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

REGULAR MEETING AGENDA
OF THE CITY OF DEL REY OAKS CITY COUNCIL
TUESDAY, OCTOBER 27, 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

Join the Live-Streamed 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. **PROCLAMATIONS:**

   A. Filipino-American History Month

   B. LGBTQ+ History Month

   C. Breast Cancer Awareness Month

   D. Operation Green Light for Veteran's November 4-11, 2026

5. PRESENTATION:

A. None

6. CONSENT AGENDA:

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

1. City Council Meeting Minutes September 22, 2026

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

1. Fire Department Monthly Response Report September 2026

2. Police Department Monthly Response Report September 2026

3. Monthly Financial Reports September 2026

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

1. Consider Approval of Resolution 2026-23, proclaiming the threatened existence of the local emergency due to the anticipated 2026-27 El Niño storm impacts and authorizing storm preparedness actions

2. Consider Awarding the Landscape Maintenance Contract to K&D Landscaping, Inc, Authorize the City Manager to Execute the Agreement, and Approval of Resolution 2026-24.

3. Consider Approval of the Resolution reappointing Louise Goetzelt to the Monterey County Mosquito Abatement District Board of Trustees for the four-year term described above and directing the City Clerk to notify the District.

7. OLD BUSINESS:

A. None

8. NEW BUSINESS:

A. Consider Approval of an Exclusive Right to Negotiate Agreement with Shea Homes Limited Partnership for Potential Development of City-Owned Former Fort Ord Parcels

B. Storm Preparation

C. Appeal Hearing for the Notice of Expiration and Revocation concerning Commercial Cannabis Business Permit CBP-17-01 at 100 Calle Del Oaks

9. STAFF REPORTS:

A. Council Reports are in the packet

10. CORRESPONDENCE:

A. In the packet

11. NEXT MEETING DATE: Tuesday, November 17, 2026 at 6PM

The regular meeting is scheduled a week early due to the Thanksgiving holiday

12. 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.

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PROCLAMATION

The City of Del Rey Oaks City Council

Hereby Honoring Filipino – American History Month

Whereas, on October 18, 1587, more than a century before the Mayflower crossed the Atlantic Ocean, the first "Luzones Indios," as Filipinos were known in those days, arrived in Morro Bay, California after sailing across the Pacific Ocean as sailors on Spanish galleons; and

Whereas, between 1906 and 1935, the first large wave of Filipino immigration to the United States began, as Filipinos were recruited to work in the agricultural industries, canneries, and on sugarcane plantations; and

Whereas, during World War II, approximately 200,000 Filipino soldiers, including thousands from California, fought under United States command to preserve the liberty of our country and win back the liberty of the Philippines; and

Whereas, between 1941 and 1959, a second wave of Filipino immigration began, as nurses, students, fiancées of World War II military personnel, veterans, and many Filipinos who had served in the United States Navy settled in Navy towns, including Alameda, where they created flourishing Filipino American communities; and

Whereas, in 1965, the third wave of Filipino immigration began after enactment of the Immigration and Nationality Act abolished "national origins" as the basis for immigration, allowing for much- needed Filipino medical professionals to come to the United States; and

Whereas, October was first recognized as Filipino American History Month in California in 2009. During this month, Del Rey Oaks recognizes the lasting and significant contributions of Filipino Americans to our city and our nation, as educators and artists, politicians and laborers, veterans and judges. Every day, Filipino Americans continue to enrich our cultural, economic, intellectual, social, spiritual, and political lives; and

NOW, THEREFORE I, Scott Donaldson, Mayor of the City of Del Rey Oaks, do herby proclaim October as Filipino-American History Month.

Signed this 27th day of October, 2026

_____

Scott Donaldson, Mayor

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PROCLAMATION

The City of Del Rey Oaks City Council

LGBTQ+ History Month

Whereas, the path towards LGBTQ+ equality and liberation has been paved by courageous persons who have fought for the right to love and be loved, and their positive societal contributions of advancing areas of diversity, inclusion, equity, and respect deserve recognition; and

Whereas, LGBTQ+ History Month celebrates and commemorates those who fought for equal rights and services for the LGBTQ+ community; and is a means of educating others, promoting a culture of acceptance and inclusivity, and advancing equality for all; and

Whereas, the City of Del Rey Oaks is proud of its diverse community; committed to equality for individuals of all sexual orientations, gender identities and gender expressions; and engages with community partners to provide safe spaces for LGBTQ+ individuals and their families to receive culturally sensitive services; and

Whereas, today Del Rey Oaks endeavors to eliminate prejudice wherever it exists, recognize the multitude of identities that make each of us unique individuals, and envision a safe, inclusive world that allows all members of society to live openly and truthfully;

Now, Therefore I, Scott Donaldson, Mayor of the City of Del Rey Oaks, on behalf of the City Council, do hereby proclaim the month of October, 2026 as LGBTQ+ History Month.

Signed this 27th day of October, 2026

_____

Scott Donaldson, Mayor

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PROCLAMATION

The City of Del Rey Oaks City Council

Breast Cancer Awareness Month

WHEREAS, breast cancer is one of the most commonly diagnosed cancers among women; and

WHEREAS, Breast Cancer Awareness Month began in 1985 as a partnership between the American Cancer Society and Imperial Chemical Industries Pharmaceuticals (AstraZeneca); and

WHEREAS, many organizations, including the American Cancer Society and Susan G. Komen for the Cure, hold community events promoting awareness, raise funds for research and provide progress in how breast cancer is diagnosed and treated; and

WHEREAS, in 2026, more than 300,000 new cases of breast cancer are expected to be diagnosed; and

WHEREAS, more than 43,000 women die from breast cancer each year in the United States; and

WHEREAS, increased breast cancer screening increases early detection; reduces death; increases life expectancy; decreases late-stage cancer diagnoses; and increases five-year survival rates; and

WHEREAS, this is an opportunity for The City of Del Rey Oaks to "Go Pink" in October to raise awareness, promote early screening and honor those affected by breast cancer;

NOW THEREFORE, that I, Scott Donaldson, Mayor of the City of Del Rey Oaks, on behalf of the City Council, do hereby recognize October 2026, as **National Breast Cancer Awareness Month**.

Signed this 27th day of October, 2026

_____

Scott Donaldson, Mayor

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PROCLAMATION

SUPPORTING OPERATION GREEN LIGHT FOR VETERANS

November 4–11, 2026

WHEREAS, the residents of the City of Del Rey Oaks hold deep respect and gratitude for the men and women who have served our nation in the United States Armed Forces; and

WHEREAS, the service and sacrifices of military veterans and their families have helped preserve the freedoms, security, and way of life we cherish; and

WHEREAS, Del Rey Oaks shares a special connection to our nation's military history through neighboring former Fort Ord and the generations of service members and veterans who have made the Monterey Peninsula their home; and

WHEREAS, veterans continue to strengthen our communities through their leadership, public service, volunteerism, and commitment to helping others; and

WHEREAS, the transition from military service to civilian life can present challenges, and raising awareness of available resources and fostering a sense of belonging can help veterans and their families thrive; and

WHEREAS, Operation Green Light for Veterans encourages communities to illuminate homes, businesses, and public buildings with green lights as a visible expression of appreciation and a reminder to veterans that they are seen, valued, and supported; and

WHEREAS, the City of Del Rey Oaks supports this tribute and encourages residents, businesses, and community organizations to participate in honoring those who have served.

NOW, THEREFORE, I, Scott Donaldson, Mayor of the City of Del Rey Oaks, on behalf of the City Council, do hereby proclaim November 4–11, 2026, as **OPERATION GREEN LIGHT FOR VETERANS' WEEK** in the City of Del Rey Oaks and encourage all residents and businesses to display a green light during this observance, honor the service and sacrifice of our veterans and their families, and demonstrate our community's enduring gratitude through acts of recognition and support.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Del Rey Oaks to be affixed this 27th day of October, 2026.

_____

Scott Donaldson, Mayor

City of Del Rey Oaks

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

Action Minutes

Tuesday, September 22, 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 and Police Chief Bourquin

Pledge of Allegiance:

Led by Mayor Donaldson

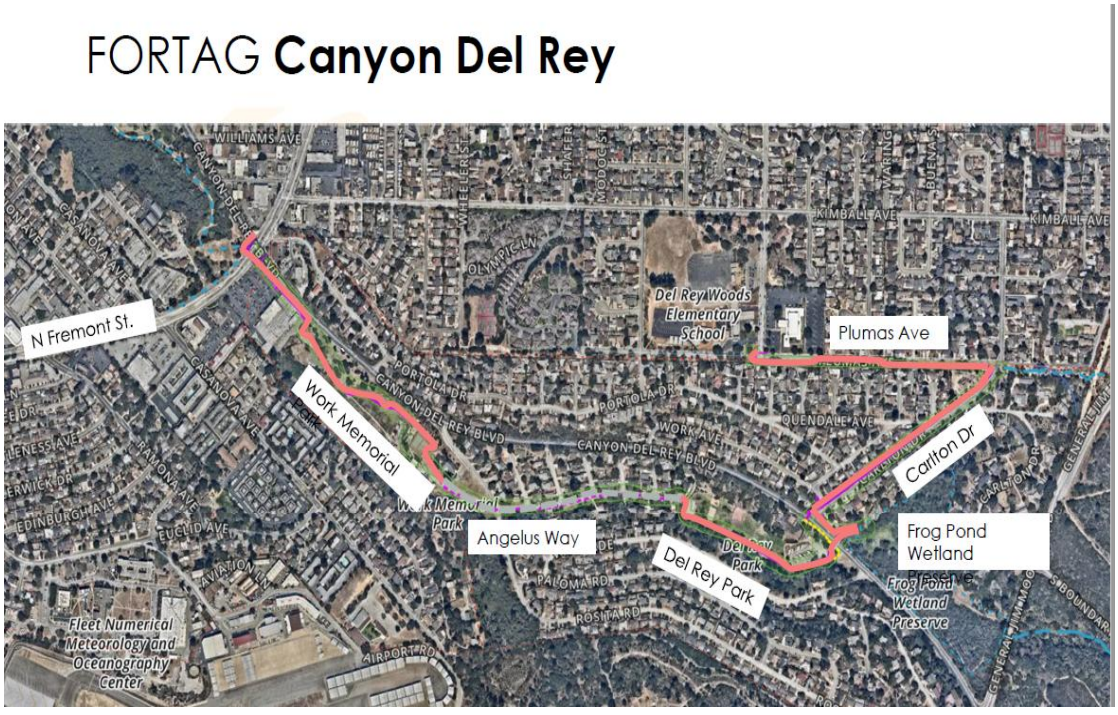
Public Comment:

Mike Buffo, AMP: Introduces himself and offers AMP's extra service, as needed.

PROCLAMATIONS: Mayor Donaldson reads the Stormwater Awareness Week Proclamation
Vice Mayor Burger reads the Hispanic Heritage Month Proclamation

PRESENTATION FROM TRANSPORTATION AGENCY OF MONTEREY COUNTY:

Todd Muck, Executive Director of TAMC: Shows slideshow as follows:

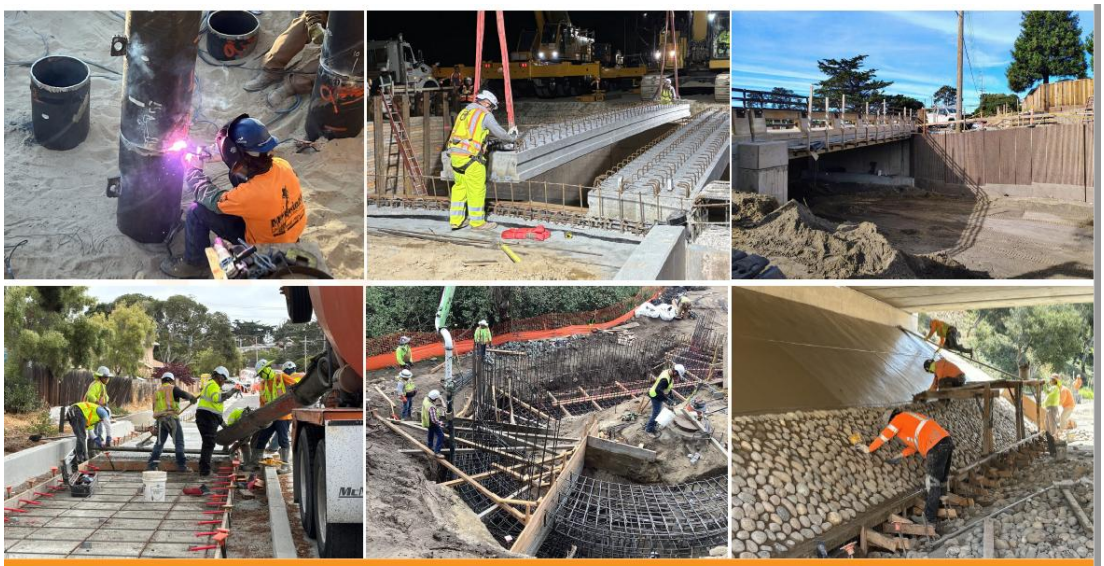


Why the Project Matters

- Safer biking and walking
- Better neighborhood and regional connections
- Access to parks, schools, shopping, and Laguna Grande Park
- More recreation and active transportation options
- Fort Ord Regional Trail and Greenway Segment No. 1



TAMC



Construction Progress to Date

TAMC



Construction Progress to Date

TAMC

Known Challenges & Responses

- Noise and lights during night work
- SR 218 crossing at Work Avenue
- Slope stabilization behind Corp Yard
- Drainage at Corp Yard
- Drainage at Work Memorial Park
- Carlton Drive resurfacing
- Tennis court resurfacing
- Cracking and treatments
- Construction dust



TAMC

Project Wide Remaining Work

- Complete Fencing
- Complete Security System
- Energize Lighting
- Hydroseeding & Landscaping
- Punch List Items
- Cleanup



TAMC

Fremont Blvd & SR 218 Remaining Work

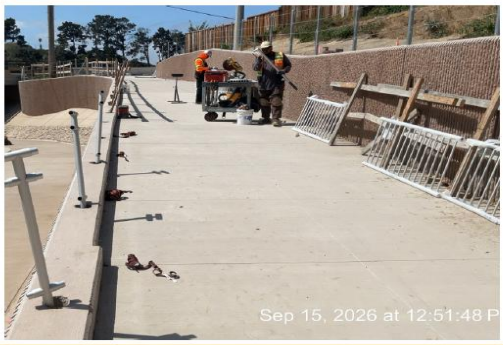
- Install new traffic signal pole near Safeway
- Place new curb, gutter, sidewalk and ramps



TAMC

Frog Pond Remaining Work

- Conform at existing Frog Pond paths
- Hydroseeding
- Railing
- Bike Rack



TAMC

Carlton Drive & Work Avenue Remaining Work

- Railing
- Misc asphalt repairs
- K-rail barriers scheduled to be removed Sept 28, 2026
- Landscaping



TAMC

State Route 218 Remaining Work

- Pavement grind and groove, Caltrans skid testing
- Shoulder widening between Corp Yard driveway and Via Verde
- Pavement striping



TAMC

Butterfly Garden Remaining Work

- Concrete walk between tennis courts and butterfly garden
- DG surfacing
- Raised planter boxes
- Electrical panel screening
- Site amenities (bike rack, drinking fountain, benches, picnic table, trash cans)



TAMC

Corporation Yard Remaining Work

- Driveway: Grading and paving, new curb, gutter, sidewalk, fencing, and gate
- Yard: Grading and paving (Granite Rock)
- Hydroseeding



TAMC

Contract Schedule

May 9, 2024: Notice to Proceed

July 2, 2024: First Working Day

Nov. 25, 2026: Current estimate for Construction Complete date
Begin 90-day Plant Establishment Period

Feb. 23, 2027: Construction Contract end date
Begin 5-yr Habitat Mitigation and Monitoring period

480 Contract Working Days initially (July 2, 2024 - June 9, 2026)
+12 Contract Working Days due to Change Orders
492 Contract Working Days currently
+163 Non-Working Days due to utility delays and rain (through Feb. 23, 2027)

TAMC

Comments regarding the FORTAG project presentation:

Councilmember Hallock: Lovely presentation but still not great work by Granite Rock. The following are some of the items that have been noticed: anger among residents, sub-standard conditions, not what was promised, wobbly rails, cracked cement, lack of workers on sight on any given day, and numerous violations. Based on this presentation, Granite Rock has a lot of work to do before completion.
Councilmember Shirley: Thanks Todd. Nice to hear the completion date. Concerned about items mentioned and asked if the city signs off on this completion?
Aaron Hilton, Area Lead for BKF: Gave an update, holding Granite Rock responsible. Put a performance hold on payment. They don't have enough manpower at times.
Todd Muck: Will not hand off a subpar project to the city. Spoke to the CEO of Granite Rock, and he is extremely concerned about these issues.
Councilmember Shirley: Would like a monthly update on project brought to City Council meetings. Asks if it is realistic to have a completed punch list by the time it gets handed over to the city.
Aaron Hilton: Doubtful, but believes the major items can by completed. There will be lingering punch list items. The city will have his company support until the end.
Councilmember Burger: Echoes all of Councilmember Hallock's concerns. This is becoming a liability to the city. The punch list is multiplying rather than getting smaller. Very sloppy foot print in cement by Safeway. Mentioned numerous unacceptable defects he noticed while reviewing the work done so far. Asked for a 15-day pause to all work to get a plan together. Also, a written apology to all residents. Wants an extended warranty. It's a huge problem and wants them to make it right.
Councilmember Uy: Wants the punch list resolved before it is handed over to the city. Doesn't want the residents to inherit issues. Who at TAMC is responsible? How did Granite Rock get the job?
Todd Muck: Granite was granted the job because of the results of the bid package and process. It is rare that TAMC is in the lead role on this section; mostly, they are a funding source. Grant funds need to be secured for the Seaside section of the project.
Councilmember Uy: Wants to see punch list. Worried that TAMC is being frugal to save money for other sections.
Todd Muck: Explains that isn't happening; if anything, it's just the opposite. Might end up in court with Granite Rock.

