits, programs, and activities; and

WHEREAS, on February 25, 2025, the City Council adopted Resolution No. 2025-01 updating and establishing user and regulatory fees following completion of a comprehensive cost-of-service study; and

WHEREAS, Resolution No. 2025-01 authorizes the City Manager to annually update applicable fees based on the annual percentage change in the All-Urban Consumer Price Index (CPI) for the San Francisco-Oakland-Hayward area; and

WHEREAS, Resolution No. 2025-01 further provides that if the CPI does not increase in a given year, no adjustment shall be made to the fee schedule; and

WHEREAS, the annual percentage change in the applicable CPI for Fiscal Year 2026-2027 is 3.8 percent; and

WHEREAS, staff has reviewed the City's Comprehensive Fee Schedule and recommends adjusting applicable fees by 3.8 percent consistent with Resolution No. 2025-01; and

WHEREAS, the City Council finds that the fees, rates, and charges contained in the Comprehensive Fee Schedule do not exceed the reasonable cost of providing the services for which the fees are charged and are consistent with applicable provisions of California law; and

WHEREAS, the City Council desires to continue certain existing fees, rates, and charges and amend certain fees, rates, and charges as reflected in the Fiscal Year 2026-2027 Comprehensive Fee Schedule attached hereto as Exhibit "A".

NOW, THEREFORE, be it resolved by the City Council of the City of Del Rey Oaks as follows:

SECTION 1. The foregoing recitals are true and correct and are incorporated herein by this reference.

SECTION 2. The City Council hereby approves and adopts the Comprehensive Fee Schedule for Fiscal Year 2026/27 attached hereto as Exhibit "A".

SECTION 3. Applicable fees, rates, and charges identified in Exhibit "A" are increased by 3.8 percent consistent with the annual CPI adjustment authorized by Resolution No. 2025-01.

SECTION 4. Any fees, rates, or charges not amended by Exhibit "A" shall remain in full force and effect.

SECTION 5. The fees, rates, and charges adopted by this Resolution shall become effective July 1, 2026.

PASSED AND ADOPTED as a resolution of the City Council of the City of Del Rey Oaks at a meeting held on this 23rd day of June 2026.

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

APPROVED:

Scott Donaldson, Mayor

ATTEST:

Karen Minami, City Clerk

City of Del Rey Oaks Fee Schedule

3.8 CPI Increase

		GL Code	NEW FEES EFFECTIVE 07/01/2025	PROPOSED FEES INCREASE 07/01/2026	NEW FEES EFFECTIVE 07/01/2026 (ROUNDED DOWN TO \$)
Planning					
Architectural Review Committee Review:					
Commercial					
a) Major	(New commercial)	43319	\$3,200	\$ 3,321.60	\$ 3,321
b) Minor	(Commercial additions, remodels, exterior tenant improvements, etc.)	43319	\$800	\$ 830.40	\$ 830
Residential					
a) Major	(New one or two-story buildings, or second-story additions)	43319	\$1,600	\$ 1,660.80	\$ 1,660
b) Minor	(One-story additions, exterior alterations to one-story buildings or one-story of a two-story)	43319	\$400	\$ 415.20	\$ 415
Architectural Review Committee Sign Review:					
Major	(Large monument signs, multiple freestanding signs, pole signs, internally illuminated signs)	43319	\$1,200	\$ 1,245.60	\$ 1,245
Minor	(All signs not included above)	43319	\$200	\$ 207.60	\$ 207
	Architectural Review/Solar Panels	43319	\$200	\$ 207.60	\$ 207
Appeal Fees					
Appeals of Planning Commission Decisions to City Council		Future Fee	\$1,600	\$ 1,660.80	\$ 1,660
Appeals of Staff Decisions/Home Occupation Permits		Future Fee	\$400	\$ 415.20	\$ 415
Environmental Review					
Environmental Impact Report		Future Fee	Contract Cost plus 15%	Contract Cost plus 15%	Contract Cost plus 15%
Environmental Initial Study Leading to a Negative Declaration (Excludes Fish and Game Fee and technical studies)		Future Fee	\$6,400	\$ 6,643.20	\$ 6,643
Environmental Exemption		Future Fee	\$400	\$ 415.20	\$ 415
Use Permits					
Master	(Projects requiring environmental review and/or multiple permits)	48805	\$6,000	\$ 6,228.00	\$ 6,228
Major	(Commercial, industrial, multi-family, cannabis)	48805	\$4,800	\$ 4,982.40	\$ 4,982
Minor	(Single-family residential uses)	48805	\$1,200	\$ 1,245.60	\$ 1,245
Cannabis					
Annual Cannabis Business Permit		43325	\$5,000	\$ 5,190.00	\$ 5,190
Cannabis Tax		42222	5% of Gross Receipts	5% of Gross Receipts	5% of Gross Receipts
Short Term Rental					
New	One-time approval fee Whole Home or Home Share	42231	\$820	\$ 851.16	\$ 851
Annual	a) Whole Home	42231	\$500	\$ 519.00	\$ 519
	b) Home Share	42231	\$250	\$ 259.50	\$ 259
Permits					
Home Occupation (Business) Permit due every year		42311	\$150	\$ 155.70	\$ 155
Home Occupational Use Permit Application Fee		42311	\$10	\$ 10.38	\$ 10
Permit Extension		Future Fee	\$800	\$ 830.40	\$ 830
Reopen Permit		Future Fee	\$1,200	\$ 1,245.60	\$ 1,245
Special Permits (Temporary use)		Future Fee	\$300	\$ 311.40	\$ 311
Special Sign Permit (Temporary window/banner sign)		48805	\$200	\$ 207.60	\$ 207
Tree Removal/Significant Alteration Permit		43361	\$100	\$ 103.80	\$ 103
Investigative fee for work without permit(s)		43320	equal to permit fee - In addition to standard permit fees	equal to permit fee - In addition to standard permit fees	equal to permit fee - In addition to standard permit fees
Missed Inspections or work not complete		Future Fee	\$170	\$ 176.46	\$ 176
Electrical		43360	Base on Valuation	Base on Valuation	Base on Valuation
Plumbing/Mechanical Permit		43350	Base on Valuation	Base on Valuation	Base on Valuation

City of Del Rey Oaks Fee Schedule

3.8 CPI Increase

Grading Permit Fee		43340	\$200	\$	207.60	\$	207
			\$100	\$	103.80	\$	103
Residential Property Inspections Reports - Single Family Dwelling		48825	\$255	\$	264.69	\$	264
Duplicate Job Card		N/A	no charge		no charge		no charge
Variance Permit							
Master	(Multiple variances for commercial, multi-family or industrial projects)	43318	\$4,800	\$	4,982.40	\$	4,982
Major	(One variance {coverage, height, parking adjustments} for commercial, multi-family or industrial sites)	43318	\$3,200	\$	3,321.60	\$	3,321
Minor	(One variance - residential fences, setbacks, parking, etc.)	43318	\$1,200	\$	1,245.60	\$	1,245
Zoning Permits							
R-1 District		Future Fee	\$200	\$	207.60	\$	207
D District (Condo.)		Future Fee	\$200	\$	207.60	\$	207
Hotel/motel/multi-family				\$	-		
1-7 units		Future Fee	\$1,600	\$	1,660.80	\$	1,660
8-36 units		Future Fee	\$200	\$	207.60	\$	207
>36 units		Future Fee	Negotiated fee for cost of service		Negotiated fee for cost of service		Negotiated fee for cost of service
Commercial & Industrial							
<15,000 sf		Future Fee	\$800 + \$200 K/SF		\$830 + \$207.60 K/SF		\$830 + \$207 K/SF
>15,000		Future Fee	Negotiated fee for cost of service		Negotiated fee for cost of service		Negotiated fee for cost of service
Additional meetings		Future Fee	\$400		415.20	\$	415
Zoning Ordinance Text		Future Fee	Available online at no cost		Available online at no cost		Available online at no cost
R-1 Guidelines		Future Fee	Available online at no cost		Available online at no cost		Available online at no cost
Commercial Guidelines		Future Fee	Available online at no cost		Available online at no cost		Available online at no cost
Sign Ordinance		Future Fee	Available online at no cost		Available online at no cost		Available online at no cost
Subdivision Ordinance		Future Fee	Available online at no cost		Available online at no cost		Available online at no cost
General Plan Text		Future Fee	Available online at no cost		Available online at no cost		Available online at no cost
Reclassification or Rezoning							
Major text	(alterations of existing sections)	Future Fee	\$4,800	\$	4,982.40	\$	4,982
Minor text	(addition of new section)						
	a) 1st Section	Future Fee	\$3,200	\$	3,321.60	\$	3,321
	b) Each additional Section	Future Fee	\$400		415.20	\$	415
Standard Subdivision Map							
Tentative Tract Map							
a) Base Fee		Future Fee	\$4,800	\$	4,982.40	\$	4,982
b) Per Lot		Future Fee	\$100	\$	103.80	\$	103
Tentative Parcel Map							
Exceptions (per lot with exceptions)		Future Fee	\$800	\$	830.40	\$	830
Minor		Future Fee	\$3,200	\$	3,321.60	\$	3,321
Exceptions		Future Fee	\$800	\$	830.40	\$	830
Additional meetings for minor text amendments		Future Fee	\$200	\$	207.60	\$	207
Development Agreement							
Development Agreement (Deposit)		Future Fee	\$20,000	\$	20,760.00	\$	20,760

Consultant fee, plus 30% of consultant fees to cover normal staff costs, plus 15% of consultant fee as a contingency fund to cover unanticipated costs, plus duplication. These fees shall be considered advances and should the actual cost be less than the fee advanced, the excess shall be returned to the applicant; should the actual cost be more than the fee advanced, the difference shall be paid by the applicant.

Applicant shall, in addition to those fees listed in this fee schedule, pay the actual cost of legal advertising.

City of Del Rey Oaks Fee Schedule

3.8 CPI Increase

It is the City policy and requirement that processing of development or planning projects be fully cost recoverable. Application fees are intended to reimburse the City for minimal costs incurred for the normal or routine amount of time necessary to process applicant's requests. If additional or other unusual time is required on a particular project, then the developer/applicant will be charged for these additional costs to the City, plus a 30% administrative overhead fee.

General Plan Amendment		Future Fee	Contract Cost plus 15%	Contract Cost plus 15%	Contract Cost plus 15%
	General Plan Amendment	Future Fee	Contract Cost plus 15%	Contract Cost plus 15%	Contract Cost plus 15%
	Minor Text (alterations of existing sections)	Future Fee			
	Major Text (addition of new sections)	Future Fee			
Other Planning Fees					
	Credit Card Transaction Processing Fee	48841	3%	3%	3%
	Missed Inspections or work not complete (per hour)	43330	\$200	\$ 207.60	\$207
	Investigative fee for work without permit(s)	43330	equal to permit fee - In addition to standard permit fees	equal to permit fee - In addition to standard permit fees	equal to permit fee - In addition to standard permit fees
	Fee Related Services Not Otherwise Listed Above	43330			
	a) In-House Planning	43330	\$200	\$ 207.60	\$ 207
	b) Contract Service / Specialized Review	43330	Actual Cost + 15%	Actual Cost + 15%	Actual Cost + 15%

City of Del Rey Oaks Fee Schedule

3.8 CPI Increase

Engineering					
Grading Permit Fee	43340	\$200		\$ 207.60	\$ 207
Encroachment Permit					
a) Residential	43340	\$300		\$ 311.40	\$ 311
b) Commercial		\$400 plus 3% of cost of public improvements requires plan check		\$400 plus 3% of cost of public improvements requires plan check	\$400 plus 3% of cost of public improvements requires plan check
Street Opening Permit					
a) Residential	43340	\$300		\$ 311.40	\$ 311
b) Commercial	43340	\$400 plus 3% of cost of public improvements requires plan check		\$400 plus 3% of cost of public improvements requires plan check	\$400 plus 3% of cost of public improvements requires plan check
Driveway, Curb, Gutter, Sidewalk Permit	43340	\$300		\$ 311.40	\$ 311
Construction Activity Road Impact Fee	Future Fee	1% of the sum of the building permit's project		1% of the sum of the building permit's project	1% of the sum of the building permit's
Storm Water Review & Inspection Fee	Future Fee				
a) Application Fee	Future Fee	\$300		\$ 311.40	\$ 311
b) Plan Review and Inspection (per hour)	Future Fee	\$200 per hour		\$ 207.60	\$ 207
Final Map					
Final Tract Map					
a) Base Fee (plus per lot fee)	Future Fee	\$4,000.00		\$ 4,152.00	\$ 4,152
b) Per Lot	Future Fee	\$100.00		\$ 103.80	\$ 103
Final Parcel Map	Future Fee	\$4,000.00		\$ 4,152.00	\$ 4,152
Lot Line Adjustment	Future Fee	3200		\$ 3,321.60	\$ 3,321
Processing	Future Fee	Actual Cost + 15%		Actual Cost + 15%	Actual Cost + 15%
Other Engineering Fees					
Credit Card Transaction Processing Fee	48841	3%		3%	3%
Investigative Fee for work without permit(s)	43330	equal to permit fee - In addition to standard permit fees		equal to permit fee - In addition to standard permit fees	equal to permit fee - In addition to standard permit fees
Fee Related Services Not Otherwise Listed Above	43340	Actual Cost + 15%		Actual Cost + 15%	Actual Cost + 15%
Police/Fire Fees					
Accident Report	48210				
Police Report (e.g., accident, crime)	48210	\$30 each		\$ 31.14	\$ 31
Fingerprinting - Hard Card	48210	\$50 per request		\$ 51.90	\$ 51
Fingerprinting - Livescan	48210	\$50 per request [a]		\$ 51.90	\$ 51
Vehicle Repossession	45510	\$15 [b]		\$ 16	\$ 16
Vehicle Storage Release	45510	\$250 each		\$ 259.50	\$ 259
Citation Sign-Off	45510	\$25 each		\$ 25.95	\$ 25
VIN Verification	48210	\$25 each		\$ 25.95	\$ 25
DUI Accident Response	48210	Actual Cost; Not to Exceed \$12,000		Actual Cost; Not to Exceed \$12,000	Actual Cost; Not to Exceed \$12,000
Loud Party Response/Noise Disturbance Response					
a) 1st Response in 24-hour Period	48210	No Charge		No Charge	No Charge
b) 2nd Response in 24-hour Period	48210	\$100 each		\$ 103.80	\$ 103
c) Each Additional Response in 24-hour Period	48210	\$150 each		\$ 155.70	\$ 155
False Police Alarm Fees	48210				
1st alarm within 60 days	48210	No Charge [c]		No Charge [c]	No Charge [c]
2nd alarm within 60 days	48210	\$100 each [c]		\$ 103.80	\$ 103
Subsequent Alarms	48210	\$150 each [c]		\$ 155.70	\$ 155
False Alarm / Fire Response / Fire Alarm - Sprinkler System (Fire presence required)	48210	n/a		n/a	n/a

City of Del Rey Oaks Fee Schedule

3.8 CPI Increase

Hazardous Materials / Fire Response fee/Traffic Accident - (Fire presence required)		48210	n/a	n/a	n/a
Special Events		48210	\$130 per hour	134.94	134
Police Shoulder Patch Request		48210	n/c	n/c	n/c
[a] In addition to amounts shown, additional amounts due to Department of Justice and/or other agencies will be collected.					
[b] Fee set by State of California.		48210	State of CA	State of CA	State of CA
[c] Based on number of false alarms per calendar year.		48210	State of CA	State of CA	State of CA
Animal Regulation Fees					
Dog park annual registration fee		48840	Free Membership - Replacement Key \$10	Free Membership - Replacement Key \$10	Free Membership - Replacement Key \$10
County of Monterey Animal Services		48840	See County of Monterey fee schedule	Actual Cost to City to be paid by owner	See County of Monterey fee schedule
Reserved Facility Use Fees					
Park Barbeque Reservation Fees:					
Residents:	Groups of 1 to 50	48910	\$60	\$ 62.28	\$ 62
	Groups of 51 to 100	48910	\$120	\$ 124.56	\$ 124
	Groups of 101 to 150	48910	\$180	\$ 186.84	\$ 186
Non-Residents:	Groups of 1 to 50	48910	\$120	\$ 124.56	\$ 124
	Groups of 51 to 100	48910	\$180	\$ 186.84	\$ 186
	Groups of 101 to 150	48910	\$240	\$ 249.12	\$ 249
Bounce House Permit		48911	\$60	\$ 62.28	\$ 62
Temporary Day Use Permit		48911	\$60	\$ 62.28	\$ 62
Old Town Hall Reservation Fees:					
Resident :	First 3 hours (per hour)	48912	\$60	\$ 62.28	\$ 62
	Each additional hour	48912	\$30	\$ 31.14	\$ 31
	Cleaning Fee	48912	\$25	\$ 25.95	\$ 25
	Use Permit	48911	\$60	\$ 62.28	\$ 62
	Refundable Cleaning/Damage Deposit	N/A (hold check)	\$250	\$ 259.50	\$ 259
Non-Resident:	First 3 hours (per hour)	48912	\$80	\$ 83.04	\$ 83
	Each additional hour	48912	\$30	\$ 31.14	\$ 31
	Cleaning Fee	48912	\$25	\$ 25.95	\$ 25
	Use Permit	48911	\$60	\$ 62.28	\$ 62
	Refundable Cleaning/Damage Deposit	N/A (hold check)	\$250	\$ 259.50	\$ 259
Non-Profit:	First 3 hours (per hour)	48912	\$50	\$ 51.90	\$ 51
	Each additional hour	48912	\$20	\$ 20.76	\$ 20
	Cleaning Fee	48912	\$25	\$ 25.95	\$ 25
	Use Permit	48911	\$60	\$ 62.28	\$ 62
	Refundable Cleaning/Damage Deposit	N/A (hold check)	\$250	\$ 259.50	\$ 259
Clerk/Administration Fees					
Business License					
Business License Application Fee					
a) Business License Application Fee - New		42310	\$56	\$ 57.61	\$ 57
b) Business License Application Fee - Renewal		42310	\$28	\$ 28.80	\$ 28
Stop Payment / NSF Fee					
[a] Fee limited by State of California.		48840	\$35 [a]	\$35 [a]	\$35 [a]
Duplication Fees					
Copies		48810	\$0.20 per page	\$0.21 per page	\$0.21 per page
Duplication of Audio Tape		48810	\$50 Each	\$51 Each	\$51 Each
Duplication of DVD (Council Meeting, Etc.)		48810	\$50 Each	\$51 Each	\$51 Each
Duplication of DVD / Police Photos		48810	\$50 Each	\$51 Each	\$51 Each
Enlargement of Photographs		48810	Actual cost	Actual cost	Actual cost
Maps		48810	\$5	\$ 5.19	\$ 5

City of Del Rey Oaks Fee Schedule

3.8 CPI Increase

Mailing Fees				
Council Packet Yearly Subscription	48810	\$180	\$ 186.84	\$ 186
All Other Mailing	48810	Actual Cost of Postage and Materials	Actual Cost of Postage and Materials	Actual Cost of Postage and Materials
Other				
Credit Card Transaction Processing Fee	48841	3%	3%	3%
Request Requiring Special Programming or Formatting	48840	Actual Cost	Actual Cost	Actual Cost

City of Del Rey Oaks
BUILDING FEES-MISCELLANEOUS

NEW FEES EFFECTIVE 07/01/2025	PROPOSED FEES INCREASE 07/01/2026	NEW FEES EFFECTIVE 07/01/2026 (ROUNDED DOWN TO \$)
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A. Fees for Commonly Requested and Minor Miscellaneous Building Permit Types. Fees shown in this section (Section A.) include all applicable inspection, and plan review fees. Additional permit processing fees apply. Additional fees may apply for services provided by other City Departments (e.g. Planning Review), Technology Enhancement Fees, and Fees Collected on Behalf of Other Agencies.

Fee Description	Fee	Note	Y'rly CPI			
1 HVAC Change-Out - Residential	\$170		Y	\$	176.46	\$ 176
2 Water Heater Change-Out - Residential	\$128		Y	\$	132.35	\$ 132
3 Residential Re-Roof (without calculation)	\$255		Y	\$	264.69	\$ 264
4 Siding - Residential	\$255		Y	\$	264.69	\$ 264
5 Service Panel Upgrade - Residential	\$255		Y	\$	264.69	\$ 264
6 Battery Backup Storage - Residential	\$170		Y	\$	176.46	\$ 176
7 Electric Vehicle Charger - Residential	\$170		Y	\$	176.46	\$ 176
8 Generator - Residential	\$170		Y	\$	176.46	\$ 176
9 Residential Solar Photovoltaic System - Solar Permit						
a) 15kW or less	\$298	[a]	Y	\$	308.81	\$ 308
b) Above 15kW	\$450 base fee, plus \$15 per kW for each kW above 15kW	[a]	N			
10 Commercial Solar Photovoltaic System - Solar Permit						
a) 50kW or less	\$1,000	[a]	N	\$	1,038.00	\$ 1,038
b) 50kW – 250kW	\$1,000 base fee, plus \$7 per kW for each kW above 50kW up to 250kW	[a]	Y	\$	\$1,038 base fee, plus \$7 per kW for each kW above 50kW up to 250kW	\$1,038 base fee, plus \$7 per kW for each kW above 50kW up to 250kW
c) Above 250kW	\$2,400 base fee, plus \$5 per kW for each kW above 250 kW	[a]	Y	\$	\$2,491 base fee, plus \$5 per kW for each kW above 250 kW	\$2,491 base fee, plus \$5 per kW for each kW above 250 kW
11 Ground-Mount Solar	\$340		Y	\$	352.92	\$ 352
12 Swimming Pool/Spa Equipment Change-out Only	\$170		Y	\$	176.46	\$ 176
13 Swimming Pool Replaster	\$255		Y	\$	264.69	\$ 264
14 Residential Voluntary Seismic Retrofit	\$255		Y	\$	264.69	\$ 264
15 Retaining Wall / CMU Wall						
a) Wall Under 4' in height	\$340		Y	\$	352.92	\$ 352
b) Wall Over 4' in height						
i) Up to 100 LF	\$680		Y	\$	705.84	\$ 705

City of Del Rey Oaks
BUILDING FEES-MISCELLANEOUS

NEW FEES EFFECTIVE 07/01/2025	PROPOSED FEES INCREASE 07/01/2026	NEW FEES EFFECTIVE 07/01/2026 (ROUNDED DOWN TO \$)
--	--	---

A. Fees for Commonly Requested and Minor Miscellaneous Building Permit Types. Fees shown in this section (Section A.) include all applicable inspection, and plan review fees. Additional permit processing fees apply. Additional fees may apply for services provided by other City Departments (e.g. Planning Review), Technology Enhancement Fees, and Fees Collected on Behalf of Other Agencies.

Fee Description	Fee	Note	Y'rly CPI			
ii) Each Additional 100 LF	\$43		Y	\$	44.12	\$ 44
16 Window / Sliding Glass Door - Retrofit / Repair						
a) Up to 5	\$170		Y	\$	176.46	\$ 176
b) Over 5	See Permit Fee Table		N			
17 Fences Requiring a Building Permit	\$170		Y	\$	176.46	\$ 176

[a] Total fees shall not exceed amounts outlined in California Government Code 66015(a)(1).

**City of Del Rey Oaks
BUILDING FEES-PERMIT**

Determination of Valuation for Fee-Setting Purposes

• Building Valuation shall be based on the higher of 1) the applicant's estimated valuation or 2) the most current Building Valuation as printed and published by the International Code Council and adjusted using the most current City Cost Index printed and published by R. S. Means Building Construction Cost Data. CRC, R108.3 Building permit valuations. Building permit valuation shall include total value of the work for which a permit is being issued, such as electrical, gas, mechanical, plumbing equipment, and other permanent systems, including materials and labor. The final building permit valuation shall be set at an amount that allows the City to recover its costs of applicant plan check, permit and inspection activities.

Note: For construction projects with permit fees calculated using Section B, additional fees apply for permit issuance. Additional fees may apply for services provided by other City Departments (e.g. Planning Review), Technology Enhancement Fees, and Fees Collected on Behalf of Other Agencies (e.g. State of California). Additional fees apply for plan review, when applicable.

B. Permit Fee for New Buildings, Additions, Tenant Improvements, Residential Remodels, and Mechanical, Electrical, and/or Plumbing Permits Not Identified Elsewhere in This Fee Schedule

Valuation	Permit Fee	Y'rly CPI
\$1 to \$2,000	\$170.00	Y
\$2,001 to \$25,000	\$170.00 for the first \$2,000 plus \$36.96 for each add'l \$1,000 or fraction thereof, to and including \$25,000	Y
\$25,001 to \$50,000	\$1,020.00 for the first \$25,000 plus \$27.20 for each add'l \$1,000 or fraction thereof, to and including \$50,000	Y
\$50,001 to \$100,000	\$1,700.00 for the first \$50,000 plus \$20.40 for each add'l \$1,000 or fraction thereof, to and including \$100,000	Y
\$100,001 to \$500,000	\$2,720.00 for the first \$100,000 plus \$13.60 for each add'l \$1,000 or fraction thereof, to and including \$500,000	Y
\$500,001 to \$1,000,000	\$8,160.00 for the first \$500,000 plus \$10.88 for each add'l \$1,000 or fraction thereof, to and including \$1,000,000	Y
\$1,000,001 and up	\$13,600.00 for the first \$1,000,000 plus \$7.07 for each additional \$1,000 or fraction thereof over \$1,000,000	Y

For permits for new construction, additions, tenant improvements or residential remodels requiring plumbing, electric, or mechanical review, the following percentages shall be added to the base permit fee

Plumbing inspection fees = Base permit fee x .10	N
Electrical inspection fees = Base permit fee x .10	N
Mechanical inspection fees = Base permit fee x .10	N

**NEW FEES EFFECTIVE 07/01/2026
(ROUNDED DOWN TO \$)**

\$176.00				
\$176.00	for the first \$2,000	plus	\$38.00	for each add'l \$1,000 or fraction thereof, to and including \$25,000
\$1,058.00	for the first \$25,000	plus	\$28.00	for each add'l \$1,000 or fraction thereof, to and including \$50,000
\$1,764.00	for the first \$50,000	plus	\$21.00	for each add'l \$1,000 or fraction thereof, to and including \$100,000
\$2,823.00	for the first \$100,000	plus	\$14.00	for each add'l \$1,000 or fraction thereof, to and including \$500,000
\$8,470.00	for the first \$500,000	plus	\$11.00	for each add'l \$1,000 or fraction thereof, to and including \$1,000,000
\$14,116.00	for the first \$1,000,000	plus	\$7.00	for each additional \$1,000 or fraction thereof over \$1,000,000

City of Del Rey Oaks
BUILDING FEES-PLAN CHECK

C. <u>Building Plan Review Fees</u>	NEW FEES EFFECTIVE 07/01/2025			PROPOSED FEES INCREASE 07/01/2026		NEW FEES EFFECTIVE 07/01/2026 (ROUNDED DOWN TO \$)	
	Activity Description	Fee	Note	Y'rly CPI			
1 Building Plan Check Fees - Building							
a) Plan Review Fee, if applicable	75%	[a]	N		75%		75%
b) Expedited Plan Check - At Application Submittal (when applicable)	1.5x standard plan check fee		N		1.5x standard plan check fee		1.5x standard plan check fee
c) Revision Application Fee (per hour) (1-hour minimum)	\$170		Y	\$	176.46	\$	176
d) Tract Home / Master Plan Construction (Production Units)	20% of standard plan check fee	[b]	N		20% of standard plan check fee		20% of standard plan check fee
e) Alternate Materials and Materials Review (per hour)	\$170		Y	\$	176.46	\$	176
f) Excess Plan Review Fee (4th and subsequent) (per hour)	\$170		Y	\$	176.46	\$	176
g) Revisions (per hour)	\$170		Y	\$	176.46	\$	176
2 Building Plan Check Fees - Planning (Fees Only Applied to Projects Requiring Review)							
a) Zoning Clearance Verification	\$100		Y	\$	103.80	\$	103
b) Planning Plan Check					#VALUE!		
i) Alterations/Additions - Residential	\$250		Y	\$	259.50	\$	259
ii) New Construction - Single Family Residential	\$450		Y	\$	467.10	\$	467
iii) New Construction - 2-4 Residential Units	\$850		Y	\$	882.30	\$	882
iv) New Construction - 5+ Residential Units	\$2,200		Y	\$	2,283.60	\$	2,283
v) New Construction - Non-Residential	\$850		Y	\$	882.30	\$	882
vi) Alterations/Additions - Non-Residential	\$450		Y	\$	467.10	\$	467
3 Building Plan Check Fees - Public Works Engineering (Fees Only Applied to Projects Requiring Review)							
a) Swimming Pool	\$200		Y	\$	207.60	\$	207
b) Block Wall	\$100		Y	\$	103.80	\$	103
c) Fence	\$100		Y	\$	103.80	\$	103
d) Sign	\$100		Y	\$	103.80	\$	103
e) Alterations/Additions - Residential	\$150		Y	\$	155.70	\$	155
f) New Construction - Single Family Residential	\$400		Y	\$	415.20	\$	415
g) New Construction - 2-4 Residential Units	\$600		Y	\$	622.80	\$	622
h) New Construction - 5+ Residential Units	\$1,200		Y	\$	1,245.60	\$	1,245
i) New Construction - Non-Residential	\$800		Y	\$	830.40	\$	830
j) Alterations/Additions - Non-Residential	\$200		Y	\$	207.60	\$	207
k) Trash Capture, SWPPP, and NPDES Review Fees	See Eng. Fee Schedule		N		See Eng. Fee Schedule		See Eng. Fee Schedule
l) Permits / Plan checks not listed above	See footnote	[c]	N		See footnote		See footnote

Plan check fees are in addition to building permit fees.

City of Del Rey Oaks
BUILDING FEES-PLAN CHECK

C. <u>Building Plan Review Fees</u>	NEW FEES EFFECTIVE 07/01/2025			PROPOSED FEES INCREASE 07/01/2026	NEW FEES EFFECTIVE 07/01/2026 (ROUNDED DOWN TO \$)
	Activity Description	Fee	Note	Y'rly CPI	

- [a] Includes up to three plan checks. The City will bill hourly for additional plan review required.
- [b] For identical buildings built by the same builder on the same lot or in the same tract and for which building permits are issued at the same time.
- [c] Engineer/technician to determine hours and applicable fee at time of application.

City of Del Rey Oaks
BUILDING FEES-OTHER

D. Other Fees		NEW FEES EFFECTIVE 07/01/2025			PROPOSED FEES INCREASE 07/01/2026		NEW FEES EFFECTIVE 07/01/2026 (ROUNDED DOWN TO \$)	
Activity Description		Fee	Note	Y'rly CPI				
1	Permit Processing Fee	\$71		Y	\$	73.53	\$	73
2	Credit Card Transaction Processing Fee	3%		N		3%		3%
3	General Plan Maintenance Fee (% of permit fee)	5%		N		5%		5%
4	Technology Fee (% of plan review and permit fee)	5%		N		5%		5%
5	Strong Motion Instrumentation (SMI) Fee Calculation							
	a) Residential	\$0.50 or valuation x .00013		N		\$0.50 or valuation x .00013		\$0.50 or valuation x .00013
	b) Commercial	\$0.50 or valuation x .00028		N		\$0.50 or valuation x .00028		\$0.50 or valuation x .00028
6	Building Standards (SB 1473) Fee Calculation (Valuation)							
	a) \$1 - \$25,000	\$1		N	\$	1.04	\$	1
	b) \$25,001 - \$50,000	\$2		N	\$	2.08	\$	2
	c) \$50,001 - \$75,000	\$3		N	\$	3.11	\$	3
	d) \$75,001 - \$100,000	\$4		N	\$	4.15	\$	4
	e) Each Add'l \$25,000 or fraction thereof	Add \$1		N		Add \$1		Add \$1
7	Business License Inspection Fee	\$85		Y	\$	88.23	\$	88
8	Temporary Certificate of Occupancy (per 30 Days)	\$255		Y	\$	264.69	\$	264
9	Permit Extension	\$71		Y	\$	73.53	\$	73
10	Permit Reactivation Fee							
	a) Reactivation Fee if All Inspections Have Been Performed and Approved Up to But Not Including Final Inspection	\$71		Y	\$	73.53	\$	73
	b) Reactivation Fee - All Other Scenarios							
	i) Permit Expired Up to One Year	50% of Original Base Building Permit Fee		N		50% of Original Base Building Permit Fee		50% of Original Base Building Permit Fee
	ii) Permit Expired More than One Year	100% of Original Base Building Permit Fee		N		100% of Original Base Building Permit Fee		100% of Original Base Building Permit Fee
11	Permit Reissuance Fee	\$71		Y	\$	73.53	\$	73

City of Del Rey Oaks
BUILDING FEES-OTHER

D. Other Fees				NEW FEES EFFECTIVE 07/01/2025		PROPOSED FEES INCREASE 07/01/2026		NEW FEES EFFECTIVE 07/01/2026 (ROUNDED DOWN TO \$)	
Activity Description				Fee	Note	Y'rly CPI			
12	Damaged Building Survey (Fire, Flood, Vehicle Damage, Etc.)			\$255		Y	\$	264.69	\$ 264
13	Residential Property Inspections Reports - Single Family Dwelling			\$255		Y	\$	264.69	\$ 264
Other Fees									
14	After Hours Inspection (per hour) (4-hour minimum)			\$204		Y	\$	211.75	\$ 211
15	Re-inspection Fee (2nd Time or More) (each)			\$170	[a]	Y	\$	176.46	\$ 176
16	Missed Inspection Fee			\$170		Y	\$	176.46	\$ 176
17	Duplicate Copy of Permit			\$28		Y	\$	29.41	\$ 29
18	Duplicate Copy of Certificate of Occupancy			\$28		Y	\$	29.41	\$ 29
19	Construction and Demolition Waste Management Review Fee			\$85		Y	\$	88.23	\$ 88
20	Fees for Services Not Listed in this Fee Schedule (per 1/2 hour)			\$85		Y	\$	88.23	\$ 88
Violation Fees									
21	Investigation Fee For Work Done Without Permit(s)			equal to permit fee - In addition to standard permit fees		N	equal to permit fee - In addition to standard permit fees	equal to permit fee - In addition to standard permit fees	
Refunds									
22	Refunds								
	a) Fees Erroneously Paid or Collected by the City			100% refund		N	100% refund	100% refund	
	b) Refund of Plan Review Fees - Prior to Plan Review Commencing			up to 80% refund		N	up to 80% refund	up to 80% refund	
	c) Refund of Permit Fees - Prior to Inspection Commencing			up to 80% refund		N	up to 80% refund	up to 80% refund	
	d) 180 Days After Payment of Fees			no refund		N	no refund	no refund	

[a] Reinspection fee applies after the first re-inspection.



CITY OF DEL REY OAKS

650 CANYON DEL REY BLVD., DEL REY OAKS, CALIFORNIA 93940
 PHONE (831) 394-8511 FAX (831) 394-6421

DATE: June 23, 2026

TO: Honorable Mayor and City Council

FROM: John Guertin, City Manager

SUBJECT: Calling and providing for a General Municipal Election to be held in the City of Del Rey Oaks on Tuesday, November 3, 2026

CEQA: Enactment of this resolution is not subject to the California Environmental Quality Act (CEQA) as it is not a project pursuant to Guidelines Section 15378 (b)(5) because it is an organizational or administrative activity of the City that will not result in direct or indirect physical changes in the environment.

Background

It is necessary for the City Council to call for an election to be held on November 3, 2026, for the purpose of electing successors to the term of office of Mayor which will expire in 2026 and City Council members which will expire in 2026. It is also incumbent upon the City Council to determine who will pay the costs of the candidates' statements and to fix the maximum number of words to be submitted on said statements.

It is desirable that the City election be consolidated with any other election to be held on the same date to take advantage of any possible reduction in election costs. It is also desirable that the Registrar of Voters of the County of Monterey administer the elections and all duties necessary.

Fiscal Impacts

Reduced fiscal impact when combined with other elections. The estimated cost of the election is approximately \$10,000 and is included in the FY 2026-27 Budget.

Recommended Action

Staff recommends that Council pass the attached City of Del Rey Oaks Resolution.

Attachments:

Resolution No. 2026-17

Respectfully Submitted,

John Guertin
 City Manager

RESOLUTION NO. 2026-17

RESOLUTION ORDERING AN ELECTION, REQUESTING THE COUNTY ELECTIONS DEPARTMENT TO CONDUCT THE ELECTION, AND REQUESTING CONSOLIDATION OF THE NOVEMBER 3, 2026 GENERAL MUNICIPAL ELECTION FOR THE CITY OF DEL REY OAKS

WHEREAS, pursuant to Elections Code Section 10002, the governing body of any city or district may by resolution request the Board of Supervisors of the county to permit the county elections official to render specified services to the city or district relating to the conduct of an election. The city or district shall reimburse the county in full for the services performed upon presentation of a bill to the City or district; and

WHEREAS, pursuant to Elections Code Section 10400, whenever two or more elections, including bond elections, of any legislative or congressional district, public district, city, county or other political subdivision are called to be held on the same day, in the same territory, or in territory that is in part the same, they may be consolidated upon the order of the governing body or bodies or officer or officers calling the elections; and

WHEREAS, pursuant to Elections Code Section 10403, whenever an election called by a district, city or other political subdivision for the submission of any question, proposition, or office to be filled is to be consolidated with a statewide election, and the question, proposition, or office to be filled is to appear upon the same ballot as that provided for that statewide election, the district, city or other political subdivision shall, at least 88 days prior to the date of the election, file with the board of supervisors, and a copy with the elections official, a resolution of its governing board requesting the consolidation, and setting forth the exact form of any question, proposition, or office to be voted upon at the election, as it is to appear on the ballot. Upon such request, the Board of Supervisors may order consolidation. The resolution requesting the consolidation shall be adopted and filed at the same time as the adoption of the ordinance, resolution, or order calling the election; and

WHEREAS, pursuant to Elections Code Section 13307, whenever an election called by a district, city, or other political subdivision has offices to be filled, it is required to fix and determine the number of words that a candidate may submit on the candidate's statement to be either 200 words and to determine if the candidate shall be responsible for the cost of the statement; and

WHEREAS, Elections Code Section 15651 requires the city to determine the means and manner in which a tie vote is to be resolved in the event that two or more persons receive an equal number of votes and the highest number of votes ("tie votes") for an office to be voted upon; and

WHEREAS, various district, county, state and other political subdivision elections may be or have been called to be held on November 3, 2026; and

NOW THEREFORE, BE IT RESOLVED AND ORDERED that the governing body of the City of Del Rey Oak hereby orders an election be called and consolidated with any and all elections also called to be held on **November 3, 2026** insofar as said elections are to be held in the same territory or in territory that is in part the same as the territory of the Board of Supervisors of the County of Monterey to order such consolidation under Elections Code Section 10401 and 10403.

BE IT FURTHER RESOLVED AND ORDERED that pursuant to Elections Code Section 10002 said governing body hereby requests the Board of Supervisors to permit the Monterey County Elections Department to provide any and all services necessary for conducting the election and agrees to pay for said services.

BE IT FURTHER RESOLVED AND ORDERED that the Monterey County Elections Department conduct the election for the purpose of electing three (3) Members to its Governing Body on the November 3, 2026 ballot.

RECITALS

SECTION I. The General Municipal Election for the year 2024 is hereby called and shall be held in Del Rey Oaks, under and by virtue of the provisions of Article 3 of California Elections Code, on the 3rd day of November 2026, said date being the first Tuesday following the first Monday in November 2026.

SECTION II. The following officers of Del Rey Oaks shall be elected at said General Municipal Election, to wit:

- Mayor, one (1), for a term of two years.
- Councilmember, two (2), for a term of four years.

SECTION III. Nomination papers shall be filed with the Del Rey Oaks City Clerk's Office not later than 5:00 p.m. on Friday, August 7, 2026.

SECTION IV. Pursuant to the provisions of Section 13307 of the Elections Code of the State of California, the City Council has determined that candidates for office may file a written statement of qualifications with their nomination papers, said statement not to exceed 200 words in length, with those candidates filing said statements to pay the cost of such statement as determined by the Registrar of Voters.

SECTION V. The official ballot to be used at said election shall conform to the provisions of said City and the laws of the State of California with relation thereto.

SECTION VI. The City authorizes the Registrar of Voters to consolidate this election with any other election on November 3, 2026 for the convenience of the registered voters and to effectuate any cost savings by such consolidation.

SECTION VII. The County of Monterey Elections Department is hereby directed to publish such notices as are provided by law for the holding of the municipal election, which said notices shall be published in an adjudicated newspaper and circulated in the City of Del Rey Oaks and hereby designated for that purpose.

SECTION VIII. Said General Municipal Election shall be held and conducted, and the votes thereof canvassed, and the return thereof made, and the results thereof ascertained and determined as herein provided, and in all particulars not described by this Resolution, said General Municipal Election shall be held as provided by law for the holding of municipal elections in said City; and the Registrar of Voters of the County of Monterey is authorized to canvass the return and certify the results to said Council of Del Rey Oaks.

SECTION VIII. Pursuant to Section 6. That in the event of a tie vote (if any two or more persons receive an equal and the highest number of votes for an office) as certified by the County of Monterey Registrar of Voters, the City Council, in accordance with Election Code Section 15651(a), shall set a date and time and place and summon the candidates who have received the tie votes to appear and will determine the tie by lot.

SECTION VIII. The City Clerk shall enter the results into the record following receipt of the declared results in accordance with Elections Code Section 10264. The City Clerk shall sign and deliver to each person elected a certificate of election and administer the oath of office to each person elected. This Resolution shall be forthwith entered upon the minutes of this Council and kept and maintained by the City Clerk of Del Rey Oaks.

SECTION X. The City Clerk is hereby authorized and directed to certify the due adoption of this Resolution and to transmit a certified copy to the Elections Department and the Board of Supervisors of Monterey County.

PASSED AND APPROVED by City of Del Rey Oaks, this 23rd day of June 2026 by the following vote:

- AYES:**
- NOES:**
- ABSTAIN:**
- ABSENT:**

Signed:

Scott Donaldson, Mayor

Attest:

Karen Minami, City Clerk



CITY OF DEL REY OAKS

650 CANYON DEL REY BLVD., DEL REY OAKS, CALIFORNIA 93940
PHONE (831) 394-8511 FAX (831) 394-6421

DATE: June 23, 2026

TO: Honorable Mayor and City Council

FROM: John Guertin, City Manager

SUBJECT: Conflict of Interest Code

CEQA: This action does not constitute a “project” as defined by the California Environmental Quality Act (CEQA) guidelines section 15378 as it is an organizational activity of the City that will not result in direct or indirect physical changes in the environment.

Recommendation

That Council adopt the attached resolution amending the Conflict of Interest Code.

Background

The City is required to review the Conflict of Interest Code every 2 years for necessary revisions. The attached resolution incorporates revisions to certain job titles that have occurred over the past two years.

Summary & Discussion

The Political Reform Act requires the City to review its Conflict of Interest Code every two years. The Code includes a list of designated positions and disclosure responsibilities for each position subject to the Conflict of Interest Code for Designated Employees. Disclosure statements from designated positions are due each April and within 30 days of a person either assuming or leaving a designated position.

The attached Resolution amends the City’s Conflict of Interest Code to update the list of designated positions to reflect administrative changes, including title changes and positions added or deleted from the Table of Organization.

Fiscal Impacts

None

Recommended Action

Adopt the attached resolution amending the Conflict of Interest Code.

Respectfully Submitted,

John Guertin
City Manager

ATTACHMENTS:

- 1. Resolution No. 2026-18

RESOLUTION NO. 2026-18

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DEL REY OAKS
 REVIEWING THE CITY'S CONFLICT OF INTEREST CODE AND
 FINDING THAT NO AMENDMENTS ARE REQUIRED

-o0o-

WHEREAS, the Political Reform Act, Government Code Section 81000 *et seq.*, requires state and local government agencies to adopt and promulgate conflict of interest codes;

WHEREAS, the California Fair Political Practices Commission has adopted a regulation, 2 Cal Code of Regulations Section 18730, which contains the terms of a standard conflict of interest code, which can be incorporated by reference, and which may be amended by the Fair Political Practices Commission, after public notice and hearings, to conform to amendments in the Political Reform Act;

WHEREAS, the City Council has previously adopted that conflict of interest code by reference, pursuant to Government Code Section 81000 *et seq.*, along with the attached Appendices A and B in which members and employees are designated and disclosure categories are set forth, as the "Conflict of Interest Code of the City of Del Rey Oaks" ("Conflict of Interest Code");

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Del Rey Oaks, as follows:

1. Adoption by Incorporation. The Political Reform Act of 1974, Government Code §81000 *et seq.*, requires state and local government agencies to adopt and promulgate Conflict of Interest Codes. The Fair Political Practices Commission had adopted 2 California Code of Regulations §18730, which contains the terms of a standard model Conflict of interest Code, which may be incorporated by reference, and which may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act after public notice and hearings. The City of Del Rey Oaks incorporates by reference 2 Cal. Code of Regs. §18730, and any amendments thereto duly adopted by the Fair Political Practices Commission.

2. Designated Positions and Disclosure Categories. The Conflict of Interest Code, along with the attached Appendix A and Appendix B in which members and employees are designated and disclosure categories are set forth, does constitute the Conflict of Interest Code of the City of Del Rey Oaks. Designated employees shall file their statements with the City which will make the statements available for public inspection and reproduction. (Government Code §81008). Statements for all designated employees will be retained by the City.

3. The Council hereby directs the City Clerk, in succeeding even-numbered years, to review the Conflict of Interest Code to determine if any revisions are required. If revisions are required, the necessary amendment shall be presented to the Council not later than October 1st of such year. If no revisions are required, the City Clerk shall submit a report to the Council stating that amendments to the Code are not required.

PASSED AND ADOPTED by the City Council of the City of Del Rey Oaks at a regular meeting duly held on June 23, 2026, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

Scott Donaldson, Mayor

ATTEST:

Karen Minami, City Clerk

APPENDIX A

<u>Designated Position</u>	<u>Designated Category</u>
City Manager	1
City Council Member/Mayor	1
Planning Commissioner	1
City Clerk	1
Deputy City Clerk/Permit Clerk	1
Administrative Services Technician	1
Chief of Police	1
Police Officer – All ranks	1
Maintenance/Public Works Supervisor	1
Consultant*	1

* CONSULTANTS: Consultants shall be included in the list of designated employees and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitation:

The City Manager may determine in writing that a particular consultant, although a “designated position,” is hired to perform a range of duties that are limited in scope and thus is not required to fully comply with the disclosure requirements as described in Appendix B. Such written determination shall include a description of the consultant’s duties and, based upon that description, a statement of the extent of the disclosure requirements. The City Manager’s determination is a public record and shall be retained for public inspection in the same manner and location as set forth in this Resolution.

NOTE: City Council Members, the City Manager, City Attorney, Planning Commission Members and all City Officials (including employees and consultants) who manage public investments shall not be considered designated positions herein so long as those individuals are required to file Disclosure Statements pursuant to Government Code Section 87200 et seq. or successors thereto.

APPENDIX B

DISCLOSURE CATEGORIES

Disclosure Category 1. All investments and business positions in business entities, sources of income including gifts, loans and travel payments, and interests in real property. (Form 700 and all schedules (A through E)).



CITY OF DEL REY OAKS

650 CANYON DEL REY BLVD, DEL REY OAKS, CALIFORNIA 93940
 PHONE (831) 394-8511 FAX (831) 394-6421

Staff Report

DATE: June 23, 2026

TO: Honorable Mayor and City Council

FROM: John Guertin, City Manager

SUBJECT: Adopt Resolution approving a 3.03 percent rate increase to charges by the City's franchised hauler, GreenWaste Recovery, for the collection of solid waste, recycling and organics, effective July 1, 2026.

CEQA: This action does not constitute a "project" as defined by the California Environmental Quality Act (CEQA) guidelines section 15378 as it is an organizational activity of the City that will not result in direct or indirect physical changes in the environment.

Recommendation

Adopt a Resolution approving a 3.03 percent rate increase to charges by the City's franchised hauler, GreenWaste Recovery, for the collection of solid waste, recycling and organics, effective July 1, 2026.

Background

On January 28, 2014, Council approved a Franchise Agreement (Agreement) with GreenWaste Recovery (GWR) for the collection of solid waste, recycling and organics, subsequent to a competitive Request for Proposals selection process. The Agreement became effective on July 1, 2015, and expires on June 30, 2030.

The Agreement includes a prescribed methodology for annual customer rate adjustments effective July 1 of each year. The rate adjustment formula incorporates inflationary indices for labor and operating costs, disposal and processing costs at ReGen Monterey, actual tonnage collected, franchise fees, and other applicable regulatory costs.

HF&H Consultants, LLC (HF&H), retained by ReGen Monterey on behalf of its member agencies, reviewed GWR's request for an adjustment to customer rates effective July 1, 2026. HF&H's review determined that a 3.03 percent rate increase is appropriate under the terms of the Agreement.

Summary & Discussion

The Franchise Agreement requires annual rate adjustments to be calculated using specified cost indices and actual operating data. HF&H reviewed GWR's RP12 rate application for completeness, mathematical accuracy, and consistency with the methodology established in the Agreement.

HF&H's review found that the proposed adjustment reflects:

- A 3.50 percent increase in labor-related costs;
- A 2.30 percent increase in vehicle-related costs;
- A 2.30 percent increase in other operating costs;
- Increased disposal and processing costs based on ReGen Monterey tip fees and actual tonnage;
- Franchise fees and ReGen administrative costs required under the Agreement.

City staff has reviewed HF&H's analysis and concurs that the proposed rate adjustment is consistent with the Franchise Agreement and accurately reflects the required annual index-based adjustment. Therefore, staff recommends that the City Council approve the proposed resolution and rate adjustment effective July 1, 2026

Fiscal Impacts

The new collection rates reflect an increase of 3.03 percent and are included as Exhibit A to the Resolution.

The rate adjustment incorporates inflationary increases in labor, vehicle, and operating costs, changes in disposal and processing costs, and applicable franchise and administrative fees.

Based on HF&H's review, the City's franchise fee revenue for FY 2026-27 is estimated to be approximately \$119,927.

ATTACHMENTS:

- HF&H Consultants Memo
- Resolution

Respectfully Submitted,

John Guertin
City Manager

RESOLUTION NO. 2026-16

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DEL REY OAKS APPROVING A 3.03 PERCENT RATE INCREASE TO CHARGES BY THE CITY’S FRANCHISED HAULER, GREENWASTE RECOVERY, FOR THE COLLECTION OF SOLID WASTE, RECYCLING AND ORGANICS, EFFECTIVE JULY 1, 2026

WHEREAS, the City of Del Rey Oaks entered into a Franchise Agreement with GreenWaste Recovery, Inc. (GWR) on January 28, 2014 for solid waste, recycling, and organics collection services for the period of July 1, 2015 through June 30, 2030; and,

WHEREAS, Section 8.2 of the Franchise Agreement requires annual inflationary adjustments to customer rates on July 1 of each year, as described in Exhibit E1 to the Agreement, based on agreed-upon cost indices, changes in tipping fees at the ReGen Monterey (formerly Monterey Regional Waste Management District) landfill, City fees, and actual tonnage of materials collected by GWR; and,

WHEREAS, HF&H Consultants, LLC (HF&H) was retained by ReGen on behalf of all its member agencies to review GWR's request for an adjustment to customer rates, as submitted to the City on May 22, 2026; and,

WHEREAS, HF&H's calculation of the rate adjustments have been reviewed by City staff, and staff finds the calculations to be consistent with the methodology and requirements of the Franchise Agreement; and,

WHEREAS, the rate review resulted in a 3.03 percent rate increase.

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of Del Rey Oaks does hereby:

1. Approve a 3.03 percent rate increase to charges by the City’s franchised hauler, GreenWaste Recovery, for the collection of solid waste, recycling and organics, effective July 1, 2026, as shown in the attached Exhibit A.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF DEL REY OAKS, this 23rd day of June, 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

ATTEST:

Scott Donaldson, Mayor

Karen Minami, City Clerk



HF&H Consultants
590 Ygnacio Valley Rd. Suite 105
Walnut Creek, CA 94596
Phone: (925) 977-6950
Web: hfh-consultants.com

May 22, 2026

John Guertin
City Manager
City of Del Rey Oaks

Sent via email

Subject: Review of GreenWaste Recovery’s 2026-27 Rate Request – Final Report

Dear John Guertin,

HF&H Consultants, LLC (HF&H) was retained by ReGen Monterey (ReGen), formerly the Monterey Regional Waste Management District, to assist with a review of GreenWaste Recovery’s (GWR) request for an adjustment to customer rates, effective July 1, 2026, submitted to the City of Del Rey Oaks (City) on April 1, 2026. This report presents our findings and recommendations.

Executive Summary

HF&H’s review of GWR’s Rate Period 12 (RP12) rate request to the City resulted in the following outcomes:

HF&H has determined a 3.03% increase as appropriate based on the following components:

- 3.50% inflationary increase in labor-related costs
- 2.30% inflationary increase in vehicle-related costs (excluding fuel)
- Fuel rate held flat, as set by ReGen
- 2.30% inflationary increase in other costs
- Depreciation held flat, per the Agreement
- 3.17% overall net processing costs increase due to increases in per-ton fees, slightly offset by decreases in recyclable and organic tonnages
- 7.50% increase in disposal costs due to an increase in per-ton disposal rate and solid waste tonnages

Refer to **Figure 1** below for the impact to sample residential rates.



Figure 1: Example Rate Impact of Adjustment

	Current Rates (RP11)	RP12
Adjustment		3.03%
Residential 32-gallon rate	\$35.39	\$36.46
Residential 64-gallon rate	\$39.04	\$40.22

Background

In 2012, the City—participating with other members of ReGen—issued a competitive request for proposals for collection services and entered into the new Agreement with GWR effective July 1, 2015. The Agreement provides for the following, related to the adjustment of rates:

- Rates are to be adjusted annually throughout the term of the Agreement using various inflationary indices, actual tonnage, and changes in the tipping fees at ReGen, unless either the City or GWR requests a Cost-Based Rate Adjustment (CBRA).
- The City and GWR may mutually agree upon alternative approaches to structuring rates without amending the Agreement (Section 8.2.D).
- During the CBRA review in RP5, a number of issues surrounding the process for setting rates and the resulting rate relationships amongst sectors and materials were identified. As such, the City and GWR have negotiated an amendment to the prescribed methodology for the CBRA and index adjustments to not alter rate relationships between service sectors and material types.
- Through negotiations of the amendment, and as a result of the desire to maintain current rate relationships between sectors and service levels, the City and GWR have prescribed a uniform rate adjustment to be applied to all sectors.

Rate Calculation Review

HF&H SCOPE OF WORK

HF&H performed this review of the rate request in accordance with Exhibit E1 for the indexed rate adjustment. The procedures included:

1. Review of the rate request for completeness and compliance with the procedures contained in Exhibit E1 of the Agreement.
2. Review for mathematical accuracy and logical consistency to determine that the rate request is mathematically correct, the rows and columns of numbers add down and across as intended, and the stated assumptions were, in fact, used. Determine that the rate request is internally consistent and any summary schedules agree to the supporting schedules and worksheets.
3. Verify the inclusion of the franchise fee calculation in the adjustment.



4. Verify contract compliance regarding:
 - A. The indices used in the adjustment.
 - B. The tip fees reported for the disposal and processing rate components.
 - C. The use of quarterly reported tonnage data and allocations among agencies. A detailed audit of tonnage and allocations of tonnage reported by GWR was not a part of this scope of work. HF&H discussed GWR’s allocation methodology, which appears reasonable and consistent with standard industry practices.
 - D. Any changes in governmental fees affecting the fee component of the rates, and the accurate application of the resulting percentage changes to the various rate components in the rate schedule approved by the City through the Agreement.

REVIEW OF RATE REQUEST

RP12 Application

HF&H reviewed the rate application for RP12. The results of the RP12 calculation, performed in accordance with the methodology set forth in Exhibit E1 of the amendment, are presented in **Figure 2** on the following page.



Figure 2: City of Del Rey Oaks Application of Index-Based Adjustments to RP12

	RP 11	Adjustment Factor	RP 12
Annual Cost of Operations			
Labor-Related Costs	\$66,333	1.035	\$68,654
Vehicle-Related Costs	13,916	1.023	14,237
Fuel Costs	9,684	1	9,684
Other Costs	86,527	1.023	88,517
Direct Depreciation	32,755	N.A.	32,755
Total Allocated Costs - Labor, Vehicle, Fuel & Other	86,695	1.023	88,689
Total Allocated Costs - Depreciation & Start-Up	8,391	N.A.	8,391
Total Annual Cost of Operations	\$304,301		\$310,927
Profit	\$36,462	OR=89.30	\$37,256
Pass-Through Costs			
Disposal Costs	\$57,162	Tons*Tip Fee	\$61,447
Curbside Supplemental	(1,367)	1.00	(1,367)
Recycling Processing Costs	11,348	Tons*Tip Fee	10,980
Residue Processing Costs	-	Tons*Tip Fee	-
Yard Trimmings Processing Costs	21,174	Tons*Tip Fee	23,033
Food Waste Processing Costs	4,949	Tons*Tip Fee	4,647
C&D Processing Costs	-	Tons*Tip Fee	-
Interest Expense	9,862	N.A.	9,862
Direct Lease Costs	-	N.A.	-
Total Allocated Costs - Lease	7,536	N.A.	7,536
Total Pass-Through Costs	\$110,664		\$116,137
Total Costs before Agency Fees	\$451,427		\$464,320
Agency Fees/Payments			
Franchise Fee	\$116,402	20.00%	\$119,927
ReGen MOU Costs	14,000	Actual	15,390
Other Adjustments (as needed from time to time)			
Adjustment from Tip Fee Estimates	\$181	N.A.	-
Total Calculated Costs	\$582,010		\$599,637
Rate Increase			3.03%



Review of GWR Costs

There are four major components to GWR’s rate application: (1) the calculation and application of the inflationary indices as prescribed in the Agreement; (2) the disposal and processing component; (3) the Agency Fees; and (4) other one-time adjustments.

There are three indices used in the index adjustment: Consumer Price Index (CPI), fuel index, and labor index. The annual percentage change in each index is used to calculate the coming year’s cost for the line items to which they apply.

HF&H has reviewed, and GWR has confirmed, the accuracy of each of these indices. It is noted that the fuel index remains unchanged, as reported by ReGen management staff.

Review of Disposal and Processing Components

Collected tonnage for Calendar Year 2025 was used for the RP12 review, in accordance with the amendment. The disposal and processing components also consider the tipping fees charged by ReGen to project anticipated disposal and processing costs at ReGen. **Figure 3** below outlines the changes in the City’s disposal and processing costs for each material type—based on ReGen’s tip fees—effective July 1, 2026, which have been incorporated into our RP12 review.

Figure 3: Impact of ReGen Tip Fee Changes

Material	2025 Tons	Projected Per Ton Tip Fee	RP 12 Costs
	A	B	A x B
Solid Waste	723	\$85.00	\$61,447
Recycling	255	43.00	10,980
Yard Trimmings	427	54.00	23,033
Food Waste	64	73.00	4,647

Note: Values may not be exact due to rounding.

Review of Fee Component

HF&H ensured that the fee component of each rate matches the contractual percentage of 20% for franchise fees, remitted to the City by GWR.

Additionally, rate application review costs and other identified ReGen costs totaling \$15,390 were added as a one-time adjustment. These costs cover the rate review, franchise management, staff time, and public education and outreach.

NEW RATES

Attached hereto is a table of all rates recommended for RP12 based on the adjustments described in this report (Attachment A). HF&H recommends adopting these rates by resolution to be effective July 1, 2026.



* * * * *

We would like to express our appreciation to GWR staff for their assistance and cooperation in this process. Should you have any questions, please contact me at (925) 977-6964 or dhilton@hfh-consultants.com.

Sincerely,
HF&H CONSULTANTS, LLC

A handwritten signature in blue ink, appearing to read 'Rob Hilton'.

Rob Hilton
President

A handwritten signature in blue ink, appearing to read 'Dave Hilton'.

Dave Hilton
Senior Project Manager

Residential Solid Waste Collection Rates			
Service Level	Solid Waste	Recycling	Organics
Curbside 32 Gallon	\$36.46	Included	Included
Curbside 64 Gallon	\$40.22	Included	Included
Curbside 96 Gallon	\$44.01	Included	Included
Notes:			
See Exhibit B1 for specific service availability			

Commercial/Multi-Family Solid Waste Collection Rates						
Service Level	Frequency					
	1x/week	2x/week	3x/week	4x/week	5x/week	6x/week
64-Gallon Cart	\$59.56	\$131.03	\$196.55	\$262.05	\$327.57	\$393.07
96-Gallon Cart	\$71.92	\$143.84	\$237.32	\$316.42	\$395.54	\$474.63
1-Cubic Yard Bin	\$226.32	\$497.91	\$746.88	\$995.81	\$1,244.77	\$1,493.70
2-Cubic Yard Bin	\$380.71	\$698.66	\$1,023.41	\$1,675.19	\$2,093.99	\$2,512.80
3-Cubic Yard Bin	\$574.42	\$1,017.47	\$1,461.54	\$2,527.35	\$3,159.20	\$3,791.04
4-Cubic Yard Bin	\$653.23	\$1,333.59	\$2,362.41	\$2,874.20	\$3,592.74	\$4,311.31
6-Cubic Yard Bin	\$1,011.49	\$2,225.30	\$3,337.95	\$4,450.59	\$5,563.25	\$6,675.88
8-Cubic Yard Bin	\$1,327.63	\$2,655.26	\$3,982.89	\$5,310.52	\$6,638.18	\$7,965.80
2-Cubic Yard Compactor	\$423.19	\$783.61	\$1,150.80	n/a	n/a	n/a
3-Cubic Yard Compactor	\$638.11	\$1,144.85	\$1,652.65	n/a	n/a	n/a
4-Cubic Yard Compactor	\$738.16	\$1,503.46	\$2,617.21	n/a	n/a	n/a

Commercial/Multi-Family Recycling Collection Rates						
Service Level	Frequency					
	1x/week	2x/week	3x/week	4x/week	5x/week	6x/week
64-Gallon Cart	\$8.92	\$19.75	\$29.48	\$39.31	\$49.13	\$58.96
96-Gallon Cart	\$10.79	\$21.57	\$35.61	\$47.45	\$59.32	\$71.19
1-Cubic Yard Bin	\$33.95	\$74.68	\$112.03	\$149.37	\$186.72	\$224.05
2-Cubic Yard Bin	\$57.12	\$104.80	\$153.50	\$251.28	\$314.09	\$376.93
3-Cubic Yard Bin	\$86.16	\$152.62	\$219.23	\$379.10	\$473.88	\$568.66
4-Cubic Yard Bin	\$97.98	\$200.04	\$354.36	\$431.12	\$538.91	\$646.69
6-Cubic Yard Bin	\$151.72	\$333.79	\$500.69	\$667.59	\$834.49	\$1,001.39
8-Cubic Yard Bin	\$199.14	\$398.30	\$597.43	\$796.59	\$995.72	\$1,194.86
2-Cubic Yard Compactor	\$39.36	\$69.30	\$100.26	n/a	n/a	n/a
3-Cubic Yard Compactor	\$59.54	\$99.37	\$139.36	n/a	n/a	n/a
4-Cubic Yard Compactor	\$62.48	\$129.04	\$247.88	n/a	n/a	n/a

Commercial/Multi-Family Food Waste Collection Rates						
Service Level	Frequency					
	1x/week	2x/week	3x/week	4x/week	5x/week	6x/week
64-Gallon Cart	\$44.66	\$98.27	\$147.40	\$196.55	\$245.67	\$294.81
96-Gallon Cart	\$53.94	\$107.86	\$177.98	\$237.34	\$296.66	\$355.98
1-Cubic Yard Bin	\$169.74	\$373.42	\$560.16	\$746.88	\$933.56	\$1,120.28
2-Cubic Yard Bin	\$285.54	\$524.01	\$767.57	\$1,256.39	\$1,570.49	\$1,884.58

Commercial/Multi-Family Yard Trimmings Collection Rates						
	Frequency					
Service Level	1x/week	2x/week	3x/week	4x/week	5x/week	6x/week
64-Gallon Cart	\$44.66	\$98.27	\$147.40	\$196.55	\$245.67	\$294.81
96-Gallon Cart	\$53.94	\$107.86	\$177.98	\$237.34	\$296.66	\$355.98
1-Cubic Yard Bin	\$169.74	\$373.42	\$560.16	\$746.88	\$933.56	\$1,120.28
2-Cubic Yard Bin	\$285.54	\$524.01	\$767.57	\$1,256.39	\$1,570.49	\$1,884.58
3-Cubic Yard Bin	\$409.17	\$724.74	\$1,041.10	\$1,800.29	\$2,250.36	\$2,700.45
4-Cubic Yard Bin	\$465.31	\$949.94	\$1,682.81	\$2,047.35	\$2,559.19	\$3,071.05
6-Cubic Yard Bin	\$720.51	\$1,585.13	\$2,377.70	\$3,170.25	\$3,962.82	\$4,755.39
8-Cubic Yard Bin	\$945.71	\$1,891.40	\$2,837.12	\$3,782.82	\$4,728.53	\$5,674.22

Roll-Off Collection Rates (Per Pull)				
	Material			
Service Level	MSW	REC	YT	C&D
10 YD	\$820.47	\$820.47	\$820.47	\$820.47
20 YD	\$900.56	\$900.56	\$900.56	\$900.56
30 YD	\$1,177.37	\$1,177.37	\$1,177.37	\$1,177.37
40 YD	\$1,454.18	\$1,454.18	\$1,454.18	\$1,454.18
Per Ton	\$106.25	\$53.75	\$67.50	\$106.25

Additional Service Rates		
Service	Sector	Charge Per Event
Cart Rental	RES	\$4.20
Cart Replacement	RES	\$83.94
Re-Delivery or Re-Start	RES	\$34.97
Cart Cleaning	RES	\$34.97
Non-Scheduled Collection	RES	\$26.57
Difficult to Service Cart	COM	\$1.40
Difficult to Service Bin	COM	\$4.20
Locking Bin	COM	\$69.94
Cart Replacement	COM	\$83.94
Cart Cleaning	COM	\$34.97
Bin Swap - Cleaning or Repainting	COM	\$104.91
Bulky - Recyclable	COM/RES	\$27.97
Bulky - Non Recyclable	COM/RES	\$34.97
Bulky - Event	COM/RES	\$41.96
Covered Box	RO	\$104.91
Driver Time per Hour	RO	\$153.87
Dry Run or Relocation	RO	\$104.91
Extra Days	RO	\$34.97

*Note: All rates charged monthly unless stated otherwise.



CITY OF DEL REY OAKS

650 CANYON DEL REY BLVD, DEL REY OAKS, CALIFORNIA 93940
PHONE (831) 394-8511 FAX (831) 394-6421

Staff Report

DATE: June 23, 2026

TO: Honorable Mayor and City Council

FROM: John Guertin, City Manager

SUBJECT: Adopt Resolution 2026-21 Amending Exhibit A & B of the Memorandum of Understanding between ReGen Monterey and Member Agencies for Fiscal Year 2026/27.

CEQA: This action does not constitute a “project” as defined by the California Environmental Quality Act (CEQA) guidelines section 15378 as it is an organizational activity of the City that will not result in direct or indirect physical changes in the environment.

Recommendation

Adopt Resolution 2026-21 amending the Memorandum of Understanding (MOU) regarding cooperative assistance to comply with Senate Bill 1383, food waste reduction and organics recycling regulations, incorporating changes in the annual cost of program activities; and authorizing the City Manager to execute the MOU.

Discussion

This request is submitted for City Council consideration and action. The ReGen Memo is attached and gives a detailed description of SB 1383 legislation and regulations, the MOU scope of services, and the amendments to Exhibits A & B of the MOU.

Fiscal Impacts

The City's share of regional costs for implementation of SB 1383 in FY 2026/27 is \$15,390. This amount is reflected as an agency fee in the solid waste, recycling, and organics collection rate adjustment.

ATTACHMENTS:

- ReGen Memo and Exhibits A & B
- Resolution 2026-21

Respectfully Submitted,

John Guertin
City Manager

RESOLUTION NO. 2026-21

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DEL REY OAKS APPROVING AMENDMENTS TO THE MEMORANDUM OF UNDERSTANDING BETWEEN REGEN MONTEREY AND MEMBER AGENCIES REGARDING COOPERATIVE ASSISTANCE TO COMPLY WITH SB 1383, AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE MOU

WHEREAS, in September 2016, the Governor signed into law Senate Bill 1383 (SB 1383) establishing methane emissions reduction targets, and in November 2020, CalRecycle issued regulations to implement SB 1383; and

WHEREAS, ReGen's Technical Advisory Committee developed a Memorandum of Understanding to conduct tasks to comply with CalRecycle SB 1383 regulations on a regional basis; and

WHEREAS, regional implementation costs included in the Memorandum of Understanding must be updated annually; and

WHEREAS, the City's share of regional implementation costs is reflected as an agency fee in the solid waste, recycling, and organics collection rate adjustment.

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of Del Rey Oaks does hereby:

1. Amend the Memorandum of Understanding (MOU) regarding cooperative assistance to comply with Senate Bill 1383, Food Waste Reduction and Organics Recycling Regulations, incorporating changes in the annual cost of program activities; and
2. Authorize the City Manager to execute the amended MOU (Exhibit A).

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF DEL REY OAKS, this 23rd day of June, 2026, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

ATTEST:

Scott Donaldson, Mayor

Karen Minami, City Clerk

MEMORANDUM OF UNDERSTANDING

BETWEEN THE MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT AND ITS
MEMBER AGENCIES REGARDING ASSISTANCE WITH COMPLIANCE WITH
CALIFORNIA SENATE BILL 1383

This Memorandum of Understanding (“MOU”) is made and entered into as of the date of the signatures set forth below by and between the MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT (“District”, “MRWMD”), a California Garbage and Refuse Disposal District, and its member agencies including the cities of CARMEL-BY-THE-SEA, DEL REY OAKS, MARINA, MONTEREY, PACIFIC GROVE, SAND CITY, and SEASIDE; THE PEBBLE BEACH COMMUNITY SERVICES DISTRICT; and THE COUNTY OF MONTEREY (“Member Agencies”). Collectively these entities shall be known herein as “Parties” or individually as a “Party.”

Recitals

- A. The State of California has passed legislation, known as Senate Bill 1383, California’s Short-Lived Climate Pollutants regulation. The regulation will have significant impact on each Member Agency, with the goal of reducing organic material being landfilled by 75% by 2025, compared to a 2014 basis. The legislation mandates that Member Agencies undertake certain activities around the handling of organic waste materials collected within their jurisdictions. The regulation also requires 20% recovery of edible food by 2025 to direct it to a beneficial use and thus prevent it from entering the waste stream. Regulations take effect, and local program implementation will begin, on January 1, 2022.
- B. The Member Agencies have determined that it is in their best interest to coordinate their activities related to this legislation. This coordination is being facilitated by the District’s Technical Advisory Committee (TAC) comprised of staff from each Member Agency, the three Haulers in the District service area (Haulers), Salinas Valley Recycles (SVR) and MRWMD.
- C. The Member Agencies have further determined that the District has the expertise and resources necessary to implement some of these activities on the Member Agencies’ behalf and have now requested that the District incur costs to provide these activities.
- D. The Member Agencies have agreed to reimburse the District for proportionate shares of certain designated annual costs incurred by the District for these activities.
- E. The form and content of this MOU have been presented to the TAC, and the TAC has recommended it for approval by the Parties

NOW THEREFORE, in consideration of the mutual benefits to be derived by the District and the Member Agencies, and of the promises contained in this MOU, the Parties agree as

follows:

Section 1. Recitals: The recitals set forth above are incorporated into this MOU.

Section 2. Purpose: The purpose of this MOU is to provide a structure for the Member Agencies to reimburse the District for SB 1383 related activities it performs on behalf of the Member Agencies.

Section 3. Voluntary: This MOU is voluntarily entered into by the Parties for the purpose of facilitating the implementation of SB 1383.

Section 4. Term: This MOU shall become effective on the last day of its execution by a Party and shall remain in effect until terminated by the Parties.

Section 5. Scope of Work, Costs & Cost Sharing: The scope of work, and associated costs, are set out in Exhibit A, entitled Detailed Activities and Costs, attached hereto and incorporated herein. Allocation of such costs to the Member Agencies is set out in Exhibit B, entitled Member Agencies' Annual Proportionate Shares and Costs, attached hereto and incorporated herein. Exhibit C outlines estimated individual Member Agencies' allocations related to the Department of Resources Recycling and Recovery (CalRecycle) SB 1383 Local Assistance Grant Program (OWR1: 2021-22), attached hereto and incorporated herein. Exhibit D defines the estimated annual procurement requirements of organic material and estimated cost per ton of compost for each Member Agency, attached hereto and incorporated herein.

No later than March 1 of each year, and at such other times as directed by the Parties, the TAC shall meet to consider and, if deemed necessary, modify Exhibits A, B, C, and/or D subject to direction from the governing bodies of each Member Agency to its TAC representative.

Section 6. The District Agrees:

(a) District staff will manage activities as identified in Exhibit A, C, and D which activities include contracting with third party vendors when reasonably necessary and paying those vendors for contracted costs.

(b) Two times per year, on dates to be determined by the TAC, District will invoice Member Agencies for each Member Agency's proportionate share of costs as shown in Exhibit B with each invoice to be fifty percent (50%) of the Member Agency's share of costs.

(c) Upon award of CalRecycle SB 1383 Local Assistance Grant Program funds, the District will invoice Member Agencies for their full allocation of grant funds as shown in Exhibit C. Four times during the grant term, aligned with dates identified by CalRecycle grant Terms & Conditions, the District shall report to Member Agencies a summary of actual grant expenditures and progress toward grant tasks to date.

(d) District will maintain an accounting of activities and expenses and provide reconciliation of payments annually. Material differences between estimated costs and actual incurred costs will result in either: 1) an adjustment made to the final annual payment for each Member Agency, or 2) such cost difference shall be incorporated into the subsequent year cost allocation.

(e) In year one only, in recognition of expected continuation of improved recycling revenues for the District from recyclable material sales, the District will off-set \$140,000 of the costs identified in Exhibit A. This off-set is reflected in the cost allocations set out in Exhibit B for FY 2021-22.

Section 7. The Member Agencies Agree:

(a) To reimburse the District for all expenses incurred by the District under this MOU in accordance with each Member Agency's proportionate share as shown on Exhibit B, C, and D.

(b) To make a full-faith effort to cooperate with one another and with the District to achieve the purposes of this MOU by providing information, reviewing information in a timely manner, and informing their respective administration and governing bodies.

Section 8. Termination. Any Party may terminate its participation in this MOU upon giving written notice to the District no later than April 1 of any calendar year during the term of this MOU. Within ten days following a Party's termination date, such party shall pay District all charges then due and payable and shall pay when determined any additional charges that shall later come due under the MOU, subject to the limits set out in Exhibits A, B, C, and D.

Section 9. General Provisions.

(a) This MOU is binding and for the benefit of the respective successors, heirs, and assigns of each Party and the District; provided however, no Party may assign its respective rights or obligations under this MOU without the prior written consent of the District.

(b) This MOU is governed by, interpreted under, and construed and enforced in accordance with the laws of the State of California.

(c) If any provision of this MOU is determined by any court to be invalid, illegal, or unenforceable to any extent, then the remainder of this MOU will not be affected, and this MOU will be construed as if the invalid, illegal, or unenforceable provision had never been contained in this MOU.

(d) Waiver by the District or any Party to this MOU of any term, condition, or covenant of this MOU will not constitute a waiver of any other term, condition, or covenant.

Waiver by the District or any Party of any breach of the provisions of this MOU will not constitute a waiver of any other provision, nor a waiver of any subsequent breach or violation of any provision of this MOU.

(e) This MOU may be executed in any number of counterparts, each of which is an original but all of which taken together will constitute one and the same instrument, provided, however, that such counterparts have been delivered to all parties to this MOU.

(f) All parties acknowledge they have been represented, or have had the opportunity to be represented, by counsel in the preparation and negotiation of this MOU. Accordingly, this MOU will be construed according to its fair language. Any ambiguities will be resolved in a collaborative manner by the District and the Parties and must be rectified by amending this MOU.

(g) This MOU supersedes and replaces all prior MOUs between the District and the Parties hereto relating to the subject matter of this MOU.

IN WITNESS WHEREOF, the District and the Parties have caused this MOU to be executed by their duly authorized representatives as of the date of their respective signatures.