PUBLIC COMMENT:

Mike Obrien: When Carlton opens up, will Hwy 218 be open as well?
Scott Morgan: How many change orders and why? No ducks in the creek since construction started. Path at frog pond needs to be wider. There is zero "construction zone" signs posted. There is a FORTAG sign by his house and he thought the plan was no signage on Angelus.
Aaron Hilton: 32 change orders, mostly utility and grade conflicts. They held to the decibel level to protect the environment.

PUBLIC COMMENT CLOSED

Mayor Donaldson: Wants to make sure that the city is at the table for the handoff, because the city will have to maintain it. Appreciates TAMC and BFK being here; unfortunately, it's all about Granite Rock.
Todd Muck: We are on the city's side.

CONSENT AGENDA:

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

1. August 25, 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, August 2026

2. Police Activity Report, August 2026

3. Financial Reports, June and August 2026

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

1. Consider Second Reading to Adopt an Ordinance to the City of Del Rey Oaks Municipal Code and Replace it with a new Chapter 17.70 Regarding the Accessory Dwelling Units (ADU) Ordinance.

2. Authorize the City Manager to Facilitate the Transfer of the Escrow Funds for the South Boundary Road Upgrade Project to an Interest-Bearing Account

3. Authorize the City Manager to sign a Contract with CivicPlus for Public Records Act Request Management Program

PUBLIC COMMENT:

None

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

Motion passed unanimously 5-0

OLD BUSINESS: None

NEW BUSINESS:

Consider Approval of City of Del Rey Oaks Vision Zero Plan

Chief Bourquin explains the regional project and introduces:
Janneke Strouse, TAMC: Presented Vision Zero Plan and explained the following slides:

Plan Overview

- This plan was led by TAMC in coordination with City staff and regional partners
- TAMC received a federal Safe Streets and Roads for All grant to develop these plans



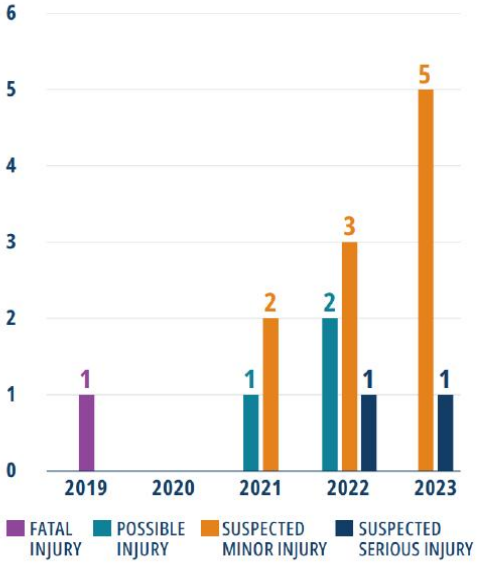
Having an adopted safety action plan opens the door for state and federal grant funding.

Plan Overview

The Del Rey Oaks Vision Zero Safety Action Plan outlines goals, projects, and strategies that prioritize safety and will guide investments to achieve "Vision Zero" – zero traffic-related deaths and serious injuries.

Safety Data

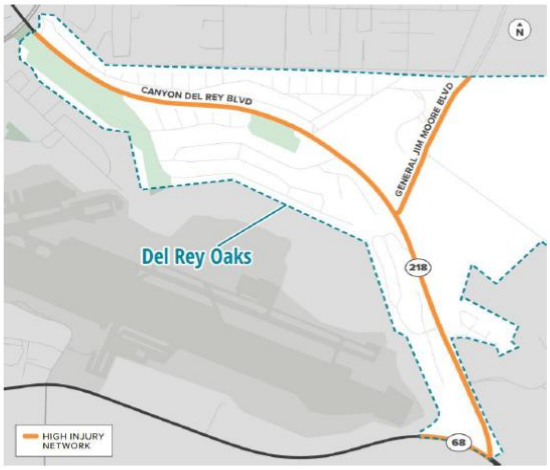
Over five years, 16 crashes resulting in an injury were reported in Del Rey Oaks, including 2 serious injuries and 1 fatality. All three of these high severity crashes occured on Canyon Del Rey Boulevard, which is a state highway.



43% *Failed to yield right-of-way*

13% *Involved unsafe speeds*

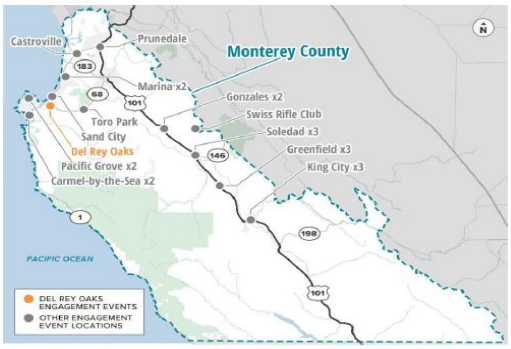
2/3 *High-severity crashes involved drug or alcohol impairment*



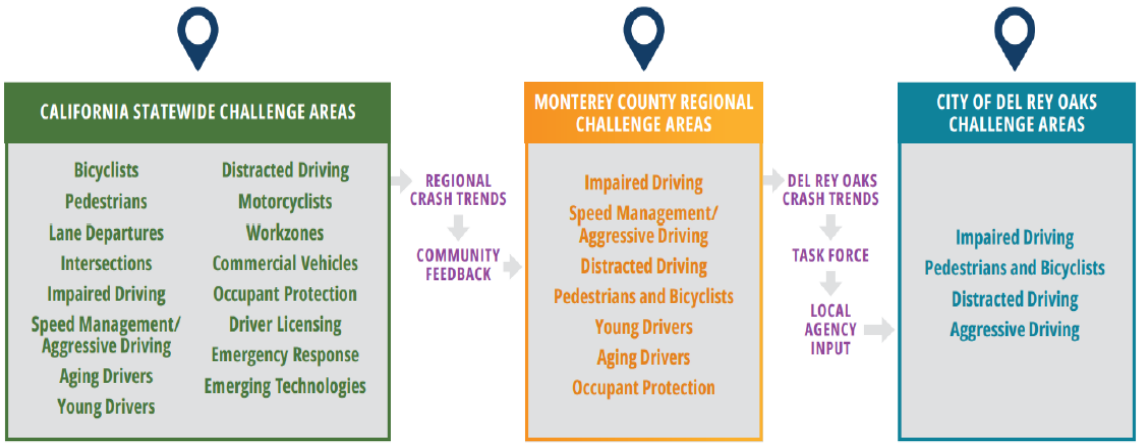
Community Engagement

- Workshops, pop-up events, and an online survey and comment map
- Regional Task Force including Del Rey Oaks PD





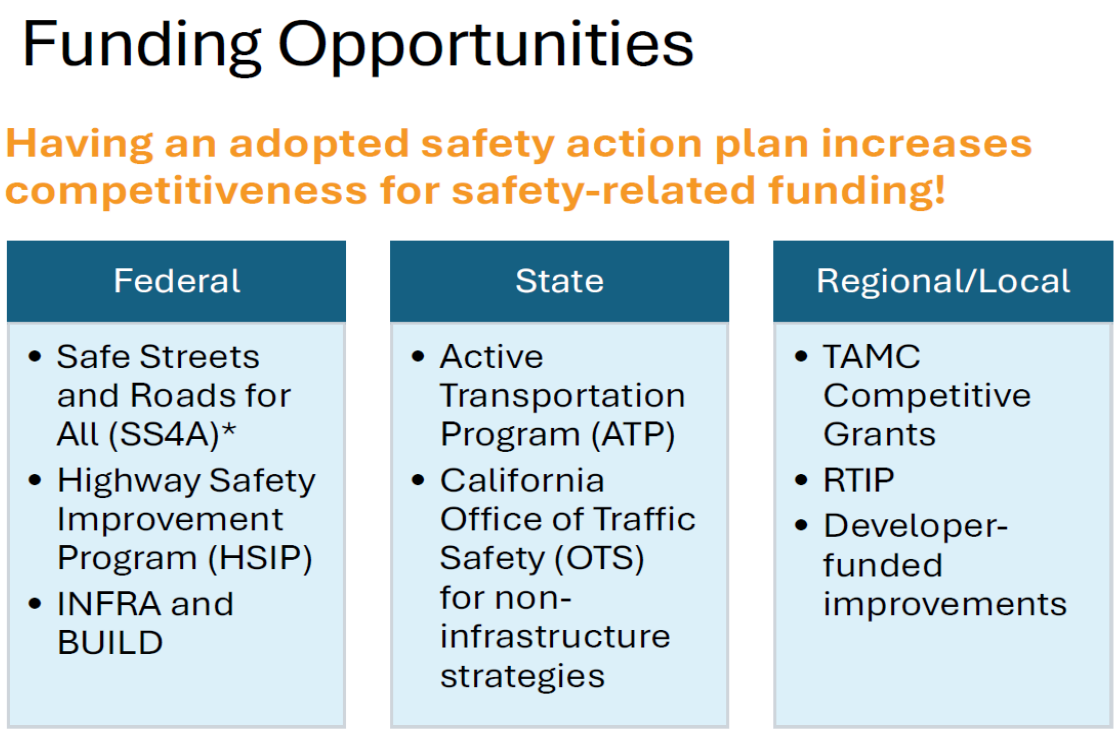
Safety Challenge Areas



Safety Projects and Strategies

- Improvements to pedestrian facilities and crossings
- Traffic calming measures
- Intersection improvements
- Education and enforcement
  - Safe behaviors when driving, walking, and biking (including e-bikes)





Comments regarding the Vision Zero Plan presentation:

Councilmember Shirley: Biggest issues are on Canyon Del Rey Rd by City Hall. Next steps? Wants the Public Safety Committee to meet regarding this subject.
Chief Bourquin: The next step could be to get funding. The department's biggest issue is impaired driving. In his 32 years as an officer, there has been 1 death, and that was due to drunk driving.
Councilmember Uy: Asks about timing of the grant for safe streets program.
Janneke Strouse: It is up to the city to apply for grants.
Mayor Donaldson: Wants to keep crosswalk lights at Work Ave.

PUBLIC COMMENT:

None

A. A motion was made by **Councilmember Shirley,** seconded by **Councilmember Uy,** to approve item 8.A. **Vision Zero Plan for the City of Del Rey Oaks**

Motion passed unanimously 5-0

STAFF REPORTS: In the packet

CORRESPONDENCE: In the packet

NEXT MEETING DATE: **Tuesday, October 27, 2026 at 6:00pm**

Meeting Adjourned: **8:30pm**

Attest:_____ **Date:**----------

FIRE DEPARTMENT
1635 Broadway Avenue
Seaside, CA 93955

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

October 5, 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's response to Del Rey Oaks for the period of September 1, 2026, through September 30, 2026.

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

Incident #

260901-SEA02109	260912-SEA02216	260920-SEA02288
260902-SEA02113	260912-SEA02218	260923-SEA02316
260903-SEA02130	260913-SEA02228	
260905-SEA02142	260914-SEA02235	
260910-SEA02191	260919-SEA02273	

There are twelve (12) fire calls for September. 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
9/1/2026	260901-SEA02109	11:03:00 PM	11:12:00 PM	8.00	Breathing problems	29	Los Encinos	Emergent
9/2/2026	260902-SEA02113	12:40:00 PM	12:51:00 PM	11.00	Altered mental status	29	Paloma	Emergent
9/3/2026	260903-SEA02130	6:00:00 PM	6:07:00 PM	7.00	No incident found upon arrival / location error	29	PORTOLA	Non emergent
9/5/2026	260905-SEA02142	9:41:00 AM	9:53:00 AM	12.00	No appropriate choice (medical response)	29	Work	Non emergent
9/10/2026	260910-SEA02191	7:17:00 AM	7:23:00 AM	6.00	Well person check	29	Canyon Del Rey	Emergent
9/12/2026	260912-SEA02216	11:14:00 AM	11:25:00 AM	11.00	Citizen assist / service call	29	Canyon Del Rey	Non emergent
9/12/2026	260912-SEA02218	4:09:00 PM	4:16:00 PM	7.00	Fire / smoke alarm	29	Verde	Emergent
9/13/2026	260913-SEA02228	4:28:00 PM	4:35:00 PM	7.00	No appropriate choice (medical response)	29	Paloma	Emergent
9/14/2026	260914-SEA02235	2:57:00 PM	3:02:00 PM	5.00	Fall	29	Canyon Del Rey	Emergent
9/19/2026	260919-SEA02273	2:49:00 PM	N/A	N/A	Cancelled	29	Verde	Emergent
9/20/2026	260920-SEA02288	6:35:00 PM	N/A	N/A	Cancelled	29	Canyon Del Rey	Emergent
9/23/2026	260923-SEA02316	8:17:00 AM	8:26:00 AM	9.00	Chest pain (non-trauma)	29	Carlton	Emergent

Total Calls 12

POLICE
DEL REY OAKS

City Council Report
September 2026
Chris Bourquin - Chief

Case #	Date	Offense Code 1	Offense Code Description	DRO	MPAD	OJ	Residential	Commercial
26-260	09/01/2026	ACN	Non-Injury Traffic Collision	X				X
26-261	09/03/2026	Strike Violation	Administrative Violation		X			X
26-262	09/04/2026	ACN	Non-Injury Traffic Collision	X				
26-263	09/04/2026	ACN	Non-Injury Traffic Collision	X				X
26-264	09/04/2026	Information Only		X			X	
26-265	09/06/2026	20002(A)(2) VC	Non-Injury Hit & Run			X		X
26-266	09/06/2026	273.5(A) PC	Spouse or Cohabitant Battery	X				X
26-267	09/08/2026	12500(A) VC	Unlicensed Driver			X		X
26-269	09/09/2026	Information Only		X				X
26-270	09/09/2026	Information Only		X				X
26-271	09/10/2026	484(A) PC	Petty Theft	X				X
26-272	09/11/2026	Information Only		X			X	
26-273	09/12/2026	Outside Warrant/M	Warrant Arrest	X				X
26-274	09/14/2026	484I(C) PC	Theft / Fraud	X				X
26-275	09/15/2026	Outside Warrant/M	Warrant Arrest	X				X
26-276	09/15/2026	Information Only		X			X	
26-277	09/16/2026	Information Only		X			X	
26-278	09/17/2026	484(A) PC	Petty Theft	X				X
26-279	09/18/2026	459.5(A) PC	Commercial Burglary	X				X
26-280	09/18/2026	Information Only			X			X
26-281	09/20/2026	Information Only		X				X
26-282	09/21/2026	Information Only			X			X
26-283	09/22/2026	Information Only			X			X
26-284	09/22/2026	666.1(A)(1) PC	Petty Theft w/ Priors	X				X
26-285	09/30/2026	Lost Property			X			X
25 Cases								

Calls for Service	
Month	YTD
322	2,582

Case Reports	
Month	YTD
25	285

Alarms					
Residential		Commercial		MPAD	
Mo.	YTD	Mo.	YTD	Mo.	YTD
0	4	4	21	3	41

Citations					
Moving		Parking		Warning	
Mo.	YTD	Mo.	YTD	Mo.	YTD
6	131	46	273	8	84

Group A Offense Report

Printed On: 10/01/2026

Beginning Date: 09/01/2026 **Ending Date: 09/30/2026**

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	0	0	NA	0	0.00%	0.00%	NA
Simple Assault	0	0	NA	0	0.00%	0.00%	NA
Intimidation	0	0	NA	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	**0**	**0**	**NA**	**0**	**0.00%**	**0.00%**	**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	0	0	NA	0	0.00%	0.00%	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	1	-100.00%	0	0.00%	0.00%	NA
Counterfeiting/Forgery	0	0	NA	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	**0**	**2**	**-100%**	**0**	**0.00%**	**0.00%**	**NA**
Drug/Narcotic Violations	0	0	NA	0	0.00%	0.00%	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	0	0	NA	0	0.00%	0.00%	NA
Animal Cruelty	0	0	NA	0	0.00%	0.00%	NA
Crimes Against Society Total	**0**	**0**	**NA**	**0**	**0.00%**	**0.00%**	**NA**
Total Group "A" Offenses	**0**	**2**	**-100%**	**0**	**0.00%**	**0.00%**	**NA**

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

* Adjusted population base: 1

Group A Offense Report

Printed On: 10/01/2026

Beginning Date: 01/01/2026 **Ending Date: 09/30/2026**

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	2	0.00%	0	0.00%	33.33%	NA
Simple Assault	4	4	0.00%	2	50.00%	66.67%	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	**6**	**8**	**-25%**	**2**	**33.33%**	**14.29%**	**NA**
Robbery	1	1	0.00%	1	100.00%	3.70%	NA
Burglary/Breaking & Entering	1	1	0.00%	0	0.00%	3.70%	NA
Larceny/Theft Offenses	18	9	100.00%	6	33.33%	66.67%	NA
Motor Vehicle Theft	0	2	-100.00%	0	0.00%	0.00%	NA
Arson	0	0	NA	0	0.00%	0.00%	NA
Destruction Of Property	1	5	-80.00%	0	0.00%	3.70%	NA
Counterfeiting/Forgery	3	1	200.00%	3	100.00%	11.11%	NA
Fraud Offense	1	8	-87.50%	0	0.00%	3.70%	NA
Embezzlement	1	0	NA	0	0.00%	3.70%	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	1	2	-50.00%	1	100.00%	3.70%	NA
Crimes Against Property Total	**27**	**29**	**-6.9%**	**11**	**40.74%**	**64.29%**	**NA**
Drug/Narcotic Violations	4	1	300.00%	4	100.00%	44.44%	NA
Drug Equipment Violations	2	0	NA	2	100.00%	22.22%	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	3	0	NA	1	33.33%	33.33%	NA
Animal Cruelty	0	0	NA	0	0.00%	0.00%	NA
Crimes Against Society Total	**9**	**1**	**800%**	**7**	**77.78%**	**21.43%**	**NA**
Total Group "A" Offenses	**42**	**38**	**10.53%**	**20**	**47.62%**	**100%**	**NA**

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

* Adjusted population base: 1

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: October 27, 2026

TO: Honorable Mayor and Members of the City Council

FROM: John Guertin, City Manager

SUBJECT: Receive September 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 September 2026 Financial Reports.

Background

The Members of the City Council routinely receive financial reports for the previous month.

Summary & Discussion

Attached are the unaudited financial statements for the period ending September 30, 2026.

- September 2026 Cash and Investments – The report shows where the City's funds are invested. The City continues to have a healthy cash balance of $12,778,519, much of which is restricted for specific purposes.

- September 2026 Check Register –This is a listing of all the payments issued during the month. The total checks issued are $217,509.

- September 2026 General Fund Summary – This is a one-page summary of the General Fund summarized as follows:

	FY 2027 Budget	September 2026 Actual	FY 2027 YTD Actual	% Collected/ Spent
Revenue	$ 5,320,550	$ 297,317	$ 1,038,331	20%
Expenditures	5,646,082	349,346	1,730,554	31%
Net Revenue over Expend	(325,532)	(52,029)	(692,223)	
Transfers Out to CIP	(78,000)		-	0%
	(78,000)	-	-	
Net Operating Surplus	$ (403,532)	$ (52,029)	$ (692,223)	

At 25% of the year (3 months) the revenues are at 20% of budget. Property Taxes are anticipated to be received in December. Expenditures are 31% of budget due to all the payments made at the beginning of the year for FY 2027 UAL (Unfunded Accrued Liabilities) and Insurances. For the month of September 2026, the General Fund shows a deficit in net revenue over expenditure of $52,029 and a year-to-date deficit of $692,223.

- September 2026 Statement of Revenues and Expenditures – This report is a detailed listing of fiscal year-to-date actuals in comparison with FY 2027 Budget.

- Encumbrance Summary Report represents the purchase orders with a total outstanding balance of $1,218,167 as of September 30, 2026.

Fiscal Impacts

None. This is informational only.

Recommendation

Staff recommend receiving the reports.

ATTACHMENTS:
- Cash and Investments 2026-09
- Check/Voucher Register 2026-09
- General Fund Summary 2026-09
- Statement of Revenues & Expenditures 2026-09
- Encumbrance Summary 2026-09

Respectfully Submitted,

_____
John Guertin, City Manager

City of Del Rey Oaks
Summary of Cash & Investments
As of September 30, 2026

Accounts			
Unrestricted			
General Checking	$	700,708	
Cash with TDS-Parking		500	
Local Agency Investment Fund			
Reserve for Economic Uncertainties		1,652,182	3.910%
Unappropriated Funds		1,659,415	3.910%
Total Unrestricted	$	4,012,805	
Restricted			
PARS-115 Trust Fund	$	407,093	
Dev - Monterey Peninsula Partner		9,063	
Fidelity Title Escrow Acct - GJM/SBR Intersection		1,079,745	
Fidelity Title Escrow Acct - SBR Construction		7,269,813	
Total Restricted	$	8,765,714	
Total Cash and Investments	**$**	**12,778,519**	

City of Del Rey Oaks
Check/Voucher Register
From 09/01/2026 Through 09/30/2026

Check Number	Payee	Transaction Description	Check Amount	Effective Date
23845	AT&T	Internet City Hall & PD Service Period 08-13-26 to 09-12-26	205.20	9/3/2026
23846	AT&T CAL NET 2	Outside PD Phone Service Periods 07-19-26 to 08-18-26	28.00	9/3/2026
23847	AT&T MOBIILITY	Service Period 08/19 -09/18/2026	70.25	9/3/2026
23848	CALIFORNIA-AMERICAN WATER	Service Period 07/22/2026 - 08/20/2026	1,228.22	9/3/2026
23849	Express Services, Inc	Temporary File Clerk for 8/23/2026	511.50	9/3/2026
23850	FENTON & KELLER	Ca Native Plant Society VS Fort Ord Reuise Auth. FY25/26	941.94	9/3/2026
23851	I.M.P.A.C.GOVERNM'T SER	5564-9924 2026-07-08	2,840.86	9/3/2026
23852	JAMES DE CHALK	Janitorial Services - City Hall and Park Restrooms -2026-08	1,400.00	9/3/2026
23853	John O'Neill	Uniform Fitting and Patches Reimbursement	185.73	9/3/2026
23854	Lexipol, LLC	Annual LEFTA Shield Suite Base Subscription & Per User Subscription - 17	3,066.68	9/3/2026
23855	MBS BUSINESS SYSTEMS, INC.	Base Charge SN AA7P011702298 and covered BW & CLR Meters	803.89	9/3/2026
	MBS BUSINESS SYSTEMS, INC.	Konika Minolta Copier - Billing Period 08/23/26 to 11/22/26	317.46	9/3/2026
23856	MONTEREY BAY TECHNOLOGIES, INC.	IT Services Retainer 2026-09	2,100.00	9/3/2026
23857	MONTEREY COUNTY BUSINESS COUNCIL	Cities/Counties Membership Level	500.00	9/3/2026
23858	County of Monterey	911 QTR 2 Invoice - FY2026/27	18,826.00	9/3/2026
23859	Monterey Regional Waste Managment District	FY2025-2026 Annual 2030 Franchise Planning Agreement	21,460.31	9/3/2026
	Monterey Regional Waste Managment District	FY25-26 Annual Proportinate Share of Costs for CA SB1383	7,000.00	9/3/2026
23860	Napa Auto Parts	Auto Parts	222.15	9/3/2026
23861	Pitney Bowes Global Financial Servies LLC	SendPro C Series - Version 4 Lease Service Period 06/30/2026-09/29/2026	205.46	9/3/2026
23862	REGIONAL GOVERNMENT SERIVCES	FY 26/27 Acccounting Services 2026-07	15,944.80	9/3/2026
23863	RingCentral, Inc.	Service Period 08/29/2025 to 09/28/2026	339.78	9/3/2026
23864	ROGER GUZMAN	2026 Association of Threat Assessment Professionals	1,640.96	9/3/2026
23865	SUN RIDGE SYSTEMS, INC.	Annual RIMS User Conference - Chris Bourquin	900.00	9/3/2026
23866	VSP	Vision Premium 2026-09	267.68	9/3/2026
23867	AT&T	Airport Internet Service Period 08/25/2026 to 09/24/2026	75.60	9/16/2026
23868	AT&T MOBIILITY	Aircard PW Service Period 08/03 - 09/02/2026	41.74	9/16/2026
	AT&T MOBIILITY	Service Period 09/03 - 10/02/2026	98.67	9/16/2026
	AT&T MOBIILITY	Telephone Service Period 09/03/26 to 10/02/26	268.42	9/16/2026
23869	CHAVAN AND ASSOCIATES, LLP	City Business License Tax Audit	4,200.00	9/16/2026
	CHAVAN AND ASSOCIATES, LLP	DRO June 30, 2026 Iterim Financial Audit	17,745.00	9/16/2026
23870	CORONADO DEISEL MOBILE SERVICES, INC.	Dodge #94 Check & Reair Coolant and Heater Hose	910.42	9/16/2026
	CORONADO DEISEL MOBILE SERVICES, INC.	Dodge #94 PM Lube Job and Safety Inspection	358.91	9/16/2026
	CORONADO DEISEL MOBILE SERVICES, INC.	Ford Taurus #93 PM Brake Rotars and Pads	1,121.25	9/16/2026
23871	Express Services, Inc	Temporary File Clerk for 8/30/2026	399.96	9/16/2026
23872	FENTON & KELLER	City Attorney General Services 2026-07	1,469.40	9/16/2026
23873	G.P.S. SOLUTIONS	FY26/27 Plan Checking/Building Inspection Services -2026-08	3,231.90	9/16/2026
23874	Granite Rock Company	Supplies	28.02	9/16/2026
23875	HOME DEPOT CRC	Supplies	49.10	9/16/2026
23876	LIEBERT, CASSIDY AND WHITMORE	Employment Matters	2,724.00	9/16/2026
	LIEBERT, CASSIDY AND WHITMORE	Employment Matters 2026-03	1,159.50	9/16/2026
	LIEBERT, CASSIDY AND WHITMORE	Employment Matters 2026-04	142.00	9/16/2026
23877	Monterey County Peace Officers	MCPOA Range 2026-08	200.00	9/16/2026
23878	COUNTY OF MONTEREY	CLETS -7/1/2026 to 6/30/2027	124.88	9/16/2026
23879	MONTEREY PENINSULA ENGINEERING, INC.	Furnish and place concrete K-Rail Job # 226023	4,800.00	9/16/2026
23880	ODP Business Solutions, LLC	Supplies	128.83	9/16/2026
23881	PACIFIC SMOG	Supplies	43.75	9/16/2026
23882	PG&E	Service Period 07/21/2026 to 08/19/2026	2,866.12	9/16/2026

City of Del Rey Oaks
Check/Voucher Register
From 09/01/2026 Through 09/30/2026

Check Number	Payee	Transaction Description	Check Amount	Effective Date
23883	PORAC HEADQUARTERS	PD Legal Defense Fund 2026-09	1,073.25	9/16/2026
	PORAC HEADQUARTERS	PD Reserve Legal Defense Fund 2026-09	216.00	9/16/2026
23884	PRECISION ALARMS AND AUTOMATION, INC.	Alarm Inspections & Monitoring 2026-09	170.00	9/16/2026
23885	PORAC LEGAL DEFENSE FUND	ASSN ID#3163 PORAC 2026-10	96.00	9/16/2026
	PORAC LEGAL DEFENSE FUND	Legal Defense Fund Reserves 2026-10	292.00	9/16/2026
23886	PURE WATER	Supplies 2026-09	63.25	9/16/2026
23887	SAFEGUARD BUSINESS SYSTEMS, INC.	Banking Supplies	352.83	9/16/2026
23888	Stericycle, Inc.	Shred Service 2026-08	288.48	9/16/2026
23889	TERMINIX, INC.	Pest Control 2026-08	124.00	9/16/2026
23890	THOMAS DOWSON	Mileage Reimbursement - Vehicle Inspection & Equipment Drop Off	281.30	9/16/2026
23891	US Bank Equipment Finance	Konika Minolta Copier Lease 2026-08	397.84	9/16/2026
	US Bank Equipment Finance	Konika Minolta Copier Lease 2026-09	135.80	9/16/2026
23892	Access Monterey Penninsula, Inc.	Del Rey Oaks City Council & Planning Commission Meetings	900.00	9/17/2026
23893	AFLAC	Premium 2026-08	1,173.10	9/17/2026
23894	ECONOMIC&PLANNING SYSTEMS, INC.	Fort Ord Development Consulting Services -2026-07	7,634.35	9/17/2026
23895	Stacy Matthews	Wellness - Matthews 2026-09	218.49	9/17/2026
ACH 2026-09-03	P.E.R.S.-HEALTH	CalPERS 1800 Health 09/2026	45,292.23	9/3/2026
ACH 2026-09-08	7-Eleven Mastercard	PD & PW Fuel Charge 2026-08	3,622.94	9/8/2026
ACH 2026-09-10	CAL PERS	ACH CALPERS GASB-68 FY26	700.00	9/10/2026
ACH 2026-09-11	PERS	PERS 3100 Contribution Retirement 08/22-09/04/26 -Plan 26934	2,499.76	9/11/2026
	PERS	PERS 3100 Contribution Retirement 8/22-9/04/26 -Plan 1364	688.25	9/11/2026
	PERS	PERS 3100 Contribution Retirement 8/22-9/04/26 -Plan 25623	5,270.24	9/11/2026
	PERS	PERS 3100 Contribution Retirment 8/22-9/04/26 -Plan 1365	4,465.64	9/11/2026
ACH 2026-09-15	PERS	CalPERS 1900 457 (09/11) Contribution 09/15/2026	3,000.00	9/15/2026
ACH 2026-09-25	PERS	PERS 3100 Contribution Retirement 09/06-09/18/26 -Plan 26934	2,485.93	9/25/2026
	PERS	PERS 3100 Contribution Retirement 9/6-9/18/26 -Plan 1364	626.48	9/25/2026
	PERS	PERS 3100 Contribution Retirement 9/6-9/18/26 -Plan 25623	5,229.89	9/25/2026
	PERS	PERS 3100 Contribution Retirment 8/8-8/21/26 -Plan 1365 Retro	149.54	9/25/2026
	PERS	PERS 3100 Contribution Retirment 9/6-9/18/26 -Plan 1365	3,866.81	9/25/2026
ACH 2026-09-30	PERS	CalPERS 1900 457 (09/25) Contribution 09/30/2026	3,000.00	9/30/2026
Report Total			**$ 217,508.74**	

City of Del Rey Oaks
Statement of Revenues and Expenditures
100 - General Fund
From 09/01/2026 Through 09/30/2026

		FY 2027 Budget	September 2026 Actual	FY 2027 YTD Actual	Percent Collected/Spent
Revenues					
Property Taxes	000	887,435.00	0.00	263.19	0.0%
Sales Tax	000	1,206,835.00	103,600.96	290,863.98	24.1%
Other Taxes	000	610,600.00	3,912.35	143,592.85	23.5%
Licenses and Permits	000	370,400.00	14,135.14	81,262.30	21.9%
Fines and Forfeitures	000	28,100.00	3,563.17	8,530.22	30.4%
Other Revenue	000	194,700.00	2,669.04	31,835.69	16.4%
Grants	000	238,600.00	10,124.90	31,355.74	13.1%
Airport Police Services	210	1,665,780.00	138,815.00	401,713.00	24.1%
Current Services	000	118,100.00	20,496.53	48,913.64	41.4%
Total Revenues		**5,320,550.00**	**297,317.09**	**1,038,330.61**	**19.5%**
Expenditures					
Council 110	110	19,950.00	1,206.32	4,331.97	21.7%
City Clerk 111	111	727,700.00	55,164.00	254,932.19	35.0%
City Manager 120	120	377,550.00	23,389.80	109,511.03	29.0%
Finance 130	130	273,208.51	24,221.17	70,381.90	25.8%
Legal 150	150	128,065.30	0.00	9,622.01	7.5%
Planning & Building Regulation 160	160	188,526.75	3,231.90	24,857.15	13.2%
Government Buildings 180	180	22,800.00	873.29	2,510.31	11.0%
Non-Departmental 190	190	57,800.00	0.00	22,328.30	38.6%
Police 210	210	3,292,281.04	206,477.90	1,114,862.94	33.9%
Fire/Animal Control 220	220	251,700.00	0.00	0.00	0.0%
Public Works/Streets 311	311	269,300.00	22,926.59	100,116.11	37.2%
Parks/Recreation 411	411	37,200.00	11,855.35	17,100.17	46.0%
Total Expenditures		**5,646,081.60**	**349,346.32**	**1,730,554.08**	**30.7%**
Excess(Deficit) of Revenue Over Expenditures		(325,531.60)	(52,029.23)	(692,223.47)	

City of Del Rey Oaks
Statement of Revenues and Expenditures
100 - General Fund
From 9/1/2026 Through 9/30/2026