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

By: _____

DATE: _____

APPROVED AS TO FORM:

CITY OF CARMEL-BY-THE-SEA

By: _____

DATE: _____

APPROVED AS TO FORM:

CITY OF DEL REY OAKS

By: _____

DATE: _____

APPROVED AS TO FORM:

CITY OF MARINA

By: _____

DATE: _____

APPROVED AS TO FORM:

CITY OF MONTEREY

By: _____

DATE: _____

APPROVED AS TO FORM:

CITY OF PACIFIC GROVE

By: _____

DATE: _____

APPROVED AS TO FORM:

SAND CITY

By: _____

DATE: _____

APPROVED AS TO FORM:

CITY OF SEASIDE

By: _____

DATE: _____

APPROVED AS TO FORM:

PEBBLE BEACH COMMUNITY SERVICES DISTRICT

By: _____

DATE: _____

APPROVED AS TO FORM:

COUNTY OF MONTEREY

By: _____

DATE: _____

APPROVED AS TO FORM:

Exhibit A
Detailed Activities and Costs
FY 2026-2027

Task #	SB 1383 Fee Category	Detail	FY 26/27 Budget	Notes
1	HF&H General Support & TAC meetings	Task #5 (general support) & task #6 (monthly TAC meetings) of HF&H FY 2026 proposal	\$ 14,000	
2	Edible Food Recovery Capacity Building	\$50,000 for ReGen portion of grant allocations \$10,500 for grant administration	\$ 60,500	Grants offered jointly by ReGen & SVR. County is omitted from this line item.
3	Edible Food Recovery Program Administration	Capacity Assessment Updates - Living Document FRO Annual Capacity Survey Updates Other support (TBD): Edible Food Outreach - Follow-up target groups Organics Collections Outreach - Follow-up target groups School Food Waste Reductions - Targeted groups Conference presentations	\$ 15,635	ReGen member agency portion only. Split 50/50 with SVR.
4	Outreach & Technical Assistance to FROs and EFGs	Outreach and technical assistance for food recovery organizations (FROs) and Edible Food Generators (EFGs), Careit App support	\$ 19,170	Previously funded by CalRecycle LAGP grants.
5	Edible Food Generator Inspections for Tier 1 & 2	Inspections only	\$ 4,602	Omits County of Monterey as they perform their own inspections
6	Commercial and Multi-Family Organics Outreach	Provide outreach, education, and technical assistance support to targeted multi-family and commercial businesses	\$ 9,450	Previously funded by CalRecycle LAGP grants.
7	Public Education	Design/creation of public education materials (\$5k). Does not include production or distribution of materials created. Continuation of Sort with Heart campaign (\$25k media placement inclusive of booking fees).	\$ 30,000	Sort with Heart campaign previously funded by CalRecycle LAGP grant.
8	Contamination Monitoring (Lid Flipping)		\$ 18,400	Omits County of Monterey due to WM Smart Truck.
9	Recyclist Fees	Cloud-based recordkeeping and reporting system shared by haulers, jurisdictions and processor.	\$ 14,002	Omits County & City of Monterey, who subscribe separately.
10	ReGen Monterey Staff Time	Coordination and Hosting of Monthly TAC Meetings Hosting and/or participating in TAC Subcommittees SB 1383 Program Coordination and Implementation CalRecycle Reporting Support - Electronic Annual Report & Implementation Records	\$ 75,000	
SB 1383 Total			\$ 260,759	

SB 1383 Procurement of Organic Material (Cost per member agency feeds directly into Exhibit B)			
Member Agency	Annual Procurement Target (tons of compost)	Cost @ \$5/ton using direct-service provider agreement	Notes
Carmel-by-the-Sea	187	\$ 935.00	*The County of Monterey has separate procurement MOU w/ ReGen through 2027. Their amount is not included in this total.
Del Rey Oaks	78	\$ 390.00	
Marina	1,017	\$ 5,085.00	
Monterey	1,317	\$ 6,585.00	
Pacific Grove	721	\$ 3,605.00	
Sand City	18	\$ 90.00	
Seaside	1,491	\$ 7,455.00	
Pebble Beach CSD	210	\$ 1,050.00	
Unincorporated County (West)*	3071	\$ 15,355.00	
ReGen Monterey Total	8,110	\$ 40,550.00	

HF&H Franchise Management Fees		
Task #	FY 26/27 Budget	Notes
1. Review Contractor's Quarterly Reports	\$16,000	Franchise Management services are for GreenWaste member agencies only (omitting the City and County of Monterey).
2. Review Contractor's Annual Report	\$3,000	
3. Review Franchise Fee Payments	\$3,000	
4. Review Contractor's Annual Rate Adjustments	\$50,000	
8. Monitor Contract Compliance	\$24,000	
Franchise Management Total	\$96,000	

Exhibit A Total	\$ 381,954
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Exhibit B
Member Agencies' Annual Proportionate Shares of Costs*
FY 2026-2027

Table 1				
HF&H General Support; EFR Capacity, Admin & Technical Assistance; COM & MFD Outreach; Pub Ed; & ReGen Staff Time*				
	Population			
	#	%	Per Agency Cost/Year	With \$8,500 Minimum
Carmel	3,220	2.9%	\$ 5,981	\$ 8,500
DRO	1,592	1.5%	\$ 2,957	\$ 8,500
Marina	22,359	20.4%	\$ 41,529	\$ 37,943
PG	15,090	13.8%	\$ 28,028	\$ 25,608
PBCSD	4,531	4.1%	\$ 8,416	\$ 8,500
Sand City	325	0.3%	\$ 604	\$ 8,500
Seaside	32,366	29.5%	\$ 60,116	\$ 54,925
Monterey City	30,218	27.5%	\$ 56,126	\$ 51,280
County	53,915		\$ 20,000	\$ 20,000
TOTAL	163,616		\$ 223,755	\$ 223,755

*SB 1383 tasks 1-4, 6, 7 & 10

Table 2				
Edible Food Generator Inspections and Contamination Monitoring*				
	Population			
	#	%	Per Agency Cost/Year	With \$1,500 Minimum
Carmel	3,220	2.9%	\$ 675	\$ 1,500
DRO	1,592	1.5%	\$ 334	\$ 1,500
Marina	22,359	20.4%	\$ 4,688	\$ 3,800
PG	15,090	13.8%	\$ 3,164	\$ 2,565
PBCSD	4,531	4.1%	\$ 950	\$ 1,500
Sand City	325	0.3%	\$ 68	\$ 1,500
Seaside	32,366	29.5%	\$ 6,786	\$ 5,501
Monterey City	30,218	27.5%	\$ 6,336	\$ 5,136
County	53,915		\$ -	\$ -
TOTAL	163,616		\$ 23,002	\$ 23,002

*SB 1383 tasks 5 & 8

Table 3		
SB 1383 Procurement of Organic Material		
	Population	
	Annual Procurement Target (tons of compost)	Cost @ \$5/ton using direct-service provider agreement
Carmel	187	\$ 935
DRO	78	\$ 390
Marina	1,017	\$ 5,085
PG	721	\$ 3,605
PBCSD	210	\$ 1,050
Sand City	18	\$ 90
Seaside	1,491	\$ 7,455
Monterey City	1,317	\$ 6,585
TOTAL	5,039	\$ 25,195.00

Table 4				
HF&H Franchise Management Fees and Recyclist Fees*				
	Population			
	#	%	Per Agency Cost/Year	With \$5,000 Minimum
Carmel	3,220	4.1%	\$ 4,456	\$ 5,000
DRO	1,592	2.0%	\$ 2,203	\$ 5,000
Marina	22,359	28.1%	\$ 30,944	\$ 28,571
PG	15,090	19.0%	\$ 20,884	\$ 19,283
PBCSD	4,531	5.7%	\$ 6,271	\$ 5,790
Sand City	325	0.4%	\$ 450	\$ 5,000
Seaside	32,366	40.7%	\$ 44,794	\$ 41,358
TOTAL	79,483		\$ 110,002	\$ 110,002

*SB 1383 task 9

Member Agencies will be invoiced an annual amount not to exceed column below titled "With Minimums"

Table 5 - Total Costs by Agency				
	Population			
	#	%	Per Agency Cost/Year	With Minimums
Carmel	3,220	2.0%	\$ 12,047	\$ 15,935
DRO	1,592	1.0%	\$ 5,884	\$ 15,390
Marina	22,359	13.7%	\$ 82,246	\$ 75,399
PG	15,090	9.2%	\$ 55,681	\$ 51,060
PBCSD	4,531	2.8%	\$ 16,687	\$ 16,840
Sand City	325	0.2%	\$ 1,212	\$ 15,090
Seaside	32,366	19.8%	\$ 119,151	\$ 109,239
Monterey City	30,218	18.5%	\$ 69,047	\$ 63,001
County	53,915	33.0%	\$ 20,000	\$ 20,000
TOTAL	163,616	100.0%	\$ 381,954	\$ 381,954

* Member agencies' proportionate costs subject to adjustment annually in accordance with any change in scope and total costs.

MEMO



Meeting Date: May 22, 2026

To: Board of Directors
 From: Director of Communications, Zoë Shoats
 Approved by: General Manager, Felipe Melchor

Subject: Approve FY27 Amendments to Exhibits A & B of the MOU between ReGen Monterey and its Member Jurisdictions Regarding Compliance with California's Senate Bill 1383

RECOMMENDATION

Approve FY27 Amendments to Exhibits A & B of the MOU between ReGen Monterey and its Member Jurisdictions regarding compliance with California's Senate Bill 1383.

BACKGROUND

The State of California has passed legislation, known as Senate Bill 1383, California's Short-Lived Climate Pollutants legislation. The regulation has significant impact on each Member Agency with the goal of reducing organic material being landfilled by 75% by 2025, compared to a 2014 basis. The legislation mandates that Member Agencies undertake certain activities around the handling of organic waste materials collected within their jurisdictions. The regulation also requires 20% recovery of edible food by 2025 to direct it to a beneficial use and thus, prevent it from entering the waste stream. Regulations took effect and local program implementation began on January 1, 2022.

In 2021, the Member Agencies determined that it was in their best interest to coordinate their activities related to this legislation. This coordination is being facilitated by ReGen Monterey's Technical Advisory Committee (TAC) comprised of staff from each Member Agency, the three haulers in our service area (Haulers) and ReGen Monterey.

The Member Agencies determined that ReGen Monterey has the expertise and resources necessary to implement shared activities on the Member Agencies' behalf and requested that ReGen incur costs to provide these activities. The Member Agencies have agreed to reimburse ReGen for proportionate shares of certain designated annual costs incurred by ReGen for these activities under a Memorandum of Understanding (MOU) between the Monterey Regional Waste Management District (DBA ReGen Monterey) and its Member Agencies Regarding Assistance with Compliance with California Senate Bill 1383.

The purpose of the MOU is to provide a structure for the Member Agencies to reimburse ReGen Monterey for SB 1383 related activities it performs on behalf of the Member Agencies. The MOU was voluntarily entered into by the Parties for the purpose of facilitating the implementation of SB 1383.

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 Salinas, CA 93908

Mailing Address

P.O. Box 1670
 Marina, CA 93933

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831-384-5313 PHONE
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ReGenMonterey.org
 @ReGenMonterey

Let's not waste this.

The MOU was adopted by the ReGen Monterey Board on June 18, 2021, the Member Agencies soon thereafter, and became effective July 1, 2021.

- **Exhibit A** - Detailed Activities and Costs: Contains the scope of work, and associated costs related to general SB 1383 activities. (Enacted June 2021, updated annually.)
- **Exhibit B** - Member Agencies' Annual Proportionate Shares and Costs: Allocation of such costs to the Member Agencies. (Enacted June 2021, updated annually.)

DISCUSSION

Each year ReGen Monterey staff identifies expected expenses associated with jurisdictional compliance of SB 1383 and compiles those expenses in Exhibit A of the MOU. Expenses include items such as program administration; public education; monitoring; reporting; and edible food recovery capacity building, program administration, and outreach.

These expenses are then broken down to proportional percentages per population in Exhibit B.

The draft budget is first presented to the TAC for review, feedback, and consensus. It then is presented to the ReGen Monterey Board of Directors and Member Agencies' Councils and Boards for approval.

The amendment to Exhibits A and B of the MOU would apply to FY 27 and in lieu of exhibits covering previous fiscal years.

New for FY 2027 are some activities that were previously funded by CalRecycle Local Assistance Grant Program (LAGP) that now must be funded directly by the Member Agencies. This includes mandated programs for procurement of organic material (compost); commercial and multi-family organics outreach; and increased funding for increased public education to continue with media spending for the *Sort with Heart* campaign. Overall, the expired grant funds and other cost increases have necessitated a year-over year cumulative increase of 7% to achieve compliance. This shared funding strategy remains an immense value for our Member Agencies to achieve compliance with SB 1383.

FISCAL IMPACT

None. These are the costs that ReGen Monterey incurs and is then reimbursed by our Member Agencies, with invoicing occurring twice annually.

CONCLUSION

ReGen Monterey will continue to support its Member Agencies with SB 1383 compliance in a way that provides cost savings for the communities we serve.

//



Staff Report

DATE: June 23rd, 2026

TO: Honorable Mayor and Members of City Council

FROM: Chris Bourquin, Chief of Police

SUBJECT: Annual AB 2561 Staffing Vacancies Report

CEQA: This action does not constitute a “project” as defined by the California Environmental Quality Act (CEQA) guidelines section 15378 as it is an administrative activity of the City that will not result in direct or indirect physical changes in the environment.

RECOMMENDATION

Staff recommends that the City Council:

1. Conduct the Public Hearing for compliance with New Legal Obligations related to AB 2561.
2. After the public hearing adopt Resolution No. 2026-20, to comply with Government Code Section 3502.3

SUMMARY

In September 2024, Assembly Bill (AB) 2561 (Gov. Code § 3502.3) was signed by the governor of California. AB 2561 requires a public agency to present the status of vacancies and recruitment and retention efforts at a public hearing at least once per fiscal year, allowing recognized employee organizations to present at the hearing. This report outlines the City of Del Rey Oaks legal obligation under the new law, effective January 01, 2025.

The proposed resolution adopts the administrative policy titled “Reporting on staff vacancies, and the city’s recruitment and retention efforts.” This policy establishes the framework and requirements for holding public hearings and reporting on the City’s workforce vacancies, and recruitment and retention efforts in compliance with AB 2561. (Gov. Code § 3502.3).

BACKGROUND

The passage of AB 2561 recognizes the following challenges in local government employment:

- Job vacancies in local government are widespread and significantly impact public sector service delivery.
- High vacancy rates contribute to increased workloads for existing employees, leading to burnout and higher turnover.
- There is a statewide interest in ensuring that public agencies are adequately staffed to support public service functions.

DISCUSSION

In compliance with AB 2561, the City of Del Rey Oaks is required to undertake the following actions:

1. **Public Hearing:** At least once each fiscal year, at a public hearing before the City Council, the City shall present information regarding the status of vacancies and recruitment and retention efforts (Gov. Code § 3502.3(a)(1)) and identify any necessary changes to policies, procedures, and recruitment activities that may lead to obstacles in the hiring process (Gov. Code § 3502.3(a)(3)).

If the City Council adopts an annual budget during the fiscal year, the presentation must occur before the adoption of the final budget. (Gov. Code § 3502.3(a)(2)).

2. **Employee Organization Participation:** Allow the recognized employee organization for each bargaining unit at the City to make presentations during the public hearing concerning vacancies and recruitment and retention efforts.

* There are no represented bargaining units at the City. (Gov. Code § 3502.3(b)).

3. **Additional Reporting for High Vacancy Rates:** If vacancies in a single bargaining unit meet or exceed 20% of authorized full-time positions, the City must provide additional reporting at the request of the employee organization, including:

- Total number of vacancies
- Number of applicants
- Average time to fill positions
- Opportunities to improve compensation and working conditions (Gov. Code § 3502.3(c)).

Policy Implications:

The administrative policy for the public hearing on City vacancies and recruitment and retention efforts (“Policy”) establish protocol for the City’s public hearings on vacancies in order to ensure a fair, orderly and efficient hearing process.

The Policy sets forth specific requirements concerning matters such as the provision of notice to recognized employee organizations regarding the public hearing and their right to make a presentation at the hearing, the length and order of the City's and the employee organizations' presentations, and the standards of discourse during the public hearing.

Position Data:

In FY25/26, the City of Del Rey Oaks was budgeted for 14 full-time employees.

- The City currently has 2 vacant Police Officer positions. One position is unfunded.
- No full-time employees were hired in FY 2025-26.

As of the start of FY 2026-27, the City of Del Rey Oaks will have three (3) vacant Police Officer positions, representing an overall 21% vacancy rate for the City. One of the Police Officer positions has been unfunded since the department merger with the Airport District due to the Covid pandemic and continued budget constraints.

In October 2025, the Police Department hired a new reserve police officer. It is anticipated that this reserve will transition to one of the vacant full-time position in FY 2026-27 once training is completed. An additional reserve police officer was hired in January 2026. This person will remain at reserve status. The City has year around, open recruitment for part-time "reserve" officers.

In April 2026, efforts began to recruit for a full-time position. We currently have one person in backgrounds. The background process is moving efficiently, and we expect to be able to make a hiring decision by July 2026.

Recruitment Efforts:

As part of the FY25/26 budget, the City of Del Rey Oaks recruitment efforts included:

- Reserve officers to be paid at top-step patrol starting July 2025.
- 5% raise for police department employees.

The City continues to reach out to recruits who they feel would be successful working in a small-town environment. Current salaries for this department no doubt hurt recruitment efforts. We continue to emphasize quantity of life as well as longevity of career which are both constants in our department and small town departments as a whole.

Retention Efforts:

The City also implemented strategies to improve retention, including:

- Providing continuing education and training opportunities.

- Enhancing employee wellness programs, including mental health resources.
- Offering tuition reimbursement programs to support employee career development.
- Increasing opportunities for internal promotions and career path planning.
- Recognizing employee contributions through employee appreciation events and award programs.
- Espousing benefits of small-town policing to include quality of life issues, career longevity, peninsula-wide special events, and accelerated learning in investigative techniques.
- Ability to work in airport police operations

The adoption of this policy aligns the City of Del Rey Oaks with the new legal requirements under AB 2561. By enhancing recruitment and retention efforts and ensuring transparent reporting, the City is committed to maintaining a strong and effective workforce.

FISCAL IMPACT

There is no direct fiscal impact associated with conducting the public hearing required under Government Code section 3205.3. However, addressing recruitment and retention issues may involve future budget considerations, which will be presented to the City Council as necessary.

Report Approval Details

Document Title: STAFFREPORT_HR_VACANCYREPORT
Attachments: - Attachment A - AB 2561
Attachment B - Resolution 2026-20

PURPOSE:

Effective January 1, 2025, Government Code Section 3502.3 requires City of Del Rey Oaks to present information on the status of staff vacancies of each bargaining unit and the City's recruitment and retention efforts at a public hearing before the City Council of the City of Del Rey Oaks at least once per fiscal year.

DEFINITIONS:

Public Hearing – A formal meeting that is open to the public, where City of Del Rey Oaks representatives present information and accept public comments on specific topics, as required by law.

Vacancies – Unfilled full-time positions within the City of Del Rey Oaks's workforce that require recruitment.

Recruitment – The process of attracting, screening, and selecting qualified candidates for employment with the City of Del Rey Oaks.

Retention – The process of maintaining a stable and satisfied workforce within the City of Del Rey Oaks.

PROCEDURE:**I. POLICY STATEMENT**

- A. In accordance with Gov. Code § 3502.3, the City of Del Rey Oaks is committed to holding a public hearing on vacancies, recruitment and retention efforts, and any issues with the City of Del Rey Oaks's policies, procedures, and recruitment activities that may lead to obstacles in the hiring process.
- B. The City of Del Rey Oaks will hold a public hearing at least once each fiscal year prior to the adoption of the annual budget and provide reports on vacancies, recruitment, and retention efforts for the prior calendar year.

II. POLICY PROVISIONS

- A. Public Hearing Requirements
 1. The City of Del Rey Oaks shall conduct public hearings at least on an annual basis (once each fiscal year) to present information on vacancies, recruitment and retention efforts, and issues with the policies, procedures, and recruitment activities that may lead to obstacles in the hiring process.
 2. Public hearings shall be announced in advance and provide an opportunity for members of the public to make comments.
 3. The City will notify in writing each recognized employee organization that represents City employees of the date, time and place of the hearing at least ten (10) calendar days in advance of the hearing.

- a. In the notice, the City will inquire whether the employee organization intends to make a presentation to the City Council at the public hearing. The City will request that, for planning purposes, the employee organization provides written notice to the Human Resources Department at least five (5) working days in advance of the public hearing indicating whether the employee organization intends to make a presentation at the public hearing.
 - b. The notice will also inform the employee organization for each bargaining unit they will be allotted ten (10) minutes for their presentation at the public hearing.
 - c. Notice of the hearing to the public will be provided in accordance with the Ralph M. Brown Act. (Gov. Code §§ 54950-54963.)
 4. Separate public hearings may be scheduled to address individual bargaining units or bargaining unit groupings.
 5. The City Clerk shall ensure that each public hearing is adequately documented, with minutes and recordings made publicly available.
 6. The City of Del Rey Oaks presentation will be limited to 10 minutes for each bargaining unit. The City may choose to present on all bargaining units at once, or to present data for each bargaining unit separately followed by each applicable employee organization presentation.
 7. Following the agency presentation, each recognized employee organization will have the opportunity to make a presentation. The recognized employee organizations shall have the right to present information, concerns, and recommendations at the public hearing regarding staff vacancies and the City's recruitment and retention efforts. The presentation will be limited to 10 minutes. If the employee organization is engaged in bargaining, the employee organization shall not present bargaining proposals during the presentation to the City Council on matters that have been or have not been presented in bargaining.
 8. City Council may ask questions of the City and the employee organization presenters.
 9. Final City of Del Rey Oaks comments will be limited to three minutes per bargaining unit.
 10. Final employee organization comments will be limited to three minutes per bargaining unit.
 11. Public comment regarding the hearing will be limited to two minutes per person.
- B. Reporting Requirements.
1. The City of Del Rey Oaks shall present information on the following at the public hearing:
 - a. The status of vacancies at the City of Del Rey Oaks.
 - b. Information on the City of Del Rey Oaks's recruitment and retention efforts.
 - c. Identification of any obstacles in the City of Del Rey Oaks's policies, procedures, and recruitment activities that may create challenges in the hiring process.
- C. Special Reporting Requirements for High Vacancy Rates
1. If the number of job vacancies within a single bargaining unit meets or exceeds 20% of the total number of authorized full-time positions, the City of Del Rey Oaks shall, upon request of the recognized employee organization, include the following information during the public hearing:
 - a. The total number of job vacancies within the bargaining unit.
 - b. The total number of applicants for vacant positions within the bargaining unit.

- c. The average number of days to complete the hiring process from when a position is posted.
- d. Opportunities to improve compensation and other working conditions.

III MONITORING AND REVIEW

- A. The Human Resources Director or designee may review the effectiveness of this policy and make revisions as necessary to ensure ongoing compliance with Gov. Code § 3502.3 (AB 2561) and alignment with best practices in public transparency.

IV COMPLIANCE AND ENFORCEMENT

- A. The City of Del Rey Oaks will maintain records of all public hearings, reports, and related documents in compliance with public records requirements.

RESOLUTION NO. 2026-20

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DEL REY OAKS, CALIFORNIA, TO ADOPT A POLICY TO BE IN COMPLIANCE WITH GOVERNMENT CODE SECTION 3502.3 AND HOLD AN ANNUAL PUBLIC HEARING REGARDING STAFF VACANCIES

WHEREAS, Government Code 3502.3 (California Assembly Bill 2561) requires public agencies to hold at least one (1) public hearing per fiscal year to discuss vacancies in City positions and the recruitment and retention efforts of the City to maintain filled positions to carry out services to the Del Rey Oaks community; and

WHEREAS, Government Code 3502.3 contains specific requirements to be shared at the public hearing which includes the vacancies of each bargaining unit, the City’s recruitment and retention efforts, and any issues with the City’s policies, procedures, and recruitment activities which may contribute to obstacles in the hiring process; and

WHEREAS, the City seeks to be in full compliance with the law while creating parameters to help administratively guide the public hearing in order to ensure a fair, orderly and efficient hearing process.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF DEL REY OAKS, CALIFORNIA, DOES HEREBY RESOLVED, the City seeks to be in full compliance with the law while creating parameters to help administratively guide the public hearing in order to ensure a fair, orderly and efficient hearing process.

INTRODUCED, APPROVED, AND ADOPTED by the City Council of the City of Del Rey Oaks, California, at its regular meeting held on the 23rd day of, June, 2026, by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

Scott Donaldson, Mayor

ATTEST:

Karen Minami, City Clerk



CITY OF DEL REY OAKS

650 CANYON DEL REY BLVD, DEL REY OAKS, CALIFORNIA 93940
 PHONE (831) 394-8511 FAX (831) 394-6421

Staff Report

DATE: June 23, 2026

TO: Honorable Mayor and City Council

FROM: John Guertin, City Manager

SUBJECT: Selection of Development Partner for Former Fort Ord Properties and Authorization to Negotiate an Exclusive Negotiating Agreement with Shea Homes

CEQA: The recommended action is administrative in nature and does not constitute approval of a development project. Negotiation of an Exclusive Negotiating Agreement is not a commitment to a specific course of action and therefore is not considered a project under the California Environmental Quality Act (CEQA).

Any future development proposal would be subject to separate environmental review in accordance with CEQA.

Recommendation

Staff recommends that the City Council:

1. Accept the results of the City's developer selection process for the former Fort Ord properties; and
2. Authorize staff to begin negotiations with Shea Homes for an Exclusive Negotiating Agreement (ENA) governing the potential development of the City's former Fort Ord properties; and
3. Direct staff to return to the City Council with a proposed ENA for future consideration and approval.

Executive Summary

The City of Del Rey Oaks owns approximately 235 acres of former Fort Ord property identified by APNs 031-191-026, 031-191-028, and 259-011-025. These properties represent the City's largest remaining development opportunity and provide a unique opportunity to expand housing, create employment-generating commercial uses, enhance community amenities, and improve the City's long-term fiscal sustainability.

On February 26, 2026, the City Council directed staff to pursue a targeted developer solicitation process rather than a traditional Request for Proposals. Three highly qualified development teams with demonstrated experience in master-planned communities and former Fort Ord redevelopment projects were invited to participate.

Following review of written submissions, interviews, follow-up discussions, and reference evaluations, the City's development team unanimously concluded that Shea Homes offers the strongest overall combination of financial capacity, development expertise, understanding of Fort Ord redevelopment challenges, and commitment to a collaborative public-private partnership.

Staff therefore recommends initiating negotiations with Shea Homes regarding an Exclusive Negotiating Agreement that would establish a structured process for evaluating the feasibility of a future development project and negotiating potential business terms.

Background

The City of Del Rey Oaks owns approximately 235 acres of former Fort Ord land that remains available for future development. The property represents the City's most significant opportunity to shape its future growth and economic development.

Successful development of the site has the potential to:

- Expand housing opportunities across a range of product types and affordability levels;
- Create commercial and employment-generating uses;
- Increase the City's tax base and long-term fiscal resilience;
- Provide public amenities, open space, and community-serving facilities; and
- Advance the economic development objectives established during the Fort Ord base reuse process.

The City has consistently recognized that future development of these properties must balance fiscal sustainability, market realities, environmental stewardship, and community character. The City's objective is to establish a development partnership capable of delivering a high-quality mixed-use community while ensuring that future public service obligations remain financially sustainable.

In evaluating future development opportunities, it is important to consider not only land use planning but also the financial tools and implementation strategies necessary to support development. Successfully attracting compatible revenue-generating uses can reduce future pressure on residents to fund municipal services through mechanisms such as parcel taxes, Community Facilities Districts, or other special assessments. A thoughtful mix of residential, commercial, and community-serving uses can create long-term value for both the City and future residents.

At its meeting of February 26, 2026, the City Council considered options for selecting a development partner and directed staff to pursue a targeted solicitation process involving developers with demonstrated experience in former Fort Ord projects and large-scale master-planned communities.

Rather than issuing a traditional Request for Proposals, the City invited three development teams to participate in a structured evaluation process. On March 25, 2026, letters were issued requesting information regarding:

- Relevant project experience;
- Development approach and vision;
- Financial capacity and capital access;
- Infrastructure delivery strategies;
- Housing and commercial development concepts; and

- Proposed public-private partnership structures.

Written responses were received and reviewed by the City's development team. During May 2026, City representatives conducted follow-up interviews and discussions with each development team to better understand project concepts, financing approaches, development strategies, and implementation capabilities.

Additional information, references, and clarifications were subsequently requested and reviewed as part of the evaluation process.

Evaluation Criteria

Because all the development teams invited possessed strong qualifications and demonstrated success in comparable projects, the City's evaluation focused on several key areas of strategic importance.

1. Funding Sources and Financial Capacity

Evaluation factors included:

- Access to short- and long-term capital;
- Development underwriting capabilities;
- Land acquisition and disposition strategies;
- Understanding and use of public financing tools;
- Risk assessment methodologies;
- Approaches to infrastructure financing; and
- Understanding of development costs and market constraints.

2. Planning and Community Development Approach

Evaluation factors included:

- Understanding of local housing needs and market conditions;
- Proposed residential product types and development program;
- Commercial and employment-generating opportunities;
- Integration with surrounding development patterns; and
- Overall vision for creating a cohesive community.

3. Public-Private Partnership Approach

Evaluation factors included:

- Willingness to negotiate a fair and flexible development structure;
- Understanding of public agency objectives;
- Recognition of municipal service and infrastructure obligations;
- Experience with Development Agreements and Disposition and Development Agreements; and
- Ability to adapt to changing market conditions over a multi-year development horizon.

Discussion

Summary of Developer Reviews

All three participating development teams are highly qualified organizations with successful

track records in complex land development projects, including redevelopment within former Fort Ord.

IL Housing Solutions

IL Housing Solutions submitted a thorough and well-prepared response demonstrating a strong understanding of development opportunities and constraints associated with the site. The firm's close affiliation with Lennar and its control of the adjacent Kranyak parcel provide meaningful strategic advantages, particularly regarding access and project integration.

Particular strengths included:

- Well-developed residential planning concepts;
- Strong understanding of market positioning;
- Strategic control of adjacent property; and
- Comprehensive consideration of financing and implementation issues.

Shea Homes

Shea Homes submitted a comprehensive response that demonstrated a strong understanding of both the physical and financial realities associated with development of the property. The company distinguished itself through its detailed analysis of infrastructure requirements, site preparation considerations, development phasing, and financing strategies.

Particular strengths included:

- Significant financial capacity and access to capital;
- Ability to make timely investment decisions without complex corporate approvals;
- Detailed understanding of infrastructure and site development challenges;
- Experience delivering large-scale master-planned communities; and
- Strong commitment to collaborative public-private partnership principles.

Urban Mix

Urban Mix proposed an innovative concept anchored by a destination-oriented surf park and visitor attraction. The proposal introduced a potentially significant economic development component that could generate substantial fiscal benefits if successfully implemented. However, the submission provided less detail regarding traditional mixed-use residential development and implementation strategies than the other proposals.

Particular strengths included:

- Creative economic development vision;
- Potential for significant visitor-serving revenue generation;
- Strong design orientation; and
- An effective “pattern book” approach to community design.

Follow-Up Interviews and Additional Evaluation

Following review of the written submissions, City representatives conducted follow-up meetings with each development team to clarify questions and evaluate each team's readiness to undertake a project of this complexity.

The City's development team noted the following observations:

IL Housing Solutions

- Ownership control of adjacent land provides a strategic development advantage.
- Residential concepts were particularly thoughtful and responsive to market conditions.
- Demonstrated strong understanding of regional housing trends.

Shea Homes

- Presented the most detailed and technically informed discussion regarding infrastructure, site preparation, and project delivery.
- Demonstrated substantial financial capacity and ability to deploy capital efficiently.
- Exhibited a practical understanding of public-private partnership structures.
- Demonstrated strong familiarity with the challenges and opportunities associated with former Fort Ord development.

Urban Mix

- The surf park concept presents a potentially valuable economic development opportunity.
- The concept could potentially be integrated into future development scenarios or considered independently.
- Other aspects of the proposal were less developed than competing submissions.

Staff Conclusion

After reviewing written submissions, conducting interviews, evaluating references, and assessing overall project readiness, the City's development team unanimously concluded that Shea Homes offers the strongest overall development partnership opportunity.

While each development team possesses meaningful strengths, Shea Homes demonstrated the most balanced combination of:

- Financial strength and capital access;
- Development experience;
- Understanding of Fort Ord redevelopment conditions;
- Infrastructure and implementation expertise; and
- Commitment to a collaborative and flexible public-private partnership.

For these reasons, staff recommends proceeding with negotiations regarding an Exclusive Negotiating Agreement.

Purpose of an ENA

An Exclusive Negotiating Agreement is a commonly used tool that allows a public agency and a selected development partner to work collaboratively during a defined period to evaluate project feasibility and negotiate potential business terms.

An ENA does not:

- Approve a development project;
- Transfer ownership of property;
- Establish a purchase price;
- Grant development entitlements; or

- Authorize construction.

Instead, it establishes a structured process for due diligence, planning, financial analysis, environmental review, and negotiation.

At the conclusion of the ENA period, the City Council retains full discretion to approve, modify, or reject any future development proposal or implementing agreements.

Potential Components of an ENA

Topics addressed during ENA negotiations may include:

Negotiation Period and Exclusivity

Establishment of a defined negotiation period during which Shea Homes would have exclusive negotiating rights for the subject property.

Project Vision and Development Program

Preparation and refinement of conceptual land use plans, housing programs, commercial development concepts, open space systems, infrastructure planning, and community amenities.

Due Diligence

Completion of market studies, environmental investigations, infrastructure assessments, financial analyses, and other technical evaluations necessary to determine project feasibility.

Development and Financing Strategy

Evaluation of development phasing, land disposition structures, infrastructure financing mechanisms, public financing tools, and implementation strategies.

Environmental Review and Entitlements

Identification of environmental review requirements, planning approvals, and entitlement processes necessary for project implementation.

Cost Reimbursement

Establishment of procedures requiring reimbursement of City costs related to negotiations, consultant services, legal review, environmental analysis, and other project-related activities.

Future Agreements

Negotiation of business terms that could ultimately form the basis of a future Disposition and Development Agreement, Purchase and Sale Agreement, Development Agreement, or related implementing documents.

Termination Rights

Procedures allowing either party to terminate negotiations if satisfactory progress cannot be achieved.

No Commitment to Development Approval

Confirmation that neither party is obligated to enter into a future agreement and that all future development approvals remain subject to City Council discretion and applicable legal requirements.

Fiscal Impacts

Authorization to negotiate an ENA will not commit the City to any future development project or transfer of property. Staff anticipates that future negotiations will include provisions

requiring reimbursement of City costs associated with consultant support, legal review, environmental analysis, and related due diligence activities.

Any future financial commitments, property disposition terms, infrastructure obligations, or development agreements would be presented to the City Council for separate consideration and approval.

Next Steps

If directed by the City Council, staff will initiate negotiations with Shea Homes regarding an Exclusive Negotiating Agreement and return to the City Council with a proposed ENA for review and consideration at a future public meeting.

Execution of an ENA will provide a structured framework for evaluating development opportunities on the former Fort Ord properties while preserving the City's discretion regarding future land use, environmental review, financial arrangements, and development approvals.

ATTACHMENTS:

- March Developer Interest Letter
- Developer Written Responses

Respectfully Submitted,

John Guertin
City Manager



CITY OF DEL REY OAKS

650 CANYON DEL REY BLVD., DEL REY OAKS, CALIFORNIA 93940
PHONE (831) 394-8511 FAX (831) 394-6421

March 25, 2026

Via Email and Regular Mail

Dear _____:

The City of Del Rey Oaks (“City”) has identified Urban Mix Development as a shortlisted candidate to serve as Master Developer for a significant portion of City-owned land within the former Fort Ord (APNs 031-191-026, 031-191-027, and 259-011-025). Rather than issuing a traditional Request for Proposals (RFP), the City is pursuing an expedited selection process to engage a qualified development partner.

Process Overview

Your firm is one of four invited to participate based on demonstrated expertise in complex development projects, including experience on former Fort Ord lands or in similar contexts.

This project has several defining characteristics:

- It is intended to be a housing-focused, master-planned community with an emphasis on long-term fiscal and environmental sustainability.
- The development could effectively double the City’s population and presents an opportunity to establish new community focal points, commercial uses, and an expanded tax base.
- The project includes unique risks which, if properly addressed, can support a financially feasible outcome for all parties, as indicated by independent analysis by the City’s consultant, EPS.
- Prior development efforts have not advanced to approval.
- Success will require a well-structured public-private partnership with aligned interests.

This process is designed to evaluate overall partnership fit and approach.

Selection Process

The process for selection is as follows:

1. Submit responses to the questions below by April 10, 2026 (maximum 10 pages).
2. The City team will evaluate each response on a scale of 1–3 (with 3 being the highest). Follow-up questions may be issued.
3. The two highest-ranked firms will be invited to interview in early May 2026. A site tour will be available upon request on or before the interview date.
4. Based on interviews, the City team may make a recommendation to the City Council (target: late May).
5. The City Council may accept or reject the recommendation and provide direction on next steps.

Developer Questions

The following questions will provide the basis for our recommendation to the City Council:

1. What makes your team uniquely qualified for this project?
2. Who are the key members of your development team (including partners and affiliates), and what are their roles? Please include brief bios and firm information (additional details may be provided in an appendix).
3. What funding sources would you access to underwrite due diligence and other predevelopment expenses? What is your approval process for accessing these or additional funds as needed?
4. How will you approach site preparation, infrastructure installation, and vertical development (from both strategic and financial perspectives)?
 - a. What are your anticipated sources of debt and equity?
 - b. What would you envision as your land acquisition strategy (phased take-down vs. upfront purchase)?
 - c. Are ground leases sought for any components?
 - d. How will you determine whether to use various public financing instruments (e.g., EIFD, CFD, etc.), and what do you see as potential or likely scenarios in this regard?
5. What residential products are most viable for this site (positioning, types, amounts)?
6. What types, scale, and location of non-residential development do you envision?
7. How should the project integrate with surrounding developments, both within and outside of Del Rey Oaks?

8. How would you go about determining an acceptable return target for this Project? What metrics do you use to measure returns (e.g., IRR, equity multiple, other)?
9. Do you see the use of a Disposition and Development Agreement (DDA) negotiated during an identified Exclusive Right to Negotiate (ERN) period? What concerns or other options would you express, if any?
10. Under what conditions will the Project be financially feasible, cover the costs of infrastructure and services, and generate a positive residual land value?

Additional Information

Responses will be evaluated based on clarity, completeness, and overall approach to working with the City to achieve a timely project that provides priority public and private objectives. Brevity is encouraged. Please submit your response as a PDF (maximum 10 pages). The City may request additional information as needed.

The City team intends to present a recommendation to the City Council in late May. If approved, the City will proceed with establishing an ERN to negotiate formal development agreements.

The City team is available to answer questions and to provide project or parcel related materials upon request.

Thank you for your consideration,



John Guertin
City Manager

April 3, 2026

Mr. John Guertin, City Manager
 City of Del Rey Oaks
 650 Canyon Del Rey Blvd
 Del Rey Oaks, California 93940

URBANMIX
 DEVELOPMENT

Dear Mr. Guertin:

UrbanMix Development is pleased to submit this response to the City of Del Rey Oaks. We are a San Francisco-based real estate development firm with a proven record on former military bases, public-private partnerships, and mixed-income communities across California. We have read your invitation carefully, and we have a specific and differentiated vision for this land: a housing-focused, master-planned community anchored by a world-class surf park destination. We believe this combination — attainable housing, community amenities, fiscal and environmental sustainability, and a signature recreational draw — is exactly what Del Rey Oaks needs to make this project succeed where prior efforts have not.

The surf park concept is not a novelty. UrbanMix is currently developing the Neptune Beach Surf Club in Alameda, California — an \$80 million surf park on City-owned land within Enterprise Park. We know how to make this work. Our partner for this component is Pro Swell, a surf park advisory and operations firm with global experience in surf venue design, development, and management.

We are ready to move quickly, work transparently, and build something Del Rey Oaks can be proud of for generations.

1. WHAT MAKES YOUR TEAM UNIQUELY QUALIFIED?

Three things set UrbanMix apart for this project. First, we have direct Fort Ord experience. Keith McCoy directed the entitlements for East Garrison, a 244-acre, 1,400-home master-planned community on the former Fort Ord in Monterey County — the same base reuse context, the same jurisdictional complexity, the same need to build public trust before a shovel goes in the ground. That project is now under construction and Keith remains involved overseeing recent master plan modifications.

Second, we have delivered public-private partnerships on city-owned land through competitive RFP processes. Examples: Foster Square in Foster City — 400 units, 30,000 SF of retail, on 15 acres of formerly city-owned land — is built and operating. The Roseland Village Neighborhood Center in Santa Rosa is a public-private partnership with a County of Sonoma Community Development Commission, currently in entitlements. Currently, we are engaged in the early feasibility stages of a large scale mixed use/mixed income waterfront redevelopment project that requires a public-private partnership and community-based planning approach with the Port of Oakland, City of Oakland and the CA State Lands Trust. Both Keith and Scott Ward, Partner in Urban Mix, have also created several market rate housing and senior assisted living projects on the former Hamilton Air Base in Novato, CA.

We understand what cities need from a development partner, and we structure our projects and agreements accordingly.

Third, we are the only firm actively developing a surf park on City-owned land in California. Neptune Beach Surf Club in Alameda is an \$80 million project on a long-term ground lease with the City. We have the relationships, the operating partner (Pro Swell), and the hard-won feasibility knowledge to bring a surf venue to Del Rey Oaks in a way that is financially grounded and operationally sound.

2. KEY TEAM MEMBERS, ROLES, AND BIOS



Keith McCoy
 Founding Partner,
 Development Lead

Keith has more than 30 years of experience developing master planned communities and thousands of homes. He has held senior leadership roles with international development and housing companies and is the former principal of Urban Community Partners, which he founded in 2001 to pursue Smart Growth, mixed-income, mixed-use development. As co-developer and partner, he directed the full entitlement process for East Garrison on the former Fort Ord — a \$500 million, 244-acre, 1,400-home master-planned community requiring navigation of FORA, the Army, multiple jurisdictions, and deep community stakeholder engagement. The project is now under construction.

Keith also led the competitive RFP process for Foster Square in Foster City, a 15-acre, 400-unit senior-oriented mixed-use community on formerly city-owned land, delivered in partnership with MidPen Housing, Lennar, and Atria Senior Housing. He is currently leading entitlements for Neptune Beach Surf Club in Alameda and Roseland Village in Santa Rosa.

Keith holds a degree in Social Ecology and Urban Planning from UC Irvine. He serves as Chair of the Board of Directors of the Alameda Point Collaborative, a board member of the Council of Infill Builders, and has spoken at the Congress for New Urbanism, the Urban Land Institute, Seaside Institute and the American Planning Association.

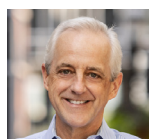


Scott Ward

Founding Partner, Architecture,
Finance & Construction

Scott is an architect and real estate development professional with more than 30 years of experience in mixed-use projects, public-private partnerships, and adaptive reuse. Prior to co-founding UrbanMix, he led development at the Presidio of San Francisco and Hamilton Air Force Base in Novato, managing approximately \$50 million in new construction and negotiating \$200 million in development agreements. He also completed over two million square feet of new and adaptive reuse construction while practicing architecture, including the San Francisco Ferry Building and Pier One San Francisco.

Scott holds an MBA in Real Estate Finance and an MS in Natural Resource Policy from the University of Michigan, and a BA in Architecture from the University of Texas. His green building background directly informs UrbanMix's commitment to long-term environmental sustainability.



Barry Long

Founding Partner,
Urban Design & Planning

Barry is President and CEO of Urban Design Associates (UDA), an international urban design, planning, and architecture practice. He leads forward planning for UrbanMix and is responsible for shaping opportunities that serve both the community and the company. His approach is rooted in community engagement, design in context, and serving the working class — principles essential to a project that could double Del Rey Oaks' population. Barry led the extensive and successful East Garrison community planning process and preparation of the East Garrison Specific Plan and Pattern Book.

Barry is a member of the Urban Land Institute and the Congress for the New Urbanism. He holds Bachelor and Master of Architecture degrees from Montana State University.