		FY 2027 Budget	September 2026 Actual	FY 2027 YTD Actual	Percent Collected/Spent
Revenue					
Non Department Specific	000				
P/T-Secured	41110	611,800.00	0.00	0.00	0.00%
P/T-Unsecured	41120	31,850.00	0.00	0.00	0.00%
P/T-Prior Secured	41130	6,325.00	0.00	0.00	0.00%
Prior Unsecured	41140	100.00	0.00	0.00	0.00%
P/T-Unitary Tax	41150	13,770.00	0.00	0.00	0.00%
P/T-Supplemental Roll (SB813)	41160	12,650.00	0.00	263.19	2.08%
Property Tax - VLF	41170	208,590.00	0.00	0.00	0.00%
Prop Tax-Interest/Penalty	41180	2,350.00	0.00	0.00	0.00%
Sales Tax	42210	415,135.00	33,337.79	100,197.64	24.13%
Sales Tax - 145 (Measure S-1%)	42220	527,800.00	46,876.91	127,320.62	24.12%
Sales Tax -409 (Measure R 1/2%)	42221	263,900.00	23,386.26	63,345.72	24.00%
Cannabis Tax	42222	100,000.00	0.00	22,654.95	22.65%
Transient Occupancy Tax	42230	275,000.00	2,840.40	86,201.21	31.34%
STR Annual Licenses Fee	42231	13,600.00	1,256.00	4,383.00	32.22%
Property Transfer Tax	42250	8,700.00	1,071.95	1,911.25	21.96%
Sewer Impact	42290	22,200.00	0.00	0.00	0.00%
Business Licenses	42310	235,000.00	4,106.25	39,960.41	17.00%
HOUP (Home Occupational User Permit)	42311	3,500.00	0.00	1,310.00	37.42%
Gas Franchises	42761	8,700.00	0.00	0.00	0.00%
Electric Franchises	42762	25,000.00	0.00	0.00	0.00%
Garbage Franchises	42763	120,000.00	0.00	27,918.24	23.26%
Cable Tv Franchises	42764	26,000.00	0.00	4,907.20	18.87%
Water Franchises	42765	25,000.00	0.00	0.00	0.00%
SB1186 Disability Access Fund	43311	1,000.00	60.00	440.00	44.00%
SB1473 Environmental Assessment Fee	43312	150.00	13.00	63.00	42.00%
Variance Fee	43318	4,000.00	0.00	0.00	0.00%
Architectural Review (ARC)	43319	1,500.00	0.00	0.00	0.00%
Building Permits	43320	71,000.00	5,771.20	27,573.20	38.83%
Strong-Motion Instrumental Program (SMIP) Fees	43322	350.00	35.33	296.83	84.80%
Cannabis Business Permit	43325	6,200.00	0.00	0.00	0.00%
Plan Check Fees	43330	17,000.00	796.69	1,213.69	7.13%
Encroachment/Street Opening Permits Fees	43340	7,100.00	933.00	3,455.00	48.66%
Plumbing Permits	43350	1,800.00	770.00	1,844.00	102.44%
Electrical Permits	43360	3,500.00	440.00	968.00	27.65%
Tree Removal Permits	43361	2,300.00	0.00	309.00	13.43%
Other Licenses/Permits	43390	1,000.00	0.00	0.00	0.00%
Fines & Forfeitures	45000	2,600.00	245.17	606.22	23.31%
Vehicle Code Fines	45510	5,500.00	414.00	1,741.00	31.65%
Parking and Admin Fines	45512	20,000.00	2,904.00	6,183.00	30.91%
Interest Earned	46100	160,000.00	0.00	32,014.46	20.00%
Interest Earned-PARS	46101	28,500.00	0.00	(3,770.52)	(13.22)%
Rental Income - Airport RV	46816	43,000.00	4,031.30	12,205.50	28.38%
HOPTR	47130	1,200.00	0.00	0.00	0.00%
Vehicle License Collection	47140	2,500.00	2,560.44	2,560.44	102.41%
COPS	47240	194,000.00	8,333.37	25,000.03	12.88%
SB1383 Organics Recycling	47243	6,000.00	0.00	1,250.00	20.83%
Prop 172	47750	20,000.00	1,791.53	5,105.71	25.52%
Wellness Program	47760	7,500.00	0.00	0.00	0.00%
Police Grants & Other Reimbursements	47780	2,500.00	0.00	0.00	0.00%
POST Reimbursements	47781	7,000.00	0.00	0.00	0.00%
Other Contributions	47783	1,600.00	0.00	0.00	0.00%

City of Del Rey Oaks
Statement of Revenues and Expenditures
100 - General Fund
From 9/1/2026 Through 9/30/2026

		FY 2027 Budget	September 2026 Actual	FY 2027 YTD Actual	Percent Collected/Spent
Police Service Fees	48210	1,600.00	61.00	514.00	32.12%
Police Services-Special Events	48211	43,500.00	13,402.00	29,522.00	67.86%
Use Permits	48805	9,400.00	62.00	124.00	1.31%
Maps/Publications	48810	100.00	0.00	0.00	0.00%
Property Inspections	48825	2,600.00	528.00	1,311.00	50.42%
Miscellaneous Revenue	48840	6,500.00	1,873.54	2,361.54	36.33%
Credit Card Processing Fee	48841	4,000.00	228.69	1,271.60	31.79%
LAFCO Refund & Interest for FORA	48842	400.00	0.00	0.00	0.00%
Rental - Park	48910	7,000.00	310.00	1,604.00	22.91%
Day Use Permits (Park only)	48911	1,500.00	62.00	246.00	16.40%
Old Town Hall Rental Fee	48912	1,400.00	0.00	0.00	0.00%
Miscellaneous Refunds	48930	1,000.00	0.27	231.48	23.14%
Total Non Department Specific		3,654,770.00	158,502.09	636,617.61	17.42%
Police 210	210				
Airport Police Services	48220	1,665,780.00	138,815.00	401,713.00	24.11%
Total Police 210		1,665,780.00	138,815.00	401,713.00	24.12%
Total Revenue		5,320,550.00	297,317.09	1,038,330.61	**19.52%**
Expenditures					
Council 110	110				
Council Member Stipend	61115	7,500.00	525.00	1,575.00	21.00%
Medicare-ER	61130	200.00	7.61	94.23	47.11%
Social Security-ER	61131	500.00	32.55	32.55	6.51%
Unemployment Ins-Fed & State	61132	100.00	3.15	3.15	3.15%
Dental Expense	61135	8,100.00	638.01	2,552.04	31.50%
Materials/Supply	62410	550.00	0.00	0.00	0.00%
Membership Dues-Professional Org	64550	2,500.00	0.00	0.00	0.00%
Misc Expenses	64580	500.00	0.00	0.00	0.00%
Travel Expenses	64610	0.00	0.00	75.00	0.00%
Total Council 110		19,950.00	1,206.32	4,331.97	21.71%
City Clerk 111	111				
Payroll	61105	265,500.00	20,092.80	67,411.72	25.39%
Overtime	61110	5,000.00	154.08	1,627.88	32.55%
PERS UAL - After 06/30/18	61123	17,679.00	0.00	16,760.53	94.80%
PERS UAL-Before 06/30/2018	61124	42,121.00	0.00	42,121.47	100.00%
PERS Retirement	61125	28,100.00	1,615.79	5,466.38	19.45%
Medicare-ER	61130	4,000.00	292.41	997.19	24.92%
Unemployment Ins-Fed & State	61132	1,200.00	0.00	0.00	0.00%
Dental Expense	61135	5,700.00	447.25	1,789.00	31.38%
Health Insurance	61140	138,900.00	11,059.39	33,181.64	23.88%
Vision Ins	61145	800.00	59.60	238.40	29.80%
Workers Comp and EAP	61150	4,000.00	0.00	3,068.00	76.70%
Wellness Program	61155	1,500.00	218.49	278.66	18.57%
Educational Incentive Pay	61157	6,000.00	461.54	1,594.54	26.57%
Longevity Pay	61158	3,700.00	328.70	1,102.45	29.79%
Materials/Supply	62410	4,500.00	31.62	96.12	2.13%
Office Supplies	62430	7,000.00	372.84	1,540.39	22.00%
Repair/Maintenance	63505	1,000.00	0.00	414.81	41.48%
Other Outside Services	63508	14,500.00	2,162.26	4,772.79	32.91%
Shredding Services	63509	1,000.00	144.24	249.32	24.93%
Short Term Rental Services	63511	15,000.00	15,750.00	15,750.00	105.00%
Telephone	63530	3,000.00	221.50	829.99	27.66%
Internet	63531	1,500.00	142.72	382.09	25.47%
Website Design & Maintenance	63535	1,000.00	0.00	0.00	0.00%

City of Del Rey Oaks
Statement of Revenues and Expenditures
100 - General Fund
From 9/1/2026 Through 9/30/2026

		FY 2027 Budget	September 2026 Actual	FY 2027 YTD Actual	Percent Collected/Spent
Postage / Shipping	63540	2,000.00	0.00	405.00	20.25%
Training	63605	6,000.00	97.16	230.73	3.84%
Insurance-Liability	63620	87,800.00	0.00	38,768.00	44.15%
Contract Services - IT	63635	11,200.00	1,050.00	3,150.00	28.12%
Software/Server Subscription	64310	15,500.00	168.83	5,631.66	36.33%
Agenda Management System	64315	12,700.00	0.00	4,920.00	38.74%
Municipal Code Service	64320	5,000.00	0.00	925.23	18.50%
Membership Dues-Professional Org	64550	1,000.00	292.78	589.89	58.98%
Membership Dues-Government Agency	64552	800.00	0.00	300.00	37.50%
Printing / Publications	64575	1,000.00	0.00	272.87	27.28%
Misc Expenses	64580	500.00	0.00	65.44	13.08%
Election Cost	64588	10,000.00	0.00	0.00	0.00%
Travel Expenses	64610	1,500.00	0.00	0.00	0.00%
Total City Clerk 111		727,700.00	55,164.00	254,932.19	35.03%
City Manager 120	120				
Payroll	61105	214,035.00	16,496.00	54,454.00	25.44%
PERS UAL - After 06/30/18	61123	500.00	0.00	0.00	0.00%
PERS Retirement	61125	17,000.00	1,228.84	4,054.04	23.84%
Medicare-ER	61130	3,100.00	239.20	789.28	25.46%
Unemployment Ins-Fed & State	61132	100.00	0.00	0.00	0.00%
Dental Expense	61135	2,400.00	193.29	773.16	32.21%
Health Insurance	61140	54,700.00	4,342.36	13,027.08	23.81%
Health Insurance -Retiree	61141	1,900.00	162.00	486.00	25.57%
Vision Ins	61145	400.00	15.71	62.84	15.71%
Workers Comp and EAP	61150	3,000.00	0.00	2,045.00	68.16%
Wellness Program	61155	500.00	0.00	0.00	0.00%
Educational Incentive Pay	61157	465.00	0.00	0.00	0.00%
Auto Allowance	61180	5,400.00	415.40	1,393.90	25.81%
Office Supplies	62430	50.00	0.00	7.37	14.74%
Insurance-Liability	63620	68,400.00	297.00	31,311.00	45.77%
Economic Development Services	63639	0.00	0.00	147.36	0.00%
Membership Dues-Professional Org	64550	2,800.00	0.00	960.00	34.28%
Membership Dues-Government Agency	64552	800.00	0.00	0.00	0.00%
Travel Expenses	64610	1,000.00	0.00	0.00	0.00%
Training	64611	1,000.00	0.00	0.00	0.00%
Total City Manager 120		377,550.00	23,389.80	109,511.03	29.01%
Finance 130	130				
ADP Payroll Fees	62310	9,000.00	997.70	2,320.79	25.78%
Bank Service Charges	62320	6,000.00	278.74	919.07	15.31%
Credit Card Fees	62321	5,000.00	227.34	1,275.25	25.50%
Accounting Software	62431	6,000.00	0.00	0.00	0.00%
Budget Software	62433	11,000.00	0.00	11,330.00	103.00%
Audit-General	63625	50,215.00	17,745.00	17,745.00	35.33%
Audit -Sales Tax	63626	5,000.00	4,622.39	4,622.39	92.44%
Actuarial Services	63627	4,500.00	350.00	350.00	7.77%
Accounting Services-RGS	63645	176,493.51	0.00	31,819.40	18.02%
Total Finance 130		273,208.51	24,221.17	70,381.90	25.76%
Legal 150	150				
Legal Services	63650	124,765.30	0.00	9,124.76	7.31%
Legal Advert	64560	3,300.00	0.00	497.25	15.06%
Total Legal 150		128,065.30	0.00	9,622.01	7.51%
Planning & Building Regulation 160	160				
Economic Development Services	63639	67,295.00	0.00	7,634.35	11.34%
Planning Services	63640	40,000.00	0.00	0.00	0.00%

City of Del Rey Oaks
Statement of Revenues and Expenditures
100 - General Fund
From 9/1/2026 Through 9/30/2026

		FY 2027 Budget	September 2026 Actual	FY 2027 YTD Actual	Percent Collected/Spent
Contract Services - Housing Element	63642	16,831.75	0.00	0.00	0.00%
Building Inspections Services	63648	62,400.00	3,231.90	17,222.80	27.60%
Code Enforcement Services	63656	2,000.00	0.00	0.00	0.00%
Total Planning & Building Regulation 160		188,526.75	3,231.90	24,857.15	13.18%
Government Buildings 180	180				
Materials/Supply	62410	2,000.00	0.00	0.00	0.00%
Repair/Maintenance	63505	5,000.00	0.00	0.00	0.00%
Other Outside Services	63508	1,000.00	0.00	0.00	0.00%
Utilities - PG&E	63520	8,000.00	523.29	1,460.31	18.25%
Janitorial Services	63660	6,800.00	350.00	1,050.00	15.44%
Total Government Buildings 180		22,800.00	873.29	2,510.31	11.01%
Non-Departmental 190	190				
Materials/Supply	62410	500.00	0.00	0.00	0.00%
Insurance-Liability	63620	25,000.00	0.00	0.00	0.00%
Insurance-Property	63621	10,000.00	0.00	7,010.63	70.10%
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	3,000.00	20.00%
Membership Dues-Government Agency	64552	5,500.00	0.00	10,491.67	190.75%
Misc Expenses	64580	1,000.00	0.00	1,326.00	132.60%
S.M.I.P.	64930	200.00	0.00	0.00	0.00%
SB 1473	64940	100.00	0.00	0.00	0.00%
Total Non-Departmental 190		57,800.00	0.00	22,328.30	38.63%
Police 210	210				
Payroll	61105	1,188,900.00	77,530.56	259,656.33	21.84%
Overtime	61110	200,000.00	22,754.01	66,830.72	33.41%
Reserves Payroll	61120	120,000.00	19,353.13	54,336.89	45.28%
PERS UAL - After 06/30/18	61123	41,684.00	0.00	41,600.79	99.80%
PERS UAL-Before 06/30/2018	61124	119,016.00	0.00	114,072.21	95.84%
PERS Retirement	61125	167,100.00	11,258.61	36,544.40	21.86%
PERS 457 Expense	61126	32,400.00	2,400.00	7,200.00	22.22%
Medicare-ER	61130	17,700.00	1,861.97	7,068.59	39.93%
Social Security-ER	61131	1,000.00	726.56	726.56	72.65%
Unemployment Ins-Fed & State	61132	13,000.00	14.20	14.20	0.10%
Dental Expense	61135	16,200.00	1,218.46	5,150.33	31.79%
Health Insurance	61140	387,300.00	26,388.20	83,506.96	21.56%
Vision Ins	61145	2,400.00	176.66	734.82	30.61%
Workers Comp and EAP	61150	141,900.00	0.00	96,132.36	67.74%
Wellness Program	61155	5,000.00	0.00	0.00	0.00%
Educational Incentive Pay	61157	18,000.00	1,200.02	4,071.23	22.61%
Longevity Pay	61158	11,400.00	898.82	3,015.87	26.45%
Uniform Allowance	61160	10,000.00	2,250.00	4,500.00	45.00%
Admin Leave	61175	0.00	5,064.96	22,140.44	0.00%
Materials/Supply	62410	10,000.00	31.63	944.56	9.44%
Ammunition	62420	5,000.00	0.00	0.00	0.00%
Body Armor Vests	62422	5,000.00	0.00	0.00	0.00%
Office Supplies	62430	5,000.00	477.31	1,261.90	25.23%
Auto Operations - Supplies / Equip	62710	1,000.00	0.00	0.00	0.00%
Auto Operations - Fuel	62720	30,000.00	496.93	3,167.99	10.55%
Repair/Maintenance	63505	2,200.00	0.00	175.00	7.95%
Other Outside Services	63508	8,000.00	282.80	984.20	12.30%
Shredding Services	63509	1,000.00	144.24	249.33	24.93%
Utilities - PG&E	63520	8,000.00	523.27	1,460.28	18.25%
Telephone	63530	8,000.00	468.59	1,560.28	19.50%
Internet	63531	6,000.00	1,210.75	1,982.24	33.03%

City of Del Rey Oaks
Statement of Revenues and Expenditures
100 - General Fund
From 9/1/2026 Through 9/30/2026

		FY 2027 Budget	September 2026 Actual	FY 2027 YTD Actual	Percent Collected/Spent
Annual Maintenance-Records Mgmt Software	63537	5,000.00	0.00	0.00	0.00%
Record Management-Historical	63538	3,600.00	0.00	3,863.62	107.32%
Postage / Shipping	63540	750.00	0.00	0.00	0.00%
Training	63605	6,000.00	2,357.00	4,837.07	80.61%
Insurance-Liability	63620	388,400.00	0.00	175,745.00	45.24%
Insurance-Property	63621	10,000.00	0.00	7,010.62	70.10%
Insurance-Vehicles	63622	2,550.00	0.00	2,395.50	93.94%
Insurance-ADWRP	63624	1,000.00	0.00	1,226.00	122.60%
Audit-General	63625	5,275.00	0.00	0.00	0.00%
Actuarial Services	63627	2,500.00	350.00	350.00	14.00%
Professional Services	63628	16,000.00	0.00	0.00	0.00%
Contract Services - IT	63635	14,100.00	1,050.00	3,150.00	22.34%
Contract Services-Others	63637	9,200.00	324.88	2,852.88	31.00%
Legal Services	63650	3,800.00	0.00	4,958.00	130.47%
Janitorial Services	63660	6,300.00	700.00	2,100.00	33.33%
911-NGEN Phase II Upgrade	63664	7,000.00	0.00	0.00	0.00%
911-Radio Dispatch	63665	61,100.00	15,267.00	30,534.00	49.97%
911-Inform MDT Terminal Service	63666	1,000.00	0.00	0.00	0.00%
911-Notification System	63667	400.00	0.00	0.00	0.00%
911-NGEN O&M	63668	14,300.00	3,559.00	7,118.00	49.77%
911-NGEN Debt (Capital Fee)	63669	8,100.00	0.00	7,689.00	94.92%
Auto Repair/Maintenance	63730	32,326.04	2,219.91	8,731.88	27.01%
Parking & Admin Citations Services	63812	9,000.00	774.61	2,257.18	25.07%
Animal Regulation Fire	63820	500.00	0.00	0.00	0.00%
Fund Jail & Prisoner	63830	1,500.00	0.00	0.00	0.00%
ACJIS System	63840	12,000.00	0.00	0.00	0.00%
Software/Server Subscription	64310	22,700.00	0.00	13,530.55	59.60%
Personnel Recruit & Pre-Employment	64545	3,000.00	0.00	0.00	0.00%
Membership Dues-Professional Org	64550	10,500.00	2,217.03	4,110.40	39.14%
Membership Dues-Non Profit Agency Contrib	64551	500.00	0.00	685.00	137.00%
Membership Dues-Government Agency	64552	6,300.00	0.00	5,000.00	79.36%
Books and Periodicals	64565	900.00	0.00	0.00	0.00%
Printing / Publications	64575	2,000.00	0.00	0.00	0.00%
Misc Expenses	64580	2,200.00	141.93	456.60	20.75%
Travel Expenses	64610	13,000.00	784.86	1,896.82	14.59%
Principal-Motorola Lease-Cameras	65104	21,350.00	0.00	0.00	0.00%
Principal-Dell	65105	5,300.00	0.00	5,276.34	99.55%
Interest-Dell	65205	630.00	0.00	0.00	0.00%
Total Police 210		3,292,281.04	206,477.90	1,114,862.94	33.86%
Fire/Animal Control 220	220				
Fire Seaside	63810	251,700.00	0.00	0.00	0.00%
Total Fire/Animal Control 220		251,700.00	0.00	0.00	0.00%
Public Works/Streets 311	311				
Payroll	61105	87,800.00	6,748.80	22,641.80	25.78%
Overtime	61110	0.00	0.00	126.54	0.00%
PERS UAL - After 06/30/18	61123	500.00	0.00	0.00	0.00%
PERS Retirement	61125	7,100.00	455.88	1,530.44	21.55%
Medicare-ER	61130	1,300.00	97.86	330.34	25.41%
Unemployment Ins-Fed & State	61132	100.00	0.00	0.00	0.00%
Dental Expense	61135	1,600.00	126.98	507.92	31.74%
Health Insurance	61140	42,100.00	3,340.28	10,020.84	23.80%
Vision Ins	61145	200.00	15.71	62.84	31.42%
Workers Comp and EAP	61150	1,300.00	0.00	1,023.00	78.69%
Wellness Program	61155	500.00	0.00	168.00	33.60%

City of Del Rey Oaks
Statement of Revenues and Expenditures
100 - General Fund
From 9/1/2026 Through 9/30/2026

		FY 2027 Budget	September 2026 Actual	FY 2027 YTD Actual	Percent Collected/Spent
Educational Incentive Pay	61157	1,200.00	92.30	310.05	25.83%
Materials/Supply	62410	10,000.00	4,965.73	6,852.02	68.52%
Office Supplies	62430	800.00	36.52	53.39	6.67%
Auto Operations - Supplies / Equip	62710	1,500.00	0.00	0.00	0.00%
Auto Operations - Fuel	62720	4,000.00	3,126.01	3,539.52	88.48%
Repair/Maintenance	63505	17,900.00	0.00	3,262.28	18.22%
Other Outside Services	63508	500.00	0.00	0.00	0.00%
Gabilan Crew	63515	1,500.00	0.00	0.00	0.00%
Utilities - PG&E	63520	5,000.00	3,084.68	3,191.25	63.82%
Utilities - Water	63525	6,250.00	747.29	2,310.50	36.96%
Telephone	63530	300.00	46.81	137.85	45.95%
Internet	63531	600.00	41.74	82.48	13.74%
Training	63605	1,000.00	0.00	142.49	14.24%
Insurance-Liability	63620	28,400.00	0.00	12,923.00	45.50%
Insurance-Vehicles	63622	5,000.00	0.00	2,395.50	47.91%
Engineering Services	63649	3,600.00	0.00	0.00	0.00%
SB1383 Organics Waste Regs Services	63654	21,000.00	0.00	7,000.00	33.33%
Hazardous Waste Disposal	63655	250.00	0.00	0.00	0.00%
Consultant-Franchise Agreement	63658	0.00	0.00	21,460.31	0.00%
Auto Repair/Maintenance	63730	2,500.00	0.00	43.75	1.75%
Storm Water Project - Phase 4	64920	15,000.00	0.00	0.00	0.00%
Equipment	66302	500.00	0.00	0.00	0.00%
Total Public Works/Streets 311		269,300.00	22,926.59	100,116.11	37.18%
Parks/Recreation 411	411				
Materials/Supply	62410	10,000.00	9,355.69	9,740.91	97.40%
Office Supplies	62430	100.00	0.00	95.10	95.10%
Repair/Maintenance	63505	20,000.00	1,540.00	4,620.00	23.10%
Utilities - Water	63525	7,000.00	609.66	1,594.16	22.77%
Janitorial Services	63660	0.00	350.00	1,050.00	0.00%
Travel Expenses	64610	100.00	0.00	0.00	0.00%
Total Parks/Recreation 411		37,200.00	11,855.35	17,100.17	45.97%
Total Expenditures		5,646,081.60	349,346.32	1,730,554.08	**30.65%**
Net Revenues		(325,531.60)	(52,029.23)	(692,223.47)	212.64%
Other Financing Sources and Uses					
Non Department Specific	000				
Transfers Out to CIP	81003	(78,000.00)	0.00	0.00	0.00%
Total Non Department Specific		(78,000.00)	0.00	0.00	0.00%
General Government (Header)	100				
Transfers Out to CIP	81003	(13,114.00)	0.00	0.00	0.00%
Total General Government (Header)		(13,114.00)	0.00	0.00	0.00%
Total Other Financing Sources and Uses		(91,114.00)	0.00	0.00	0.00%
Net Revenues After Other Financing Sources and Uses		(416,645.60)	(52,029.23)	(692,223.47)	

City of Del Rey Oaks

Statement of Revenues and Expenditures

210 - Gas Tax Fund

From 9/1/2026 Through 9/30/2026

		FY 2027 Budget	September 2026 Actual	FY 2027 YTD Actual	Percent Collected/Spent
Revenue					
Non Department Specific	000				
Gas Tax 2103	47010	15,000.00	2,366.56	4,769.87	31.79%
Gas Tax 2105	47020	10,100.00	833.41	2,500.15	24.75%
Gas Tax 2106	47030	9,200.00	777.29	2,329.61	25.32%
Gas Tax 2107	47040	13,700.00	1,197.16	3,467.96	25.31%
Gas Tax 2107.5	47050	1,000.00	0.00	1,000.00	100.00%
Total Non Department Specific		49,000.00	5,174.42	14,067.59	28.71%
Total Revenue		49,000.00	5,174.42	14,067.59	28.71%
Expenditures					
Public Works/Streets 311	311				
Repair/Maintenance	63505	5,000.00	0.00	0.00	0.00%
Street Sweeping	63510	12,070.00	0.00	3,017.04	24.99%
Street Lighting	63910	21,900.00	1,714.71	5,052.31	23.06%
Principal-PG&E	65751	2,550.00	210.83	632.49	24.80%
Total Public Works/Streets 311		41,520.00	1,925.54	8,701.84	20.96%
Total Expenditures		41,520.00	1,925.54	8,701.84	20.96%
Net Revenues		7,480.00	3,248.88	5,365.75	71.73%
Net Revenues After Other Financing Sources and Uses		7,480.00	3,248.88	5,365.75	71.73%

City of Del Rey Oaks

Statement of Revenues and Expenditures

211 - SB1 Fund-RMRA

From 9/1/2026 Through 9/30/2026

		FY 2027 Budget	September 2026 Actual	FY 2027 YTD Actual	Percent Collected/Spent
Revenue					
Non Department Specific	000				
SB 1 Funds	47777	44,305.00	3,593.98	11,280.16	25.46%
Total Non Department Specific		44,305.00	3,593.98	11,280.16	25.46%
Total Revenue		44,305.00	3,593.98	11,280.16	25.46%
Net Revenues		44,305.00	3,593.98	11,280.16	25.46%
Net Revenues After Other Financing Sources and Uses		44,305.00	3,593.98	11,280.16	25.46%

City of Del Rey Oaks

Statement of Revenues and Expenditures

212 - Measure X Fund

From 9/1/2026 Through 9/30/2026

		FY 2027 Budget	September 2026 Actual	FY 2027 YTD Actual	Percent Collected/Spent
Revenue					
Non Department Specific	000				
Measure X	47775	100,705.00	0.00	0.00	0.00%
Total Non Department Specific		100,705.00	0.00	0.00	0.00%
Total Revenue		100,705.00	0.00	0.00	0.00%
Expenditures					
Debt Service - Measure X	610				
Principal - Measure X Loan	65103	87,705.00	0.00	0.00	0.00%
Interest - Measure X	65203	13,000.00	0.00	0.00	0.00%
Total Debt Service - Measure X		100,705.00	0.00	0.00	0.00%
Total Expenditures		100,705.00	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

214 - RSTP

From 9/1/2026 Through 9/30/2026

		FY 2027 Budget	September 2026 Actual	FY 2027 YTD Actual	Percent Collected/Spent
Revenue					
Non Department Specific	000				
RSTP Funds	47776	15,600.00	0.00	0.00	0.00%
Total Non Department Specific		15,600.00	0.00	0.00	0.00%
Total Revenue		15,600.00	0.00	0.00	0.00%
Net Revenues		15,600.00	0.00	0.00	0.00%
Net Revenues After Other Financing Sources and Uses		15,600.00	0.00	0.00	0.00%

City of Del Rey Oaks

Statement of Revenues and Expenditures

221 - FORA Habitat Management Fund

From 9/1/2026 Through 9/30/2026

		FY 2027 Budget	September 2026 Actual	FY 2027 YTD Actual	Percent Collected/Spent
Expenditures					
Planning & Building Regulation 160	160				
Contract Services - Habitat Management Plan	63646	32,764.20	0.00	0.00	0.00%
Total Planning & Building Regulation 160		32,764.20	0.00	0.00	0.00%
Total Expenditures		32,764.20	0.00	0.00	0.00%
Net Revenues		(32,764.20)	0.00	0.00	0.00%
Net Revenues After Other Financing Sources and Uses		(32,764.20)	0.00	0.00	0.00%

City of Del Rey Oaks

Statement of Revenues and Expenditures

231 - BSCC-Officer Wellness & Mental Health Grant

From 9/1/2026 Through 9/30/2026

		FY 2027 Budget	September 2026 Actual	FY 2027 YTD Actual	Percent Collected/Spent
Expenditures					
Police 210	210				
Law Enforcement Wellness App	64314	0.00	0.00	1,999.00	0.00%
Total Police 210		0.00	0.00	1,999.00	0.00%
Total Expenditures		0.00	0.00	1,999.00	0.00%
Net Revenues		0.00	0.00	(1,999.00)	0.00%
Net Revenues After Other Financing Sources and Uses		0.00	0.00	(1,999.00)	0.00%

City of Del Rey Oaks

Statement of Revenues and Expenditures

236 - Drug Enforcement Administration (DEA)

From 9/1/2026 Through 9/30/2026

		FY 2027 Budget	September 2026 Actual	FY 2027 YTD Actual	Percent Collected/Spent
Revenue					
Police 210	210				
DEA Reimbursements	47782	40,000.00	4,186.92	6,189.36	15.47%
Total Police 210		40,000.00	4,186.92	6,189.36	15.47%
Total Revenue		40,000.00	4,186.92	6,189.36	15.47%
Expenditures					
Police 210	210				
Overtime-DEA	61111	40,000.00	1,638.36	5,015.16	12.53%
Total Police 210		40,000.00	1,638.36	5,015.16	12.54%
Total Expenditures		40,000.00	1,638.36	5,015.16	12.54%
Net Revenues		0.00	2,548.56	1,174.20	0.00%
Net Revenues After Other Financing Sources and Uses		0.00	2,548.56	1,174.20	0.00%

City of Del Rey Oaks

Statement of Revenues and Expenditures

301 - Capital Projects

From 9/1/2026 Through 9/30/2026

		FY 2027 Budget	September 2026 Actual	FY 2027 YTD Actual	Percent Collected/Spent
Expenditures					
Vehicle Replacement	533				
Vehicle Replacement	66735	45,000.00	81,457.90	81,457.90	181.01%
Total Vehicle Replacement		45,000.00	81,457.90	81,457.90	181.02%
Server Replacement	540				
Server Replacement	66303	20,000.00	0.00	0.00	0.00%
Total Server Replacement		20,000.00	0.00	0.00	0.00%
PD Radio Replacement	543				
PD Radio Replacement	66736	10,000.00	0.00	0.00	0.00%
Total PD Radio Replacement		10,000.00	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 Parking Lot Improvements	548				
City Hall Parking Lot Impvts	66429	13,114.00	0.00	0.00	0.00%
Total City Hall Parking Lot Improvements		13,114.00	0.00	0.00	0.00%
Total Expenditures		91,114.00	81,457.90	81,457.90	89.40%
Net Revenues		(91,114.00)	(81,457.90)	(81,457.90)	89.40%
Other Financing Sources and Uses					
Vehicle Replacement	533				
Transfers In from GF	82003	45,000.00	0.00	0.00	0.00%
Total Vehicle Replacement		45,000.00	0.00	0.00	0.00%
Server Replacement	540				
Transfers In from GF	82003	20,000.00	0.00	0.00	0.00%
Total Server Replacement		20,000.00	0.00	0.00	0.00%
PD Radio Replacement	543				
Transfers In from GF	82003	10,000.00	0.00	0.00	0.00%
Total PD Radio Replacement		10,000.00	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 Parking Lot Improvements	548				
Transfers In from GF	82003	13,114.00	0.00	0.00	0.00%
Total City Hall Parking Lot Improvements		13,114.00	0.00	0.00	0.00%
Total Other Financing Sources and Uses		91,114.00	0.00	0.00	0.00%
Net Revenues After Other Financing Sources and Uses		0.00	(81,457.90)	(81,457.90)	0.00%

City of Del Rey Oaks

Statement of Revenues and Expenditures

302 - Capital Project

From 9/1/2026 Through 9/30/2026

		FY 2027 Budget	September 2026 Actual	FY 2027 YTD Actual	Percent Collected/Spent
Expenditures					
Economic Development	561				
Legal Services-Economic Development	63653	0.00	1,047.50	2,726.50	0.00%
Total Economic Development		0.00	1,047.50	2,726.50	0.00%
Total Expenditures		0.00	1,047.50	2,726.50	0.00%
Net Revenues		0.00	(1,047.50)	(2,726.50)	0.00%
Net Revenues After Other Financing Sources and Uses		0.00	(1,047.50)	(2,726.50)	0.00%

City of Del Rey Oaks

Statement of Revenues and Expenditures

321 - SBR Engineering Fund

From 9/1/2026 Through 9/30/2026

		FY 2027 Budget	September 2026 Actual	FY 2027 YTD Actual	Percent Collected/Spent
Expenditures					
SBR Contract-Engineering & Others	518				
Contract Services - Engineering	63611	389,825.48	0.00	0.00	0.00%
Total SBR Contract-Engineering & Others		389,825.48	0.00	0.00	0.00%
Total Expenditures		389,825.48	0.00	0.00	0.00%
Net Revenues		(389,825.48)	0.00	0.00	0.00%
Net Revenues After Other Financing Sources and Uses		(389,825.48)	0.00	0.00	0.00%