William Duncanson

Pro Swell, Surf Park Advisory &
Operations Partner



Kui Nakamura

Pro Swell, Surf Park Advisory &
Operations Partner

Pro Swell is formed by the leadership of ProFun — a global amusement attraction consultancy with 44 years of experience and more than 500 clients in 50 countries — and Swell International, a development company specializing in surf lifestyle and experience-driven mixed-use projects. Pro Swell provides full-service surf park expertise: feasibility, business planning, operational design, staffing, and management. They are UrbanMix's partner on Neptune Beach Surf Club in Alameda. Pro Swell is led by William Duncanson, a world leader in surf park design, programming and strategy, with nearly 25 years of experience in mixed-use urban infill, complex master planning, and hospitality development. Kui Nakamura brings expertise in corporate and project finance, capital raising, and investment strategy, having executed or advised on over \$9 billion in principal investments. William and Kui are backed by the operational acumen and track record of ProFun's senior leadership, including Brad Merriman, President of ProFun with nearly three decades of visitor attraction advisory experience, and Mike Oswald, ProFun's Chief Operating Officer and former General Manager of both Yas Waterworld and Ferrari World in Abu Dhabi, two of the world's most celebrated theme and water park destinations.

William Duncanson is also a Principal at **BAR architects & Interiors** and will be responsible for architectural design.

3. FUNDING FOR PREDEVELOPMENT EXPENSES

We fund predevelopment from two sources. First, UrbanMix carries early-stage costs — due diligence, feasibility, initial planning — directly from firm capital. Second, for more capital-intensive phases, we draw on committed equity relationships with institutional and private investors who have partnered with us on prior projects. Decisions to access additional funds require partner-level approval. We anticipate no difficulty funding a thorough predevelopment program.

4. SITE PREPARATION, INFRASTRUCTURE, AND VERTICAL DEVELOPMENT

We approach large-scale development in phases, with infrastructure investment timed to each vertical phase rather than front-loaded. This protects project economics and keeps City and developer interests aligned throughout.

a. Debt and Equity Sources

We expect to capitalize this project through institutional equity, private co-investment, and project-level construction debt. Equity partner selection will be optimized once we have established the final product mix. We have existing relationships with equity sources experienced in base reuse and mixed-income projects.

b. Land Acquisition Strategy

We strongly prefer a phased take-down structure. This aligns acquisition costs with project milestones, reduces risk for both parties, and allows the program to respond to evolving market conditions.

c. Ground Leases

We are open to ground leases for commercial or recreational components where they improve project economics or serve a public benefit — Neptune Beach is structured exactly this way. We do not anticipate ground leases for for-sale residential.

d. Public Financing Tools (EIFD, CFD)

We are experienced with both EIFDs and CFDs. CFDs are well-suited to fund backbone infrastructure with repayment spread across future property owners. EIFDs can capture incremental tax increment to fund broader public improvements, including green infrastructure such as stormwater systems, EV charging, solar, and energy-efficient building systems. We would work closely with the City, EPS, and Willdan to model scenarios and select the optimal structure.

5. RESIDENTIAL PRODUCTS

Based on the City's goals and the project's characteristics, we expect the strongest residential program to include a mix of for-sale market rate homes (single family detached), for-sale and for rent affordable units, and potentially senior-oriented housing. Senior housing fits well within a community focused on long-term fiscal sustainability, generating lower service demands while contributing to the tax base. We will commit to a final product mix once we have completed site analysis and community engagement. Getting it right early is more important than moving fast.

6. NON-RESIDENTIAL DEVELOPMENT

The anchor non-residential use we are proposing is a surf park destination, developed in partnership with Pro Swell. The Del Rey Oaks site sits within a 90-minute drive of the South Bay and Silicon Valley and minutes from the rest of the Monterey Peninsula — a combined population catchment of over 3 million residents that supports destination-scale attendance. Monterey County's mild, year-round climate is also an operational advantage: unlike surf parks in colder climates that face seasonal closure, this site can generate revenue every month of the year. According to industry data and recent feasibility studies for other surf park developments reviewed by Pro Swell, surf parks in comparable markets draw between 50,000 and 250,000 visitors annually depending on size and programming; a well-positioned attraction here would realistically target this range given regional population density and the absence of any competing surf destination within the catchment area. Beyond attendance, a surf lagoon creates the same kind of real estate premium that waterfront property commands flowing directly into residential pricing and absorption throughout the project's phasing period and creating a defining identity no amount of conventional retail or housing can replicate.

The economic case is concrete and increasingly well-documented. Industry research puts average daily visitor spending between \$220 and \$380 per participant, with destination-oriented parks that integrate lodging, food and beverage, and event programming reaching the higher end of that range. Revenue streams spanning wave sessions, lessons, memberships, food and beverage, retail, and corporate events also support commercial tenants who may otherwise struggle in a new community without an established customer base. The surf park generates transient occupancy tax, if lodging is integrated, sales tax from on-site spending, and meaningful property tax uplift from increased land values in adjacent residential parcels. According to Crystal Lagoons data, the first public-access lagoon to open in Florida saw home sale prices increase by 21% during pre-construction, while comparable competing developments managed only 1%-5% appreciation — precisely the residential pricing and absorption advantage this project needs during its phasing period.

Perhaps most importantly for Del Rey Oaks, this attraction creates an additional reason for people from outside the community to visit regularly, building the City's long-term commercial tax base from day one of operations. The clearest recent precedent is Atlantic Park in Virginia Beach — a \$350 million public-private partnership where a surf lagoon anchors a mixed-use district of housing, retail, and entertainment. Virginia Beach committed more than \$150 million in public infrastructure investment not because it viewed the project as a surf amenity, but because the lagoon functioned as a civic catalyst that activated the surrounding development which is expected to ameliorate the very pronounced seasonality of economic activity in that market. The same logic applies here. Key considerations to be resolved during pre-development include right-sizing the lagoon to the market, embedding it within a multi-revenue mixed-use program, and leveraging Pro Swell's experience opening and operating attractions on five continents.

The retail and food and beverage program is downstream of the surf park, not independent of it. Industry surveys shows average dwell times of three to four hours across surf park visitors, and that time translates directly into food and beverage covers, retail transactions, equipment rentals, and repeat visits. The commercial program we envision — walkable, neighborhood-serving retail and activated food and beverage at key focal points throughout the site — is designed to capture that spending rather than compete for a separate, unproven customer base. Sustainability is woven throughout: we favor ground-floor uses that reduce vehicle miles traveled, support local enterprise, and activate public space throughout the day. All non-residential programming will be stress-tested for financial viability before it is committed, in close coordination with the City's economic advisors.

7. INTEGRATION WITH SURROUNDING DEVELOPMENTS

Integration means three things to us: coordinated infrastructure planning with neighboring Fort Ord jurisdictions to avoid duplication and share costs; a land use program that complements rather than competes with Seaside, Marina, and nearby communities; and a mobility and open space framework connecting residents to regional trails, transit, and employment. Barry Long and UDA bring specific expertise at this regional planning scale. Environmental sustainability is embedded in this work — shared green infrastructure, wildlife corridors, and stormwater management that serve the whole landscape.

8. RETURN TARGETS AND METRICS

We evaluate projects using IRR, equity multiple, and development margin as primary metrics. Return thresholds are established in partnership with our equity investors and calibrated to project risk. We will not commit to a specific threshold until we have completed due diligence and selected equity partners optimized for the final product mix. What we can say is that we do not pursue projects where the numbers do not work for all parties.

9. DDA AND ERN

Yes. We support the use of a Disposition and Development Agreement negotiated during an Exclusive Right to Negotiate period. This structure provides the City with accountability and milestone-based protection while giving the developer the exclusivity needed to complete due diligence and structure financing. We have negotiated DDAs on multiple prior public-private partnerships and are fully comfortable with this approach.

10. FINANCIAL FEASIBILITY CONDITIONS

Financial feasibility will depend on four things working in concert: a product mix aligned with current market demand; a phased infrastructure investment strategy that matches capital deployment to revenue milestones; effective use of public financing tools — EIFD and CFD — to offset backbone infrastructure costs; and a phased land acquisition structure that limits upfront capital exposure.

The surf park component strengthens feasibility in ways that pure residential does not. It generates early operating revenue before residential absorption is complete, activates commercial uses from the outset, and provides the City with a diversified and recurring revenue stream — sales tax, admissions, food and beverage, and property tax uplift on adjacent parcels — that reduces dependence on residential property tax alone. It also attracts a broader pool of equity investors who seek mixed-use, experience-driven assets, improving the project's capital structure. And it gives the development a distinctive identity that supports residential pricing and absorption throughout the project's phasing period.

Long-term fiscal and environmental sustainability — the City's stated priority — is achieved through smart phasing, green infrastructure investment, and a commercial program that builds a durable tax base. We look forward to stress-testing these conditions with EPS, Willdan, and the City team.

PROPOSED CONSULTANT TEAM

Whitson Engineers, Civil Engineering **whitsonengineers.com**

Whitson Engineers is a full-service civil engineering and land surveying firm with deep experience in public works, subdivisions, multi-family residential, stormwater management, and parks and recreation projects. Their local expertise and broad project portfolio make them well-suited to the infrastructure demands of a master-planned community of this scale.

ENGEO, Geotechnical & Environmental **engeo.com**

ENGEO is a geotechnical engineering, geology, environmental science, and hydrology firm with more than 50 years of experience and operations in the US, New Zealand, and Australia. They bring the subsurface and environmental expertise required for responsible development on former military land, including site characterization, remediation oversight, and foundation engineering.

BAR Architects & Interiors, Architecture **bararch.com**

BAR is an award-winning, full-service architectural and interior design firm with studios in San Francisco and Los Angeles. Founded in 1966, BAR specializes in mixed-use, multifamily residential, and hospitality design **including surf park design**, and has received more than 190 design awards including the AIA California Firm of the Year. BAR is a signatory to the 2030 Commitment for net-zero buildings and a certified Green Business, making them a strong partner for the City's sustainability objectives. **BAR is currently working with the Pebble Beach Company on a variety of projects in the Monterey area.**

Urban Design Associates (UDA), Planning **urbandesignassociates.com**

Founded in 1964, UDA is an international urban design and planning firm headquartered in Pittsburgh, Pennsylvania, and led by UrbanMix Founding Partner Barry Long as Managing Principal. UDA specializes in master plans, pattern books, and architecture for mixed-income communities, and has delivered principal-led projects across the United States and internationally. Their listening-based planning process and community-engagement methodology are directly suited to a project that must earn broad public support to succeed.

Willdan Financial Services, Financial & Economic **willdan.com**

Willdan Financial Services is a public finance and economic consulting firm founded in 1964 and headquartered in Anaheim, California. Willdan has served more than 1,200 public agencies across nearly 40 states. Their services directly address this project's needs: EIFD and CFD formation, tax increment finance district analysis, development impact fee programs, fiscal impact analysis, real estate economic analysis, and long-term financial planning. Willdan brings the institutional knowledge to help the City and UrbanMix structure public financing tools that work.

OUR QUESTIONS

Before our first interview with the City team, UrbanMix would welcome answers to the following questions. They will allow us to sharpen our understanding of the site, align our program with the City's priorities, and make the most of the time we have together.

Housing Program

What is the City's target range for total housing units, and does the City have a preferred mix by tenure, affordability level, or household type? Are there specific community needs — workforce housing, senior housing, for-sale affordability — that the City considers essential rather than aspirational?

Evaluation Criteria

How will the City evaluate and rank proposals? Is this primarily an economic transaction — focused on land value, ground lease revenue, and fiscal return to the City — or do environmental outcomes, social equity, and community design carry equal or greater weight in your scoring? Understanding this clearly will help us structure a proposal that reflects the City's actual definition of success.

Existing Infrastructure

What infrastructure currently exists on the site, and what has the City budgeted or bonded for in terms of backbone improvements? Are there existing utility connections, roadway stubs, or remediation work already underway that a developer can build from? What is the City's expectation for the developer's infrastructure cost burden relative to any public contribution?

Existing Commitments and Constraints

Are there existing community commitments, deed restrictions, prior development agreements, FORA successor obligations, or environmental covenants that will constrain the program or timeline? Are there any parcels within the APNs that carry specific use restrictions or that are subject to claims by other parties?

Interim Uses

What is the City's position on interim uses of the site during the entitlement and phasing period? Is there an appetite for temporary activation — community gardens, pop-up markets, event uses — that could generate early community goodwill and modest revenue while long-term entitlements are pursued?

Regional and FORA Obligations

What obligations to neighboring Fort Ord jurisdictions, the FORA successor framework, or regional planning bodies will apply to this project? Are there shared infrastructure agreements, regional housing allocation requirements, or inter-jurisdictional coordination processes that we should understand before structuring our approach?

Vision For Success

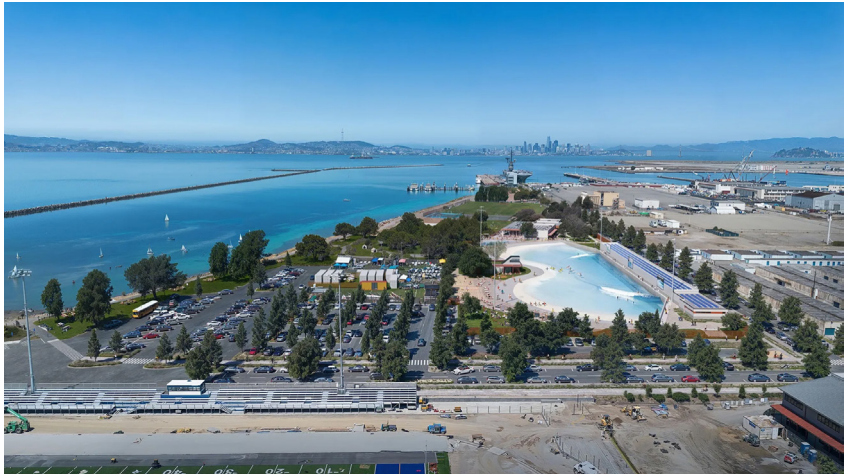
What does success look like for Del Rey Oaks at five years, ten years, and at full buildout? We ask this because the answer shapes everything — phasing strategy, product mix, public amenity sequencing, and the structure of the public-private partnership itself. We want to build toward the City's vision, not just satisfy the minimum requirements of an RFP.

Relevant Project Experience Examples



NEPTUNE BEACH SURF CLUB | ALAMEDA, CA | URBANMIX DEVELOPMENT

An \$80 million surf park on City-owned land, currently in feasibility and entitlements. Neptune Beach demonstrates UrbanMix's ability to develop complex recreational amenities on public land through long-term ground leases.



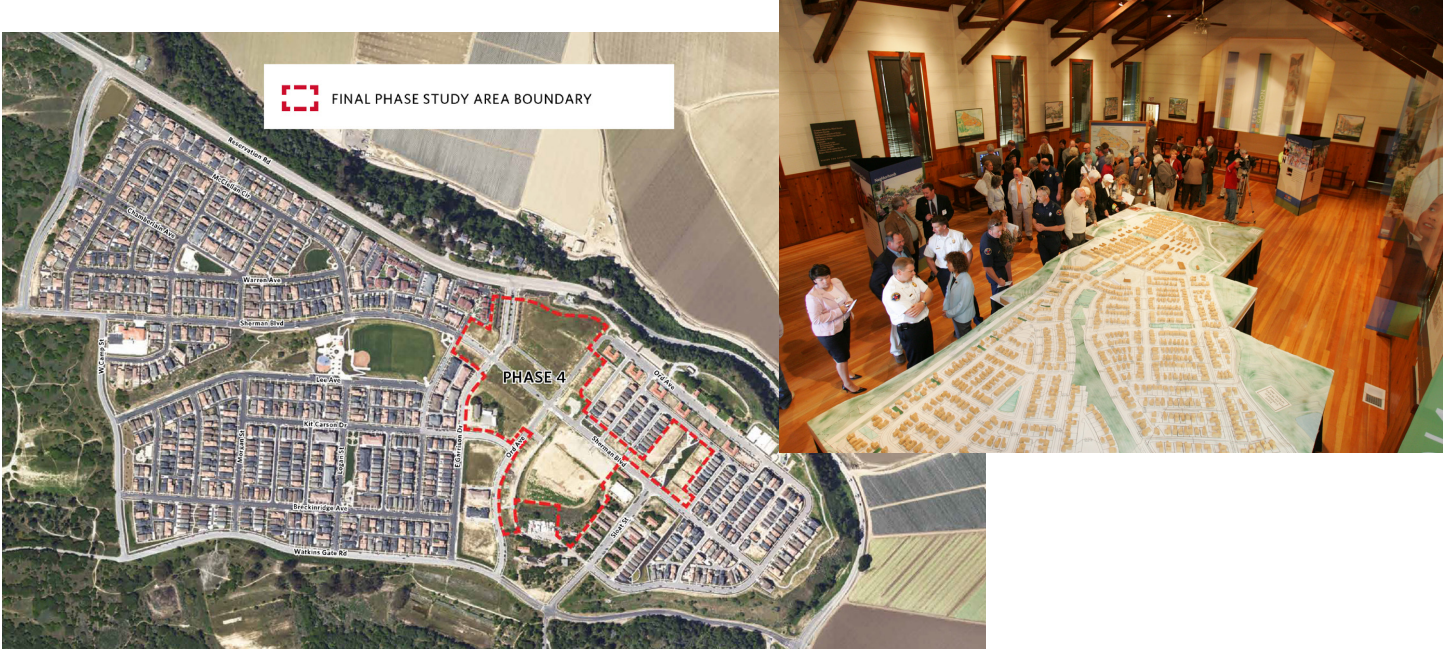
SHELL POINT BEACH & SURF CLUB | PANAMA CITY BEACH, FL | PRO SWELL

A world-class surf wave pool and beach resort destination serving Panama City Beach, Florida. Shell Point features a 3-acre wave pool, food and beverage with a rooftop bar, a fully serviced lounge beach with swim lagoons and cabanas, a VIP members club, surf retail, and a surf academy for all skill levels. Pro Swell is leading design and business planning, fundraising, pre-opening implementation, and ongoing operational management for this community-anchored surf destination.



EAST GARRISON MASTER PLAN & TOWN CENTER | FORMER FORT ORD, MONTEREY COUNTY | URBANMIX DEVELOPMENT

A \$500M+ mixed-use, mixed-income master-planned community on the former Fort Ord Army Base — the same base reuse context as Del Rey Oaks. UrbanMix guided this project from original entitlements to construction, spanning more than two decades of public-private partnership.



YAS WATERWORLD | ABU DHABI, UAE | PRO SWELL / PROFUN

A landmark 37-acre waterpark on Abu Dhabi's Yas Island featuring 43 rides and attractions, including the largest sheet wave surf ride in the world. Named Best Waterpark in the World at the 2018 World Travel Awards. Pro Swell partner Mike Oswald served as General Manager from opening through 2014, leading the park to record attendance and revenue. ProFun's team developed the original business case, provided operational input into design, built all department operating plans and budgets, and managed the full pre-opening program.



FOSTER SQUARE | FOSTER CITY, CA | URBANMIX DEVELOPMENT

A 15-acre, 400-unit senior-oriented mixed-use community on formerly City-owned land, delivered through a competitive RFP process. Completed in partnership with MidPen Housing, Lennar, and Atria Senior Housing. BAR Architect & Interiors was the master planner and architect for Foster Square, and architect of record for the majority of building phases.



ROSELAND VILLAGE NEIGHBORHOOD CENTER | SANTA ROSA, CA | URBANMIX DEVELOPMENT

A public-private partnership with MidPen Housing and the Sonoma County Community Development Commission. Roseland delivers affordable and market-rate housing, a civic library, a mercado food hall, and a public plaza — all designed around pedestrian streets, transit access, and community health.



UrbanMix Development has done this work before — on Fort Ord, on city-owned land, in public-private partnerships on other former military bases that required patience, creativity, and trust. We bring the Fort Ord experience, the surf park track record, and the community planning and design leadership to make Del Rey Oaks a landmark project. We are grateful for the City's confidence in inviting us to participate and welcome the opportunity to discuss our vision in person.

Respectfully submitted,

Handwritten signature of Keith McCoy in blue ink.

Keith McCoy
Founding Partner, UrbanMix Development
info@urbanmixdevelopment.com | urbanmixdevelopment.com

DEL REY OAKS DEVELOPMENT



SHEA HOMES RESPONSE TO DEVELOPER INTEREST LETTER

APRIL 10, 2026

1. What makes your team uniquely qualified for this project?

Shea Homes has a proven successful record of performance in military base-reuse work throughout Northern California and specifically in Monterey County. Our work includes the successful redevelopment of previous military installations at Hamilton Field (United States Air Force, Novato, CA), the Benicia Arsenal (United States Army, Benicia, CA) and at Fort Ord (the award-winning communities of The Dunes on Monterey Bay in Marina and The Enclave at Bayonet and Blackhorse Golf Courses in Seaside). These projects highlight Shea Homes' expertise in transforming complex military redevelopment projects into comprehensive communities that drive economic development, increase tax base and revenue, and offer diverse retail, office, hospitality, and a variety of housing options for differing income levels. Shea Homes has extensive experience navigating the complex environmental conditions that accompany military base reuse, including unexploded ordnance, munitions cleanup, and related remediation requirements typical of this type of development.

Shea Homes is deeply engaged in the Monterey Peninsula business community; we have maintained a local office in Marina for more than 20 years, and today a team of 27 Monterey-based employees is dedicated to our work on the Peninsula. We have long-standing relationships with qualified local contractors and consultants like Whitson Engineers and Denise Duffy & Associates, and we are members of several regional organizations including the Monterey Peninsula Chamber of Commerce, Monterey County Business Council, Monterey County Hospitality Association, and Monterey Bay Economic Partnership. These relationships help us stay closely aligned with local economic priorities, employers, and community leaders.


Shea Homes is a family-owned and led company that prides itself in providing outstanding quality in every aspect of the communities we develop. We are well positioned financially and part of the larger J.F. Shea Family of Companies which, having been in business since 1881, is well known for its history in building large infrastructure projects like the Hoover Dam, The Golden Gate Bridge, and the BART Tunnels in San Francisco Bay. Today our company has a depth of experience and focus that includes development of communities and projects that include residential homes, condominiums, apartments, stand-alone and mixed-use retail, office, industrial, and infrastructure including heavy construction.

In 2022, Shea Homes of Northern California was named “Builder of the Year” by the Building Industry Association of the Bay Area (BIABA) and consistently attains some of the highest rankings in customer


satisfaction among Bay Area homebuilders. In 2023, the Northern California Division’s Enclave community in Seaside was named “Detached Community of the Year” on a nation-wide basis at the International Builders Show. In 2024, The Dunes master-planned community received both “Detached Community of the Year” and “Attached Community of the Year” by the BIABA. Additionally, Shea has received several special recognition safety awards from Cal/OSHA and a “Silver Catalyst Designee” from the California Department of Housing and Community Development (HCD) for the sustainable design of The Dunes master-planned community in Marina, CA. These honors validate over a century of commitment to craftsmanship and customer service by J.F. Shea Family of Companies.

Shea Homes is thrilled to offer the City of Del Rey Oaks a highly experienced team that has a proven record of fully financing and executing compelling, tax revenue generating commercial centers on former Fort Ord land. We appreciate the opportunity to replicate that success and advance the City's long-term goals, while embracing the area's natural beauty.


2. Who are the key members of your development team, and what are their roles?



LAYNE MARCEAU
 President
 Shea Homes



DONALD HOFER
 Vice President, Community &
 Land Development
 Shea Homes



MATT HENRY
 Vice President, Land Acquisition
 Shea Homes

Layne Marceau, Division President

Layne Marceau is President of the Northern California Division of Shea Homes. He joined the company in 1995 as Vice President of Finance for the Southern California Division. Layne took a lead role in corporate mergers and acquisitions, successfully leading the acquisition of both the Mission Viejo Company in 1997 and UDC Homes in 1998. In 1998, he became Corporate Vice President of Operations and in February

2000 he was named President of the Northern California Division. Additionally, Layne has been a member of the California Building Industry Association since 1995 and served as Chairman of the Association in 2006. Layne was inducted into the California Homebuilding Foundation Hall of Fame in 2009.

Don Hofer, Vice President, Community & Land Development

Since joining Shea Homes in 1998, Don has been responsible for overseeing the post-acquisition management and entitlement of over 10,000 residential lots and homes, as well as mixed-use and master plan communities in Northern California. His experience includes complex entitlement and CEQA issues, special interest negotiations, litigation settlement, military base reuse, prevailing wage projects, anchor and in-line tenant lease negotiations, as well as all aspects of government and political relations. Don serves on the board of the Building Industry Association of the Bay Area, as well as the board and Governmental Affairs Committee for the California State Building Industry Association.

Don has led the Monterey Peninsula development efforts for Shea Homes for many years and has been the key force behind successful aspects of the business including The Dunes Promenade Mixed Use project with Trader Joe's, the Brass Tap, Lalla Grill, and El Charrito, as well as the new Kaiser Permanente medical campus, the relocation of Mercedes-Benz of Monterey, and development of hotels within The Dunes. Don is also a homeowner at The Dunes.

Matt Henry, Vice President, Land Acquisition

Matt Henry is Vice President of Land Acquisition for the Northern California Division of Shea Homes. He joined the company in 2003 to secure new land opportunities in the region as well as to market and sell land and lots for the Northern California Division. In addition to leading the land acquisition efforts, Matt evaluates and provides land and asset strategies at both the local divisional level as well as providing support efforts at a corporate level. He also provides development management oversight related efforts of large-scale master-plan developments such as Mountain House. With over 40 years of diverse background in the civil engineering and homebuilding industry, Matt brings significant real estate experience.

Doug Yount, Governmental Relations

Shea Homes is also pleased to be working with Doug Yount, who has served as Shea Homes Monterey Peninsula lead for governmental and political affairs as well as strategic planning for many years. Doug

brings deep experience in the Monterey Peninsula government and political relations as well as municipal financing, planning, and entitlements. His experience includes holding positions as the former City Manager for the City of Marina and the former Board Chair for Habitat for Humanity Monterey Bay. His knowledge of local market conditions and stakeholder priorities will help us tailor a feasible plan that reflects Del Rey Oaks' goals.

3. What funding sources would you access to underwrite due diligence and predevelopment expenses?

Shea Homes is a privately held business with a solid capital structure. Shea Homes typically funds due diligence and predevelopment costs utilizing funds generated from operations held as cash on the balance sheet, thus providing Shea Homes with the ultimate flexibility in structuring acquisitions or investments. Shea Homes has the financial capacity and funds immediately available to meet the capital requirements of the proposed development project. Shea Homes can also provide the required bonding, insurance, and subdivision improvement agreements for this development. No project level financing is necessary for Shea Homes to execute this project, and Shea Homes is willing and able to fund all required costs.

For the year ending December 31, 2025, Shea Homes had total assets of approximately \$3.82 billion, primarily comprised of real estate and approximately \$512 million in cash and cash equivalents. The Company's Quarterly and Full Year Results are available online.

4. How will you approach site preparation, infrastructure installation, and vertical development?

Entitlement Risks & Strategy: The Del Rey Oaks Housing Element identifies 100 acres within the 232-acre Site 1 parcel, cleared for residential use by the Department of Toxic Substances Control (DTSC) and the Army and free of restrictive covenants for development of 200 units on 10 acres at 20 dwelling units per acre. The adjacent Site 1a parcel adds 72 units on 3.6 acres at the same density, together fulfilling the 272-unit RHNA allocation. While we recognize that this density forms the basis of the current regulatory

framework for future projects, given that the Housing Element Environmental Impact Report (EIR) relied on it for its analysis, we also will be looking to balance development planning with economic cost realities associated with prevailing wage requirements for the site and a desire to deliver a blend of land use and housing types at varying densities.

The Fort Ord area supports special-status species such as California spineflower and the California tiger salamander (CTS); the City's Housing Element EIR already acknowledges the need for additional approvals and mitigation before residential use is authorized in some parts of the site, as the Fort Ord Reuse Authority (FORA) did not complete a Habitat Conservation Plan (HCP) prior to its dissolution. We will work to complete necessary biological assessments, including, if necessary, spineflower and California tiger salamander mitigation programs, updated studies for potential impacts related to airport, traffic, noise, wildfire, and hazardous-materials analysis, and coordination efforts with special interest groups such as the California Native Plant Society.

Additionally, Shea Homes will organize a structured community outreach program and proactively coordinate with key stakeholders. Our goal will be to build trust, surface issues before they become obstacles, and ensure the ultimate project reflects the priorities of Del Rey Oaks and its partners. We anticipate working with the City to determine the best overall entitlement approach for the project, but understand that this may include a package of discretionary approvals including the following;

- Exclusive Negotiating Agreement (ENA)
- Disposition and Development Agreement (DDA)
- Development Agreement (DA)
- General Plan and Zoning amendments or overlays
- Tentative Map
- Infrastructure Financing / Funding Agreements
- Conditional Use Permits
- Other Approvals – Include Airport Land Use Compatibility Plan (ALUCP) consistency or otherwise as needed for Planning Commission and City Council hearings and appeal periods.

With all that said, we understand that the core entitlement challenge on this site is not simply securing local land-use approvals but threading the needle among water allocation, Covenants to Restrict Use of Property (CRUP) and hazardous-materials constraints, strict airport safety and noise standards, and building upon the current Housing Element and its associated California Environmental Quality Act (CEQA)

documents. Shea Homes will therefore treat entitlement as a multi-agency strategy: working with the City to structure an Exclusive Right to Negotiate and Disposition and Development Agreement, coordinating early with Marina Coast Water District (MCWD), Department of Toxic Substances Control (DTSC), the United States Army, Environmental Protection Agency (EPA), Seaside Fire Department, and the Airport Land Use Commission, and preparing a legally defensible project-level CEQA document.

Infrastructure and Vertical Construction: Shea Homes' approach is informed by its work on former Fort Ord lands, including The Dunes in Marina and The Enclave at Bayonet and Blackhorse Golf Courses in Seaside. We will explore optimizing the phased takedowns of land or milestone-based conveyances to appropriately align public and private interests. Infrastructure delivery will be coordinated closely with the City and regional agencies and will account for prevailing wage requirements, phased utility demand, water and sewer capacity, and long-term maintenance considerations. Additionally, we will explore different opportunities to satisfy the affordability requirements on this site, such as an affordable apartment community like Terracina at The Dunes in Marina, developed through a partnership between Shea Homes and USA Properties.

Shea Homes will look to design a phased infrastructure plan that includes primary access, collector streets, water, sewer, recycled water if available, power, communications, and regional drainage needed to support the preferred land plan. We will coordinate closely with the relevant water and sewer providers to confirm capacities and required off-site upsizing, then explore with the City and the City's consultants a combination of public financing tools such as a Community Facilities District (CFD) / Enhanced Infrastructure Financing District (EIFD) or similar mechanisms for major infrastructure systems. We understand that the utility service connections may have to come from General Jim Moore Blvd and we will explore the feasibility of an easement or other access options on the Kranyak parcel for this extension.

We will look to phase vertical development in areas with the cleanest path to approvals, outside the most restrictive airport-related safety zones, consistent with zoning, and in response to current market preferences so homes and employment uses can deliver while more complex edge conditions are still in entitlement. We will explore more noise-tolerant commercial, employment, and civic uses positioned closer to airport-affected edges and along mapped arterial corridors, reserving quieter interior or shielded parcels for residential uses.

5. What residential products are most viable for this site?

The most viable residential program will be one that complements and connects with the Del Rey Oaks community and surrounding area but also recognizes the realities of construction costs resulting from FORA prevailing wage requirements. Shea Homes anticipates working with the City to adjust the current 20 unit per acre standard so the plan can deliver a more balanced residential program at densities that economically support necessary infrastructure and non-residential uses. Rather than a single uniform density, the community would feature a spectrum of housing types ranging from attached townhomes, duets, and apartments that are affordable by design, to thoughtfully scaled detached homes. This approach creates a richer mix of options for different households and will serve to complement the character of Del Rey Oaks.

In all cases, Shea Homes will work collaboratively with the City to shape a mixed-use neighborhood that feels like a natural extension of Del Rey Oaks, integrates with surrounding open space, and advances the City's long-term housing and fiscal goals.

6. What types, scale, and location of non-residential development do you envision?

Shea Homes envisions non-residential uses that are scaled to Del Rey Oaks and focused on supporting the new neighborhood, the existing community, and the City's fiscal goals. At full buildout this could include a neighborhood serving commercial core such as small shops, food and beverage, and services paired with civic or community facilities that anchor the project's identity and create an all-day place, a similar concept to The Dunes Promenade we built in Marina. This may also include areas of the project that leverage existing opportunities related to General Jim Moore and Hwy 218 connectivity and the adjacent airport, Ryan Ranch development patterns, and City of Monterey properties. Ideally, the non-residential component would be designated with a flexible multiple use zoning designation set in a commercial zoning district, allowing a range of compatible uses so the project can respond over time to market demand and interest. The exact size and mix of non-residential space in Del Rey Oaks would be calibrated through market analysis and close collaboration with the City, ensuring that uses are compatible with airport constraints, traffic capacity, and neighborhood character while still generating meaningful sales tax and long-term fiscal benefits.

7. How should the project integrate with surrounding developments?

The project should feel like a natural extension of Del Rey Oaks, blending with existing neighborhoods rather than reading as a separate enclave. Connectivity will be a core design principle. The street network, bike routes, and sidewalks will be laid out to create connections to existing neighborhoods or community destinations, and trails and greenways would be aligned to link into regional paths and nearby open space to give current residents better access while providing new residents direct routes into the existing Del Rey Oaks community.

Non-residential and civic uses will be located along shared edges and primary corridors, so they serve both existing and future residents, and act as common gathering places. Through this combination of compatible scale, connected circulation, and shared public spaces, the project is intended to strengthen the identity of Del Rey Oaks as a cohesive community.

8. How would you determine an acceptable return target for the project?

Return targets would be established based on risk-adjusted feasibility accounting for entitlement complexity, infrastructure and remediation obligations, phasing duration, public financing participation, and anticipated market absorption. This is an ongoing, iterative process that evolves hand-in-hand with community planning and entitlement. Shea Homes will continually update project economics to ensure that the plan remains both financially viable and responsive to the City’s goals.

9. Do you see the use of a Disposition and Development Agreement during an ERN period?

Shea Homes supports the use of a Disposition and Development Agreement negotiated during an Exclusive Right to Negotiate period. This structure provides clarity around risk allocation, performance milestones, phasing obligations, and accountability.

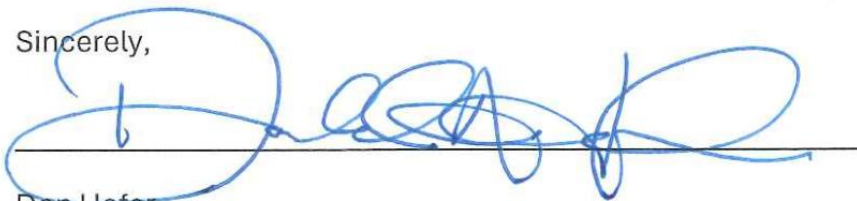
10. Under what conditions will the project be financially feasible?

Financial feasibility will depend on certainty around allowable land uses and density, predictable entitlement timelines, infrastructure cost allocation, availability of utilities and water, and access to appropriate public financing tools. Shea Homes' experience in Fort Ord demonstrates that with a well-structured partnership and disciplined phasing, projects of this nature can be delivered successfully.

Conclusion

Shea Homes appreciates the opportunity to engage with the City of Del Rey Oaks on this exciting redevelopment opportunity. The team brings direct Fort Ord experience, proven master developer capability, and financial strength to partner with the City on a complex long-term project that delivers housing, fiscal stability, and community benefit. We sincerely appreciate the opportunity to present our capabilities to you and eagerly look forward to furthering discussions about this project.

Sincerely,



Don Hofer

Vice President, Community & Land Development, Shea Homes

Phone: (925) 245-3632

Email: don.hofer@sheahomes.com

Appendix

Hamilton Airfield – Novato, CA (Air Force Base Reuse)



The Hamilton project consisted of redeveloping a portion of the Hamilton Field Military Base in Novato, in Marin County. Shea Homes, as managing partner in a joint venture with Centex Homes, was selected by the City of Novato to redevelop the Rafael Village and Capehart portions of the redevelopment plan. The master plan consisted of approximately 300 acres and 1,092 residential units subdivided into several neighborhoods of varying densities and affordability; 60% of the housing units were restricted to below-market rates, which Shea constructed, resulting in two highly successful affordable communities - Creekside and Bay Vista. The project, as designed, incorporated several key community goals and innovations: a land plan that retained existing natural grades of the project site, preservation of 7 acres of restored riparian habitat, and a recycling plan that retained 80% of the former military housing materials.



IL Housing Solutions

April 10, 2026

City Manager Guertin
City of Del Rey Oaks
650 Canyon Del Rey Boulevard.
Del Rey Oaks, CA 93940

RE: IL Housing Solutions - Master developer qualifications
City-owned property, former Fort Ord Army Base

Dear City Manager Guertin:

On behalf of IL Housing Solutions - a joint venture between Integral Communities and Lennar Homes - we are pleased to submit our responses to the City's questions for the selection of a master developer for the City-owned land within the former Fort Ord Army base.

We appreciate the opportunity to participate in this process and recognize the significance of this project for the City of Del Rey Oaks and the larger Monterey peninsula. As outlined in your letter, this effort represents a unique opportunity to deliver a housing-focused, master-planned community that supports long-term fiscal and environmental sustainability while significantly expanding the City's housing supply and economic base.

We also understand the complexity of the project. It will require careful coordination of environmental and regulatory considerations, a thoughtful and sustained community outreach process, and a development approach that responds to evolving market conditions while delivering critical infrastructure, a variety of housing, and community-serving uses. Just as importantly, success will depend on a strong public-private partnership with aligned expectations and a shared commitment to implementation.

IL Housing Solutions brings a team that has successfully advanced projects – including former federal facilities redevelopment - from remediation through entitlement and into construction and we understand what is needed to get this project done.

We bring a capital structure that provides certainty of execution. Lennar - the largest homebuilder in California and the United States - provides direct access to committed equity, enabling timely decision-making without reliance on third-party financing.



IL Housing Solutions

We are focused on delivering a plan that meets the City's housing and economic goals, generates long-term revenue, has strong community support, and creates a cohesive, well-integrated community that reflects the character and needs of the Del Rey Oaks community.

We look forward to the opportunity to continue working with the City and appreciate your consideration. Should you have any questions or require further information please do not hesitate to contact me at: (925) 766-5900 or vince@integralcommunities.com.

Sincerely,

Vince Fletcher
Vice President of Land Acquisition

RESPONSES TO QUESTIONS

1. What makes your team uniquely qualified for this project?

IL Housing Solutions – a partnership between Integral Communities and Lennar Homes – offers several advantages to the City of Del Rey Oaks – we bring a proven team, unmatched access to capital that enables speed and certainty of execution, successful community engagement experience on other base closure projects, and proven experience transforming complex environmental and base reuse sites. We are also in contract with the two Kranyak parcels located to the west and east of the City property. This offers several advantages: 1) we have firsthand insight into the issues involved in this area, including CTS mitigation and coordination with state and federal fish and wildlife agencies and 2) we are able to develop these parcels with community serving, tax-generating retail and housing which allows an integrated approach to land use that extend well beyond the project boundaries. The bullets below summarize our qualifications:

- The team members proposed have worked together for the past 15 years and have successfully delivered similar large-scale projects
- Direct experience managing brownfields and unexploded ordinances (UXO) sites from investigation and cleanup through entitlement and delivery to market including the FMC property in the City of Newark where our team removed munitions and phosphorous in soil.
- Capital structure that provides certainty of execution and the ability to move quickly without reliance on third-party financing
- Experience designing and executing meaningful community outreach programs for former federal base closure sites in California
- Strong working relationships with state and federal regulatory agencies developed through decades of work on similarly complex sites
- Track record of working with public agencies to align fiscal, environmental, and community goals
- Control of the 23-acre parcel at the corner of General Jim Moore Boulevard and South Boundary Road, allowing us to deliver tax-generating non-residential uses. We have incorporated FORA requirements, including prevailing wage, 20 percent affordability and setbacks along the Bureau of Land Management (BLM) land, into our underwriting.

2. Who are the key members of your development team (including partners and affiliates), and what are their roles? Please include brief bios and firm information in appendices.

The following team has been assembled to meet the unique challenges of the site – particularly environmental conditions, infrastructure delivery, transportation management, and community outreach. Brief bios and firm information are provided in Appendix A.

Lead Developer: IL Housing Solutions (Integral and Lennar Homes) – Master developer, entitlements, financing, delivery

IL Housing Solutions is a joint venture between Integral Communities and Lennar Corporation, formed specifically to deliver large-scale, master-planned residential communities. IL Housing Solutions will serve as the Master Planner and Design Team Lead.

The partnership combines Integral’s expertise in land entitlement, complex site development, and investigating and cleaning up polluted, brownfield properties with Lennar’s capabilities as one of the largest homebuilders in the United States. Together, the team provides a fully integrated approach from early planning through home delivery, with direct access to capital that enables the project to move quickly, respond to market conditions, and avoid delays associated with traditional financing structures.

Supporting Team Members: IL Housing Solutions is supported by a coordinated team of partners that bring a combination of large company expertise and specialized capabilities from planning through implementation.

Carlson Barbee & Gibson, Inc. (CBG) – Civil Engineering Consultant

CBG provides consulting services from concept through construction for land development companies and public municipalities.

Environmental Resources Management (ERM) – Environmental Remediation Engineering Consultant

ERM has over 20 years of experience in working with local reuse authorities and master plan developers on the environmental issues associated with cleanup, privatization, and redevelopment of closed military bases.

HELIX Environmental Planning Inc. – Environmental Compliance

Helix supports public and private clients with environmental compliance (CEQA/NEPA), regulatory permitting, biological and cultural resource studies, and habitat restoration.

Fehr & Peers – Transportation Planning

For over 40 years, Fehr & Peers, a nationally renowned transportation planning and engineering services firm, has designed safer, more effective ways for people and goods to move - creating spaces where everyone can thrive, today and for generations to come

ENGEO – Geotechnical

ENGEO is an award California corporation, with over 250 geotechnical and civil engineers, geologists, environmental scientists, water resources experts, and supporting staff.

Craig Communications Inc. – Community Outreach and Engagement

Craig Communications designs and implements outreach programs that inform master planning, reflect community input, and support the development of strong, connected communities.

Magical Bridge Foundation – Designer and Builder of All Abilities Park

Magical Bridge Foundation designs and creates the world’s most inclusive, all-abilities playgrounds and programs—where communities come together.

3. What funding sources would you access to underwrite due diligence and other predevelopment expenses? What is your approval process for accessing these or additional funds as needed?

Predevelopment and due diligence costs will be funded through equity at the IL Housing Solutions joint venture level. IL Housing Solutions is a joint venture between Integral Communities and Lennar Corporation, with Lennar – the largest homebuilder in California and one of the largest homebuilders in

the United States - serving as the majority equity investor.

Lennar has consistent access to capital through public bond issuances. In Q4 2025, the company reported \$490 million in net earnings and \$9.4 billion in revenue, with \$3.4 billion in homebuilding cash and no outstanding balance on its \$3.1 billion revolving credit facility.

This structure provides immediate and reliable access to substantial committed equity, without reliance on third-party financing or multiple layers of external approvals.

Capital is contributed through capital calls to fund entitlement, environmental work, design, and other upfront expenses. As Managing Partner, IL Housing Solutions has the authority to approve and deploy these funds without requiring separate approvals from Lennar. This allows for rapid decision-making and the ability to move quickly as conditions evolve.

4. How will you approach site preparation, infrastructure installation, and vertical development from both strategic and financial perspectives?

Our approach is grounded in early alignment between infrastructure, land use, and long-term community outcomes - ensuring that early decisions support efficient delivery and the creation of a cohesive and enduring place. The Fort Ord Reuse Area, a conceptual layout for the 53-acre Kranyak property, and a land title survey are provided in Appendix C.

We plan to begin infrastructure improvements at General Jim Moore Boulevard, including relocating the South Boundary Road intersection further north to improve sight distance on both streets and overall safety. A roundabout will be installed to help calm traffic along General Jim Moore Boulevard. Installation of both wet and dry utilities will support early development of the 23-acre Kranyak property, which we view as a key location for long-term, tax-generating uses that support the City's ongoing revenue needs.

Site Preparation - We begin with comprehensive due diligence and site readiness, including confirmation of existing conditions, utility investigations, and geotechnical validation. Given the complexity of former military lands, this phase will also include early and ongoing coordination with regulatory agencies to address environmental conditions, including brownfield and UXO sites, where applicable.

Grading and earthwork will be sequenced to balance cut and fill, minimize import/export, and establish stable building pads early. Environmental requirements—such as stormwater management, dust control, and biological constraints—will be fully integrated into the work plan to avoid delays. Where feasible, early grading permits will be pursued to accelerate the overall schedule.

Infrastructure Installation - Infrastructure will be delivered in phases aligned with development sequencing and market absorption. We will prioritize early coordination with utility providers (e.g., Pacific Gas and Electric Company, water, sewer, and telecommunications providers) to confirm capacity and avoid late-stage conflicts.

Backbone Infrastructure - Roads, storm drainage, water, sewer, as well as dry utilities, etc. will be timed to support vertical construction as early as possible without overextending upfront capital. This phased approach allows for strategic and advance scheduling while maintaining momentum. The logical sequence of construction begins at General Jim Moore Boulevard and proceeds east along South Boundary Road toward the Ryan Ranch entrance.

Permitting - Our team emphasizes detailed cost estimating, value engineering, and proactive resolution of agency comments to maintain progress through plan check and permitting.

Vertical Development - Vertical construction will be initiated in coordination with infrastructure delivery, allowing for overlapping phases where appropriate. We work closely with architects, engineers, builders and staff to ensure alignment between site conditions and building design.

Procurement planning, constructability reviews, and integrated scheduling are used to minimize downtime between phases and maintain consistent progress. Quality control, safety, and inspection coordination are prioritized to ensure compliance and timely occupancy.

Integrated Delivery Strategy - Across all phases, we utilize a collaborative delivery model that aligns the developer, design team, contractors, and public agencies. Key elements include:

- Early contractor involvement and constructability input
- Overlapping (fast-tracked) design and construction phases
- Continuous cost and schedule tracking
- Proactive risk management and contingency planning
- Clear, ongoing communication with stakeholders and permitting agencies

4A. What are your anticipated sources of debt and equity?

The project will be capitalized entirely through equity at the IL Housing Solutions joint venture level, with no debt financing contemplated. This all-equity structure provides tangible benefits to the City that are not typically available on projects of this scale:

- Greater certainty of execution, without reliance on debt markets or third-party financing
- Faster decision-making and ability to move quickly through entitlement and development
- Flexibility to phase infrastructure and vertical development in response to market conditions
- Reduced risk of delays associated with financing contingencies or capital market fluctuations

4B. What would you envision as your land acquisition strategy (phased take-down vs. upfront purchase)?

IL Housing Solutions anticipates three phased takedowns of the City's 215 acres, with approximately 72 acres per phase. This phasing supports coordinated grading and installation of in-tract utilities, along with sequenced widening and improvement of South Boundary Road. This approach provides several benefits to the City:

- Reduces overall project risk and likelihood of delays
- Supports steady, continuous development rather than large upfront buildout
- Aligns infrastructure investment with actual demand
- Provides a more predictable and sustained increase in the City's tax base

4C. Are ground leases sought for any components?

No, IL Housing Solutions does not anticipate the use of ground leases.

4D. How will you determine whether to use various public financing instruments (e.g., EIFD, CFD, etc.), and what do you see as potential or likely scenarios in this regard?

IL Housing Solutions is focused on maintaining attainable monthly payments for homebuyers and, as such, does not contemplate public finance tools such as CFDs or EIFDs. We have successfully delivered projects without reliance on these financing mechanisms, instead utilizing a capital structure that supports timely execution and cost control. This approach provides several benefits:

- Maintains housing affordability by avoiding additional taxes/assessments on future residents
- Simplifies the project structure and reduces administrative complexity
- Allows for a streamlined and predictable development process

5. What residential products are most viable for this site (positioning, types, amounts)?

IL Housing Solutions has extensive experience master planning, entitling, and delivering large-scale residential communities and understands what is required to bring complex projects from early planning through approvals and ultimately to market. Relevant project experience is provided in Appendix B.

At the outset and for the duration of the project, we will engage in a robust community outreach program with the goal of gathering input to inform the overall development. Outreach activities will include the development of a Community Engagement Plan that will scope outreach activities and timing. A variety of outreach activities will be included to make participation easy for stakeholders. We anticipate this will include identification of stakeholders (both local and the larger region), surveys, briefings, attendance at existing meetings, open houses, planning charettes, site tours, facilitated community meetings, social media postings, press releases and media alerts, and a dedicated project website. Information gathered will be available on the project website and outreach conducted will be tracked and provided in annual outreach reports to the City.

Aligned with the City's vision and expressed housing needs, the project will deliver a range of housing types, including workforce housing, affordable multifamily units, and single-family homes. Given the scale of the development and its potential to significantly increase the City's population, the final plan will be informed by community input and grounded in market realities.

The project is anticipated to include approximately 800 to 1,400 homes, of which 20 percent will be affordable units. The final unit count, mix and location will be decided through a robust community outreach process and ongoing market analysis to ensure the project meets the City's needs, reflects community priorities, and remains deliverable over time.

The residential program will include:

- 20 percent affordable housing, delivered as multifamily units
- Workforce-oriented housing, including townhomes designed to serve military personnel, teachers, first responders, and other local workers
- A mix of single-family homes, town homes, and multifamily units
- Single-level and accessible housing options to support an aging population

As with most large master-planned communities built over multiple years, we will adjust housing types over time to respond to both market conditions and the City’s goals. Aligning product with demand is critical to long-term success.

This mix is intended to serve a broad range of households and life stages while supporting the City’s goals around housing diversity, attainability, and long-term community stability.

In addition to product mix, the architectural character of the community will be thoughtfully designed to reflect the context of Del Rey Oaks and the surrounding Monterey Peninsula. Homes will draw from a range of styles consistent with the area, including:

- Mediterranean influences, with red tile roofs and coastal detailing
- English cottage styles inspired by nearby Carmel
- Seaside cottage forms reflective of Monterey and Seaside
- Traditional California ranch homes

6. What types, scale and location of non-residential development do you envision?

We understand that the City desires retail and hospitality uses that will contribute to tax revenue while creating a vibrant community destination. IL Housing Solutions has an exclusive contract to purchase the 23-acre Kranyak site at the western edge of the City-owned property and fronts on General Jim Moore Blvd. This site is the best location to provide a vibrant retail and commercial village that would anchor the broader development and serve as a catalyst for economic activity, helping to establish the project as a destination for residents and the broader region. It will also provide a strong, ongoing source of sales and transient occupancy tax (TOT) revenue for the City.

The retail program is anticipated to include:

- A neighborhood-serving anchor tenant (e.g., grocer such as Trader Joe’s/Aldi or Whole Foods) to drive consistent sales tax generation
- A hotel to support visitors and generate TOT revenue
- A mix of local and regional retail and dining uses that further expand the City’s tax base
- A walkable, village-style environment similar in concept to the Campus Town Seaside project, but designed at a higher level of quality and without transient lodging uses such as hostels

IL Housing Solutions is prepared to structure retail in a way that prioritizes long-term activation and fiscal performance, including flexibility on lease terms or land costs for key anchor tenants to ensure the right mix of uses is achieved. This could include subsidizing land cost to attract a desirable anchor tenant.

Local Vendor Development Program - We will implement a local vendor program to create opportunities for small and emerging businesses, including:

- Workshops and technical assistance for local entrepreneurs
- Partnerships with the Monterey County Workforce Development Board, local chambers of commerce and business organizations
- Support navigating leasing, financing, and business planning
- Structured pathways for local businesses to occupy retail spaces

This approach ensures the retail environment reflects the local community while also strengthening the City's economic base.

In addition to commercial uses, the project will deliver a range of community-serving amenities on City-owned land, including:

- A childcare facility to support working families
- Pedestrian and bicycle trail networks connecting throughout the site and to surrounding areas
- Playing fields and parks for community use
- A Magical Bridge Playground all-abilities playground, designed to be a regional destination and inclusive space for children and families of all abilities

Together, these elements create a complete, walkable community that integrates housing, retail, and community amenities while enhancing quality of life and providing long-term fiscal benefits to the City.

7. How should the project integrate with surrounding developments, both within and outside of Del Rey Oaks?

The project will be planned as a natural extension of Del Rey Oaks and the surrounding Fort Ord area, with a focus on physical connections, compatibility with adjacent uses, and respect for the Peninsula's landscape and character and includes the following:

- Strong physical connectivity through coordinated roadway, pedestrian, and bicycle networks
- Alignment with the broader Fort Ord reuse framework and regional planning objectives
- Coordination with adjacent land uses and jurisdictions to ensure compatibility and continuity
- Preservation of key view corridors and natural features
- Use of open space buffers – this includes the setback requirement from the former BLM lands as shown in the Kranyak 53-acre site plan (Appendix C).
- Complementary architectural styles that reflect the character of Del Rey Oaks and surrounding coastal communities
- Creation of shared community assets, including parks, open space, and neighborhood-serving amenities
- Integration of trail systems and recreational areas that connect into the broader regional network

8. How do you go about determining an acceptable return target for this project? What metrics do you use to measure returns (e.g., IRR, equity multiple, other)?

Return targets are structured to support a long-term partnership - balancing financial performance with durable community and economic outcomes. A typical profit per quarter is a 8 to 10 percent net profit and a 17 to 20 percent gross profit margin.

9. Do you see the use of a Disposition and Development Agreement (DDA) negotiated during an identified Exclusive Right to Negotiate (ERN) period? What concerns or other options would you express, if any?

IL Housing Solutions has successfully utilized the ERN/DDA framework on a variety of large-scale, technically complex master-planned community projects. This structure allows for early alignment on key terms while providing the flexibility needed to advance complex projects through entitlement and design.

Through the ERN/DDA process, we will work closely with the City to:

- Establish clear business terms and development expectations prior to full entitlement
- Define and validate infrastructure requirements and associated costs
- Ensure project feasibility, including consideration of construction costs such as prevailing wage
- Maintain cost discipline to keep the project aligned with market conditions and deliverability
- Provide flexibility as project details evolve through planning, community input, and regulatory review

This approach creates a transparent and collaborative framework that reduces risk, clarifies responsibilities, and supports a financially viable and deliverable project.

10. Under what conditions will the project be financially feasible, cover the costs of infrastructure and services, and generate a positive residual land value?

Project feasibility is driven by early alignment on key factors - including environmental and regulatory certainty, infrastructure, land use, and revenue generation - ensuring the project generates sufficient long-term revenue to support City services and operations.

Project feasibility for a development of this scale is driven by early alignment across several key factors which include:

- Phased development approach to manage capital exposure and align with market absorption
- Infrastructure costs aligned with a capital structure that supports timely delivery, with public financing tools evaluated if appropriate but not currently contemplated
- Inclusion of revenue-generating uses (retail, hospitality) to expand the City's tax base
- Strong public-private partnership with aligned terms, expectations, and understanding of project requirement.

APPENDIX A – FIRM INFORMATION AND KEY STAFF BIOS

The team presented below has worked together on multiple projects of similar scale and complexity over the last 20 years. This established working relationship allows for efficient coordination, clear communication, and the ability to move projects forward in a cohesive and disciplined way.

**C. Evan Knapp, Principal
IL Housing Solutions**

Evan Knapp is a Principal at Integral Communities and a seasoned housing industry professional with more than 30 years of experience in all aspects of entitlement, development, construction, and operations. Since joining Integral, he has played a key role in the acquisition, entitlement, and disposition of major residential and mixed-use communities across both Northern and Southern California. Mr. Knapp has been responsible for the acquisition of more than 6,000 residential units, as well as commercial and retail development sites with a total value exceeding \$1 billion.

Prior to Integral Communities, Mr. Knapp served as Southern California Regional President for D.R. Horton, where he oversaw more than \$1.6 billion in assets across four operating divisions and helped maintain the company's leading market share in the region. His broader career includes senior leadership roles with The Anden Group, Western Pacific Housing, and Schuler Homes, reflecting deep experience across the full development lifecycle.

**Vince Fletcher, Vice President of Land Acquisition
IL Housing Solutions**

Vince Fletcher offers 35+ years of experience leading master planning and negotiation of transaction agreements for complex mixed use public and private real estate development projects. He started his career with Chop Keenan in the early 1980s purchasing land and obtaining governmental entitlements. We worked as Director of Land Acquisition for KB Homes starting in 1987 until the mid 1990s. He worked for DR Horton for 20 years after that responsible for purchasing land and handling entitlements. He has worked for IL Housing for the past nine years working out of Lennar Homes building in Bishop Ranch, San Ramon.

**Justin DeKnoblough, P.E.
Carlson Barbee & Gibson, Inc.**

Mr. DeKnoblough brings over 18 years of technical engineering and project management experience on projects throughout Northern California. Over the course of his career, he has completed more than 100 projects across the Bay Area, ranging from small infill developments to large-scale master planned communities. His experience spans the full lifecycle of development, including feasibility analysis, entitlement, design, permitting, and construction support, providing clients with a comprehensive and solutions-oriented approach.

He has provided services to a wide range of prominent private and public clients, including Lennar, Integral Communities, Trumark Homes, Tri Pointe Homes, Signature Homes, D.R. Horton, Waymark Development, The Sobrato Organization, USA Properties Fund, Thomas James Homes, Brookfield Properties, PulteGroup, Richmond American Homes, Century Communities, the City of Brentwood, the City of Livermore, and the Town of Danville. Through these relationships, Mr. DeKnoblough has developed a strong reputation for delivering high-quality work, maintaining schedules, and navigating the complexities of local agency requirements.

Mr. DeKnoblough has played a key role in the planning and implementation of several notable master planned communities, including Trilogy at The Vineyards in Brentwood, the Bayview Specific Plan Area

in Pittsburg, Areas 3 and 4 of the Dublin Ranch Specific Plan, and the Northeast Fairfield Specific Plan Area. His work on these large-scale efforts has required close coordination with municipalities, regulatory agencies, and multi-disciplinary consultant teams to address infrastructure planning, grading and drainage design, utility coordination, and phased development strategies.

In addition to his technical expertise, Mr. DeKnoblough is recognized for his leadership in managing multi-disciplinary teams and fostering collaboration among stakeholders. He has extensive experience coordinating with City staff, reviewing agencies and utility providers to proactively resolve challenges and keep projects moving forward. His ability to balance technical detail with big-picture project goals has been instrumental in achieving successful outcomes for both private developers and public sector clients.

**Lesley Owing, Principal Planner
Helix Environmental**

Ms. Owing is a Principal Planner with 14 years of experience leading the management of complex, multi-disciplinary CEQA and NEPA projects throughout Northern and Central California, ensuring comprehensive oversight from planning through project construction. Ms. Owing oversees the preparation of CEQA and NEPA documentation and supporting technical analyses for a variety of project types including residential, commercial, and mixed-use land development; transportation; water/wastewater infrastructure; renewable energy; education; habitat restoration; and parks and recreation facilities. Ms. Owing stays abreast of recent CEQA case law and changes to the State CEQA Guidelines and requirements through her role as the Association of Environmental Professionals (AEP) Superior Chapter Board President.

**Tracy Craig, Principal
Craig Communications**

Tracy Craig is a recognized leader in public participation and stakeholder engagement for large-scale, master-planned developments, particularly those involving complex environmental and regulatory conditions. She is known for helping advance challenging projects by aligning agencies, stakeholders, and communities through clear, strategic engagement.

Tracy has designed and implemented outreach programs for more than 100 projects across California, including major redevelopment and master planning efforts such as Alameda Point Naval Air Station, Treasure Island, and Mare Island. Her work has supported projects from early planning through entitlement and implementation, often in high-profile settings with significant public interest and multi-agency oversight.

Her clients include Lennar, KB Homes, Shea Homes, Thompson Dorfman Partners, Brookfield Properties, Integral Communities, Quatterra, Equity Community Builders, and Emerald Fund. She has managed and facilitated hundreds of public meetings and has extensive experience working with local governments, regulatory agencies, and community stakeholders to move projects forward.

Prior to founding her firm in 2000, Tracy played an instrumental role in developing and expanding the California EPA Department of Toxic Substances Control's public participation program, which continues to serve as a model for effective community engagement in environmental projects. She holds a BA from San Diego State University in Journalism and Psychology.

Uri Eliahu, President

ENGEO

Uri Eliahu is a seasoned geotechnical consultant and president of his firm, bringing decades of experience in subsurface investigation, foundation design, and risk management for complex development projects. His work spans a wide range of site conditions, including environmentally constrained and formerly industrial properties, where geotechnical considerations must be closely integrated with environmental remediation and land use planning.

Mr. Eliahu specializes in evaluating soil and groundwater conditions to support safe, cost-effective design solutions for large-scale, master-planned communities, infrastructure, and redevelopment projects. He has extensive experience working alongside environmental engineers, planners, and regulatory agencies to address challenging site conditions such as settlement, liquefaction, slope stability, and groundwater management.

Known for his practical, solutions-oriented approach, Mr. Eliahu provides clear guidance to project teams and stakeholders, helping to reduce uncertainty, manage risk, and keep projects moving forward through entitlement and construction. His collaborative style and technical expertise make him a trusted advisor on projects requiring careful coordination between engineering, environmental, and regulatory requirements.

Ron Ramos, Senior Associate

Fehr & Peers

Ron Ramos is a senior associate who has accumulated extensive experience with traffic signal timings development and multimodal traffic operations, including performance measure evaluation, needs assessment planning, and identification of adequate transportation infrastructure improvements. He is the leader of Fehr & Peers' Multimodal Operations Discipline Group and is considered an expert in a variety of traffic operations analysis software, such as Vissim, Viswalk, Visum, Vistro, Synchro, SimTraffic, and FREQ analysis methodologies. Ron regularly provides in-house training courses on standard traffic engineering software, traffic engineering principles, MUTCD signal timings, and the Caltrans process. Ron regularly applies his comprehensive expertise to develop multimodal transportation system improvements for all users to create more livable communities.

IL Housing Solutions

IL Housing Solutions is a joint venture between Integral Communities and Lennar Corporation formed to deliver large-scale, master-planned residential communities. The partnership combines Integral Communities' expertise in land entitlement, complex site development, and advancing environmentally constrained and brownfield properties with Lennar's capabilities as one of the largest homebuilders in the United States. Together, the team provides a fully integrated approach from early planning through home delivery, supported by direct access to capital and a strong track record of execution. IL Housing Solutions is supported by a coordinated team of partners bringing the technical, environmental, legal, and community engagement expertise required to advance complex projects from planning through implementation.



Carlson Barbee & Gibson, Inc.

Since 1989, CBG has provided civil engineering, surveying, and land planning services throughout Northern California for both private and public sector clients. CBG brings deep familiarity with regional conditions, market dynamics, and agency requirements, along with extensive experience designing and delivering complex land development projects. Their team is known for thoughtful, efficient design and a strong attention to detail, consistently delivering practical solutions that support project feasibility and implementation.



Environmental Resources Management

ERM is a global environmental and sustainability consulting firm with deep experience supporting complex site redevelopment. ERM provides expertise in environmental remediation, including investigation, risk assessment, and implementation, as well as addressing UXO-related constraints common to former military properties. The firm also supports water resource planning, helping evaluate water availability and manage long-term water supply and quality considerations to ensure project feasibility.



HELIX Environmental Planning

Helix is an employee-owned environmental consulting firm providing planning, regulatory, and technical services for complex projects throughout California. The firm supports public and private clients with environmental compliance (CEQA/NEPA), regulatory permitting, biological and cultural resource studies, and habitat restoration. HELIX brings experience working on large, sensitive, and often controversial projects, helping clients navigate environmental requirements, coordinate with agencies, and advance projects from planning through construction.



ENGEO

ENGEO is an award-winning firm of geotechnical engineers, geologists, environmental scientists, hydrologists, construction quality assurance representatives, and laboratory testing specialists. We have a broad range of project experience with development, both urban infill and large master-planned communities; transportation including airports, roadways and bridges; public facilities; environmental assessments and remediation; and geologic evaluations including fault location studies, landslide mitigation and repair.



Fehr & Peers

For over 40 years, Fehr & Peers has focused exclusively on transportation planning and engineering. As experts in multimodal planning and design, the company does not just follow trends - they influence how transportation evolves. Their agile approach has earned national recognition for setting new industry standards, best practices, and benchmarks for leveraging emerging technologies.



Craig Communications Inc.

Craig Communications is a certified, woman-owned public affairs firm with a 25-year history providing community engagement for large, complex environmental and land use projects. The firm designs and implements outreach programs that inform master planning, reflect community input, and support the development of strong, connected communities. Craig Communications has supported a variety of master-planned developments, including projects on former federal facilities, and brings experience working with environmental constraints, multi-agency oversight, and high levels of community interest.



Rutan & Tucker, LLP

Rutan & Tucker is a full-service California law firm advising public agencies and developers on land use, entitlement, environmental, and regulatory matters. With a presence in Northern California, including San Francisco, the firm assists clients in navigating complex approval processes, development agreements, and public policy considerations. Rutan takes a practical, solutions-oriented approach, helping projects move efficiently from entitlement through implementation while managing legal and regulatory risk.



Magical Bridge Foundation

Magical Bridge Foundation creates innovative and internationally recognized playgrounds, parks, and programs for more inclusive communities. Their multigenerational spaces are thoughtfully designed to ensure guests of all ages and all abilities experience the many benefits of play, community connections, and belonging. IL Housing Solutions is the only developer with an established partnership with the Magical Bridge Foundation, bringing unique experience delivering inclusive, all-abilities playgrounds within all our developments.



APPENDIX B – RELEVANT PROJECTS

	Environmental Remediation	Infrastructure Development	Mixed Use Development	Affordable Housing	Placemaking	Emerging Technology + Sustainability	Community Engagement	Workforce + Vendor Programs
Hunters Point Naval Shipyard & Candlestick Point	✓	✓	✓	✓	✓	✓	✓	✓
El Toro Marine Corps Air Station / Great Park Neighborhoods	✓	✓	✓	✓	✓	✓	✓	✓
Treasure Island / Yerba Buena Island	✓	✓	✓	✓	✓	✓	✓	✓
Tracy Hills	✓	✓	✓	✓	✓	✓	✓	✓
Mowry Village	✓	✓	✓	✓	✓	✓	✓	✓
Transit-Oriented Development / Bayside Specific Plan Area	✓	✓	✓	✓	✓	✓	✓	✓
Bay Walk Specific Plan Area	✓	✓	✓	✓	✓	✓	✓	✓

IL Housing Solutions is a joint venture between Integral Communities and Lennar, formed to deliver large-scale, master-planned communities on complex sites. The partnership combines Integral's expertise in land entitlement, environmental and regulatory navigation, and advancing constrained and brownfield properties with Lennar's national homebuilding platform and vertical delivery capabilities. Together, the team is structured to move projects efficiently from early planning through construction, aligning land use, infrastructure, phasing, and market timing with the City's long-term goals.

Lennar is one of the largest homebuilders in the United States and consistently ranks among the top builders in California, with a long track record of delivering large-scale, master-planned communities. The company is particularly recognized for its ability to advance projects on highly constrained sites - especially former military bases and brownfields - where environmental remediation, regulatory coordination, and community engagement are critical to success. Through both its direct work and affiliated entities such as FivePoint and Quarterra, Lennar has led some of California's most high-profile master plan efforts.

Key strengths include:

- Proven delivery of large-scale master-planned communities, including thousands of homes and mixed-use development
- Extensive experience on environmentally impacted and remediated sites
- Ability to navigate complex, multi-agency regulatory environments
- Long-term, phased implementation strategies, often spanning 10–20+ years
- Strong emphasis on community outreach, public participation, and stakeholder alignment
- Integration of community benefits, including parks, infrastructure, affordable housing, and workforce opportunities

Representative California base reuse projects include:

- **Hunters Point Naval Shipyard & Candlestick Point (San Francisco)**
Large-scale redevelopment of a former Navy shipyard (Superfund site), including significant environmental remediation, housing, parks, and waterfront access.
- **Treasure Island / Yerba Buena Island (San Francisco)**
Conversion of a former naval base into a mixed-use community with housing, open space, and transit infrastructure.
- **El Toro Marine Corps Air Station / Great Park Neighborhoods (Irvine)**
Transformation of a former air base into a major regional park and surrounding residential communities, delivered through long-term phased development with significant public amenities.
- **Tracy Hills (Tracy)**
Large-scale master-planned community in the San Joaquin Valley delivering a range of single-family housing options within a coordinated, phased development framework. The project includes multiple neighborhoods, on-site amenities such as parks, trails, a residents' club, and community-serving infrastructure including schools and public safety facilities. Located with

regional access to the Bay Area, Tracy Hills reflects Lennar’s ability to deliver housing at scale while integrating infrastructure, open space, and community amenities. The development also incorporates modern home designs, including multigenerational housing options, and is being implemented through a multi-phase approach aligned with market demand and long-term growth.

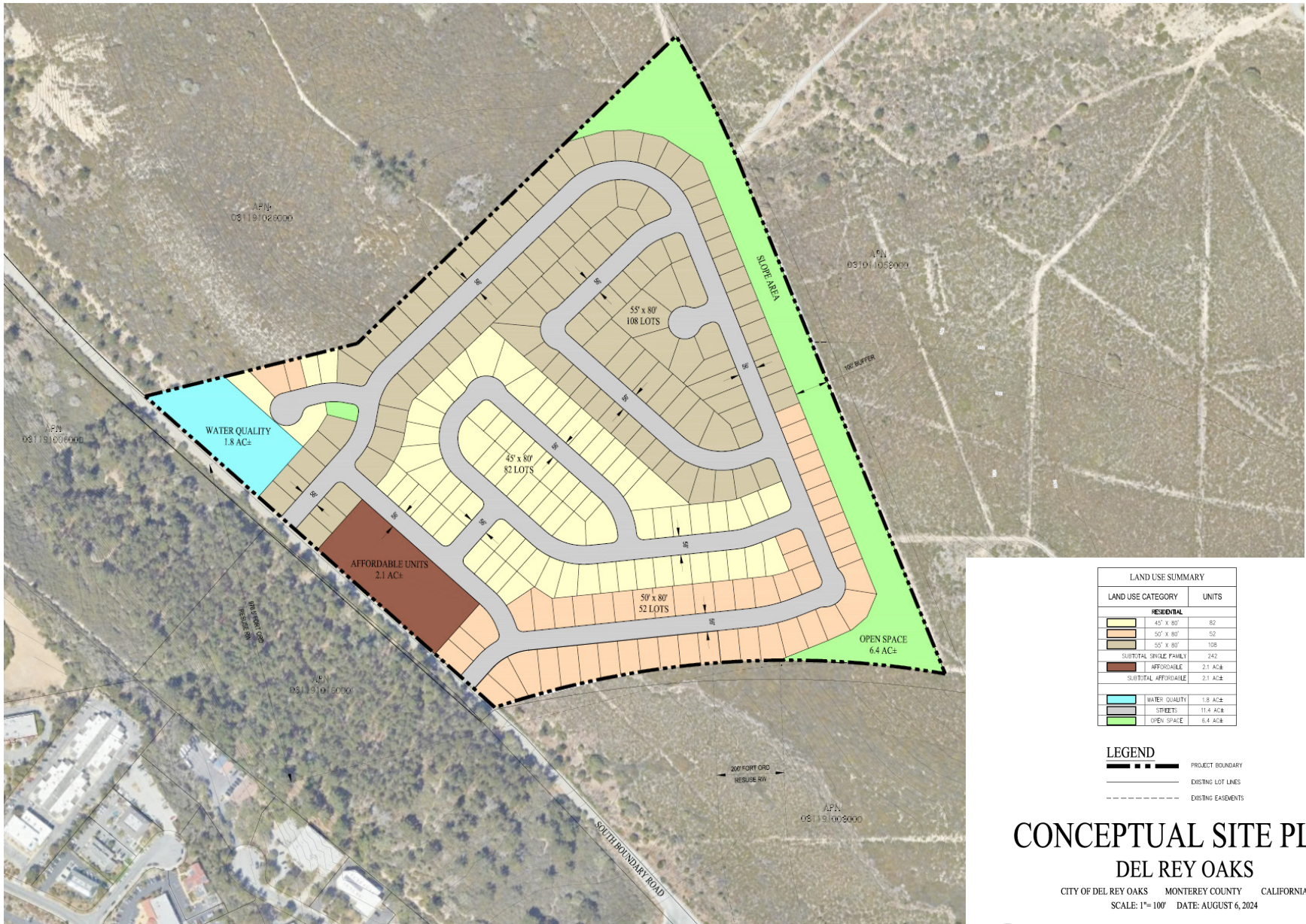
Across these projects, Lennar’s work is characterized by its ability to take on complex, contaminated sites and deliver high-quality, community-oriented development that aligns regulatory requirements with local priorities.

Integral Communities is a California-based real estate development firm focused on delivering large-scale residential and mixed-use communities, often on environmentally complex or constrained sites. The firm has extensive experience advancing projects through entitlement, navigating regulatory frameworks, and positioning sites for successful long-term development. Integral brings a practical, hands-on approach that integrates land use planning, infrastructure, and market considerations from early stages through implementation.

Representative projects include:

- **Mowry Village (Newark)**
Redevelopment of a former auto wrecking yard into a residential community including 196 single-family homes, 31 affordable units, and a Magical Bridge Playground. The project required site remediation, rezoning and vesting tentative map approvals, infrastructure planning, CEQA coordination, and a multi-year community outreach process to advance entitlements.
- **Newark Transit-Oriented Development / Bayside Specific Plan Area (Newark)**
Approximately 200-acre planning area supporting up to 2,500 residential units (multi-family and single-family) adjacent to regional transit. The project includes contaminated soil remediation, entitlement and engineering design, stormwater quality and underground detention systems, a transit station site, relocation of the EBPA Twin Sewer Force Main, development of approximately 7,500 linear feet of Bay Trail, and a 15-acre wetland and open space preserve. The effort required coordination across multiple agencies and integration of infrastructure, environmental, and land use planning.
- **Bay Walk Specific Plan Area (Pittsburg)**
Redevelopment of the former Pittsburg power plant site into a mixed-use waterfront community, including approximately 800 residential units, waterfront commercial uses, employment/industrial space, and parks, trails, and open space. The project includes preparation of a Specific Plan and Tentative Map, environmental remediation, along with community outreach and development of a local hire program.

APPENDIX C – SUPPORTING FIGURES



LAND USE SUMMARY	
LAND USE CATEGORY	UNITS
RESIDENTIAL	
45' x 80'	82
50' x 80'	52
55' x 80'	108
SUBTOTAL SINGLE FAMILY 242	
AFFORDABLE 2.1 AC±	
SUBTOTAL AFFORDABLE 2.1 AC±	
OTHER	
WATER QUALITY	1.8 AC±
STREETS	11.4 AC±
OPEN SPACE	6.4 AC±

LEGEND	
	PROJECT BOUNDARY
	EXISTING LOT LINES
	EXISTING EASEMENTS

CONCEPTUAL SITE PLAN

DEL REY OAKS

CITY OF DEL REY OAKS MONTEREY COUNTY CALIFORNIA
 SCALE: 1"= 100' DATE: AUGUST 6, 2024

SAN RAMON • (925) 866-0322
 ROSEVILLE • (916) 788-4456
 WWW.CBGNDG.COM
 CIVIL ENGINEERS • SURVEYORS • PLANNERS

TITLE REPORT

FIRST AMERICAN TITLE COMPANY
SHEET NO. 0277089-01
DATE: JANUARY 23, 2024 (UNREVISED)

LEGAL DESCRIPTION:

REAL PROPERTY IN THE CITY OF DEL REY OAKS, COUNTY OF MONTEREY, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

PARCEL I:

BEGINNING AT A POINT ON THE NORTHEASTERLY BOUNDARY OF PARCEL 1 AS SHOWN ON THE RECORD OF SURVEY SHOWN BOUNDARY OF A 341.87 ACRE PARCEL OF LAND FOR ECONOMIC DEVELOPMENT CONVEYANCE FILED JUNE 23, 2000 IN THE OFFICE OF THE COUNTY RECORDER OF MONTEREY COUNTY, CALIFORNIA, AND NOW ON FILE IN VOLUME 23 OF SURVEYS AT PAGE 103 THEREIN, SAID POINT BEING DISTANT SOUTH 87° 47' 40" EAST, 1057.10 FEET FROM THE MOST NORTHEASTLY CORNER OF SAID PARCEL 1, THERE LEAVING SAID NORTHEASTERLY BOUNDARY OF SAID PARCEL 1,

- (1) SOUTH 20° 00' 00" WEST, 1775.20 FEET TO A POINT ON THE NORTHEASTERLY BOUNDARY OF SAID BOUNDARY ROAD AS SHOWN ON THE RECORD OF SURVEY BOUNDARY OF 18 MONTEREY COUNTY PARCELS, FILED JANUARY 20, 1997 IN THE OFFICE OF THE COUNTY RECORDER OF MONTEREY COUNTY, CALIFORNIA, FILED IN VOLUME 20 OF SURVEYS AT PAGE 110 THEREIN, THENCE ALONG SAID NORTHEASTERLY BOUNDARY OF SAID SOUTH BOUNDARY ROAD,
(2) NORTH 52° 47' 40" WEST, 2533.95 FEET, THENCE LEAVING SAID NORTHEASTERLY BOUNDARY OF SAID SOUTH BOUNDARY ROAD,
(3) NORTH 26° 00' 00" EAST, 283.90 FEET, THENCE,
(4) NORTH 45° 00' 00" WEST, 565.89 FEET, THENCE,
(5) NORTH 14° 52' 58" WEST, 90.78 FEET, THENCE,
(6) SOUTH 84° 50' 00" WEST, 36.80 FEET TO A POINT ON THE EXTERIOR BOUNDARY OF NORTHEASTON 540 AS SHOWN ON SAID RECORD OF SURVEY BOUNDARY OF 18 MONTEREY COUNTY PARCELS, FILED JANUARY 20, 1997 IN THE OFFICE OF THE COUNTY RECORDER OF MONTEREY COUNTY, CALIFORNIA, FILED IN VOLUME 20 OF SURVEYS AT PAGE 110 THEREIN, THENCE ALONG SAID EXTERIOR BOUNDARY,
(7) NORTH 23° 14' 50" EAST, 843.89 FEET TO THE MOST NORTHEASTERLY BOUNDARY CORNER OF SAID PARCEL 1, THERE LEAVING SAID EXTERIOR BOUNDARY OF SAID NORTH SOUTH ROAD, AND LEAVING SAID NORTHEASTERLY BOUNDARY OF SAID PARCEL 1,
(8) NORTH 88° 47' 40" WEST, 801.78 FEET TO THE POINT OF BEGINNING.

EXERCISE THEREON ALL MINERAL RIGHTS AND THE RIGHT TO SURFACE EVIDENT AS HEREIN IN THE CITY OF DEL REY OAKS, COUNTY OF MONTEREY, STATE OF CALIFORNIA, IN FAVOR OF FIRST ORO HELIX AUTHORITY, RECORDED DECEMBER 28, 2000, INSTRUMENT NO. 2000135586, (OFFICIAL RECORDS, MONTEREY COUNTY).

PARCEL II:

BEGINNING AT A POINT ON THE NORTHEASTERLY BOUNDARY OF PARCEL 1 AS SHOWN ON THE RECORD OF SURVEY SHOWN BOUNDARY OF A 341.87 ACRE PARCEL OF LAND FOR ECONOMIC DEVELOPMENT CONVEYANCE FILED JUNE 23, 2000 IN THE OFFICE OF THE COUNTY RECORDER OF MONTEREY COUNTY, CALIFORNIA, AND NOW ON FILE IN VOLUME 23 OF SURVEYS AT PAGE 103 THEREIN, SAID POINT BEING DISTANT SOUTH 87° 47' 40" EAST, 1057.10 FEET FROM THE MOST NORTHEASTLY CORNER OF SAID PARCEL 1, THERE LEAVING SAID NORTHEASTERLY BOUNDARY OF SAID PARCEL 1,

- (1) NORTH 20° 57' 57" WEST, 495.23 FEET TO A POINT OF CONJUNCTION, THENCE ALONG A TANGENT CURVE CONVALE TO THE RIGHT HAVING A RADIUS OF 3050.00 FEET,
(2) 444.43 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 08° 19' 17", THENCE LEAVING SAID NORTHEASTERLY BOUNDARY OF SAID PARCEL 1,
(3) SOUTH 48° 00' 00" WEST, 1318.84 FEET, THENCE,
(4) SOUTH 76° 00' 00" WEST, 650.00 FEET TO A POINT ON THE NORTHEASTERLY BOUNDARY OF SOUTH BOUNDARY ROAD AS SHOWN ON THE RECORD OF SURVEY BOUNDARY OF 18 MONTEREY COUNTY PARCELS, FILED JANUARY 20, 1997 IN THE OFFICE OF THE COUNTY RECORDER OF MONTEREY COUNTY, CALIFORNIA, FILED IN VOLUME 20 OF SURVEYS AT PAGE 110 THEREIN, THENCE ALONG SAID EXTERIOR BOUNDARY OF SAID NORTH SOUTH ROAD,
(5) SOUTH 68° 19' 00" EAST, 182.49 FEET, THENCE LEAVING SAID NORTHEASTERLY BOUNDARY OF SAID SOUTH BOUNDARY ROAD,
(6) NORTH 76° 00' 00" WEST, 863.00 FEET TO A POINT OF CONJUNCTION, THENCE ALONG A TANGENT CURVE CONVALE TO THE SOUTH HAVING A RADIUS OF 3359.61 FEET,
(7) 888.76 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 14° 38' 00" TO THE POINT OF BEGINNING.