City of Del Rey Oaks
Encumbrance Summary
Balance as of 09/30/2026

Vendor Name	PO Number	Encumbrance Description	Enc Date	Encumbrance Amount	Current Balance	Fund Code	Dept-Project Code	GL Code
MONTEREY BAY TECHNOLOGIES, INC.	PO2627-2	FY 26-27 It Service Retainer	7/1/2026	12,600.00	9,450.00	100	111	63635
MONTEREY BAY TECHNOLOGIES, INC.	PO2627-2	FY 26-27 It Service Retainer	7/1/2026	12,600.00	9,450.00	100	210	63635
	Total PO2627-2	FY 26-27 It Service Retainer	7/1/2026	25,200.00	18,900.00			
JAMES DE CHALK	PO2627-4	FY26-27 Janitorial Services	7/1/2026	6,300.00	2,650.00	100	180	63660
JAMES DE CHALK	PO2627-4	FY26-27 Janitorial Services	7/1/2026	10,500.00	10,000.00	100	210	63660
JAMES DE CHALK	PO2627-4	FY26-27 Janitorial Services	7/1/2026	4,200.00	7,350.00	100	411	63660
	Total PO2627-4	FY26-27 Janitorial Services	7/1/2026	21,000.00	20,000.00			
G.P.S. SOLUTIONS	PO2627-5	FY26/27 Plan Checking/Building Inspection Services	7/1/2026	62,400.00	45,177.20	100	160	63648
County of Monterey	PO2627-7	FY26/27 9-1-1 Dispatch & Related Services	7/1/2026	1,326.00	0.00	100	190	64580
County of Monterey	PO2627-7	FY26/27 9-1-1 Dispatch & Related Services	7/1/2026	61,067.00	30,533.00	100	210	63665
County of Monterey	PO2627-7	FY26/27 9-1-1 Dispatch & Related Services	7/1/2026	1,000.00	1,000.00	100	210	63666
County of Monterey	PO2627-7	FY26/27 9-1-1 Dispatch & Related Services	7/1/2026	14,234.00	7,116.00	100	210	63668
County of Monterey	PO2627-7	FY26/27 9-1-1 Dispatch & Related Services	7/1/2026	7,689.00	0.00	100	210	63669
	Total PO2627-7	FY26/27 9-1-1 Dispatch & Related Services	7/1/2026	85,316.00	38,649.00			
SMITH & ENRIGHT LANDSCAPING, INC.	PO2627-8	FY 26-27 Landscape Maintenance	7/1/2026	18,480.00	15,400.00	100	411	63505
CORONADO DEISEL MOBILE SERVICES, INC.	PO2627-9	Mobile Car Repairs	7/1/2026	9,326.04	29,290.28	100	210	63730
Access Monterey Penninsula, Inc.	PO2627-10	Video operators to produce, braodcst, record and live stream DRO meetings	7/1/2026	4,500.00	4,500.00	100	111	63508
CHAVAN AND ASSOCIATES, LLP	PO2627-11	City Audit Services FY 2027	7/1/2026	8,215.00	8,215.00	100	130	63625
CHAVAN AND ASSOCIATES, LLP	PO2627-11	City Audit Services FY 2027	7/1/2026	275.00	275.00	100	210	63625
	Total PO2627-11	City Audit Services FY 2027	7/1/2026	8,490.00	8,490.00			
FENTON & KELLER	PO2627-12	FY26/27 Legal Services	7/1/2026	124,765.30	100,399.66	100	150	63650
		FY26/27 Legal Services	7/1/2026	8,000.00	8,000.00	100	150	63650
	Total PO2627-12	City Audit Services FY 2027	7/1/2026	132,765.30	108,399.66			
REGIONAL GOVERNMENT SERIVCES	PO2627-13	FY26/27 Accounting Services	7/1/2026	26,493.51	94,674.11	100	130	63645
DENISE DUFFY & ASSOCIATES	PO2627-14	Task 779-E Housing Element Implementation	7/1/2026	16,831.75	16,831.75	100	160	63642
DENISE DUFFY & ASSOCIATES	PO2627-15	Task 782 Habitat Managment Plan	7/1/2026	18,316.20	18,316.20	221	160	63646
DENISE DUFFY & ASSOCIATES	PO2627-16	Task 4 - Project 2024-40 South Boundary Road Realignment	7/1/2026	79,758.48	79,758.48	321	518	63611
Whitson Engineers	PO2627-17	SBR Engineering - Contract Services	7/1/2026	310,067.00	310,067.00	321	518	63611
NEILL ENGINEERS CORP	PO2627-18	Engineering Services - Field Survey & mapping, prepare topogrphaic base map for engineerin	7/1/2026	33,114.00	33,114.00	301	548	66429
MTRY REGIONAL WASTE MANAGEMENT DISTRIC	PO2627-19	FY 25/26 SB 1383 Implementation	7/1/2026	21,000.00	21,000.00	100	311	63654
ECONOMIC&PLANNING SYSTEMS, INC.	PO2627-20	Fort Ord Development Consulting Services	7/1/2026	67,295.00	59,660.65	100	160	63639
CHAVAN AND ASSOCIATES, LLP	PO2627-21	City Audit FY26/27	7/1/2026	30,000.00	12,255.00	100	130	63625

City of Del Rey Oaks
Encumbrance Summary
Balance as of 09/30/2026

Vendor Name	PO Number	Encumbrance Description	Enc Date	Encumbrance Amount	Current Balance	Fund Code	Dept-Project Code	GL Code
CHAVAN AND ASSOCIATES, LLP	PO2627-21	City Audit FY26/27	7/1/2026	5,000.00	5,000.00	100	210	63625
	Total PO2627-21	City Audit FY26/27	7/1/2026	35,000.00	17,255.00			
CHAVAN AND ASSOCIATES, LLP	PO2627-22	Measure X	7/1/2026	4,000.00	4,000.00	100	130	63625
CHAVAN AND ASSOCIATES, LLP	PO2627-23	Airport - cost Allocation review for law enforcement svcs	7/1/2026	5,000.00	5,000.00	100	210	63625
CHAVAN AND ASSOCIATES, LLP	PO2627-24	Business License Tax Audit	7/1/2026	9,000.00	9,000.00	100	130	63625
CITY OF SEASIDE	PO2627-25	Street Sweeping Services	7/1/2026	12,068.16	9,051.12	210	311	63510
CITY OF SEASIDE	PO2627-26	Fire Protection Services	7/1/2026	251,633.00	251,633.00	100	220	63810
Park Warehouse	PO2627-27	A-Frame Recycled Plastic Picnic Tables Qty 5	9/23/2026	9,215.39	0.00	100	411	62410
Report Balance					**1,218,167.45**			

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

DATE: October 27, 2026

TO: Honorable Mayor and City Council

FROM: John Guertin, City Manager

SUBJECT: Local Emergency Declaration and Preparedness for Anticipated 2026-27 El Nino Storm Impacts

Recommendation

Adopt the attached resolution declaring a local emergency due to threatened 2026–2027 El Niño storm impacts, adopting the separate proclamation as Exhibit A, and authorizing the City Manager to coordinate lawful storm preparedness and assistance requests. Direct staff to return for Council review within 60 days after adoption, or earlier as required by applicable law or changing conditions.

Summary

The proposed action establishes a local emergency framework before anticipated severe weather intensifies. It authorizes coordinated preparedness, resource requests, and public information while retaining applicable budget, purchasing, permitting, and Council oversight requirements. The proclamation is a Council action executed by Mayor Scott Donaldson; it does not depend on a separate declaration by an individual official.

On September 21, 2026, the Governor proclaimed a statewide emergency related to the developing 2026–2027 El Niño event. The supplied proclamation directs state preparedness, resource staging, interagency coordination, and support for local protective work. It also recognizes that strong El Niño events do not produce uniform statewide outcomes. Actual conditions in Del Rey Oaks will depend on storm tracks, rainfall intensity and duration, wind, and local drainage conditions.

The proposed action would support early coordination with Monterey County and regional partners, prioritize protective work, and provide a process for reporting changing conditions and resource needs to the Council.

Discussion

The City's coastal location creates exposure to flooding, high winds, erosion, downed trees, roadway hazards, power outages, and interruptions to essential services. Successive or prolonged severe storms could require drainage maintenance, emergency response, traffic control, sheltering, and restoration of services at the same time. These concurrent demands are the basis for the proposed finding that threatened conditions are likely to exceed City capabilities and require assistance from other jurisdictions.

The resolution addresses the threatened existence of an emergency in advance of anticipated storm impacts. Specific local impacts will depend on actual weather and coastal conditions. Staff will monitor forecasts and operational needs and adjust readiness activities accordingly.

The resolution authorizes the City Manager, within lawful authority and available appropriations, to coordinate drainage inspections and maintenance, protection of public facilities, staging of flood

response supplies and equipment, and planning for traffic control, evacuation support, sheltering, debris removal, and continuity of operations. Staff would coordinate with the Monterey County Operational Area, public safety agencies, utilities, and mutual aid partners, and adjust readiness to forecasts and operational needs.

Authorized preparedness activities include inspecting and maintaining drainage facilities; protecting roads, public facilities, and critical infrastructure; staging sandbags, pumps, generators, barriers, and other supplies; and planning for road closures, evacuations, sheltering, debris removal, and service interruptions.

The City Manager may request mutual aid, technical assistance, equipment, personnel, and other resources and seek available funding consistent with applicable program requirements. A local proclamation supports emergency coordination but does not guarantee state or federal reimbursement.

The declaration does not itself waive competitive bidding or create an unrestricted purchasing authority. The City Manager would continue to follow City purchasing and budget requirements. If emergency public works contracting becomes necessary, staff must separately address the applicable Public Contract Code section 22050 findings, vote, delegation, and review requirements. Routine seasonal maintenance should continue through normal procedures when time permits.

The declaration does not itself waive competitive bidding or create an unrestricted purchasing authority. The City Manager would continue to follow City purchasing and budget requirements. If emergency public works contracting becomes necessary, staff must separately address the applicable Public Contract Code section 22050 findings, vote, delegation, and review requirements. Routine seasonal maintenance should continue through normal procedures when time permits.

Following adoption, the Mayor will execute the proclamation on behalf of the Council and the Clerk will certify the resolution and attach the proclamation as Exhibit A. Staff will transmit both to the Monterey County Department of Emergency Management for Operational Area coordination and transmittal to Cal OES.

Staff will track incident dates, protective measures, damages, labor, equipment, contracts, insurance, and other costs. If damaging incidents occur, staff should promptly coordinate with the Operational Area and Cal OES regarding incident-specific reporting, application deadlines, eligible work, and any supplemental declaration or assistance request.

Fiscal Impacts

Adoption does not appropriate additional funds. Staff proposes to perform initial preparedness work within available departmental appropriations, subject to verification of balances and operational needs. Potential additional costs include overtime, supplies, equipment rental, contracted services, emergency protective work, and repairs. The amount is not yet known and will depend on actual conditions. Staff will seek Council approval of necessary budget adjustments and contracts as required and report emergency costs during continuing reviews. No state or federal reimbursement is assumed.

Recommendation

Adopt the attached resolution declaring a local emergency due to threatened 2026–2027 El Niño storm impacts, adopting the separate proclamation as Exhibit A, and authorizing the City Manager to coordinate lawful storm preparedness and assistance requests.

Attachments

1. Draft resolution
2. Proclamation of a Local Emergency, to be attached to the resolution as Exhibit A.

Respectfully submitted,
John Guertin
City Manager

RESOLUTION NO. 2026-23

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DEL REY OAKS PROCLAIMING THE THREATENED EXISTENCE OF A LOCAL EMERGENCY DUE TO ANTICIPATED 2026–2027 EL NIÑO STORM IMPACTS AND AUTHORIZING STORM PREPAREDNESS ACTIONS

WHEREAS, Government Code § 8558(c) defines a local emergency, and Government Code § 8630(a) and Del Rey Oaks Municipal Code Chapter 2.28 provide authority for the City Council to proclaim a local emergency; and

WHEREAS, Del Rey Oaks Municipal Code Section 2.28.050(a) defines an emergency to include the actual or threatened existence of conditions of disaster or extreme peril caused by flood, storm, or other conditions that are or are likely to be beyond the control of City services, personnel, equipment, and facilities, requiring the combined forces of other political subdivisions to combat; and

WHEREAS, Del Rey Oaks Municipal Code Section 2.28.050(a) authorizes the City Manager to request that the City Council proclaim the existence or threatened existence of a local emergency when the City Council is in session; and

WHEREAS, on September 21, 2026, the Governor proclaimed a statewide state of emergency due to the developing 2026–2027 El Niño event and directed advance preparedness for potential severe weather, flooding, coastal impacts, erosion, and related hazards; and

WHEREAS, Del Rey Oaks is a coastal community in which severe storms can cause flooding, high winds, erosion, downed trees, roadway hazards, power outages, infrastructure damage, and interruptions to essential services; and

WHEREAS, successive or prolonged severe storm events may place concurrent demands on emergency response, drainage maintenance, transportation access, sheltering, and restoration of essential services; and

WHEREAS, advance coordination with Monterey County, mutual aid partners, utilities, and state agencies is necessary to identify vulnerabilities, stage resources, prepare public facilities, and communicate preparedness information to residents and businesses; and

WHEREAS, based on the anticipated storm hazards and the preparedness information presented to the City Council, conditions of extreme peril to persons and property are threatened within Del Rey Oaks and are likely to exceed the capability of City services, personnel, equipment, and facilities, requiring assistance from other political subdivisions.

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

1. Proclamation of Local Emergency. The foregoing recitals are incorporated as findings. Pursuant to Government Code § 8630 and Del Rey Oaks Municipal Code Chapter 2.28 the City Council hereby proclaims the threatened existence of a local emergency within the territorial limits of Del Rey Oaks due to the anticipated impacts of the developing 2026–2027 El Niño event and associated severe weather.

2. Emergency Coordination. The City Manager, as Director of Emergency Services, shall coordinate City preparedness and carry out those portions of the adopted Emergency Operations Plan necessary and appropriate to the threatened conditions. The Director may activate the Emergency Operations Center at a level appropriate to forecast conditions and operational needs and coordinate with the Monterey County Operational Area and mutual aid partners.

3. Storm Preparedness Actions. The City Manager is authorized to direct City departments, within their lawful authority, to undertake appropriate preparedness activities, including inspection and maintenance of drainage facilities; monitoring and protection of roads, public facilities, and other critical infrastructure; staging sandbags, pumps, generators, barriers, and other necessary supplies; planning for road closures, evacuations, sheltering, debris removal, and service interruptions; and coordinating readiness and service restoration with utilities and partner agencies. Preparedness shall include accessible and multilingual public information and coordination to assist residents who face additional risks during severe weather.

4. Outside Assistance. The City Manager is authorized to request and coordinate mutual aid, technical assistance, equipment, personnel, and other resources through the Operational Area and appropriate state, federal, and regional partners, and to seek available funding consistent with applicable program requirements. This resolution does not establish entitlement to reimbursement.

5. Expenditures and Contracting. To the extent authorized by applicable law, the Del Rey Oaks Municipal Code, City purchasing policies, and applicable emergency contracting authority, the City Manager may incur expenditures and procure materials, equipment, services, and supplies necessary to prepare for, respond to, and mitigate the threatened emergency conditions. The City shall maintain records of personnel time, equipment use, purchases, contracts, and other emergency costs. It shall present emergency expenditures and procurements to the City Council for review or ratification as required by law. Any emergency public works contracting undertaken pursuant to Public Contract Code § 22050 shall comply with that section's applicable findings, voting, delegation, and continuing-review requirements. This resolution does not independently waive competitive bidding requirements.

6. Applicable Laws and Council Oversight. All actions shall comply with applicable law, including environmental and permitting requirements, except to the extent lawfully waived by an authorized agency. Any emergency rules or regulations issued by the Director shall be submitted to the City Council for confirmation at the earliest practicable time as required by Del Rey Oaks Municipal Code section 2.28.050(a).

7. Continuing Review and Termination. The City Council shall review the need to continue the local emergency at least once every 60 days in accordance with Government Code § 8630 (c) and (d). The City Manager shall present information on conditions, preparedness, resource needs, and expenditures sufficient to support that review. The City Council shall proclaim termination at the earliest possible date that conditions warrant.

8. Effective Date and Notice. This resolution takes effect immediately upon adoption on October 27, 2026. The City Clerk shall certify its adoption and transmit it to Monterey County emergency management, Cal OES, and other appropriate partner agencies.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Del Rey Oaks duly held on the 27th day of October 2026, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTAIN:	COUNCIL MEMBERS:

APPROVED:

_____
Scott Donaldson, Mayor

ATTEST:

_____
Karen Minami, City Clerk

APPROVED AS TO FORM:

_____
Alex Lorca, City Attorney

EXECUTIVE DEPARTMENT
STATE OF CALIFORNIA

PROCLAMATION OF A STATE OF EMERGENCY

WHEREAS in the past several years, California has experienced increasingly severe and destructive storms, including atmospheric river events that have caused widespread flooding, mud and debris flows, landslides, high winds, power outages, road and highway closures, evacuation orders, damage to homes and critical infrastructure, and disruption of essential services; and

WHEREAS climate change is intensifying these weather and hydrologic extremes in California, contributing to increasingly severe swings between drought and flooding, and heightening the risks that extreme storms pose to communities, infrastructure, natural resources, and the economy; and

WHEREAS California is entering the 2026–2027 wet season amid the ongoing development of a strong and likely historic El Niño event in the Pacific Ocean; and

WHEREAS the National Oceanic and Atmospheric Administration's National Weather Service Climate Prediction Center, in its August 13, 2026, diagnostic report, found that the El Niño event is strengthening, with a greater than 90 percent chance of a very strong event during Northern Hemisphere fall and winter of 2026–2027; and

WHEREAS the Climate Prediction Center projected a 69 percent chance that the event will reach historic strength during the October through December 2026 season, defined as a three-month Relative Oceanic Niño Index, and exceeding the strength of all prior El Niño events in the historical record beginning in 1950; and

WHEREAS the National Weather Service Climate Prediction Center has found that atmospheric conditions over the tropical Pacific are consistent with a strengthening El Niño, including changes in equatorial winds and an eastward shift in enhanced convection and rainfall toward the central and eastern Pacific, making it more likely that at least some parts of California will experience stronger storms in coming months; and

WHEREAS elevated baseline coastal water levels, combined with high tides, large waves, high surf, and coastal storms, can increase risks of coastal flooding, beach erosion, bluff erosion, transportation disruption, and damage to public and private infrastructure; and

WHEREAS California has already begun to experience effects attributed to this El Niño event, including unusual precipitation and significant coastal flooding; and

WHEREAS historical experience demonstrates that very strong El Niño events do not produce uniform statewide outcomes, but can be associated with exceptionally wet and destructive winter conditions in California; and

WHEREAS California's recent experience with atmospheric rivers, debris flows following wildfires, flash flooding, coastal erosion, inundation, and damage to transportation and flood-control infrastructure demonstrates the importance of procuring and positioning resources, clearing waterways, and taking additional actions to prepare before severe storms arrive; and

WHEREAS areas affected by recent wildfires are particularly susceptible to flash flooding, mud and debris flows, erosion, sediment transport, and road closures during high-intensity rainfall; and

WHEREAS in light of that experience, local governments, local water agencies, and local flood control authorities have requested action now to enable them to move quickly to begin preparations for preventing and responding to the impacts of potential flooding; and

WHEREAS low-income communities, farmworker families, rural residents, seniors, persons with disabilities, residents with limited transportation access, people experiencing homelessness, and communities in flood-prone, coastal, or post-fire areas may face disproportionate risks; and

WHEREAS the demonstrated potential for a very strong or historic-strength El Niño event to cause elevated coastal water levels and high-impact storms in California warrants early, coordinated, and targeted preparedness actions to protect Californians, critical infrastructure, agricultural lands, natural resources, and the State's economy; and

WHEREAS under the provisions of Government Code section 8558(b), I find that conditions of extreme peril to the safety of persons and property exist due to the developing El Niño event; and

WHEREAS under the provisions of Government Code section 8558(b), I find that the developing El Niño event is likely to cause conditions that, by reason of their magnitude, are likely to be beyond the control of the services, personnel, equipment, and facilities of any single local government and require the combined forces of a mutual aid region or regions to appropriately respond; and

WHEREAS under the provisions of Government Code section 8625(c), I find that local authority is inadequate to cope with the magnitude of the extreme peril posed by the developing El Niño event; and

WHEREAS under the provisions of Government Code section 8571, I find that strict compliance with various statutes and regulations specified in this Proclamation would prevent, hinder, or delay the mitigation of the effects of the developing El Niño event.