EXERCISE THEREON ALL MINERAL RIGHTS AND THE RIGHT TO SURFACE EVIDENT AS HEREIN IN THE CITY OF DEL REY OAKS, COUNTY OF MONTEREY, STATE OF CALIFORNIA, IN FAVOR OF FIRST ORO HELIX AUTHORITY, RECORDED DECEMBER 28, 2000, INSTRUMENT NO. 2000135586, (OFFICIAL RECORDS, MONTEREY COUNTY).

PARCEL III:

A PORTION OF LOT 1 OF THE FIRST ORO MILITARY RESERVATION AS SAID MILITARY RESERVATION IS SHOWN AND SO DESCRIBED UPON MAP FILED FOR RECORD IN VOLUME 19 OF "RESERVATIONS" AT PAGE 1, RECORDS OF MONTEREY COUNTY, CALIFORNIA, SAID PORTION BEING A PORTION OF PARCELS 1, SAID PARCELS IS SHOWN AND SO DESCRIBED UPON MAP FILED FOR RECORD IN VOLUME 27 OF SURVEYS AT PAGE 14, RECORDS OF SAID COUNTY, SAID PORTION BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST EXTERIOR CORNER OF SAID PARCEL 1, THENCE ALONG THE NORTHEASTERLY CORNER OF PARCEL 1 AS SAID PARCEL IS SHOWN AND SO DESCRIBED UPON MAP FILED FOR RECORD IN VOLUME 19 OF "RESERVATIONS" AT PAGE 1, RECORDS OF SAID COUNTY, THENCE RUN ALONG THE BOUNDARIES COMMON TO SAID PARCEL 1 AND PARCEL 1 WITHIN THE FOLLOWING TWO COURSES:

- (1) WICKEDLY ALONG THE ARC OF A NON-TANGENT CIRCULAR CURVE CONVALE TO THE SOUTHWEST, THE CENTER OF CURVE OF WHICH BEARS SOUTH 82° 43' 22" WEST, 2933.00 FEET DISTANT THROUGH A CENTRAL ANGLE OF 24° 30' 21" FOR AN ARC DISTANCE OF 1077.23 FEET, THENCE THROUGH SAID,
(2) SOUTH 76° 00' 00" WEST, 579.77 FEET TO THE NORTHEASTERLY END OF SOUTH BOUNDARY ROAD, 800.00 FEET, THENCE ALONG SAID LINE OF ROAD WITHIN THE FOLLOWING TWO COURSES,
(3) NORTHEASTERLY ALONG THE ARC OF A NON-TANGENT CIRCULAR CURVE CONVALE TO THE SOUTHWEST, THE CENTER OF CURVE OF WHICH BEARS SOUTH 82° 43' 22" WEST, 2933.00 FEET DISTANT THROUGH A CENTRAL ANGLE OF 07° 40' 31", FOR AN ARC DISTANCE OF 54.90 FEET, THENCE THROUGH SAID.

LEGAL DESCRIPTION, CONT'D:

- (4) NORTH 49° 19' 00" WEST, 1155.70 FEET, THENCE LEAVE SAID LINE OF ROAD AND RUN ACROSS SAID PARCEL 1 WITHIN THE FOLLOWING TWO COURSES,
(5) NORTH 00° 00' 00" EAST, 802.14 FEET, THENCE,
(6) NORTHEASTERLY ALONG THE ARC OF A TANGENT CIRCULAR CURVE CONVALE TO THE SOUTHWEST HAVING A RADIUS OF 3010.30 FEET THROUGH A CENTRAL ANGLE OF 14° 38' 00" FOR AN ARC DISTANCE OF 800.00 FEET TO THE NORTHEASTERLY BOUNDARY OF SAID PARCEL 1, THENCE ALONG SAID BOUNDARY,
(7) SOUTH 27° 57' 19" EAST, 1123.43 FEET TO THE POINT OF BEGINNING.

EXCEPTIONS AND EXCLUSIONS:

- (8) MINERAL RIGHTS HEREIN NOTED NUMBER:
(1) THIS ITEM RELATES TO UNPAID AMOUNTS OR DELINQUENT LEVIES IN FAVOR OF MONTEREY ONE WATER AND CANNOT BE LITIGATED.
(2) THE LAND LIES WITHIN THE BOUNDARIES OF PROPOSED COMMUNITY FACILITIES DISTRICT NO. 2014-1 (CLEAN ENERGY), AS RECORDED BY A MAP FILED MARCH 18, 2016 IN VOLUME 0000, PAGE 10 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS. THIS ITEM IS ELIMINATED IN NATURE AND CANNOT BE LITIGATED.
(3) THE LAND LIES WITHIN THE BOUNDARIES OF PROPOSED COMMUNITY FACILITIES DISTRICT NO. 2016-1, AS RECORDED BY A MAP FILED MAY 16, 2016 IN VOLUME 0000, PAGE 10 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS. THIS ITEM IS ELIMINATED IN NATURE AND CANNOT BE LITIGATED.
(4) THIS ITEM RELATES TO SUBORDINATION TAXES AND CANNOT BE LITIGATED.
(5) AN EASEMENT FOR PUBLIC UTILITIES AND INCIDENTAL PURPOSES, RECORDED APRIL 17, 1997 AS BOOK/FEEL 3006, PAGE 1533 OF OFFICIAL RECORDS.

IN FAVOR OF PARCEL OWNERS AND ELECTRIC COMPANY, A CALIFORNIA CORPORATION.
IN CONNECTION THEREWITH, I HAVE MADE CERTAIN PORTIONS OF PUBLIC RECORDS, RECORDED DECEMBER 8, 1999, INSTRUMENT NO. 02719787, (OFFICIAL RECORDS, MONTEREY COUNTY), THE LOCATION OF THE EASEMENT IS DETERMINED FROM RECORD INFORMATION. THIS ITEM CANNOT BE LITIGATED.
(6) AN EASEMENT FOR PUBLIC UTILITIES AND INCIDENTAL PURPOSES, RECORDED APRIL 17, 1997 AS BOOK/FEEL 3006, PAGE 1533 OF OFFICIAL RECORDS.

IN CONNECTION THEREWITH, I HAVE MADE CERTAIN PORTIONS OF PUBLIC RECORDS, RECORDED DECEMBER 8, 1999, INSTRUMENT NO. 02719787, (OFFICIAL RECORDS, MONTEREY COUNTY), THE LOCATION OF THE EASEMENT IS DETERMINED FROM RECORD INFORMATION. THIS ITEM CANNOT BE LITIGATED.
(7) THE TERMS AND PROVISIONS CONTAINED IN THE DOCUMENT ENTITLED "CONVEYANCE AGREEMENT AND IRREVOCABLE TRUST AGREEMENT" BETWEEN FIRST ORO HELIX AUTHORITY AND THE CITY OF DEL REY OAKS, RECORDED DECEMBER 28, 2000, AS INSTRUMENT NO. 2000135586, (OFFICIAL RECORDS, MONTEREY COUNTY).

- (8) AN EASEMENT FOR MILITARY RESERVATION FOR CONSTRUCTION, OPERATING, MAINTAINING, REPAIRING AND REPAIRING AND MAINTAINING, RETENTION AND OTHER PURPOSES, RECORDED OCTOBER 28, 2000, AS INSTRUMENT NO. 2000135586, (OFFICIAL RECORDS, MONTEREY COUNTY). THE LOCATION OF THE EASEMENT CANNOT BE DETERMINED FROM RECORD INFORMATION. THIS ITEM CANNOT BE LITIGATED.
(9) AN EASEMENT FOR WATER AND WASTEWATER TREATMENT SYSTEMS AND INCIDENTAL PURPOSES, RECORDED DECEMBER 28, 2000, AS INSTRUMENT NO. 2000135586, (OFFICIAL RECORDS, MONTEREY COUNTY). THE LOCATION OF THE EASEMENT CANNOT BE DETERMINED FROM RECORD INFORMATION. THIS ITEM CANNOT BE LITIGATED.
(10) THE TERMS AND PROVISIONS CONTAINED IN THE DOCUMENT ENTITLED "CONVEYANCE AGREEMENT AND IRREVOCABLE TRUST AGREEMENT" BETWEEN FIRST ORO HELIX AUTHORITY AND THE CITY OF DEL REY OAKS, RECORDED DECEMBER 28, 2000, AS INSTRUMENT NO. 2000135586, (OFFICIAL RECORDS, MONTEREY COUNTY).

ASSIGNMENT OF EASEMENTS ON FORMER PORT ORO AND ORO MILITARY COMMUNITY, COUNTY OF MONTEREY, AND OUTLAIN USED FOR WATER AND WASTE WATER SYSTEMS RECORDED OCTOBER 28, 2000, AS INSTRUMENT NO. 2000135586, (OFFICIAL RECORDS, MONTEREY COUNTY). THE LOCATION OF THE EASEMENT CANNOT BE DETERMINED FROM RECORD INFORMATION. THIS ITEM CANNOT BE LITIGATED.
(11) THE TERMS AND PROVISIONS CONTAINED IN THE DOCUMENT ENTITLED "CONVEYANCE AGREEMENT AND IRREVOCABLE TRUST AGREEMENT" BETWEEN FIRST ORO HELIX AUTHORITY AND THE CITY OF DEL REY OAKS, RECORDED DECEMBER 28, 2000, AS INSTRUMENT NO. 2000135586, (OFFICIAL RECORDS, MONTEREY COUNTY).

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(12) THE TERMS AND PROVISIONS CONTAINED IN THE DOCUMENT ENTITLED "CONVEYANCE AGREEMENT AND IRREVOCABLE TRUST AGREEMENT" BETWEEN FIRST ORO HELIX AUTHORITY AND THE CITY OF DEL REY OAKS, RECORDED DECEMBER 28, 2000, AS INSTRUMENT NO. 2000135586, (OFFICIAL RECORDS, MONTEREY COUNTY).

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(13) THE TERMS AND PROVISIONS CONTAINED IN THE DOCUMENT ENTITLED "CONVEYANCE AGREEMENT AND IRREVOCABLE TRUST AGREEMENT" BETWEEN FIRST ORO HELIX AUTHORITY AND THE CITY OF DEL REY OAKS, RECORDED DECEMBER 28, 2000, AS INSTRUMENT NO. 2000135586, (OFFICIAL RECORDS, MONTEREY COUNTY).

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(14) THE TERMS AND PROVISIONS CONTAINED IN THE DOCUMENT ENTITLED "CONVEYANCE AGREEMENT AND IRREVOCABLE TRUST AGREEMENT" BETWEEN FIRST ORO HELIX AUTHORITY AND THE CITY OF DEL REY OAKS, RECORDED DECEMBER 28, 2000, AS INSTRUMENT NO. 2000135586, (OFFICIAL RECORDS, MONTEREY COUNTY).

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(15) THE TERMS AND PROVISIONS CONTAINED IN THE DOCUMENT ENTITLED "CONVEYANCE AGREEMENT AND IRREVOCABLE TRUST AGREEMENT" BETWEEN FIRST ORO HELIX AUTHORITY AND THE CITY OF DEL REY OAKS, RECORDED DECEMBER 28, 2000, AS INSTRUMENT NO. 2000135586, (OFFICIAL RECORDS, MONTEREY COUNTY).

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(16) THE TERMS AND PROVISIONS CONTAINED IN THE DOCUMENT ENTITLED "CONVEYANCE AGREEMENT AND IRREVOCABLE TRUST AGREEMENT" BETWEEN FIRST ORO HELIX AUTHORITY AND THE CITY OF DEL REY OAKS, RECORDED DECEMBER 28, 2000, AS INSTRUMENT NO. 2000135586, (OFFICIAL RECORDS, MONTEREY COUNTY).

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(17) THE TERMS AND PROVISIONS CONTAINED IN THE DOCUMENT ENTITLED "CONVEYANCE AGREEMENT AND IRREVOCABLE TRUST AGREEMENT" BETWEEN FIRST ORO HELIX AUTHORITY AND THE CITY OF DEL REY OAKS, RECORDED DECEMBER 28, 2000, AS INSTRUMENT NO. 2000135586, (OFFICIAL RECORDS, MONTEREY COUNTY).

EXCEPTIONS AND EXCLUSIONS, CONT'D:

- (14) THE TERMS AND PROVISIONS CONTAINED IN THE DOCUMENT ENTITLED "CONVEYANCE AGREEMENT AND IRREVOCABLE TRUST AGREEMENT" BETWEEN FIRST ORO HELIX AUTHORITY AND THE CITY OF DEL REY OAKS, RECORDED DECEMBER 28, 2000, AS INSTRUMENT NO. 2000135586, (OFFICIAL RECORDS, MONTEREY COUNTY). THIS ITEM CANNOT BE LITIGATED.
(15) THE TERMS AND PROVISIONS CONTAINED IN THE DOCUMENT ENTITLED "CONVEYANCE AGREEMENT AND IRREVOCABLE TRUST AGREEMENT" BETWEEN FIRST ORO HELIX AUTHORITY AND THE CITY OF DEL REY OAKS, RECORDED DECEMBER 28, 2000, AS INSTRUMENT NO. 2000135586, (OFFICIAL RECORDS, MONTEREY COUNTY). THIS ITEM CANNOT BE LITIGATED.
(16) AN EASEMENT FOR PUBLIC UTILITIES AND INCIDENTAL PURPOSES, RECORDED OCTOBER 30, 2009 AS INSTRUMENT NO. 2009070771, (OFFICIAL RECORDS, MONTEREY COUNTY). THE LOCATION OF THE EASEMENT CANNOT BE DETERMINED FROM RECORD INFORMATION. THIS ITEM CANNOT BE LITIGATED.
(17) THE TERMS AND PROVISIONS CONTAINED IN THE DOCUMENT ENTITLED "CONVEYANCE AGREEMENT AND IRREVOCABLE TRUST AGREEMENT" BETWEEN FIRST ORO HELIX AUTHORITY AND THE CITY OF DEL REY OAKS, RECORDED DECEMBER 28, 2000, AS INSTRUMENT NO. 2000135586, (OFFICIAL RECORDS, MONTEREY COUNTY). THIS ITEM CANNOT BE LITIGATED.
(18) THIS ITEM RELATES TO LOSS OF TRUST AND CANNOT BE LITIGATED.
(19) THE FACT THAT THE LAND LIES WITHIN THE BOUNDARIES OF THE PORT ORO REDEVELOPMENT PROJECT AREA, AS RECORDED BY VARIOUS DOCUMENTS OF RECORD. THIS ITEM CANNOT BE LITIGATED.
(20) THE FACT THAT THE LAND LIES WITHIN THE BOUNDARIES OF THE DEL REY OAKS PORT ORO REDEVELOPMENT PROJECT AREA, AS RECORDED BY VARIOUS DOCUMENTS OF RECORD. THIS ITEM CANNOT BE LITIGATED.
(21) RIGHTS OF THE PUBLIC IN AND TO THAT PORTION OF THE LAND LIVING WITHIN A ROAD, STREET, HIGHWAY, OR OTHER PUBLIC PLACE. THIS ITEM CANNOT BE LITIGATED.
(22) WATER RIGHTS, CLAIMS OR TITLE TO WATER, WHETHER OR NOT SHOWN IN THE PUBLIC RECORDS. THIS ITEM CANNOT BE LITIGATED.
(23) RIGHTS OF PARTIES IN POSSESSION. THIS ITEM CANNOT BE LITIGATED.
(24) ANY FACTS, RIGHTS, INTERESTS OR CLAIMS WHICH WOULD BE RESOLVED BY A CORRECT ALTA/NRPS SURVEY. THIS ITEM CANNOT BE LITIGATED.
(25) THIS ITEM RELATES TO TITLE COMPANY REQUIREMENTS AND CANNOT BE LITIGATED.
(26) AN ALTA/NRPS SURVEY OF RECENT DATE WHICH COMPLETES WITH THE CURRENT MERRIM STANDARD (CLEAN ENERGY) FOR ALTA/NRPS LAND TITLE SURVEYS. THIS ITEM CANNOT BE LITIGATED.

NOTES:
(1) RECORD INFORMATION AND PROPERTY DESCRIPTION ON THIS SURVEY IS FIELD RECORDED HEREIN. THE OPERATOR HAS NOT RECORDED, NOR HAS ACCEPTED RESPONSIBILITY TO REPAIR, ACCIDENTAL RECORD INFORMATION.
(2) THE PROPERTY HAS DIRECT ACCESS TO SOUTH BOUNDARY ROAD AND FEDERAL HIGHWAY BOUNDARIES.
(3) AERIAL PHOTOGRAPHY IS DATED JULY 5, 2023 AND IS FOR VISUAL PURPOSES AND NOT SURVEY PURPOSES AND IS INTENDED TO DISPLAY IMPROVEMENTS SUCH AS FENCES, CURBS, DRIVEWAYS AND POLES, AND OTHER PLANNING FEATURES AND THEIR RELATIONSHIP TO THE SUBJECT PROPERTY AS WELL AS TO EVALUATE THE USE FOR EVIDENCE OF USE OTHER THAN THE OCCUPANCY OF THE PROPERTY.
(4) THERE IS NO VISIBLE EVIDENCE OF ENCUMBRANCES ON THE PROPERTY.
(5) THIS SURVEY DOES NOT IDENTIFY SPRINGS, WATER TABLES OF THE STATE, INTERESTS OF THE UNITED STATES OR JURISDICTIONAL BOUNDARIES.
(6) IT IS THE OPERATOR'S OPINION THAT ALTA/NRPS PRECISIONS AND ACCURACY STANDARDS ARE APPLICABLE TO THIS SURVEY. THE OPERATOR HAS CONDUCTED VISUAL INSPECTIONS OF THE PROPERTY TO VERIFY THE ACCURACY OF THE SURVEY. OTHER MEASUREMENTS SHOWN ARE TO A PRECISION AND ACCURACY STANDARD AS SHOWN APPROXIMATELY BY THE OPERATOR.
(7) DISTANCES SHOWN ARE IN FEET AND ARE "ROUND" DISTANCES.
(8) DISTURBANCES WITHIN FIVE FEET MORE OR LESS OF THE PROPERTY BOUNDARY WERE LOCATED BY FIELD SURVEY AND SHOWN HEREON.
(9) NO ADJUSTMENTS WERE CONSIDERED IN RECORD DOCUMENTS OR WHILE CONDUCTING THE SURVEY OF THE PROPERTY.
(10) NO CURRENT EARTH MOVING WORK, BUILDING CONSTRUCTION OR BUILDING ADJUSTMENTS WERE OBSERVED IN THE PRESENCE OF CONDUCTING THE FIELDWORK AT THE PROPERTY. THE OPERATOR HAS CONDUCTED VISUAL INSPECTIONS OF THE PROPERTY TO VERIFY THE ACCURACY OF THE SURVEY. OTHER MEASUREMENTS SHOWN ARE TO A PRECISION AND ACCURACY STANDARD AS SHOWN APPROXIMATELY BY THE OPERATOR.
(11) SURVEY POINTS WERE SHOWN AND IDENTIFIED BY THE OPERATOR. OTHER MEASUREMENTS SHOWN ARE TO A PRECISION AND ACCURACY STANDARD AS SHOWN APPROXIMATELY BY THE OPERATOR.
(12) UTILITIES SHOWN ARE BASED ON VISUAL EVIDENCE AT THE TIME OF THE FIELD SURVEY. OTHER UTILITIES COULD BE CONCEALED BY STRUCTURES OR OBJECTS SUCH AS AUTOMOBILES, TREES, CONTAINERS, ETC.
(13) THE OPERATOR DOES NOT GUARANTEE OR REPRESENT THE LEGAL STATUS OF PARCELS, PARTS THEREOF OR OTHER RIGHTS OR INTERESTS IN REAL PROPERTY.
(14) ADDITIONAL INFORMATION PER PARCEL COLLECTION JUNE 30, 2024.

NOTES:

- (1) RECORD INFORMATION AND PROPERTY DESCRIPTION ON THIS SURVEY IS FIELD RECORDED HEREIN. THE OPERATOR HAS NOT RECORDED, NOR HAS ACCEPTED RESPONSIBILITY TO REPAIR, ACCIDENTAL RECORD INFORMATION.
(2) THE PROPERTY HAS DIRECT ACCESS TO SOUTH BOUNDARY ROAD AND FEDERAL HIGHWAY BOUNDARIES.
(3) AERIAL PHOTOGRAPHY IS DATED JULY 5, 2023 AND IS FOR VISUAL PURPOSES AND NOT SURVEY PURPOSES AND IS INTENDED TO DISPLAY IMPROVEMENTS SUCH AS FENCES, CURBS, DRIVEWAYS AND POLES, AND OTHER PLANNING FEATURES AND THEIR RELATIONSHIP TO THE SUBJECT PROPERTY AS WELL AS TO EVALUATE THE USE FOR EVIDENCE OF USE OTHER THAN THE OCCUPANCY OF THE PROPERTY.
(4) THERE IS NO VISIBLE EVIDENCE OF ENCUMBRANCES ON THE PROPERTY.
(5) THIS SURVEY DOES NOT IDENTIFY SPRINGS, WATER TABLES OF THE STATE, INTERESTS OF THE UNITED STATES OR JURISDICTIONAL BOUNDARIES.
(6) IT IS THE OPERATOR'S OPINION THAT ALTA/NRPS PRECISIONS AND ACCURACY STANDARDS ARE APPLICABLE TO THIS SURVEY. THE OPERATOR HAS CONDUCTED VISUAL INSPECTIONS OF THE PROPERTY TO VERIFY THE ACCURACY OF THE SURVEY. OTHER MEASUREMENTS SHOWN ARE TO A PRECISION AND ACCURACY STANDARD AS SHOWN APPROXIMATELY BY THE OPERATOR.
(7) DISTANCES SHOWN ARE IN FEET AND ARE "ROUND" DISTANCES.
(8) DISTURBANCES WITHIN FIVE FEET MORE OR LESS OF THE PROPERTY BOUNDARY WERE LOCATED BY FIELD SURVEY AND SHOWN HEREON.
(9) NO ADJUSTMENTS WERE CONSIDERED IN RECORD DOCUMENTS OR WHILE CONDUCTING THE SURVEY OF THE PROPERTY.
(10) NO CURRENT EARTH MOVING WORK, BUILDING CONSTRUCTION OR BUILDING ADJUSTMENTS WERE OBSERVED IN THE PRESENCE OF CONDUCTING THE FIELDWORK AT THE PROPERTY. THE OPERATOR HAS CONDUCTED VISUAL INSPECTIONS OF THE PROPERTY TO VERIFY THE ACCURACY OF THE SURVEY. OTHER MEASUREMENTS SHOWN ARE TO A PRECISION AND ACCURACY STANDARD AS SHOWN APPROXIMATELY BY THE OPERATOR.
(11) SURVEY POINTS WERE SHOWN AND IDENTIFIED BY THE OPERATOR. OTHER MEASUREMENTS SHOWN ARE TO A PRECISION AND ACCURACY STANDARD AS SHOWN APPROXIMATELY BY THE OPERATOR.
(12) UTILITIES SHOWN ARE BASED ON VISUAL EVIDENCE AT THE TIME OF THE FIELD SURVEY. OTHER UTILITIES COULD BE CONCEALED BY STRUCTURES OR OBJECTS SUCH AS AUTOMOBILES, TREES, CONTAINERS, ETC.
(13) THE OPERATOR DOES NOT GUARANTEE OR REPRESENT THE LEGAL STATUS OF PARCELS, PARTS THEREOF OR OTHER RIGHTS OR INTERESTS IN REAL PROPERTY.
(14) ADDITIONAL INFORMATION PER PARCEL COLLECTION JUNE 30, 2024.

FLOOD ZONE:

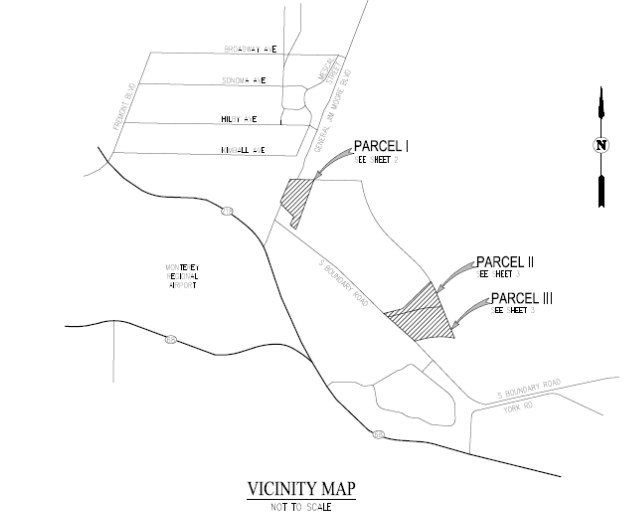
ZONE X - WEAS (RECORDED) IS TO OUTLINE THE 100-YEAR UNPAID FLOODPLAIN.
SOURCE: FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA)
REVISION: 08/28/2024, AS INSTRUMENT NO. 2024030330 AND 06/28/2024, AS INSTRUMENT NO. 2024030330

DATE: APRIL 2, 2024

THE TERMS AND PROVISIONS CONTAINED IN THE DOCUMENT ENTITLED "CONVEYANCE AGREEMENT AND IRREVOCABLE TRUST AGREEMENT" BETWEEN FIRST ORO HELIX AUTHORITY AND THE CITY OF DEL REY OAKS, RECORDED DECEMBER 28, 2000, AS INSTRUMENT NO. 2000135586, (OFFICIAL RECORDS, MONTEREY COUNTY).

THE TERMS AND PROVISIONS CONTAINED IN THE DOCUMENT ENTITLED "CONVEYANCE AGREEMENT AND IRREVOCABLE TRUST AGREEMENT" BETWEEN FIRST ORO HELIX AUTHORITY AND THE CITY OF DEL REY OAKS, RECORDED DECEMBER 28, 2000, AS INSTRUMENT NO. 2000135586, (OFFICIAL RECORDS, MONTEREY COUNTY).

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ASSESSOR'S PARCEL NUMBER:

PARCEL I PORTION OF 03-19-024-000
PARCEL II PORTION OF 03-19-025-000
PARCEL III PORTION OF 03-19-025-000

AREA:
PARCEL I 22,679 AC±
PARCEL II 16,975 AC±
PARCEL III 38,844 AC±
TOTAL 78,498 AC±

BASIS OF BEARINGS:

THE BASIS OF BEARINGS FOR THIS SURVEY IS DETERMINED BY FOUND MONUMENTS ON THE NORTHEAST BOUNDARY LINE OF PARCEL 4, AS SAID PARCEL IS SHOWN AND SO DESCRIBED ON THAT RECORD OF SURVEY FILED IN VOLUME 28 OF SURVEY MAPS AT PAGE 10 IN THE OFFICE OF THE COUNTY RECORDER OF MONTEREY COUNTY, THE BEARING BEING S84°21'0"

SURVEYOR'S STATEMENT:

TO: FIRST AMERICAN TITLE COMPANY.
THIS IS TO CERTIFY THAT THE MAP OR PLAN AND THE SURVEY ON WHICH IT IS BASED WERE MADE IN ACCORDANCE WITH THE 2021 MERRIM STANDARD (CLEAN ENERGY) FOR ALTA/NRPS LAND TITLE SURVEYS, FIELD EXAMINED AND ADJUSTED BY ALTA AND NRPS, AND BECAME BOOKS 2, 3, 4, 5, 13, 15 AND 19 OF THIS E. THEREOF, THE FIELD WORK WAS COMPLETED ON MAY 1, 2024.

DATE OF FIELD OR MAP: JULY 30, 2024

PRELIMINARY

WAIN H. HENDERSON
REGISTERED L.S. NO. 7900

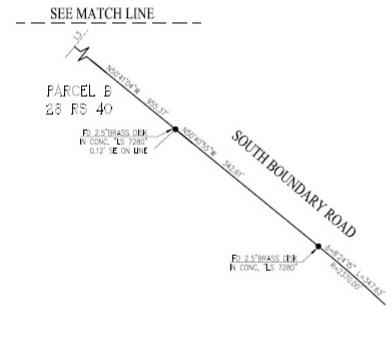
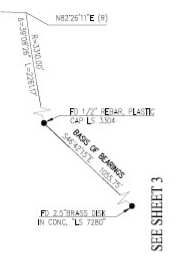
THE WORDS "CERTIFICATE" AND "CERTIFY" AS USED HEREIN ARE INTENDED PURSUANT TO THE STATE OF CALIFORNIA BUSINESS AND PROFESSIONS CODE, PROFESSIONAL LAND SURVEYOR'S ACT, SECTION 8712.6.

A.L.T.A. / N.S.P.S. LAND TITLE SURVEY
DEL REY OAKS

CITY OF DEL REY OAKS MONTEREY COUNTY CALIFORNIA
SCALE: NONE DATE: JULY 30, 2024

Logos for cbg (Civil Engineers, Surveyors, Planners) and SAN RAMON ROSEVILLE CIVIL ENGINEERS SURVEYORS PLANNERS. Includes contact info: (925) 866-0322, (916) 794-1456, www.cbgsd.com.

ORIGINAL SURVEY: JULY 30, 2024
JOB NO.: 3955-000
SHEET NO. 1 OF 3 SHEETS



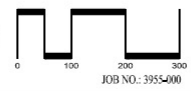
LEGEND

- BOUNDARY LINE
- INTERIOR LOT LINE
- EASEMENT LINE
- ADJACENT PROPERTY LINE
- FENCE LINE
- FOUND MONUMENT, AS NOTED
- BURN
- △ FOUND PILE
- NE NORTH-EAST
- NW NORTH-WEST
- SE SOUTH-EAST
- SW SOUTH-WEST
- IMP IMPROVED WHITE FENCE
- IL INTERIOR LOT LINE
- IP INTERIOR PROPERTY LINE
- IMP CORRUGATED METAL PIPE
- CONC CONCRETE
- DHW DRAINAGE
- EP EDGE OF PAVEMENT
- FO FOUND
- MW MONUMENT WELL
- TL PROPERTY LINE
- PP POINT OF BEGINNING
- PSR PIER

LINE TABLE		
NO.	BEARING	LENGTH
L1	N 84°52'30" W	30.78'
L2	S 84°50'03" W	361.87' (36.80')
L3	N 80°19'50" E	360.00'

A.L.T.A. / N.S.P.S. LAND TITLE SURVEY
DEL REY OAKS

CITY OF DEL REY OAKS MONTEREY COUNTY CALIFORNIA
 SCALE: 1" = 100' DATE: JULY 30, 2024



SAN RAMON • (925) 866-0322
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2
 OF 3 SHEETS

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Mayor Donaldson Report

Below is a summary of the board meeting I attended:

Transportation Agency for Monterey County (TAMC)

May 27, 2026



TAMC Board Receives Update on State Route 68 Adaptive Signal Pilot Project

The Transportation Agency for Monterey County (TAMC) Board of Directors received an update on the State Route 68 Adaptive Signal Pilot Project. The presentation follows the Board's previous authorization of \$1.2 million for Caltrans to conduct a five-year adaptive signal pilot project on State Route 68.

The State Route 68 corridor includes nine signalized intersections that experience significant congestion during peak commute periods. With funding from the Transportation Agency, Caltrans procured a system from Miovision designed to improve traffic flow using real-time traffic data and technology incorporating artificial intelligence (AI). Unlike traditional signal timing, this adaptive system continuously adjusts to changing traffic conditions, allowing it to optimize traffic flow and respond to seasonal traffic fluctuations, special events, and incidents. The system is being evaluated as a five-year pilot program intended to provide real-world performance data while the Agency evaluates whether the benefits of roundabouts justify their cost relative to the adaptive signal system.

The Miovision adaptive traffic signal system was procured by Caltrans last year, and adaptive operations were implemented on May 5, 2026. A preliminary analysis was done on the adaptive operations to reflect typical conditions when local schools are in session. Early results show improved travel times in the prime direction of traffic flow during peak commute times.

During the morning commute, the adaptive system reduced travel times in the primary direction of travel (westbound from Salinas towards the Monterey Peninsula) by over 4 minutes. The average westbound speed during the morning commute increased from 19.5 mph to 21.6 mph due to adaptive signal operations. During the afternoon commute, the adaptive system reduced travel times in the primary direction of travel (eastbound from the Monterey Peninsula towards Salinas) by a little under 1 minute. The average travel speed

eastbound during the afternoon commute increased from 30.3 mph to 31.1 mph after adaptive signal operations were implemented.

Preliminary results indicate that the Miovision adaptive signal system will improve traffic flow along the corridor. The next appropriate time to evaluate signal operations is in the fall when school is back in session and typical driving patterns are prevalent.

This adaptive signal pilot project is important because it establishes a real-world benchmark for evaluating the proposed Phase I Scenic Route 68 Corridor Improvement Project, which includes constructing roundabouts at San Benancio Road, Corral de Tierra, and Laureles Grade.

Measure X Senior & Disabled Transportation Cycle 4 Award Recommendations Approved

The Transportation Agency received ten applications for the Measure X Senior and Disabled Transportation Program Cycle 4 Program, covering fiscal years 2026/27, 2027/28, and 2028/29. Applicants requested a combined total of \$5,758,119—exceeding the \$1.86 million available for Cycle 4 by \$3,898,119. This made Cycle 4 the most competitive funding round to date.

After an extensive discussion following the Board presentation about the funding and selection process, the Board approved the recommendation by the Measure X Citizens Oversight Committee to adopt a resolution to award the Cycle 4 Measure X Senior & Disabled Transportation Program of Projects for Fiscal Years 2026/27 through 2028/29 as follows:

- \$1,116,300 to Independent Transportation Network (ITN) Monterey County
- \$526,328 to Alliance on Aging
- \$50,244 to City of Greenfield
- \$67,128 to Veterans Transition Center
- \$100,000 to Blind & Visually Impaired Center

A summary of proposals and rankings are available at:

<https://www.tamcmonterey.org/files/82d08db5d/Measure+X+Senior+%26+Disabled+-+Cycle+4+Funds+Requested+Summary.pdf>

North Monterey County Regional Transportation Vulnerability Assessment Project

The TAMC Board of Directors received a presentation on the North Monterey County Regional Transportation Vulnerability Assessment (RTVA) Project, which evaluates how climate-related hazards are affecting and will continue to affect the transportation system in North Monterey County.

Findings indicate that precipitation-based hazards, particularly riverine and rainfall-runoff flooding along the Pajaro and Salinas Rivers, are the dominant drivers of transportation vulnerability under existing conditions. Chronic flooding occurs regularly during winter storm events, disrupting mobility, increasing travel times, and limiting access to essential services for residents.

While flooding remains the primary concern today, rising sea levels and coastal processes are expected to intensify impacts after 2050, leading to more frequent coastal and high-tide flooding and compounding inland flood risks. In addition, rising groundwater levels associated with sea level rise will reduce soil infiltration capacity, increasing the speed and extent of surface flooding while accelerating deterioration of roadway infrastructure. Inland and higher-elevation areas, which currently experience fewer impacts, are projected to face increasing risks later in the century from hazards such as landslides, wildfires, and post-fire debris flows as precipitation variability and extreme weather intensify.

Exposure and vulnerability analyses show that transportation assets located in low-lying coastal and riverine areas are particularly at risk, with local roads representing the largest share of exposed infrastructure. Critical corridors (including State Routes 1, 156, and 183, and key local roads such as Castroville Boulevard, Elkhorn Road, and Moss Landing Road) are vulnerable to multiple hazards, which can result in road closures, detours, and system-wide disruptions. These impacts affect not only vehicular travel but also transit service reliability, emergency response, and the movement of goods, particularly for the region's agricultural economy.

The assessment highlights important social and equity considerations. Vulnerability is not evenly distributed across the region, with disadvantaged and rural communities, many of which rely on limited transportation options, experiencing disproportionate impacts from flooding and roadway disruptions. Community engagement confirmed that recurring flooding leads to missed work, limited access to schools and services, and, in some cases, temporary isolation. Traffic demand and the need to maintain reliable transportation access for disadvantaged populations were consistently identified as top priorities in evaluating risk and developing adaptation strategies.

Overall, the RTVA provides a data-driven foundation for prioritizing transportation investments and adaptation projects. By combining hazard exposure, infrastructure vulnerability, and community priorities, the assessment identifies the most at-risk roadway segments and establishes a framework for targeting improvements that enhance system resilience. The findings support a proactive approach to integrating climate considerations into transportation planning, emphasizing near-term action to address existing flooding issues while also preparing for long-term climate impacts through multi-jurisdictionally coordinated, multi-benefit adaptation strategies.

An Update from the Mayor...

June 2026

I'm excited to share with you the latest information on the most important topics and activities happening in our city.

Overall, we are in solid financial shape which allows the city to provide the same high level of services our residents currently enjoy. We are exploring development opportunities on our Fort Ord property and actively seeking additional sources of revenue. Construction and maintenance activities continue to move forward and we've been recognized for our conscientious care of the environment.



Great things are happening throughout the city with exciting prospects on the horizon!

FORTAG

The main focus for the next few months is the undercrossing site near the Public Works yard. Work will also continue on other segments of the trail. You can expect to see activity near the Safeway parking lot soon and crews will be working to connect the road between Carlton Dr. and Highway 218. Based on the current assessment, they expect Carlton Dr. to open sometime before the 4th of July holiday.

The focus as this project moves forward:

- Making sure the city receives a quality product that is built to standard with Del Rey Oaks' best interests in mind so residents can fully enjoy it without the city incurring unnecessary maintenance costs.



- Minimize disruption. As with most projects, delays are unfortunately a normal part of construction. While delays have occurred due to issues beyond the city’s control, we remain diligent and are constantly coordinating with the Lead Agency (TAMC), the Project Manager (MNS) and the Contractor (Graniterock) to identify issues early and keep progress on track.

- Smooth opening of Carlton Drive. Our police will provide a presence and emphasize the need to pay special attention to speed and traffic flow as people adjust to the road reopening.

Please check the city website for the latest information and sign up for alerts and updates at: tamcmonterey.org/fort-ord-regional-trail-greenway-canyon-del-rey

Development

We all notice construction activity in cities like Seaside, Marina and Sand City, and I’m often asked... Why can’t we have something like that in Del Rey Oaks? Unlike other cities on the peninsula who have developed their Ft. Ord properties, our land comes with unique challenges and issues. Since our property has never been developed before, it has environmental and infrastructure challenges, and unexploded ordnance issues that the other cities don’t have.

This has resulted in developers having a difficult time making any project financially viable for our property. The city entered into an Exclusive Right to Negotiate



(ERN) two years ago with a well-established developer (City Ventures) but the company ultimately decided against pursuing a potential project.

Recently, the city council provided direction to the City Manager to reach out to developers who have specific knowledge and skills to deal with the issues and challenges, and have “boots on the ground” experience with Ft. Ord properties. Our economic development team is in the process of assessing

the developers and making a recommendation to potentially enter into an ERN. This item will be coming soon to the city council. As before, the developer would have to determine financial viability before we could potentially move forward with any development plan.

Old Garden Center

The FORTAG contractor (Graniterock) has been using this area to stage some of their equipment, and construction activity on the trail makes it very challenging to begin a



project for long-term use. In order to maintain ownership of this property, any long-term plan will require a public/private partnership between the city and a potential business because we simply don't have the money to make the necessary upgrades to the property. The building itself is in such poor condition that it will most likely need to be taken down.

The city continues to consider short-term uses of the property to generate additional revenue until the site is ready for permanent use. Once we have potential candidates to consider for temporary use, I plan to bring those ideas to the council for discussion and public input.