NOW, THEREFORE, I, GAVIN NEWSOM, Governor of the State of California, in accordance with the authority vested in me by the State Constitution and statutes, including the California Emergency Services Act, and in particular, Government Code section 8625, **HEREBY PROCLAIM A STATE OF EMERGENCY** to exist statewide due to the developing 2026–2027 El Niño event.

IT IS HEREBY ORDERED THAT:

1. All agencies of the state government are to utilize and employ state personnel, equipment, and facilities for the performance of any and all activities consistent with the direction of the Governor's Office of Emergency Services and the State Emergency Plan. The Governor's Office of Emergency Services shall coordinate statewide preparedness activities for potential severe weather, flooding, coastal flooding, erosion, mud and debris flows, and related impacts associated with conditions resulting from the El Niño event, including atmospheric rivers and other severe storm systems. The Governor's Office of Emergency Services shall work with local and tribal governments to support emergency planning, resource coordination, and requests for state assistance. To protect their safety, all residents are to obey the direction of emergency officials with regard to this emergency.

2. As necessary to assist local governments and for the protection of public safety and the environment, state agencies shall enter into contracts to arrange for the procurement of materials, goods, and services necessary to quickly assist with the response to and recovery from the impacts of this emergency. Applicable provisions of the Government Code and the Public Contract Code, including but not limited to travel, advertising, and competitive bidding requirements, are suspended to the extent necessary to address the effects of this emergency.

3. The California Environmental Protection Agency and the California Natural Resources Agency, including boards, departments, and offices within those agencies, are directed to prioritize work to help local agencies prepare for anticipated impacts from the El Niño event. In particular, those state agencies are directed to prioritize permitting, consultation, and technical assistance to support local efforts to prevent or mitigate impacts from anticipated or potential flooding, landslides, and mud and debris flows, including local efforts to expedite levee and other flood management infrastructure repairs, vegetation management, debris removal, sediment management, bridge scour protection, and channel-capacity improvements. State agencies are directed to work with local agencies to issue any necessary permits or other approvals for such efforts as quickly as possible, including by identifying and invoking existing emergency authorities or other pathways for streamlined review. On or before October 16, 2026, the Secretary for Environmental Protection and the Secretary of the Natural Resources Agency shall submit a joint recommendation to my office as to whether further action or emergency suspensions are necessary to support and expedite this work.

4. The Governor's Office of Emergency Services shall coordinate the State's preparation for and response to the developing El Niño event, including by working with the Department of Water Resources and other appropriate government agencies to prepare to pre-position personnel, equipment, supplies, commodities, and other resources based on forecast conditions, local needs, and identified risks. In particular, this work shall draw on the Department of Water Resources' guidance regarding flood-risk-reduction activities.

5. The Department of Water Resources shall take appropriate action to procure, maintain, stage, pre-position, distribute, and replenish flood-fight supplies, equipment (including, but not limited to, sandbags, riprap and other rock materials, plastic sheeting, and pumps), and other materials necessary to support statewide flood preparedness, response, and protective actions in connection with the El Niño event. The Department of Water Resources shall coordinate with appropriate government agencies to identify priority areas for flood-fight material staging and plans to make these materials available where they are needed, when they are needed.

6. The Department of Water Resources, through its Division of Safety of Dams, shall conduct outreach to owners of jurisdictional dams regarding potential severe conditions during the El Niño event and shall reiterate to dam owners their responsibilities to inspect, operate, maintain, repair, and safely manage their dams and appurtenant structures in accordance

with applicable law, permit conditions, emergency action plans, and directives of the Division of Safety of Dams.

7. The Governor's Office of Emergency Services, in coordination with the Department of Water Resources, shall conduct outreach to counties, cities, and relevant local agencies that are responsible for levees, flood-control facilities, and associated structures that may be vulnerable to impacts of the El Niño event to take appropriate actions to procure, maintain, stage, pre-position, distribute, and replenish flood-fight supplies, commodities, equipment, and materials necessary to support flood preparedness, response, and protective actions.

8. The Department of Water Resources, in coordination with the State Water Resources Control Board, shall conduct outreach and education to advance groundwater recharge projects and to use flood flows to recharge groundwater aquifers under existing law with the goal of reducing flood impacts and strengthening local water supplies.

9. Consistent with Paragraph 3 of this Proclamation, the Coastal Commission is directed to expedite review and action on proposed development by coastal communities to prepare for the impacts of this El Niño event. Coastal communities are encouraged to submit permit applications, as appropriate, to facilitate timely Coastal Commission review, technical assistance, and other support for El Niño preparations. After an application is received, the Commission shall respond with notification of any incomplete items within five days. After an application is complete, it shall be scheduled for hearing at the next Commission meeting. For emergency permit requests, the Commission shall accept both written and oral requests to its district offices. When necessary to address an urgent need related to this emergency, the Commission shall take action on emergency permit requests as quickly as possible and within twenty-four hours of receipt.

10. The California Department of Transportation and California State Transportation Agency shall identify those state highways, bridges, culverts, drainage facilities, slopes, and other transportation infrastructure most at risk of flooding, erosion, debris flows, rockslides, mudslides, or other significant impacts from severe storms caused by the El Niño event, and transmit to the Governor's Office of Emergency Services a prioritized list of projects to address such risks within 30 days of this Proclamation.

11. The California Department of Transportation shall develop plans to pre-position personnel and materials (including directional signage, traffic-control devices, road-closure devices, warning signs, delineators, emergency communications equipment, and other resources) at or near locations that may be identified as at risk of severe impacts from the El Niño event. This shall include plans to prepare and pre-position snow-removal, snow-control, and ice-control equipment as appropriate, including snowplows, snow blowers, graders, loaders, chain-control equipment, salt, sand, and other materials necessary to maintain safe travel and restore access on state highways during the El Niño event.

12. The Adjutant General and the California Military Department shall, in coordination with the Director of the Governor's Office of Emergency

Services, identify California National Guard personnel, equipment, and capabilities that may be available to support state and local emergency operations, if activated or tasked, in relation to this El Niño event. Such planning shall include readiness for high-water vehicle operations; aviation operations, including reconnaissance, search and rescue, transport, and heavy-lift support, as appropriate; engineering support; emergency communications; transportation and logistics; evacuation support; flood-fight activities; debris removal and route clearance; commodity distribution; shelter support; and other life-safety and emergency-support missions.

13. California Volunteers, in coordination with the Governor's Office of Emergency Services and other appropriate agencies, shall prepare to mobilize volunteers and trained service members, consistent with their training, mission, safety requirements, and applicable law, to support state and local preparedness, response, and recovery activities in connection with the El Niño event.

14. The California Conservation Corps shall prepare to deploy Corpsmembers, consistent with its statutory mission, training, available resources, safety requirements, and applicable law, to support severe weather preparedness and response activities in connection with the El Niño event.

15. The California Energy Commission, the Office of Energy Infrastructure Safety, and the State Water Resources Control Board and regional water quality control boards are directed, and the California Public Utilities Commission is requested, to coordinate, consistent with their respective authorities, with electrical, natural-gas, water, wastewater, telecommunications, transportation, and other critical-service providers to enhance readiness and support timely restoration of essential services following storm impacts.

16. The Governor's Office of Emergency Services, in consultation with relevant state agencies, shall expand accessible, multilingual public preparedness communications related to severe weather, flooding, emergency alerts, evacuation readiness, power outages, safe travel, disaster assistance, and household emergency planning.

17. Agencies under my direct authority shall cooperate in their response to this emergency. Other agencies are requested to assist in responding to this emergency, as appropriate.

18. The restrictions set forth in Penal Code section 396, which are automatically triggered upon proclamation of a state of emergency, are suspended, and no such restrictions are imposed, with respect to this El Niño event, at this time.

I FURTHER DIRECT that as soon as hereafter possible, this Proclamation be filed in the Office of the Secretary of State and that widespread publicity and notice be given of this Proclamation.

This Proclamation is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its agencies, departments, entities, officers, employees, or any other person.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 21st day of September 2026.

GAVIN NEWSOM
Governor of California

ATTEST:

SHIRLEY WEBER, PH. D
Secretary of State

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

DATE: October 27, 2026

TO: Honorable Mayor and City Council

FROM: John Guertin, City Manager

SUBJECT: Award Landscape Maintenance Contract to K&D Landscaping, Inc. and Authorize the City Manager to Execute the Agreement

CEQA: Routine maintenance of existing landscaping is eligible for the Class 1 exemption under CEQA Guidelines Section 15301(h), excluding pesticide use. Before execution, staff will confirm the applicable CEQA determination for the final scope, including proposed herbicide use and any exceptions to the exemption.

Discussion

The City solicited landscape maintenance proposals through an informal competitive bid process for maintenance of City landscaped areas and parks. Three proposals were received. The proposed base maintenance prices are listed below in ascending order:

Contractor	Monthly price	Annual price
K&D Landscaping, Inc.	$1,158	$13,896
Smith & Enright Landscaping	$1,560	$18,720
Cagwin & Dorward	$2,631	$31,567

Annual amounts for K&D and Smith & Enright reflect 12 monthly payments. Cagwin & Dorward's proposal states $31,567 annually; its rounded monthly price totals $31,572 over 12 months. Prices cover the respective base scopes and exclude separately billed services.

K&D is the lowest bidder by stated base price. Its annualized price is $4,824 below Smith & Enright and $17,671 below Cagwin & Dorward's stated annual price. Staff recommends approving a one-year base maintenance contract with K&D at $1,158 per month, not to exceed $13,896.

K&D's September 10, 2026, proposal provides weekly landscape maintenance, including mowing, trimming and edging, weed control, selective pruning, debris removal, and irrigation monitoring. K&D also identifies battery-powered maintenance equipment and municipal landscape maintenance experience.

The proposal permits separately billed irrigation repairs, certain pest control, tree work, and other services. The agreement requires prior written City approval for all extra work, including repairs below the proposal's $500 approval threshold. No contingency, automatic price increase, or renewal is recommended as part of this award. Any change that increases the approved base contract amount or materially changes the scope will require separate authorization under the City's purchasing requirements.

Fiscal Impacts

The recommended base contract amount is $1,158 per month, or $13,896 for a 12-month term. Funding is included in the adopted FY 2026-27 budget in line item 100-411-63505-Maintenance. No additional appropriation is requested.

FY 2026-27 expenditures will depend on the commencement date and the number of service months through June 30, 2027. Payments for service after that date will be subject to appropriations in the succeeding fiscal year. Separately approved extra work must remain within available appropriations and applicable purchasing authority.

Recommendation

Adopt the resolution approving a one-year landscape maintenance contract with K&D Landscaping, Inc. at $1,158 per month, not to exceed $13,896 for base services, and authorizing the City Manager to finalize and execute the agreement, subject to the conditions stated in the resolution.

Attachments

1. Draft resolution
2. K&D Landscaping proposal and transmittal email
3. Smith & Enright Landscaping proposal
4. Cagwin & Dorward proposal

Respectfully submitted,

_____

John Guertin
City Manager

RESOLUTION NO. 2026-24

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DEL REY OAKS APPROVING A LANDSCAPE MAINTENANCE CONTRACT WITH K&D LANDSCAPING, INC. AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT

WHEREAS, the City solicited landscape maintenance proposals through an informal competitive bid process and received proposals from K&D Landscaping, Inc., Smith & Enright Landscaping, and Cagwin & Dorward; and

WHEREAS, K&D Landscaping, Inc. submitted the lowest stated base price of $1,158 per month, totaling $13,896 for 12 months; and

WHEREAS, funding for these services is included in the adopted FY 2026-27 budget in line item 100-411-63505-Maintenance; and

WHEREAS, the City Council desires to approve the contract subject to confirmation of the required scope, procurement compliance, and applicable environmental and labor requirements;

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

SECTION I. The City Council approves a one-year contract with K&D Landscaping, Inc. for base landscape maintenance services at $1,158 per month, not to exceed $13,896 for the initial term, subject to the conditions below.

SECTION II. The City Manager is authorized to finalize and execute the agreement in a form approved by the City Attorney after confirming that K&D is responsive and responsible, and that applicable procurement, insurance, licensing, and labor requirements are satisfied.

SECTION III. All extra work requires prior written City authorization and available appropriations. This resolution does not authorize a contingency, automatic price escalation, renewal, or an increase above the approved base amount. Any material scope or price change requires separate authorization under the City's purchasing requirements.

SECTION IV. FY 2026-27 payments shall be charged to line item 100-411-63505-Maintenance. Obligations for services in a succeeding fiscal year are subject to appropriation of funds for that fiscal year.

PASSED AND APPROVED by City of Del Rey Oaks, this 27th day of October 2026 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Signed:

_____
Scott Donaldson, Mayor

Attest:

_____
Karen Minami, City Clerk

SMITH & ENRIGHT
— Landscaping, Inc. —

Proposal #4302

Date: 9/29/2026

Customer:	Property:
Ron Fucci Del Rey Oaks 650 Canyon Del Rey Rd Del Rey Oaks, CA 93940	Del Rey Oaks Public Works 650 Canyon Del Rey Blvd Del Rey Oaks , CA 93940

2026-2027 Landscape Maintenance

"Reliable Service. Quality Landscapes. Genuine Care.""

Smith & Enright Landscaping has proudly served our community for over 40 years, providing professional landscape maintenance, irrigation, and construction services. Our team is committed to caring for landscapes while building strong relationships with the clients and communities we serve. We take pride in our work and are always available to answer questions and ensure the landscapes we maintain continue to thrive.

Fixed Payment Services

Description of Services	
Landscape Maintenance Services	
Weekly Maintenance Service	
Herbicide Application/Weed Management	
Seasonal Trimming	
Fertilization	
Irrigation Inspection	
Annual Maintenance Price	**$18,720.00**

Services Billed Upon Completion

Description of Services
Landscape Maintenance Services
Gopher Control
Irrigation Repair as Needed. Billed T&M.

Services

Weekly Maintenance Service

Our crew provides consistent care each week, including mowing, edging, and debris clean-up, to maintain a well-groomed appearance. These visits keep your property looking professional and welcoming all year long.

Herbicide Application/Weed Management

Apply herbicide treatments to control unwanted weeds in landscaped and hardscape areas. Applications will be performed at appropriate intervals and in accordance with product label requirements and local regulations to maintain a clean, well-maintained appearance. While treatments significantly reduce weed growth, complete elimination cannot be guaranteed due to environmental conditions and seasonal germination cycles. Weed growth may increase following rain or irrigation events, and visible results typically occur within 7–14 days depending on weather and weed type.

Seasonal Trimming

Supplemental pruning and detail work provided during periods of rapid growth to maintain consistent appearance, clearance, and visibility throughout the property. Services may include selective trimming of shrubs, groundcovers, and low trees to enhance overall landscape presentation and support ongoing maintenance standards.

Fertilization

Fertilizer is applied to strengthen root systems, improve color, and encourage healthy growth. One scheduled application is included. Additional applications considered an extra.

Irrigation Inspection

Spring Irrigation Start Up: Our techs inspect your irrigation system to identify leaks, breaks, or misaligned heads. Any repairs are noted and a budget number is sent for repairs. Once system is repaired, seasonal programming is set.

Seasonal/Fall Irrigation Shut Off: In the fall, our team will shut down your irrigation system to match seasonal weather patterns. This prevents overwatering, protects your system, and helps conserve resources during the cooler months.

Gopher Control

If gopher activity is present, we can provide targeted control methods to protect turf, plants, and irrigation lines. This service is not included in the standard maintenance program and will be billed separately if requested at $80 an hour.

Irrigation Repair as Needed. Billed T&M.

While the spring irrigation check is included, any necessary repairs to sprinklers, valves, mainlines, controllers, or wiring will be billed separately. We can provide estimates and obtain approval before completing repair work.

We kindly request a $250 standing budget for minor extras, allowing us to handle small needs quickly without delay.

Payment Schedule

Schedule	Price

September	$1,560.00
October	$1,560.00
November	$1,560.00
December	$1,560.00
January	$1,560.00
February	$1,560.00
March	$1,560.00
April	$1,560.00
May	$1,560.00
June	$1,560.00
July	$1,560.00
August	$1,560.00
	$18,720.00

Terms & Conditions

- **Billing & Payment** – Invoices will be issued monthly on the 15th and are due within 30 days of receipt. Late payments may be subject to additional charges.
- **Term & Renewal** – This agreement remains in effect unless terminated by either party with 30 days' written notice. Renewal terms will be provided annually.
- **Acceptance** – By signing below, the client agrees to the services, terms, and pricing outlined in this proposal.