Rosita Road

The city received a Federal Highway Administration grant last year to repair the shoulder on a portion of the road that has been slipping for many years into the creek below. The grant specified that only native soils could be used for the repair, which is mostly sand in Del Rey Oaks. Our engineer plan reflected that requirement and the road was repaired.



During this past rainy season, the water flowing through the creek below caused erosion and the shoulder began to slip. It has been stabilized and we are waiting until the end of the rainy season to determine the best plan for permanently stabilizing the hillside.

City Finances

Unlike many jurisdictions, Del Rey Oaks continues to have a balanced budget with no need to increase taxes. Most importantly, residents can expect the current level of services provided by the city to continue. This was accomplished by maintaining our current revenue levels and finding ways to cut back as expenditures continue to rise.

Our long-term ability to maintain a balanced budget will become more and more challenging because our revenue sources are limited and our costs and expenditures will continue to rise. That's why our Ft. Ord property is so important. It has been identified as the site to meet our state mandated housing requirements and it will provide much needed economic development to set the city up for success for generations to come.



The solid financial standing of our city has allowed us to potentially move forward on projects that have been deferred for years due to lack of funding. The Rosita Road repair will be the priority and the cost of this project will determine if we're able to proceed with other projects on our list.

We will always try to find grant funding and will focus on the careful use of your money to ensure our little city can provide the services and quality of life that makes our city so special.

Fire Season

Fire season is upon us and the city, along with our neighboring jurisdictions, have addressed the fire threat throughout our area. The city completed an extensive fire fuel mitigation in the City Park and Work Memorial Park. It was necessary to address a fire threat that had been neglected for decades.



We also established an annual routine with the Monterey Peninsula Regional Parks District to address fire fuel concerns along the boundary between houses on Carlton Drive and the Frog Pond. This coordinated effort focuses on clearing dead trees, brush and weeds.

Residents on Rosita Road and The Oaks condominiums face similar fire threats along the shared fence line with the Airport. This area has been neglected for years. Taking a similar approach as with the Parks District, we coordinated with the Monterey Regional Airport to hire crews to clear the area of fire risk. The crews completed phase 1 of the project along the fence line and have begun clearing in the Work Memorial Park area as part of phase 2.

The weeds and brush are relentless but we remain determined to keep it under control.

Environment

In addition to becoming a Tree City, Del Rey Oaks is now a Bee City!

Working with our Public Works Director, Ron Fucci, we integrated pollinator friendly maintenance practices within our City Park and open spaces that will help maintain a healthy environment, and implemented pest management procedures focused on pollinator

We're a Bee City!



BEE CITY USA
A MEMBER OF THE BEES SOCIETY

Photo: Jennifer Hopwood

conservation. We also worked with local businesses to sponsor a pollinator seed giveaway at the Annual Fall Picnic and Earth Day Celebration. Pollinator plants and thousands of seeds were given away to residents and information was provided by the National Wildlife Federation.

These efforts also support my decision to take the Mayors' Monarch Pledge and my ongoing commitment to implementing programs and processes to help sustain the monarch butterfly and other pollinators. I encourage all residents to identify opportunities to create pollinator friendly habitats at your residence.

Spread the Word

- Please share this update with anyone you think might be interested
- Keep an eye out for notifications and check the city kiosks for important messages about upcoming meetings and events
- To sign up for city notifications, go to the City Website and click "Email Subscription" on the main page
- If you have questions or comments, please don't hesitate to contact me at: sdonaldson@delreyoaks.org




Mayor Donaldson

Kim Shirley's Council Report for Tuesday, June 23, 2026

Tuesday, May 12th- Recycling Presentation at The Oaks- As a wrap-up to the education tabling that Sustainable Del Rey Oaks did to promote food composting at the Oaks, we had GreenWaste Recovery come and do a short presentation for residents at The Oaks during their HOA meeting. I was happy to introduce Emily from GreenWaste (she's our representative for Del Rey Oaks and other cities), who gave an excellent presentation about food composting and recycling, while emphasizing the importance and process of both practices. Emily brought kitchen pails and personal recycling bins that people could put in their houses, which turned out to be very popular. I was pleased with the turnout and the interest in these topics. Del Rey Oaks still has some kitchen pails left, so if you're interested in getting a free pail, please let me know, and I'll be happy to drop one off for you.

Wednesday, May 13th- Association of Monterey Bay Area Governments (AMBAG) Meeting- I attended this meeting as an alternate for John Uy, as he was traveling and was not able to attend. The first agenda item was the required presentation on their job vacancies. AMBAG has a 94% retention rate for positions, and they reported their biggest obstacle in recruitment is competition with nearby employers and the high cost of living in our region. The next (and last) item we covered was approving the draft FY 26-27 Monterey Bay Region Overall Work Program and Budget. In order to receive federal funds, this document is required. It covers all AMBAG work programs and activities and is used as a project management tool for AMBAG staff. It had gone through several reviews, so there was little discussion on this topic, and it quickly passed. This document will now go to Caltrans and federal agencies for their approval.

Tuesday, May 19th- City Council Meeting- We began our meeting with four proclamations celebrating National Public Works Week May 17-24, Professional Municipal Clerks Week May 3-9, the 10th Anniversary of Palenke Arts, and National Pride Month for June.

After passing the consent agenda, our main topic of discussion was the draft budget for this next fiscal year. With rising costs in health care and liability insurance, and very little increase in revenue, it's a budget that will likely operate at a deficit. I was happy to hear that the City Manager planned to have a Special Council Meeting in June that will address projects for next year, which will need to be covered by our fund balance. Besides pointing out things such as a need to budget for the elections and maybe increasing the budget for our public works repair category, which is overrun every year, I also spoke about the elimination of the budget for strategic planning. I view strategic planning as a critical piece to establishing goals for our council, direction for the staff, and an opportunity for residents to share their thoughts on what they'd like to see in the city. In response, City Manager

Guertin talked about that as being something that's "nice to have," and he felt that we'd be able to collectively run a strategic planning meeting on our own, without paying for a facilitator. I spoke about this happening when we did have money in the budget, but now that it's been taken out, it seems we have an even smaller chance of this happening.

Some of the suggestions I made when thinking about increasing money available were whether we'd need to dedicate \$45,000 every year for our police cars, which cost upwards of \$90,000 each (we split the cost with the airport). We don't buy a car every year, so I asked to see how much we've accumulated over the years. I also suggested that we may want to look at selling some of the water we have contracted through Marina Coast Water, which is our water purveyor for the Former Ft. Ord, since it's an amount that we'd never completely use. I also mentioned that I was not interested in increasing our Short Term Rental cap this year, which was brought up as a way to increase revenue, mainly because I see that as a last resort (increasing the number of rentals may take up the supply of homes people can live in, while also increasing the number of discontented neighbors). We'll be passing the budget in June, so there will certainly be more to come!

Friday, May 22nd- ReGen Monterey Board Meeting- We began this meeting by passing the consent agenda, although I did pull an item that was about the \$25,000 we contribute to the County for its Litter Abatement Task Force. We agreed to the contribution, but I also asked that we have the County present to our Board about their efforts to hear how we may offer additional assistance or spread our efforts towards more areas on the peninsula (most of the effort is in Marina).

Next we had the presentations for the Artists in Residence, which is one of my favorite things we do at ReGen. CSUMB students are chosen (this year there were 4), and they use materials found on our tip floor as well as the Last Chance Mercantile to savage and create new pieces of art. I love how the artists expand their mediums and integrate sustainability through their artwork. It's the perfect combination of learning, expression, and caring for our planet. It really makes me happy!

Following the presentations, we held a public hearing regarding the increase in disposal rates for next year. This was a topic we've discussed in several meetings and properly noticed the increase in our local papers. We did not have anyone comment on this item, so the next item was to easily approve the rate increases. This led us into a discussion about our draft budget for next year. Our staff has done an excellent job, balancing our budget, catching us up with our reserve policies, and covering the needed capital projects for next year. Our main discussion was addressing the lack of available cash we will have in the future years, but the staff is well aware of this outlook and understands how they will recommend we navigate through the future economic years. Given the ability for additional revenue sources and the loss of one of our largest revenue streams in 2036, it will take a thoughtful approach in the coming years.

Our last agenda items were approving a change order for \$500,000 in new pavement for the covered aerated static pile construction, which will be our new method of composting. This additional pavement was newly added because Keith Day, who does our composting, felt the additional pavement would make his production more efficient, so much so that he agreed to pay for the change order.

Lastly, I'd like to share that during the General Manager comments, we learned that ReGen recently earned some impressive awards from the California Association of Public Information Officials (CAPIO), which is the state's leading professional association for public information officers (not just landfills, but all public agencies). ReGen Monterey earned a *Certificate of Excellence* for its battery fire safety campaign. ReGen, Salinas Valley Recycles and local consultant Blue Strike Environmental also received three awards for the Sort with Heart campaign promoting curbside food scrap collection, including an *Award of Distinction* for its bilingual Public Service Announcement, the top *EPIC Award for Best Communications Campaign in California*, and the *Best in Show* honor among more than 500 entries across all categories. It was a very proud moment to learn about these awards, and yet we were not surprised because we know we have a top-notch communications team at ReGen, and they are excellent at creating partnerships for even more enriched communication.

Tuesday, May 26th- City of Monterey, District 4 Community Meeting- I decided to attend this meeting because I knew they'd be discussing the airport, as well as other interesting topics that are essentially in our backyard. The first topic was talking about the housing complex that will be built across from CVS, where the Cork and Bottle liquor store currently resides. There will be 49 housing units built, with 20% of those being low-income. Residents were concerned that they're only accounting for 39 parking spaces, which, given the state regulations, is permissible. Some ideas were discussed, and it gave residents an opportunity to voice their concerns. The next topic was the airport, which garnered complaints about noise and air quality concerns. Director Jonathan Ahmadi was very good at explaining that the FAA is the one responsible for these concerns, and he shared that coming together as a community group and addressing the FAA with a rule change is a potential solution. Chris Morello, the Executive Director of the airport, was there to share information about the new terminal. The last topic that was addressed was the Fairgrounds, which, as you can imagine, coming off of a Cali Roots weekend, there were several complaints about noise, trash, and security. I enjoyed attending this meeting and seeing the engaged residents and their ability to voice concerns while having Council Member Gino Garcia navigate the conversations. Mayor Tyller Williamson and City Manager Dante Hall were also there, so it was good to touch base with both of them. Mayor Williamson gave a very good introduction into the structural deficit facing Monterey, explaining how it got there and the plans for reducing it. Overall, I appreciated all that I learned in this meeting.

Sunday, May 31st- Del Rey Oaks Pride Flag Raising- Big thanks to Council Member, John Uy for another heartwarming Pride flag raising event! We had a nice turnout, and it was wonderful to have Jessica Ansberry, who is the granddaughter of our former Mayor Charlie Benson, along with her partner, Christina Torres, as our resident guest speakers for the event. In addition, we had Mayor Donaldson give opening remarks and a thought-provoking poetry reading by DRO resident/poetry teacher/writer/artist Patrice Vecchione. We also did some community singing, thanks to the guitar and ukulele playing of DRO residents Scott Laxier, Scott Waltz, and Kevin Raskoff. I was honored to provide the closing remarks and so grateful to see the Pride flag flying in DRO. May it bring comfort and greater awareness of our diversity and inclusiveness values within our city.

Wednesday, June 3rd- ReGen Monterey Finance Committee Meeting- The meeting today was to review the final draft of our budget, which we easily approved for recommendation to the full board. Our financial outlook in the future is deeply dependent on master planning, so we also had some discussions around future capital projects and planning for the build-out of the landfill. It's interesting to talk about economical ways to increase our landfill capacity, while also thinking about our future needs and potential for revenue using our landfill gas. No doubt, there will be many more conversations in the near future as staff continues to work on the master plan.

Monday, June 8th- Monterey-Salinas Transit Board Meeting- Please see the MST board highlights in our agenda packet.

Monday, June 8th- Special City Council Meeting- Similar to other cities and public agencies, this budget season is turning up short. Fortunately, we're in a good position to weather this storm with a healthy reserve, made up of both our "rainy day funds" as well as money that has not yet been spent and can therefore cover our predicted shortfall. Last year our budget showed a greater deficit, but with a lack of spending in various areas, we may break even. So, needless to say, there wasn't as much discussion around the specifics of the budget since many of the "nice to have" budget items have been cut, but I did want to cover some additional topics.

- I asked about our contributions to our Section 115 trust, which saves money to put towards our unfunded CalPers liabilities. We're not contributing this year, so I asked that we talk about this more in our finance committee meetings.
- I asked for clarification regarding our vehicle reserve, in terms of how much money we have collected and whether that money will provide not only police vehicles but also support the needs of public works.
- I was concerned about the money that was removed for a park consultant, which was one of those "nice to have" items. I know that utilizing the former Garden Center parcel is going to be our quickest way to start bringing in additional revenue, but it seems that we'll be working on finding an interim use of that parcel before we embark on any larger plans.

- Although the council was never allowed to prioritize specific projects, I did pitch the idea that the city work with the Monterey Peninsula Regional Park District to create parking spaces down in our corp yard, which would provide safe parking for the Frog Pond (instead of parking along Hwy 218) as well as overflow parking for City Hall. Council Member Uy supported the idea, but Mayor Donaldson and Council Member Burger wanted to wait and hear information from the City Manager about this potential project. I was disappointed that there wasn't a stronger push for this timely project, especially since it greatly benefits our residents. With the completion of FORTAG in the Fall, now's the time to have the contractors leave us with a finished parking lot. I do hope our City Manager continues to work with the Park District on this beneficial project.
- I'm looking forward to more discussions about the use of our fund balance (money that hasn't been allocated). It seems that cities begin to face larger deficits when they don't save money for future infrastructure needs, and I'd like to see the city take a closer look at those needs and create a plan which shows how we may address our aging infrastructure.

Wednesday, June 10th- Seaside Groundwater Basin Watermaster Technical

Advisory Committee- The bulk of our meeting was receiving a presentation on the updated Sea Water Intrusion Model (SWIM) being used for the Salinas Valley Groundwater Basin and the Monterey Subbasin. The original model was created in 2023, and this 2026 version integrates many of the changes that have occurred, providing a more robust model with improved water level calibration. They're finding the model still underestimates water levels in some areas, but collectively it provides a better, more detailed, and more up-to-date view of what's happening in the 180/400 and deep aquifers. This regional model provides some additional information for the Seaside Basin, but to better understand all areas of our basin, we'll need to update our current Seawater Intrusion Model for the Seaside Basin, which was last updated in 2018. Updating our model, now that we have a larger regional model, will also provide benefits to the larger region. The Watermaster will be looking into cost-sharing the work with the Water Management District, so by the time this comes to the full board next month, that should be worked out. The total estimation for this work is \$125,000 and should be completed by the beginning of 2027. One other item of significance was covered during this meeting. Jon Lear from the Water Management District provided an update on the new well we're hoping to install in the area where we've seen an increase in conductivity. This well will be on State Park land, so they've been coordinating with that agency to make sure our well doesn't interfere with their biological goals for the area (for example, making sure to avoid the buckwheat plant as it provides food for a special species of butterfly). At this time, the lawyer for the Water Management District is evaluating what we'll need for the environmental review for the work. It's estimated this well will cost \$80,000, which will be split with the Water Management District.

**Council Report from Councilmember John Uy
June 23, 2026 Meeting**

I. Council Report: Special Meeting of the DRO City Council on May 19, 2026



Dear Del Rey Oaks Neighbors,

During this reporting period, I continued to focus on community belonging, responsible fiscal oversight, public safety, infrastructure, and transparent local government.

I was grateful that the City recognized National Public Works Week and Professional Municipal Clerks Week. These recognitions honored the dedicated staff members whose work often happens quietly behind the scenes but remains essential to the daily life of Del Rey Oaks. I deeply appreciated the service of our public works professionals, City Clerk staff, and administrative team for helping keep our small city safe, responsive, organized, and accessible to the public.

I was also pleased that the City recognized the 10th Anniversary of Palenke Arts and proclaimed June 2026 as Pride Month. These proclamations reflected the values that make Del Rey Oaks special: kindness, inclusion, culture, dignity, and respect for all residents and neighbors. I remained committed to supporting a community where every person feels welcomed, valued, and safe.

I reviewed the monthly public safety and financial reports with continued attention to service levels, transparency, and long-term sustainability. The Police, Fire, and financial reports helped provide important insight into the City's operations, community needs, and fiscal position. I appreciated the staff's work in presenting these materials clearly so the Council and public could better understand the City's priorities and responsibilities.

I also reviewed the transportation, infrastructure, audit, and budget-related items before the Council, including the SB1 project list, TAMC agreements, pavement management work, sidewalk and paving improvements, audit services, and the proposed FY 2026–27 budget. These items reinforced the importance of careful planning, outside funding opportunities, safe streets, ADA accessibility, and responsible stewardship of public funds.

Overall, I remained grateful for the residents, staff, volunteers, and community partners who continued to care for Del Rey Oaks in meaningful ways. Their service, participation, and commitment helped strengthen the spirit of our city.

II. Council Report: Del Rey Oaks Pride Flag Raising on May 31, 2026



Dear Del Rey Oaks Neighbors,

On Sunday, May 31, 2026, I was honored to organize and help facilitate the Del Rey Oaks Pride Flag Raising Event at Del Rey Oaks City Hall. The event was held under the theme, “Love Lives Here,” and it beautifully reflected the spirit of kindness, belonging, dignity, and inclusion that make our city so special.

The program brought together residents, neighbors, community members, faith leaders, artists, and City representatives for a meaningful afternoon of reflection and celebration. The ceremonial portion included an invocation by Reverend Michelle Jelinch Vargas of Unity of Monterey Bay, the singing of the National Anthem by Reija Massey, opening remarks by Mayor Scott Donaldson, a poetry reading by Patrice Vecchione, and heartfelt remarks from Del Rey Oaks residents Jessica Ansberry and Christina Torres.

One of the most moving moments of the afternoon was the raising of the Inclusive Progress Pride Flag by Jessica Ansberry and Christina Torres, two Del Rey Oaks residents whose presence helped center the event in community, visibility, and love. The ceremony was followed by community singing led by Scott Laxier, Dr. Scott Waltz, and Dr. Kevin Raskoff, and closing remarks by Councilmember Kim Shirley.

After the ceremony, attendees gathered for photos, food, rainbow cake, and fellowship. It was a joyful and heartfelt reminder that public service is not only about policies and infrastructure, but also about creating spaces where people feel welcomed, respected, and seen.

I was deeply grateful to everyone who participated, attended, volunteered, and helped make the event possible. The Pride Flag Raising was a meaningful celebration of our LGBTQ+ community and allies, and it affirmed Del Rey Oaks as a small city with a big heart, where love, respect, and belonging truly live.





III. Council Report: Special Meeting of the DRO City Council on June 8, 2026



Dear Del Rey Oaks Neighbors,

On Monday, June 8, 2026, I participated in the Special City Council Meeting of the City of Del Rey Oaks. The meeting focused on several important items that, while technical in nature, directly affected the daily lives of our residents: accessible public spaces, safe roads, responsible use of public funds, and the long-term financial health of our City.

I appreciated the opportunity to review the Del Rey Park ADA Sidewalk Improvements Project funding source amendment. Accessibility improvements are deeply important because they help ensure that our parks and public spaces can be enjoyed by residents of all ages and abilities. At the same time, the funding change reminded me how essential it is for the City to maintain strong internal controls, especially when grant funding and federal compliance requirements are involved. I remained supportive of improving accessibility while also emphasizing the importance of transparency, accountability, and preventing similar documentation issues in the future.

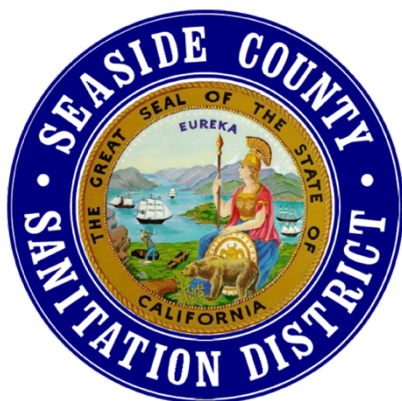
I also reviewed the amended FY 2026–27 SB1 project list, which identified the Rosita Road shoulder repair as the proposed project. Roadway maintenance may not always be the most visible or exciting part of local government, but it is one of the most practical ways we care for our community. Safe streets, well-maintained shoulders, and thoughtful infrastructure planning matter to residents, drivers, pedestrians, emergency responders, and neighbors who simply want to move through Del Rey Oaks safely and confidently.

The proposed FY 2026–27 budget was the most significant item of the meeting. I appreciated staff's work in preparing a cautious and conservative budget during a time of flat revenue projections and rising costs. My focus remained on ensuring that Del Rey Oaks continues to protect essential services, support public safety, maintain infrastructure, and make thoughtful decisions about the use of fund balance. I also paid close attention to the need for long-term revenue diversification so that the City can remain financially stable and resilient in future years.

Overall, the June 8 Special Meeting reflected the serious but meaningful work of local government. These discussions were about more than numbers, projects, and resolutions. They were about how we protect the public's trust, maintain the places residents use every day, and make careful decisions today so Del Rey Oaks can remain a safe, welcoming, accessible, and fiscally responsible community tomorrow.

I remained grateful to City staff, my Council colleagues, and the residents who continue to stay engaged in the work of our City. Del Rey Oaks is a small city with important responsibilities, and I continue to be honored to serve our community with care, diligence, and heart.

IV. Council Report: Regular Meeting of the Seaside County Sanitation District (SCSD) Board of Directors – June 9, 2026



Dear Del Rey Oaks neighbors,

On Tuesday, June 9, 2026, I attended the regular meeting of the Seaside County Sanitation District as Del Rey Oaks' representative. The meeting focused on important regional wastewater infrastructure, fiscal oversight, capacity fees, and long-term sewer system planning that directly affect Del Rey Oaks, Seaside, and Sand City ratepayers.

During the meeting, I reviewed the January through March 2026 expenditures and the District's drawdown request. I appreciated the continued attention to financial accountability, especially because sewer services require careful long-term planning, responsible cash management, and transparent use of ratepayer funds.

I also reviewed the May 2026 operations report with special attention to Del Rey Oaks. I was pleased to see that Del Rey Oaks had no mainline stoppages, no lateral stoppages, and no sanitary sewer overflows reported for the month of May. At the same time, I remained attentive to the need for continued preventive maintenance, timely root-cause review, and fair service coverage across all member jurisdictions.

The Board also considered an ordinance related to proportional sewer capacity fees for accessory dwelling units. I appreciated the intent of aligning the District's fee structure with state law while also making sure the process remains understandable and fair for homeowners. As housing rules continue to evolve, it is important that residents and applicants receive clear information early in the process so there are no surprises after they have already invested time and resources into a project.

The most significant item of the meeting was the Broadway Avenue Sewer Upgrades project. The Board considered a major investment to enlarge sewer infrastructure along Broadway Avenue in Seaside in coordination with the City of Seaside's Complete Streets project. I recognized the practical value of coordinating sewer upgrades with roadway improvements so the District can avoid unnecessary future pavement disruption and restoration costs. At the same time, I remained focused on ensuring that District-wide funds are used fairly,

transparently, and with a clear regional benefit to all ratepayers, including residents of Del Rey Oaks.

Overall, the June 9 SCSD meeting was a meaningful reminder that sanitation infrastructure is often invisible when it works well, but it is essential to public health, environmental protection, housing, economic development, and quality of life. I remained grateful to District staff for their technical work and to my fellow Board members for their continued attention to responsible infrastructure planning.

I will continue to monitor SCSD projects closely so that Del Rey Oaks residents are represented with care, fairness, and accountability in regional sanitation decisions.

V. Council Report: AMBAG Board of Directors Meeting – June 10, 2026

On Wednesday, June 10, 2026, I attended the AMBAG Board of Directors meeting as part of Del Rey Oaks’ continued regional representation. The meeting focused on important issues that extended beyond any one city’s boundaries, including transportation planning, sustainability, climate resilience, regional growth, fiscal oversight, and long-range coordination across the Monterey Bay area.



During the meeting, I reviewed several consent items that reflected AMBAG’s ongoing role as a regional convener and planning agency. These included the Regional Clearinghouse Monthly Newsletter, the Sustainability Programs Update, the Monterey Bay Area Regional Climate Project Working Group Memorandum of Understanding, Formal Amendment No. 12 to the Metropolitan Transportation Improvement Program, the Regional Travel Demand Model technical support contract amendment, and the financial update report. Together, these items showed how much regional planning work happens quietly but meaningfully behind the scenes.

I especially appreciated the sustainability and climate resilience work discussed through AMBAG’s programs. Regional efforts such as energy efficiency outreach, electric vehicle infrastructure planning, climate adaptation, and coordinated grant-seeking are important for small communities like Del Rey Oaks because they help local jurisdictions access expertise and funding opportunities that may be difficult to pursue alone. This kind of collaboration helps ensure that climate resilience is not only a large-city priority, but a shared regional responsibility.

I also paid close attention to the transportation-related items, including the MTIP amendment and the continued support for regional travel demand modeling. Transportation planning

affects how our residents move through the region for work, school, services, healthcare, recreation, and family life. For Del Rey Oaks, it remains important that regional transportation decisions reflect safety, connectivity, accessibility, environmental responsibility, and the needs of smaller cities as well as larger jurisdictions.

The most significant item of the meeting was the Final 2050 Metropolitan Transportation Plan/Sustainable Communities Strategy and Final Environmental Impact Report. This long-range planning document helped shape the region's transportation, growth, housing, environmental, and climate strategy through 2050. I appreciated the importance of this work because decisions made at the regional level can influence future funding, infrastructure priorities, greenhouse gas reduction efforts, and how communities across Monterey, San Benito, and Santa Cruz Counties grow together.

Overall, the AMBAG meeting was a meaningful reminder that Del Rey Oaks is part of a larger regional ecosystem. The choices made by AMBAG affect the roads our residents travel, the climate investments our communities can access, the housing and growth assumptions that shape our future, and the regional partnerships that help small cities remain strong.

I remained grateful for the opportunity to represent Del Rey Oaks in these broader regional conversations. I will continue to advocate for planning that is thoughtful, fiscally responsible, environmentally aware, and attentive to the needs of small communities like ours.

VI. Council Report: An Invite to the Monterey Peninsula Pride Parade – June 27, 2026

Invitation to Join the Del Rey Oaks Contingent in the Monterey Peninsula Pride Parade

I warmly invite our Del Rey Oaks residents, families, friends, neighbors, LGBTQ+ community members, and allies to join the City of Del Rey Oaks contingent in the Monterey Peninsula Pride Parade on Saturday, June 27, 2026, in Downtown Monterey.

Our group will gather at 10:00 AM on Polk Street, and the parade will step off at 11:00 AM. This will be a joyful, family-friendly celebration of love, unity, belonging, and pride. Everyone will be welcome to march with us, wave a flag, bring color and kindness, and stand together in support of dignity and inclusion for all.

I hope many members of our community will join us for this memorable day. Together, we will show that Del Rey Oaks is a small city with a big heart, where everyone deserves to feel seen, respected, and welcomed.

JOIN THE CITY OF DEL REY OAKS IN THE
MONTEREY PENINSULA PRIDE PARADE!




March with Pride!

 DOWNTOWN MONTEREY

 SATURDAY, JUNE 27, 2026

 PARADE STEPS OFF AT 11:00 AM

 MEET TIME AT 10:00 AM ON POLK ST

 GATHER YOUR FAMILY AND FRIENDS AND BE PART OF A MEMORABLE,
JOYFUL, AND FAMILY-FRIENDLY CELEBRATION.

 EVERYONE IS WELCOME TO JOIN THE DEL REY OAKS CONTINGENT.

 LET'S COME TOGETHER—RAISING OUR VOICES, WAVING OUR FLAGS,
AND MARCHING IN UNITY, LOVE, AND PRIDE.
LET'S MAKE IT A DAY TO REMEMBER!





Contact Del Rey Oaks Police Department

From DRO Website - Contact Police Department <noreply@civicplus.com>
Date Mon 5/25/2026 10:14 AM
To Chris Bourquin <CBourquin@delreyoaks.org>

Cmdr Roger Guzman
Sgt. David Nguyen
Ofc. Justin Tang
Det. Chris Salopek
Ofc. Tom Dowson

CAUTION: This email is from outside the City of Del Rey Oaks. Do NOT click LINKS or open ATTACHMENTS unless you are sure it is safe.

Submitted on Mon, 05/25/2026 - 10:14 AM

Submitted by: Anonymous

Submitted values are:

First Name

Jeri

Last Name

Vanderzwaan

Address

24 Carlton

Email Address

zwaan@sbcglobal.net

Staff Member**Members**

Chris Bourquin, Chief of Police

Question/Comment:

I want to commend and thank your officers who responded to the bomb incident on Carlton Drive May 23. I'm sorry I don't know the names of the responding officers, but they handled the situation calmly, efficiently and professionally making those of us in the area feel safe and informed.

We appreciate all you do for our community.

Thank you.

The results of this submission may be viewed at:

https://www.delreyoaks.org/admin/structure/webform/manage/contact_del_rey_oaks_police_depa/ssion/1546

Item A.



MST HIGHLIGHTS
Board of Directors Meeting
June 8, 2026

RECOGNIZED JUNE MST EMPLOYEE OF THE MONTH

The MST Board adopted Resolution 2026-19 recognizing Ursulla Scardina, Communications Specialist as Employee of the Month for June 2026 and for her outstanding contribution to MST and the entire community.

RECOGNIZED APTA EMERGING LEADERS GRADUATE

The MST Board recognized Emma Patel, Planning Manager, as a May 2026 graduate of the APTA Emerging Leaders Program.

RECOGNIZED NATIONAL SAFETY MONTH

The MST Board received a special presentation recognizing MST as the recipient of the APTA Safe, Clean, and Efficient GOLD Award and announced the Employee BBQ dates.

APPROVED FY2026 PROGRAM OF PROJECTS

The MST Board of Directors approved the FY2026 Federal Program of Projects and authorized the filing of the appropriate grant applications with the Federal Transit Administration and Caltrans.

ADOPTED FY2027 – FY2028 OPERATING AND CAPITAL BUDGET

The MST Board held a public hearing, adopted the FY2027 – FY2028 Operating and Capital Budget, approved Resolution 2026-20 authorizing the filing of Federal Grant applications, and authorized staff to apply to the Transportation Agency for Monterey County for Transportation Development Act Local Transportation Funds and State Transit Assistance for FY 2027.

AUTHORIZED A CONTRACT WITH JAWNT FOR RELOADABLE TRANSIT/PARKING PAYMENT CARDS

The MST Board authorized the General Manager/CEO or their designee to enter into a three (3) year contract with Jawnt for reloadable cEMV transit/parking payment cards, with the option to extend for two (2) additional one (1) year terms, in an amount not to exceed \$2,101,206, including option years.

RECEIVED REPORT FROM NOMINATING COMMITTEE AND CONDUCTED ELECTION OF OFFICERS

The MST Board received a report from the nominating committee, conducted an election of officers, and appointed Tony Barrera from the City of Salinas, to serve as the MST Board Chair and appointed Luis Alejo, from the County of Monterey, to serve as the MST Board Vice Chair for fiscal years 2027 and 2028.

NEXT MST BOARD MEETING

The next regular MST Board meeting is scheduled for July 13, 2026.



TRANSPORTATION AGENCY FOR MONTEREY COUNTY
HIGHLIGHTS

May 27, 2026

TAMC Board Receives Update on State Route 68 Adaptive Signal Pilot Project

The Transportation Agency for Monterey County (TAMC) Board of Directors received an update on the State Route 68 Adaptive Signal Pilot Project. The presentation follows the Board's previous authorization of \$1.2 million for Caltrans to conduct a five-year adaptive signal pilot project on State Route 68.

The State Route 68 corridor includes nine signalized intersections that experience significant congestion during peak commute periods. With funding from the Transportation Agency, Caltrans procured a system from Miovision designed to improve traffic flow using real-time traffic data and technology incorporating artificial intelligence (AI). Unlike traditional signal timing, this adaptive system continuously adjusts to changing traffic conditions, allowing it to optimize traffic flow and respond to seasonal traffic fluctuations, special events, and incidents. The system is being evaluated as a five-year pilot program intended to provide real-world performance data while the Agency evaluates whether the benefits of roundabouts justify their cost relative to the adaptive signal system.

The Miovision adaptive traffic signal system was procured by Caltrans last year, and adaptive operations were implemented on May 5, 2026. A preliminary analysis was done on the adaptive operations to reflect typical conditions when local schools are in session. Early results show improved travel times in the prime direction of traffic flow during peak commute times.

During the morning commute, the adaptive system reduced travel times in the primary direction of travel (westbound from Salinas towards the Monterey Peninsula) by over 4 minutes. The average westbound speed during the morning commute increased from 19.5 mph to 21.6 mph due to adaptive signal operations. During the afternoon commute, the adaptive system reduced travel times in the primary direction of travel (eastbound from the Monterey Peninsula towards Salinas) by a little under 1 minute. The average travel speed eastbound during the afternoon

commute increased from 30.3 mph to 31.1 mph after adaptive signal operations were implemented.

Preliminary results indicate that the Miovision adaptive signal system will improve traffic flow along the corridor. The next appropriate time to evaluate signal operations is in the fall when school is back in session and typical driving patterns are prevalent.

This adaptive signal pilot project is important because it establishes a real-world benchmark for evaluating the proposed Phase I Scenic Route 68 Corridor Improvement Project, which includes constructing roundabouts at San Benancio Road, Corral de Tierra, and Laureles Grade.

Measure X Senior & Disabled Transportation Cycle 4 Award Recommendations Approved

The Transportation Agency received ten applications for the Measure X Senior and Disabled Transportation Program Cycle 4 Program, covering fiscal years 2026/27, 2027/28, and 2028/29. Applicants requested a combined total of \$5,758,119—exceeding the \$1.86 million available for Cycle 4 by \$3,898,119. This made Cycle 4 the most competitive funding round to date.

After an extensive discussion following the Board presentation about the funding and selection process, the Board approved the recommendation by the Measure X Citizens Oversight Committee to adopt a resolution to award the Cycle 4 Measure X Senior & Disabled Transportation Program of Projects for Fiscal Years 2026/27 through 2028/29 as follows:

- \$1,116,300 to Independent Transportation Network (ITN) Monterey County
- \$526,328 to Alliance on Aging
- \$50,244 to City of Greenfield
- \$67,128 to Veterans Transition Center
- \$100,000 to Blind & Visually Impaired Center

A summary of proposals and rankings are available here:

<https://www.tamcmonterey.org/files/82d08db5d/Measure+X+Senior+%26+Disabled+-+Cycle+4+Funds+Requested+Summary.pdf>

North Monterey County Regional Transportation Vulnerability Assessment Project

The TAMC Board of Directors received a presentation on the North Monterey County Regional Transportation Vulnerability Assessment (RTVA) Project, which evaluates how climate-related hazards are affecting and will continue to affect the transportation system in North Monterey County.

Findings indicate that precipitation-based hazards, particularly riverine and rainfall-runoff flooding along the Pajaro and Salinas Rivers, are the dominant drivers of transportation vulnerability under existing conditions. Chronic flooding occurs regularly during winter storm events, disrupting mobility, increasing travel times, and limiting access to essential services for residents.

While flooding remains the primary concern today, rising sea levels and coastal processes are expected to intensify impacts after 2050, leading to more frequent coastal and high-tide flooding and compounding inland flood risks. In addition, rising groundwater levels associated with sea level rise will reduce soil infiltration capacity, increasing the speed and extent of surface flooding while accelerating deterioration of roadway infrastructure. Inland and higher-elevation areas, which currently experience fewer impacts, are projected to face increasing risks later in the century from hazards such as landslides, wildfires, and post-fire debris flows as precipitation variability and extreme weather intensify.

Exposure and vulnerability analyses show that transportation assets located in low-lying coastal and riverine areas are particularly at risk, with local roads representing the largest share of exposed infrastructure. Critical corridors (including State Routes 1, 156, and 183, and key local roads such as Castroville Boulevard, Elkhorn Road, and Moss Landing Road) are vulnerable to multiple hazards, which can result in road closures, detours, and system-wide disruptions. These impacts affect not only vehicular travel but also transit service reliability, emergency response, and the movement of goods, particularly for the region’s agricultural economy.

The assessment highlights important social and equity considerations. Vulnerability is not evenly distributed across the region, with disadvantaged and rural communities, many of which rely on limited transportation options, experiencing disproportionate impacts from flooding and roadway disruptions. Community engagement confirmed that recurring flooding leads to missed work, limited access to schools and services, and, in some cases, temporary isolation. Traffic demand and the need to maintain reliable transportation access for disadvantaged populations were consistently identified as top priorities in evaluating risk and developing adaptation strategies.

Overall, the RTVA provides a data-driven foundation for prioritizing transportation investments and adaptation projects. By combining hazard exposure, infrastructure vulnerability, and community priorities, the assessment identifies the most at-risk roadway segments and establishes a framework for targeting improvements that enhance system resilience. The findings support a proactive approach to integrating climate considerations into transportation planning, emphasizing near-term action to address existing flooding issues while also preparing for long-term climate impacts through multi-jurisdictionally coordinated, multi-benefit adaptation strategies.

SETTLEMENT AGREEMENT AND GENERAL RELEASE

APN 031-191-013

This Settlement Agreement (“Agreement”) is made and entered into this 15th day of May 2023 (the “Effective Date”) by and among California Native Plant Society (“CNPS”), on the one hand, and the City of Del Rey Oaks (“City” or “Del Rey Oaks”), on the other hand. CNPS and City are each sometimes referred to in this Agreement individually as a “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, on June 2, 2020, the California Native Plant Society (“CNPS”) filed a Petition for Writ of Mandate under the California Environmental Quality Act (“CEQA”) and other causes of action in the Superior Court of the State of California, County of Monterey, Case No. 20CV001529 (the “Action”), challenging the actions by the Fort Ord Reuse Authority (FORA) and the City of Del Rey Oaks related to a proposed road through a rare plant reserve in the former Fort Ord within the boundaries of the City. On June 30, 2020, FORA dissolved pursuant to legislative action;

WHEREAS, CNPS and the City, in an effort to resolve the litigation without further expenditure of resources, have reached an agreement as set forth below; and

NOW, THEREFORE, in consideration of the mutual terms, covenants, and conditions set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which each of the Parties hereby acknowledges, the Parties agree as follows:

SETTLEMENT TERMS

1. OBLIGATIONS UNDER THIS AGREEMENT; CONSIDERATION.

1.1. Commitment to Acquire Property. The City shall work diligently to obtain title to the 4.6-acre parcel (APN 031-191-013) formerly known as Fort Ord EDC parcel E29a.1 (“Property”) which is currently vested with the Fort Ord Reuse Authority which has been dissolved by operation of law, and the Property being more particularly described in Exhibit A, attached hereto, and incorporated herein. City shall provide a copy of the recorded deed that shows City ownership to counsel for CNPS.

1.2. Protection of Property and Deed Restriction: The parties agree to the following terms, all of which shall also be incorporated into a deed restriction that Del Rey Oaks shall record in the Official Records of the County of Monterey after the quitclaim and repudiation is filed pursuant to section 1.5 of this Agreement and the City acquires title to the Property, but prior to any other recordation that may be related to the Property.

1.2.1. Del Rey Oaks acknowledges that the Property, APN 031-191-013, consisting of approximately 4.6 acres (including 2.6 acres of preserve and 2 acres of buffer), formerly known as Fort Ord EDC parcel E29a.1, now referred to as CNPS Plant Reserve 1 North and/or the Del Rey Oaks Habitat Reserve, was protected as a conservation site under the California Environmental

Quality Act (CEQA) as a mitigation in the adopted 1999 Final Environmental Assessment/Initial Study for the North-South Road/Highway 218 Improvements Project.

1.2.2. The 2010 Environmental Assessment/Initial Study environmental documents prepared and certified by the Fort Ord Reuse Authority for a South Boundary Road roadway improvement project required Del Rey Oaks to renegotiate a possible relocation of the protected habitat area as a prerequisite to proceeding with the proposed realignment of South Boundary Road through the Property. That requirement has been satisfied as follows: a relocation of the protected habitat area has not been negotiated, instead, the parties agree South Boundary Road will not go through the Property.

1.2.3. The Property is hereby protected in perpetuity for its conservation values, and cannot be used as mitigation for other projects. No vegetation modification shall be allowed on the Property, unless allowed herein. "Protected in perpetuity" shall mean that nothing shall be done that may degrade or adversely impact the Property and its conservation/biological values in perpetuity, unless specifically stated otherwise herein. "Development" shall mean: the placement or erection of any solid material or structure; the discharge or disposal of any dredged material or of any gaseous, liquid, solid, or thermal waste thereon; grading of any kind, removing, dredging, mining, or extraction of any materials; change in the density or intensity of use of land, including, but not limited to, subdivision pursuant to any statute or regulation, and any other division of land, including lot splits; change in the intensity of use of water, or of access thereto; construction, reconstruction, demolition, or alteration of the size of any structure, including any facility of any private, public, or municipal utility; and the cutting, pruning, masticating, removal or harvesting of vegetation. Barbed-wire fencing is prohibited. However, a low wooden fence through which wildlife can pass easily may be erected on public property at the property boundaries. As used in this Agreement and the deed restriction, "structure" includes, but is not limited to, any building, road, pavement, concrete, masonry, pipe, flume, conduit, siphon, aqueduct, telephone line, and electrical power transmission and distribution line, or any other utility lines.

1.2.4. Del Rey Oaks shall not allow actions for fire prevention purposes on the Property, with two exceptions: (a) unless mandated in writing by a public agency with preemptive authority to do so. Such agency shall have received and reviewed the deed restriction, following at least ten days' written notice to CNPS. Likewise, Del Rey Oaks may allow actions for fire prevention purposes where mandated by its insurance carrier to prevent cancellation of policy, upon receipt and review by the carrier of the deed restriction and following at least ten days' written notice to CNPS. In all cases, a prescribed burn shall be the preferred method of fire prevention, as it would preserve and potentially enhance the conservation values. CNPS acknowledges that Del Rey Oaks has no authority to mandate which fire prevention methods may be required. To the extent it has control over fire prevention methods, Del Rey Oaks shall not allow mowing, mastication, or other mechanical methods of fuel reduction. (b) the use of prescribed fire to stimulate rare plant growth and enhancement of habitat or other scientifically acceptable methods that restore or stimulate rare plant growth and enhancement of habitat but only on the condition that the method is first agreed to in a writing between the City and the California Native Plant Society prior to any actions at the Property.

1.2.5. The parties acknowledge that the provisions of this Agreement and the deed restriction may be preempted by State or Federal authority with respect to ordinance removal or hazardous material removal.

1.2.6. Del Rey Oaks shall not conduct offsite activities that would be detrimental to the conservation values of the Property, including but not limited to increasing drainage onto or off of the Property.

1.2.7. The conservation values of the Property are as follows: the Property contains high quality Maritime Chaparral habitat that supports a number of special status plant species, including but not limited to the California endangered Seaside Bird's Beak [*Cordylanthus rigidus* sub.sp *littoralis*], the federally threatened Monterey Spineflower [*Chorizanthe pungens* var. *pungens*], California Rare Plant Rank 1B.1 Eastwood's Goldenbush [*Ericameria fasciculata*], and California Rare Plant Rank 1B2 Toro Manzanita [*Arctostaphylos montereyensis*], Sandmat Manzanita [*Arctostaphylos pumila*], Hooker's Manzanita [*Arctostaphylos hookeri*].

1.2.8. Del Rey Oaks shall have no affirmative duty to actively manage the Property.

1.2.9. All members of the public are beneficiaries of this permanent protection, which is made in the public interest.

1.2.10. Signage: Del Rey Oaks shall install signage to be located on the Property at the northerly, southerly, and westerly boundaries of the site. No commercial signage will be permitted.

1.2.10.1. The following language is agreed to be appropriate signage: "The Del Rey Oaks Habitat Reserve is a protected rare plant habitat that conserves a small intact fragment of the unique floristic diversity of Fort Ord. This Habitat Reserve is protected in perpetuity by the City of Del Rey Oaks in exchange for road developments that impacted rare plants in Maritime Chaparral habitat. No development of any kind is allowed at the Habitat Reserve. To learn more about this 4.6-acre parcel, go to <https://chapters.cnps.org/montereybay>." A title shall be centered and placed above the above referenced language, in slightly larger font and in all capital letters, that reads "DEL REY OAKS HABITAT RESERVE."

1.2.10.2. The signage shall be installed no later than 60 days of the execution of this Agreement by all of the Parties, and shall be no less than nine (9) square feet (3' x 3') and be readable from a distance of 25 feet.

1.2.10.3. Signage with the language and format provided above shall be installed around the perimeter of the Property, with no less than 125 feet between each sign, that says "Del Rey Oaks Habitat Reserve: protected Maritime Chaparral habitat."

1.2.10.4. The signage at the property may be modified providing there is a prior written agreement by the City and CNPS as to the modifications.

1.3. CNPS will send a letter to Del Rey Oaks expressing its appreciation for the agreement of Del Rey Oaks to not pursue putting a road through the Property.

1.4. The City shall provide a copy of the recorded deed restriction to counsel for CNPS within 60 days of the execution of this Agreement by all of the Parties.

1.5. Repudiation/Abandonment of Document. Del Rey Oaks acknowledges that Document 2009070771, recorded October 30, 2009, was recorded when Del Rey Oaks did not have record title to the Parcel and thus was legally ineffective. To avoid potential future confusion

Del Rey Oaks will, within 60 days of the execution of this Agreement by all of the Parties and after City acquires title to the Property, but prior to any other recordation that may be related to the Property, record a document stating as much and abandoning and quitclaiming all interest in and claims as to Document 2009070771 and shall state that the repudiation shall at a minimum be applicable to the entire Property.

2. RECORDATION. Del Rey Oaks shall record this fully executed settlement Agreement as an attachment to the deed restriction called for in Section 1.4, above.

3. DISMISSAL. No more than three (3) court days following execution of this Agreement by all of the Parties, CNPS shall file a dismissal with prejudice of the entire Action.

4. FULL SATISFACTION. It is the intention of the Parties in executing this Agreement that this Agreement, including the obligations described in Paragraph 1 above, shall be effective as a full, complete and final satisfaction of CNPS's causes of action in the Action.

5. COSTS AND EXPENSES. As further mutual consideration for the promises set forth herein, each Party shall bear its own costs and expenses, including without limitation, attorneys' fees and costs incurred in connection with the Action, and attorneys' fees incurred in connection with the negotiation and preparation of this Agreement.

6. MUTUAL RELEASE OF CLAIMS. For and in consideration of the above-referenced obligations under this Agreement, each and every Party to this Agreement hereby releases, disposes, and forever discharges each and every other Party, including its officers, managers, partners, directors, boards, trustees, agents, employees, representatives, attorneys, insurers, departments, divisions, subdivisions, sections, offices, successors and assigns, and each of them, from any and all claims, complaints, demands, causes of action, obligations, damages, costs, expenses, liens, attorneys' fees, warranties, rights and liabilities that have arisen in connection with the Action. Notwithstanding any of the above, this release shall not prohibit CNPS or Del Rey Oaks and its officers, boards, agents and representatives from commenting and otherwise participating in processes, proceedings, and other actions regarding South Boundary Road and any other projects whether past, present or future, including but not limited to impacts and mitigations, and shall not prohibit CNPS or Del Rey Oaks from enforcing this Agreement and the previous agreements between FORA, Del Rey Oaks, and CNPS.

7. WAIVER OF RIGHTS UNDER CIVIL CODE SECTION 1542. The parties expressly agree that, except as provided below, this Agreement extends to all claims of every nature and kind, known or unknown, suspected or unsuspected, vested or contingent, as to the specific causes of action brought in the Action and that could have been raised in the Action and that as to those claims any and all rights granted under Section 1542 of the California Civil Code or any analogous state law or federal law or regulation **ARE HEREBY EXPRESSLY WAIVED.** Section 1542 of the California Civil Code states as follows:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.”

Notwithstanding any of the above, this waiver shall not prohibit CNPS or Del Rey Oaks and its officers, boards, agents and representatives from commenting and otherwise participating in processes, proceedings, and other actions regarding South Boundary Road and other projects whether past, present or future, including but not limited to impacts and mitigations, and shall not prohibit CNPS or Del Rey Oaks from enforcing this Agreement and the previous agreements between FORA, Del Rey Oaks, and CNPS.

The Parties acknowledge that their attorneys-at-law have explained to them the meaning and effect of this statute. The Parties understand fully the statutory language of Civil Code Section 1542, and, with the understanding, the Parties nevertheless elect to, and do, assume all risk for claims released under this Agreement heretofore discovered or hereafter discovered, known or unknown, and the Parties specifically waive any rights they may have under Civil Code Section 1542. The Parties fully understand that if the facts with respect to this Agreement are found hereafter to be other than or different from the facts now believed by it to be true, that each party expressly accepts and assumes the risk of such possible difference in facts and agrees that this Agreement shall be and remain effective, notwithstanding such difference in facts.

8. **NO ADMISSION.** Neither this Agreement nor any of the terms or provisions hereof shall be construed as an acknowledgment or admission of wrongdoing or liability on the part of any Party.

9. **ENTIRE AGREEMENT.** This Agreement contains the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements, representations, and understandings of the Parties, including, without limitation, agreements between California Native Plant Society/Del Rey Oaks/Fort Ord Reuse Authority of 1998, 1999 and 2000 which required that the habitat area, herein called the Property, be permanently protected from fragmentation and degradation in perpetuity. This Agreement may not be amended or modified by the Parties except in writing executed by all Parties. No waiver of any provision of this Agreement shall be binding unless executed in writing by the Party making the waiver. No waiver of any provision of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar. Nor shall any waiver constitute a continuing waiver.

10. **AMENDMENTS.** No amendment, alteration, modification, or withdrawal of this Agreement shall be valid, binding, or effective unless made in writing and signed by each Party.

11. **EXECUTION OF DOCUMENTS; COUNTERPARTS.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Counterparts executed and transmitted by electronic mail shall be deemed an original. The signature page of each counterpart may be detached and attached to a single copy of this Agreement which shall for all purposes be treated as a single, original document.

12. **INTERPRETATION.** The parties have arrived at this Agreement through negotiation, and each Party and the representative of each Party to this Agreement has reviewed this Agreement. Therefore, the normal rule of construction set forth in California Civil Code section 1654, to the effect that any ambiguities are to be resolved against the drafting Party, shall not be employed in any interpretation of this Agreement.

13. **HEADINGS.** The headings in this Agreement are for convenience only and shall not affect the meaning of the terms as set out in the text.

14. **AUTHORITY.** The attorneys and others executing this Agreement represent that they are authorized to do so as agents of the respective parties. Further, each Party represents and warrants that the individual executing this Agreement on its behalf possesses full authority to execute the Agreement and to bind that Party to its terms.

15. **ATTORNEYS' FEES.** If any action is taken to enforce this Agreement or any of its terms, including but not limited to, the deed restriction, the prevailing party shall be entitled to attorney fees, expert fees, and out-of-pocket expenses regardless of whether litigation is filed as part of the enforcement efforts.

16. **MEDIATION.** In the event of any dispute arising under or in connection with this Agreement, before either party may initiate litigation, they must attempt to resolve the dispute through mediation in good faith. If mediation fails or if circumstances do not allow time for mediation, then any Party may initiate litigation.

17. **GOVERNING LAW; VENUE.** This Agreement shall be governed by and interpreted by and in accordance with the laws of the State of California, with venue in Monterey County.

18. **CCP § 664.6.** The Parties hereby expressly agree and stipulate that the Court shall retain jurisdiction over this matter pursuant to provisions the California Code of Civil Procedure §664.6.

19. **NOTICES.** All notices shall be delivered as follows:

For California Native Plant Society:
California Native Plant Society,
Monterey Bay Chapter
Attn.: President
P.O. Box 221303
Carmel, CA 93922
Email to: brian@brianleneve.com and nikki@ventanaview.net

Executive Director, California Native Plant Society
2707K Street, Suite 1
Sacramento CA 95816-5130
Email to: cnps@cnps.org

For City of Del Rey Oaks:
Attention City Manager
650 Canyon Del Rey Blvd.
Del Rey Oaks, CA 93940

IN WITNESS WHEREOF, the undersigned do hereby execute this Agreement as of the date set forth below their signature.

CITY OF DEL REY OAKS

By: John Guenther
Name: John Guenther
Its: City Manager
Dated: 5-15-23

Approved as to form:

By: [Signature]
Dated: 5/15/23
Name: Alex Lopez, City Attorney

**CALIFORNIA NATIVE PLANT SOCIETY,
MONTEREY BAY CHAPTER**

By: _____
Name: _____
Its: _____
Dated: _____

Approved as to form:

By: _____
Dated: _____
Name: _____

IN WITNESS WHEREOF, the undersigned do hereby execute this Agreement as of the date set forth below their signature.

CITY OF DEL REY OAKS

By: _____

Name: _____

Its: _____

Dated: _____

Approved as to form:

By: _____

Dated: _____

Name: _____

**CALIFORNIA NATIVE PLANT SOCIETY,
MONTEREY BAY CHAPTER** JB 5/15/2023

By: Jun Bando

Name: Jun Bando

Its: Executive Director

Dated: May 15, 2023

Approved as to form:

By: Brian L

Dated: May 15, 2023

Name: BRIAN L 20202

MONTEREY BAY CNPS
PAST PRESIDENT

EDC Parcel E29a.1
FOST 10
Fort Ord Military Reservation
City of Del Rey Oaks
Monterey County, California

Legal Description

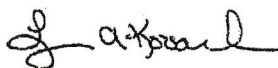
SITUATE in a portion of the former Fort Ord Military Reservation as it is shown on that certain map recorded in Volume 19 of Surveys at Page 1, and being a portion of Parcel 1 as it is shown on that certain map recorded in Volume 23 of Surveys at Page 103, Official Records of Monterey County, being within Monterey City Lands Tract No. 1, County of Monterey, State of California; being more particularly described as follows:

BEGINNING at a point on the northerly boundary of South Boundary Road shown as Parcel 18 on that certain map recorded in Volume 20 of Surveys at Page 110, being also "Point B" in the legal description of EDC parcel E29a, said parcel being shown as Parcel A on that certain map recorded in Volume 28 of Surveys at Page 40; thence from said Point of Beginning along said northerly boundary

1. North 50° 41' 04" West for a distance of 511.18 feet to the beginning of a tangent curve; thence
2. Along a curve to the right, through a central angle of 73° 55' 59", having a radius of 150.00 feet, for an arc length of 193.56 feet, and whose long chord bears North 13° 43' 04" West for a distance of 180.40 feet to a point of intersection with a tangent line being also a point on the easterly boundary of General Jim Moore Boulevard as shown on said map; thence along said easterly boundary
3. North 23° 14' 55" East for a distance of 271.56 feet to an angle point in the boundary of said Parcel A; thence leaving said easterly boundary and following the boundary of said Parcel A
4. North 84° 50' 03" East for a distance of 36.80 feet; thence
5. South 14° 52' 39" East for a distance of 90.78 feet; thence
6. South 45° 00' 00" East for a distance of 565.69 feet; thence
7. South 26° 00' 01" West for a distance of 293.98 feet to the POINT OF BEGINNING.

Containing an area of 4.628 acres, more or less.

This legal description was prepared by

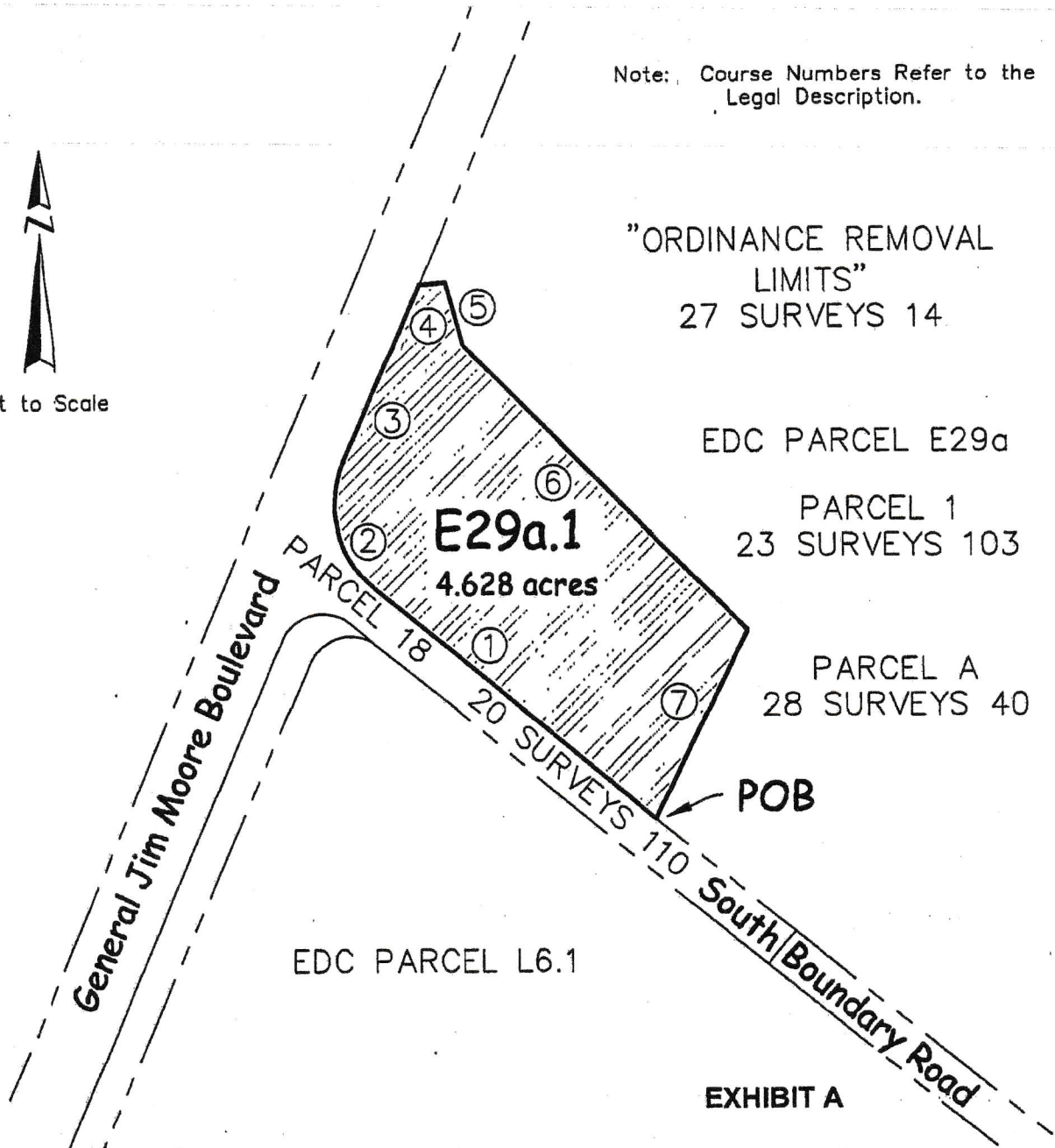
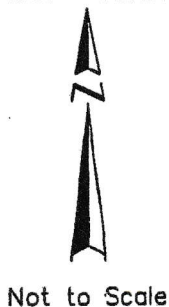


Lynn A. Kovach L.S. 5321
My license expires December 31, 2009



EXHIBIT
of
EDC Parcel E29a.1
City of Del Rey Oaks
Fort Ord FOST 10
Being a Portion of
Parcel 1 as shown on Vol. 23 of Surveys at Page 103
Lying within the Fort Ord Military Reservation
as shown on Vol. 19 of Surveys at Page 1
Being also within Monterey City Lands Tract No. 1
Monterey County, California

Note: Course Numbers Refer to the
Legal Description.



"ORDINANCE REMOVAL
LIMITS"
27 SURVEYS 14

EDC PARCEL E29a

PARCEL 1
23 SURVEYS 103

PARCEL A
28 SURVEYS 40

POB

EDC PARCEL L6.1

EXHIBIT A

June 11, 2026

Sender's email: gavin@kogancounsel.com

City of Del Rey Oaks
Attn: City Manager John Guertin; Mayor Scott
Donaldson; and Members of the City Council
650 Canyon Del Rey Blvd.
Del Rey Oaks, CA 93940

SENT VIA EMAIL

Via Email: kminami@delreyoaks.org; cityclerk@delreyoaks.org

Re: Enforcement of Settlement Agreement and Deed Restriction – Del Rey Oaks Habitat Reserve (APN 031-191-013); Monterey County Superior Court Case No. 20CV001529 Demand to Cure Breaches and Permit Invasive-Species Removal

Dear City Manager Guertin, Mayor Donaldson, and Members of the City Council:

This firm represents the California Native Plant Society, Monterey Bay Chapter (“CNPS”), in connection with the *Settlement Agreement and General Release* dated May 15, 2023 (the “Settlement Agreement”), and the *Deed Restriction* recorded June 13, 2024, as Monterey County Document No. 2024020589 (the “Deed Restriction”), both concerning the 4.628-acre Del Rey Oaks Habitat Reserve, APN 031-191-013 (the “Property”). The Settlement Agreement resolved CNPS’s petition in *California Native Plant Society v. City of Del Rey Oaks* (the “City”), Monterey County Superior Court Case No. 20CV001529 (the “Action”).

CNPS has on more than one occasion asked the City for permission to send trained volunteers onto the Property, at no cost to the City, to remove invasive French broom (*Genista monspessulana*) that is encroaching on and degrading the rare-plant habitat the Settlement Agreement and Deed Restriction were created to protect. Most recently, on January 13, 2026, CNPS again solicited the City’s cooperation together with an agreement permitting CNPS volunteers access for habitat conservation without any cost to City and offering the City comprehensive indemnification.

The City has consistently refused, taking the position that the instruments prohibit removal of “any vegetation” and that the City has “no affirmative duty” to manage the Property. As explained below, the City’s refusal to engage with invasive-species removal, where the invasive species is allegedly degrading the enumerated conservation values, turns the “no affirmative duty” clause into an obstruction clause, a construction contrary to the plain terms and stated purpose of the Settlement Agreement and Deed Restriction. This letter constitutes CNPS’s formal demand that the City cure its breaches.

I. The Governing Instruments and the Court’s Retained Jurisdiction

The May 15, 2023, Settlement Agreement was fully executed by both parties and, at Section 18, the parties expressly stipulated that the Court “shall retain jurisdiction over this matter pursuant to” California Code of Civil Procedure section 664.6. The Deed Restriction, recorded as Document No.

2024020589, incorporates the Settlement Agreement as Exhibit B and recites that the City “irrevocably covenant[s] with CNPS for the benefit of the public” to impose the stated restrictions “in perpetuity for the purpose of habitat protection and resource conservation.” The Deed Restriction runs with the land and binds the City and all successors and assigns (Deed Restriction, § 2).

Because Section 18 expressly requests retained jurisdiction under Code of Civil Procedure section 664.6, and because that request was included in the parties’ signed settlement while the Action was pending, CNPS may seek enforcement by motion in the existing Action. See Code Civ. Proc., § 664.6; *Wackeen v. Malis*, 97 Cal.App.4th 429, 439–440 (2002).

II. The City Is in Material Breach of the Settlement Agreement and Deed Restriction

A. The Perpetual-Protection Covenant (Deed Restriction § 1.3; Settlement Agreement § 1.2.3)

Section 1.3 of the Deed Restriction (and the parallel Section 1.2.3 of the Settlement Agreement) provides that the Property “is hereby protected in perpetuity for its conservation values” and that “nothing shall be done that may degrade or adversely impact the Property and its conservation/biological values in perpetuity.” The conservation values are defined in Section 1.7 as the Maritime Chaparral habitat and its rare constituent species, including Seaside Bird’s Beak (*Cordylanthus rigidus ssp. littoralis*), Monterey Spineflower (*Chorizanthe pungens var. pungens*), Eastwood’s Goldenbush (*Ericameria fasciculata*), Toro Manzanita (*Arctostaphylos montereyensis*), Sandmat Manzanita (*Arctostaphylos pumila*), and Hooker’s Manzanita (*Arctostaphylos hookeri*).

French broom is an aggressive invasive that outcompetes these native species for light, water, and nutrients. The City’s refusal to permit its removal is not mere passive inaction. By using its exclusive control over access to the Property to block the only entity willing and able to perform the conservation work—at no cost to the City—the City has made an affirmative decision that permits and accelerates the very degradation Section 1.3 forbids. That is an act, not an omission, and it places the City in ongoing breach of the perpetual-protection covenant.

B. The Conservation-Enhancement Mechanism (Deed Restriction § 1.4(b); Settlement Agreement § 1.2.4(b))

Section 1.4(b) expressly authorizes “the use of prescribed fire to stimulate rare plant growth and enhancement of habitat or other scientifically acceptable methods that restore or stimulate rare plant growth and enhancement of habitat,” provided the method is “first agreed to in a writing between the City and the California Native Plant Society prior to any actions at the Property.” Invasive-species removal is among the most fundamental and widely accepted methods of habitat restoration in conservation biology, and it falls squarely within this provision. That Section 1.4(b) was included strongly underscores that habitat enhancement is a central purpose of the Agreement;

Even if Section 1.4(b) requires the City’s written agreement before restoration work proceeds, that requirement does not confer on the City arbitrary veto power. Where a contract gives one party discretion affecting the other party’s contractual benefits, the discretion must be exercised in good faith and consistently with the agreement’s purposes. More pointedly, by refusing even to engage with CNPS’s proposed scientifically accepted restoration work, the City is using the written-agreement mechanism in Section 1.4(b) to frustrate the very conservation purpose that mechanism was included to serve. Every

contract includes an implied covenant of good faith and fair dealing, and where one party has discretion affecting the other party’s contractual benefits, that discretion must be exercised in good faith and consistently with the agreement’s purposes. (*Carma Developers (Cal.), Inc. v. Marathon Development California, Inc.* (1992) 2 Cal.4th 342, 371–373; *Locke v. Warner Bros., Inc.* (1997) 57 Cal.App.4th 354, 363–367; *Storek & Storek, Inc. v. Citicorp* (2002) 100 Cal.App.4th 44, 55–56.)

C. The Vegetation-Modification Prohibition Protects Native Species, Not Invasives

The City’s contention that the instruments bar removal of “any vegetation” misreads them. The prohibition on “the cutting, pruning, masticating, removal or harvesting of vegetation” in Section 1.3 exists to protect the conservation values defined in Section 1.7—the native Maritime Chaparral species. Reading that prohibition to shield invasive French broom, a species that actively destroys those enumerated values, would defeat the instruments’ stated purpose and produce an absurd result.

California law forbids such a reading. A contract must be construed to give effect to the mutual intention of the parties and to the instrument as a whole, with every clause given effect where reasonably practicable. (Civ. Code, §§ 1636, 1638, 1641; *City of Atascadero v. Merrill Lynch, Pierce, Fenner & Smith, Inc.* (1998) 68 Cal.App.4th 445, 473.) An interpretation that leads to an absurd result, or that renders the contract’s central purpose impossible to achieve, must be rejected. (Civ. Code, § 1638.) Interpreting a perpetual conservation covenant to protect the very invasives it was designed to eradicate is nonsensical, it’s like reading a fire code’s ban on “discharging materials in a building” to prohibit the use of a fire extinguisher.

CNPS’ reading is also consistent with California’s statutory policy favoring enforceability of conservation easements and conservation restrictions. (Civ. Code, §§ 815–816.) Recorded conservation restrictions are construed in light of their conservation purpose, and courts will enforce such restrictions where the instrument shows an intent to preserve land for conservation or open-space values. (*Canyon Vineyard Estates I, LLC v. DeJoria* (2022) 78 Cal.App.5th 995.) Here, the Deed Restriction expressly states that the Property is protected “in perpetuity” for habitat protection and resource conservation, so its vegetation provisions are logically read to protect the enumerated native habitat values, not invasive species that degrade them.

D. The “No Affirmative Duty” Clause Does Not Authorize Obstruction (Deed Restriction § 1.8)

Section 1.8 provides that the City “shall have no affirmative duty to actively manage the Property.” That clause means only that the City need not initiate or fund management activities itself. It does not authorize the City to prevent others from performing conservation work under the Section 1.4(b) framework. There is a fundamental difference between “we are not required to do it ourselves” and “we will prevent anyone else from doing it,” and the City conflates the two.

Moreover, Section 1.8 cannot be read in isolation to nullify the perpetual-protection covenant (§ 1.3), the conservation-enhancement mechanism (§ 1.4(b)), the enumerated conservation values (§ 1.7), and the public-beneficiary designation (§ 1.9). A construction that allows one clause to render the remainder of the instrument meaningless is impermissible. (*City of Atascadero*, supra, 68 Cal.App.4th at p. 473 [contract construed as a whole so as to give effect to every part]; Civ. Code, § 1641.) Section 1.8 must be harmonized with, not allowed to swallow, the instruments’ core conservation obligations.

Section 1.8 should be treated as a funding/management disclaimer, not as an anti-restoration veto. Reading it otherwise would nullify Section 1.3’s perpetual-protection covenant and Section 1.4(b)’s express restoration mechanism, contrary to Civil Code § 1641 and *City of Atascadero*.

E. The Concertina-Wire Fencing Violates the Express Prohibition (Deed Restriction § 1.3)

Section 1.3 states plainly: “Barbed-wire fencing is prohibited. However, a low wooden fence through which wildlife can pass easily may be erected on public property at the property boundaries.” The Property continues to have concertina (razor) wire fencing along portions of its perimeter. Such fencing is both within the prohibition on barbed-wire fencing and inconsistent with the required wildlife-permeable, low wooden fence. This is a separate and continuing breach of the recorded Deed Restriction.

F. The Required Interpretive Signage Has Not Been Installed (Deed Restriction §§ 1.10–1.10.4)

Section 1.10 requires the City to install interpretive signage at the northerly, southerly, and westerly boundaries of the Property, with perimeter signs no more than 125 feet apart, no later than 60 days after execution of the Settlement Agreement. Well past that deadline, the required signage has not been installed. This is a further breach of both instruments.

III. Demand

On behalf of CNPS, we demand that the City cure the foregoing breaches by executing the proposed Property Access and Indemnity Agreement (a draft of which CNPS provided to the City on January 13, 2026, and is also attached for reference) and otherwise complying with the Settlement Agreement and Deed Restriction. Specifically, we demand that, within thirty (30) days of the date of this letter, the City:

- (1) Execute the proposed Property Access and Indemnity Agreement, or otherwise authorize CNPS’s trained volunteers to enter the Property to remove invasive French broom at no cost to the City, and engage in good faith to reach the written agreement on method contemplated by Section 1.4(b);
- (2) Remove the concertina/barbed-wire fencing from the Property and replace it, if any fencing is to be maintained, with a low wooden fence through which wildlife can pass, as required by Section 1.3; and
- (3) Install the interpretive and perimeter signage required by Sections 1.10 through 1.10.4 in the form and at the intervals specified therein.

Please also confirm in writing, within the same thirty-day period, whether the City recorded the repudiation and quitclaim of Document No. 2009070771 as required by Settlement Agreement Section 1.5, and whether the Deed Restriction was recorded prior to any other recordation related to the Property, as Section 1.2 requires. If either obligation remains unfulfilled, CNPS demands that the City cure those breaches within the same thirty-day period. CNPS reserves all rights with respect to these and any other instances of non-compliance.

IV. Attorneys’ Fees and Next Steps

Section 15 of the Settlement Agreement provides that, in any action to enforce the agreement or the Deed Restriction, “the prevailing party shall be entitled to attorney fees, expert fees, and out-of-pocket

expenses regardless of whether litigation is filed as part of the enforcement efforts.” This fee-shifting provision materially affects the cost calculus of continued non-compliance, and CNPS will seek its full fees and costs if it is required to move to enforce.

CNPS sends this letter in a sincere effort to resolve this dispute without court intervention. Consistent with Section 16 of the Settlement Agreement, CNPS hereby formally requests the City agree within the thirty-day cure period to participate in a mutually scheduled mediation. Should the City fail to cure or to schedule or participate meaningfully in mediation within the thirty-day period, CNPS is prepared to move to enforce the Settlement Agreement under Code of Civil Procedure section 664.6 in the existing Action (Case No. 20CV001529), seeking a judicial determination that the City’s refusal to permit invasive-species removal breaches Section 1.3 and that such removal is a “scientifically acceptable method” within Section 1.4(b), together with orders compelling good-faith engagement, removal of the non-compliant fencing, installation of the required signage, and an award of fees and costs.

We would welcome the opportunity to discuss a prompt resolution. Please direct your response to the undersigned.

Sincerely,

KOGAN COUNSEL APC



Gavin Kogan, Esq.

ENCL.

Property Access & Indemnity Agreement

Attachment

[Proposed]**PROPERTY ACCESS AND INDEMNITY AGREEMENT**

This PROPERTY ACCESS AND INDEMNITY AGREEMENT (“Agreement”) is made effective this October __, 2025 (“Effective Date”), by and between the California Native Plant Society (CNPS) and the City of Del Rey Oaks (the CITY).

RECITALS

WHEREAS, On or about May 15, 2023, the CNPS and the CITY entered and thereafter recorded that Deed Restriction and Settlement Agreement (“Settlement Agreement”) concerning the permanent protection and conservation of Del Rey Oaks Habitat Reserve (APN 031-191-013) (the “Property”);

WHEREAS, subsequent to the Settlement Agreement the CNPS has requested (1) the CITY remove barbed wire fencing (“Fencing”) expressly forbidden by the Settlement Agreement and (2) permission to enter the Property to remove non-native invasive plant species (“Invasive Plants”) from time to time that are degrading the conservation/biological value of the Property;

WHEREAS, The City and CNPS have expressed disagreement concerning the scope of the City’s obligations under the Settlement Agreement, however, mutually recognize the conservation goals intended by the Settlement Agreement;

NOW THEREFORE, CNPS and the CITY have negotiated and desire to enter into this Agreement to permit CNPS authorization to enter the Property and remove the Fencing and Invasive Plants upon the following terms and conditions.

AGREEMENT

1. **Recitals Integration.** The above recitals are hereby incorporated into this Agreement and made a part hereof.
2. **Definitions.** The following definitions shall control in this Agreement.
 - a) **Fencing.** Fencing is any structural element on the Property having the primary purpose of suspending barbed wire.
 - b) **Invasive Plants.** Non-native invasive plants are plant species that were introduced—intentionally or accidentally—from outside the Monterey geographic range and that establish self-sustaining populations in Monterey wildlands, agricultural areas, or urban environments. These species spread aggressively without natural controls, outcompete native vegetation, disrupt ecosystem functions, degrade wildlife habitat, alter fire regimes and hydrology, and often cause significant economic or ecological harm. Examples of such plants in Monterey’s coastal regions are genista, yellow veldt grass, ripgut brome, ice plant, cape ivy and the like.
3. **Purpose.** The purpose of this Agreement is to foster the conservation/biological value of the property by permitting City to enter the Property to accomplish the removal of Fencing and Invasive Plants (“Removal”) without amending, modifying or interpreting the Settlement Agreement, imposing upon either Party any

obligation outside the Settlement Agreement or establishing a course of conduct that could be construed as a waiver of either Parties' rights under the Settlement Agreement.

Item 1.

4. CNPS Property Access. In exchange for CNPS promises herein, the City shall allow CNPS expressly authorized representatives to enter the Property to accomplish Removal, subject to the following process:

- a) CNPS Request. CNPS is entitled to make not more than six (6) request per annum seeking to accomplish Removal (each a "Request"). Each Request shall be in writing and identify (i) preferred dates and times of Property access, (ii) identify CNPS authorized representatives by first and last name, (iii) state the specific Removal activity contemplated and (iv) the Property location where such activity is to occur with reasonable specificity.
- b) CITY Authorization. Within a reasonable time, following CNPS Request, not to exceed fifteen (15) days, the CITY shall by writing identify not less than four specific dates (within 30 days of the Request) and hours (not less than five (5) hours of daylight each day) that CNPS representatives are authorized to accomplish Removal.
- c) CNPS Confirmation. CNPS shall confirm in writing the dates and times authorized by City that CNPS will access the Property to accomplish Removal.
- d) Good Faith Cooperation. The Parties shall exercise good faith in scheduling CNPS access and be reasonably flexible to adjust dates and times as either of the Parties may need from time to time.

5. No Partnership or Joint Venture. This Agreement solely grants access to the Property for the specific purpose of accomplishing Removal and shall not be construed to create any partnership, joint venture, agency relationship, or any other form of legal association between the Parties, except for the limited access rights explicitly stated herein. Neither Party shall have the authority to bind or obligate the other in any manner not expressly provided for in this Agreement.

6. No Easement. This Agreement and the access rights granted herein shall not be construed to establish or imply any easement by proscriptioin or otherwise. The Parties expressly agree that CNPS's access to the Property is limited to the terms and conditions set forth in this Agreement, and nothing contained herein shall be interpreted as granting CNPS any easement, right, or interest in the Property beyond the specific permissions explicitly stated.

7. CNPS Representations and Warranties.

- a) Limited Activity on Property. CNPS acknowledges that it is exclusively permitted to do the foregoing on the Property and that all other activity is in violation of this Agreement:
 - i) remove Fencing;
 - ii) remove Non-Native Plants; and
 - iii) any other activity authorized in writing by City.
- b) No Planting or Manicuring. CNPS acknowledges that it shall not engage in any activity on the Property that could reasonably be construed as planting or manicuring flora, except for activities necessary for the removal of Non-Native Invasive plants and the protection of native species directly impacted by such removal.
- c) Insurance. CNPS shall procure and maintain, at its own expense, comprehensive general liability insurance, including coverage for bodily injury, property damage, and environmental liability, with a minimum coverage amount of \$1,000,000 per occurrence and \$2,000,000 aggregate. This insurance shall

name the City of Del Rey Oaks, its officers, agents, employees, and representatives as additional insured. CNPS shall provide the CITY with certificates of insurance and endorsements evidencing such coverage prior to accessing the Property and shall ensure that such insurance remains in effect throughout the term of this Agreement. CNPS shall promptly notify the CITY of any changes, cancellations, or non-renewals of the insurance required herein. Failure to maintain the insurance required under this Agreement shall be considered a material breach of this Agreement.

8. Indemnification of City. CNPS shall indemnify, defend, and hold harmless the City of Del Rey Oaks, its officers, agents, employees, and representatives from and against any and all claims, demands, damages, liabilities, losses, costs, or expenses, including reasonable attorney's fees, arising out of or related to CNPS's access to, activities on, or use of the Property, including but not limited to claims for personal injury, property damage, or environmental liability, except to the extent caused by the negligence or willful misconduct of the City, its officers, agents, employees, or representatives. This obligation to indemnify and hold harmless shall survive the termination or expiration of this Agreement.

9. Confidentiality & Non-Disparagement. The Parties hereto agree not to make any disparaging comments about each other, whether directly or indirectly, through any medium or format. Nothing in this Agreement shall prevent either Party from making required disclosures under applicable public records laws or from reporting violations of the Settlement Agreement.

10. Effect on Settlement Agreement. The Settlement Agreement shall remain in full force and effect. In the event of any conflict between this Agreement and the Settlement Agreement, the terms of the Settlement Agreement shall govern and control.

11. Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California. Venue for any legal action shall lie exclusively in the state or federal courts located in Monterey County, California, and the Parties agree to submit to the personal jurisdiction of such courts.

12. Dispute Resolution. Any disputes arising strictly from this Agreement shall prior to any action other than by equity be first submitted to not less than one full day of mediation. The Parties agree to engage in mediation before a mutually agreed-upon mediator within thirty (30) days of a written request by either Party. The mediation shall take place in Monterey County, California, and the costs of the mediation shall be shared equally between the Parties. If a Party fails to schedule or participate in the mediation in good faith, that Party shall waive any right to recover attorney's fees in any subsequent legal proceedings related to the disputes

13. Notices. All notices under this Agreement shall be delivered as follows:

CITY
City of Del Rey Oaks
650 Canyon Del Rey Blvd.
Attn: City Clerk
(831) 394-8511
kminami@delreyoaks.org

CNPS
CNPS
2707 K Street, Suite 1
Sacramento, CA 95816
Attn: Jue Bando
(916) 447-2677
CNPS@CNPS.org

14. Entire Agreement. This Agreement together with the Settlement Agreement constitutes the entire agreement of the Parties with respect to the subject matter thereof and supersedes all prior and contemporaneous oral or written understandings concerning the terms reflected herein.

15. Counterparts and Electronic Signatures. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Signatures transmitted by PDF or electronic means shall be deemed original. Item 1.

16. Authority and Execution. Each Party represents and warrants that it has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder. The individuals signing below on behalf of each entity are duly authorized to do so.

[Signature Page Follows]

WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

CITY

City of Del Rey Oaks, California

By: _____
Name: Name, title

CNPS:

California Native Plant Society
a California non-profit corporation

By: _____
Name: Name, title