Thank you for the opportunity to continue caring for your landscape. Our team truly values your partnership and we look forward to keeping your property healthy and beautiful throughout the year.

By _____ **By** _____

Rich Alcala

Date 9/29/2026 **Date** _____

Smith & Enright Landscaping **Del Rey Oaks Public Works**

K&D LANDSCAPING, INC.
DESIGN · INSTALL · MAINTAIN



LANDSCAPE MAINTENANCE PROPOSAL FOR:

CITY OF DEL REY OAKS

DEL REY OAKS, CALIFORNIA

09/10/2026

62C HANGAR WAY, WATSONVILLE, CA 95076 KNDLANDSCAPING.COM

A Letter To Management

Dear City of Del Rey Oaks,

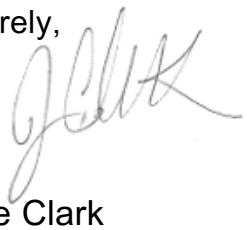
Thank you for the opportunity to present a landscape maintenance proposal for the City of Del Rey Oaks. We would be honored to support your as a long-term landscape partner, delivering reliable service with a strong focus on sustainability and accountability.

K&D Landscaping is a family-owned, California-based company with nearly 40 years of experience managing commercial and institutional landscapes. Our approach is rooted in consistency, proactive care, and accountability, qualities we believe align well with environments that prioritize safety, calm, and reliability.

What sets K&D apart are three key differentiators:
100% Battery-Powered Equipment: Our maintenance crews operate fully battery-powered equipment, resulting in quieter service, reduced emissions, and a more comfortable on-site experience for staff, patients, and visitors.
Water Management Expertise: Our in-house water management team evaluates irrigation performance, identifies inefficiencies, and provides clear recommendations when improvements are needed. If a smart irrigation controller is appropriate for the site, we can discuss options that support better visibility, control, and water efficiency.
The K&D Way: Our teams are guided by a culture of professionalism, accountability, safety, and respect. We focus on clear communication, consistent staffing, and attention to detail to ensure the property is well cared for and well represented at all times.

Our goal is to deliver dependable service. Thank you for your time and consideration. We look forward to the possibility of working together.

Sincerely,



Jamie Clark
Business Developer
K&D Landscaping Inc.

Our Mission

K&D Landscaping began in 1986 with a pickup truck, a lawn mower, and a vision shared by a husband-and-wife team determined to build something meaningful. Through grit, heart, and a commitment to quality, the company has grown into one of the Central Coast's most respected landscape providers, serving communities from Carmel Valley to Scotts Valley, and from Hollister to South San Jose.

K&D is now in its second generation of leadership, still proudly family-owned and community-focused. The next generation continues to help lead the company with fresh ideas and the same pride and dedication that built its foundation.

Our growth is grounded in six core values: Professionalism, Teamwork, Humility, Hunger, Safety, and Respect. These aren't just words, they shape how we serve our clients, develop our team, and give back to our region through partnerships with schools, nonprofits, and local organizations.

As we evolve, we remain committed to innovation:

- 100% electric maintenance crews reduce noise and emissions, elevating the experience for residents and tenants
- Strategic water conservation partnerships help clients save on long-term costs and support sustainability
- A culture-first philosophy ensures our team is empowered, engaged, and delivering best-in-class service

At K&D, we don't just maintain landscapes - we build trust, elevate spaces, and invest in the communities we serve.



Site Maps


City of Del Rey Oaks
650 Canyon del Rey Blvd, Monterey, CA 93940-5505, United States
City of Del Rey Oaks
other
City of Del Rey Oaks
7.18 acres

Landscape Maintenance Pricing

Landscape Maintenance $1,158.00/mo

What to Expect in the First 90 Days

- On-site kickoff walkthrough to review priorities, access points, irrigation controllers, and site-specific considerations across all service areas
- Turf mowing on the established schedule, with consistent, clean cuts across grounds
- Weekly trimming and edging to keep walkways, stairs, and hardscape edges clean and clear
- Removal of existing and recurring weeds along walkways, planter areas, and baseball field zones
- Selective pruning of planter areas to establish clean lines, control growth, and support long-term plant health
- Ongoing debris removal and parking lot blow-off
- Visual monitoring of turf, plant health, irrigation performance, and seasonal site conditions
- Documentation of observations and identification of areas needing future attention, including irrigation and controller needs
- Proactive identification of maintenance needs or improvement opportunities as the site stabilizes, including recommendations for plant replacements where dieback is observed
- Clear, ongoing communication regarding site performance, concerns, and recommended adjustments

Service Notes & Clarifications

- Service Frequency: Weekly; fertilization once per year; herbicide/weed control twice per year
- Any changes to chemical usage will alter the cost
- Services are adjusted seasonally and based on site conditions

Monterey County K&D Success Team



KATIE HSU - MONTEREY AREA MANAGER

Drawing on over 20 years of management experience, Katie leads maintenance operations with a focus on quality, communication, and long-term client satisfaction. Her organizational skills and leadership help maintain the performance and reliability expected of K&D Landscaping.

JORGE RAZO - SITE SUPERVISOR

Jorge Razo brings a lifetime of landscape experience, having started in his family's business before stepping into a leadership role at K&D as a Landscape Maintenance Supervisor two years ago. His deep knowledge of landscape care and field operations, combined with his strong work ethic, has allowed him to consistently exceed expectations. Jorge's dedication and industry roots make him a valued and integral member of our team.





FORREST WALLACE - IRRIGATION MANAGER

Forrest is an intragul part of K&D's irrigation and water management division. A **Certified Irrigation Technician (CIT)**, **Certified Landscape Irrigation Auditor (CLIA)**, and **CLCA Certified Water Manager**, he focuses on each property's unique needs and delivers efficient, sustainable solutions that save water, reduce costs, and support long-term landscape health.

Partner References

East Garrison Community

Our dedicated team maintains the vast East Garrison Community, saving over 5 million gallons of water and installing 600,000 sqft of landscaping, making us the preferred vendor for this vibrant community and resulting in the receipt of a NALP award.



Seascape Resort - Aptos

Since 2021, K&D has been focused on improved quality and enhanced landscaping at Seascape Resort. The positive feedback from the resort staff and Homeowners Association attests to our success in fulfilling this commitment.

Municipality Partner References

City of Watsonville

City of Watsonville: Since 2012, we have partnered with the City of Watsonville, providing seasonal enhancements for a variety of government buildings, streetscapes, medians, and roadways. Initially, our contract involved maintaining a select number of buildings. However, as our partnership has grown, the City of Watsonville has continued to entrust us with an expanding portfolio of properties, reflecting their confidence in our ability to deliver consistent, high-quality landscape maintenance services.

City of Scotts Valley

Since 2022, we have provided maintenance services for the City of Scotts Valley, managing a diverse range of properties, including roadways, medians, the senior center, and the library. Although our partnership is newer compared to other municipalities, we have quickly established a strong presence, enhancing community spaces through our dedicated landscape maintenance services.



County of Santa Cruz

We have worked with the County of Santa Cruz for six years, managing high-visibility public spaces. These range from enhancements, irrigation, and ongoing commercial maintenance while providing transparent reporting and proactive maintenance solutions.

Licensing and Affiliation

Description Number

- C-27 Contractor's License # 664584
- I.A. Certified Irrigation Technician # 115137
- Pesticide Control Business License # 36845
- Pesticide Qualified Applicators License # 136021
- Dept. of Industrial Relations #1000003902
- Dun & Bradstreet #611534405

We proudly support and are members of the following associations:

- National Association of Landscape Professionals NALP
- Building Owners and Managers Association BOMA
- Educational Community of Homeowners ECHO
- Pesticide Applicators Professional Association PAPA
- Irrigation Association IA
- Employee - Employer Assistance Program. EEAP Safety

Maintenance Specifications

K&D LANDSCAPING, Inc. will provide all equipment, materials, and labor necessary to deliver a comprehensive landscape maintenance program as specified below:

LAWN CARE
All lawns will be mowed once a week during the active growing season and as needed during the winter months. Lawns will be fertilized four (4) times per year to promote healthy growth and maintain a lush, green appearance. Weeds will be controlled regularly, and all clippings shall either be removed from the property, mulched, or placed in a designated on-site area if approved by the Contracting Party's Representative.

GROUND COVER & SHRUBBERY
Trimming and edging of all ground cover and shrubbery will be performed as needed to maintain a uniform appearance and encourage the natural shape of plant material. Fertilizing will include two (2) applications of balanced, slow-release fertilizer per year, depending on plant type and seasonal conditions. Dead or dying plants will be brought to the Contracting Party's Representative's attention immediately, along with a proposal for replacement.

WEED CONTROL
Bedding areas will be maintained reasonably free of weeds, as needed. This may include the use of approved herbicides. K&D implements best management practices and follows an integrated pest management (IPM) program to reduce herbicide use based on site-specific conditions.

TREE CARE
Trees up to 12 feet in height will be pruned to promote their natural form and maintain healthy growth. Fertilization will be performed on an as-needed basis. Trees over 12 feet in height are not included in this proposal but will be assessed annually by our ISA Certified Arborist to identify any high-risk conditions. Recommendations will be presented to the Contracting Party's Representative along with a detailed proposal to mitigate any risks. A full property tree assessment may be requested by the Contracting Party's Representative at any time for an additional fee.

IRRIGATION SYSTEM
Automatic controllers will be programmed in accordance with seasonal requirements and scheduled to operate during nighttime or early morning hours. The irrigation system will be routinely inspected, and any issues will be promptly reported to the Contracting Party's Representative.

For minor repairs under $500.00, K&D will perform the work and include the cost on the monthly invoice. Repairs of $500.00 or more will require prior approval from the Contracting Party's Representative before work begins. A full irrigation audit can be conducted by our Certified Landscape Irrigation Auditor upon the Contracting Party's Representative's request for an additional fee.

WATER MANAGEMENT

Initial
Asset mapping, and initial site programming performed at start of contract.

Monthly
Irrigation check-ups, preventative inspections and adjustments performed monthly during the irrigation season, with results shared with the Contracting Party's Representative.

Yearly
Annual water budget, with baseline tracking and usage reviewed with the Contracting Party's Representative (only if usage data is provided or access is granted).

Ongoing
Daily programming adjustments and regulatory liaison (including compliance, paperwork, and reporting) performed throughout the life of the contract.

62C HANGAR WAY, WATSONVILLE, CA 95076

KNDLANDSCAPING.COM

Maintenance Specifications

PEST CONTROL
Minor pest infestations treatable by the on-site crew will be addressed using approved foliar insecticides. All other pest-related issues, including gophers, will be evaluated on a case-by-case basis and billed separately.

SIDEWALKS AND CURBS
Weeds, litter, leaves, and other debris that accumulate adjacent to landscaped areas, sidewalks, and parking lot corners will be removed during each service visit.

DEBRIS AND CLIPPING REMOVAL
All debris and clippings generated by K&D will be removed from the site on the day of service. Incidental man-made litter will also be collected and placed in an on-site receptacle.

MONTHLY BILLING
Invoices will be issued monthly and are due by the 5th of the following month.

ANNUAL INCREASE
To account for inflation and rising operational costs, an annual adjustment may be applied to the contract amount.

The K&D Way

The K&D Way is the foundation of who we are. It began with our six core values: **Safety, Teamwork, Professionalism, Respect, Humility, Hunger**.

These principles have guided K&D Landscaping since day one, and has evolved into 30 Fundamentals that define how we work, lead, and serve every day.

These fundamentals turn our values into action. They shape how we communicate, make decisions, and uphold our commitments to our clients and each other. From safety and accountability to teamwork and follow-through, the K&D Way ensures that every crew member lives our culture in the field, not just talks about it.





K&D Way

1. **PRACTICE SAFETY FIRST.**
Think safe and be safe — all the time! Take responsibility for yourself and everyone on the K&D Team. Think prevention, follow all safety rules, and speak up if things are unsafe.
2. **ACT WITH INTEGRITY.**
Always do what's right. Commit to doing the right thing in every action and decision you make, especially when no one's looking. Be honest and trustworthy.
3. **BE POSITIVE.**
You have the power to choose your attitude. Choose to be upbeat, optimistic, and enthusiastic.
4. **HAVE A GROWTH MINDSET.**
Look for opportunities to grow the business. Even day-to-day interactions can lead to new referrals and business. Look for opportunities for us to improve the way we work and operate. Embrace technology to support our growth.
5. **BE ADAPTABLE.**
Things change, and we need to be flexible. When things don't go as expected, be willing to adjust. Embrace change instead of hanging on to old ways of doing things. Be excited by the possibilities that change and growth bring.
6. **HAVE A "CAN DO" ATTITUDE.**
Look for ways we *can* rather than explaining why we can't. Be resourceful and show initiative. Don't make excuses or wait for others to solve the problem. Take responsibility for making things happen.
7. **CONTRIBUTE TO THE COMMUNITY.**
Be an active part of your city or town. Contribute your time and effort to make your community better. Help make a difference for others.
8. **ACT LIKE IT'S YOURS.**
When making decisions, ask yourself, "Will this help make K&D better? What would I do if this were my company? What would I do if this were my truck? How would I treat the tools and equipment if they were mine?"
9. **MAKE IT HAPPEN.**
Be passionate and engaged. Approach every task with energy, focus, purpose, and enthusiasm. Come to work ready to hit the ground running and work with a sense of urgency to get things done.

Proudly serving the C

10. **MAKE QUALITY PERSONAL.**
Show a passion for excellence and take pride in the quality of everything you do. Strive for greatness every day and raise the bar. Always ask yourself, "Is this my best work?"
11. **BE WELCOMING.**
Keep an eye out for new team members and make them feel like they're part of our family. We have special relationships here at K&D and we're all responsible for helping new team members understand what's special about us and that we're happy to have them.
12. **LISTEN GENEROUSLY.**
Listening is more than simply "not speaking." Give others your complete attention. Be present and engaged. Minimize distractions and let go of the need to agree or disagree with the other person. Suspend your judgment and be curious to know more, rather than jumping to conclusions. Above all, listen to *understand*.
13. **SPEAK STRAIGHT.**
Speak honestly in a way that helps to make progress. Address issues directly with those who are involved or affected. Say what you mean, and be willing to ask questions, share ideas, or raise issues that may cause conflict when it's necessary for team success. Be courageous enough to say what needs to be said.
14. **DELIVER LEGENDARY SERVICE.**
It's all about the experience. With every experience, do the little things, as well as the big things, that surprise people. Make every interaction stand out for its helpfulness. Create the "WOW" factor that turns customers into raving fans. This includes both internal and external customers.
15. **CELEBRATE SUCCESS.**
Recognizing people doing things right is more effective than pointing out when they do things wrong. Regularly extend *meaningful* acknowledgment and appreciation — in all directions throughout our company. When someone raises the bar, call it out!
16. **IF YOU SEE IT, DO IT.**
Be willing to do the simple and ordinary things necessary to get the job done. Nothing is beneath any of us. Pitch in wherever necessary.

The K&D Way

tral Coast since 1986

The K&D Way

17. **WALK IN OUR CUSTOMERS' SHOES.**
Understand our customers' world. Know their challenges and frustrations. See the world from their perspective. The better you understand them, the more effectively you can anticipate and meet their needs.

18. **FIND A WAY TO OVERCOME.**
Problems and mistakes don't define us — how we handle them does. Our best chance to "WOW" is when a teammate or customer is upset and frustrated. Seize the moment and attack the problem. The bigger the problem, the greater our chance to show them what we're made of.

19. **BE A FANATIC ABOUT RESPONSE TIME.**
Respond to questions and concerns quickly, whether it's in person, on the phone, by email, or by text. This includes simply acknowledging that you got the question and you're "on it," and keeping those involved continuously updated on the status of outstanding issues.

20. **HONOR COMMITMENTS.**
Do what you say you're going to do when you say you're going to do it. This includes being on time for work, appointments, meetings, and promises. If a commitment can't be fulfilled, notify others early and agree on a new deliverable to be honored.

21. **PRACTICE BLAMELESS PROBLEM-SOLVING.**
Focus on solutions, rather than pointing fingers or dwelling on problems. Don't make the same mistake twice. Get smarter with every mistake and learn from every experience.

22. **BE PROCESS DRIVEN.**
Create systems and processes that will help us perform with consistency. Strong processes are the foundation of great companies.

23. **BE CURIOUS.**
In the search for the best solutions, respectfully challenge and question what you don't understand. Don't accept anything at "face value" if it doesn't make sense to you. Be curious, ask thoughtful questions, and listen intently to the answers.

24. **LEAD BY EXAMPLE.**
The best way to influence others is through your own example. Walk the talk. Take responsibility, both formally and informally, to coach, guide, teach, and mentor others. *Be the change you want to see.*

25. **PAY ATTENTION TO THE DETAILS.**
Missing just one detail can have an enormous impact on a job. Be a fanatic about accuracy and precision. The goal is to get things *right*, not simply to get them done. Double-check your work. Get the details right the first time.

26. **TAKE PRIDE IN OUR APPEARANCE.**
Your appearance and the appearance of our job sites make a strong statement about the pride you take in your performance. Dress neatly and wear your safety vest. The appearance of our trucks and equipment makes a similar statement about the quality of our work. Take responsibility to see that you and we look clean, neat, and professional.

27. **WORK SMART.**
Be organized and plan your work for maximum efficiency. Have all the tools necessary before starting your work. Be thoughtful about your schedule, and have a game plan for your calls, your tasks, and your workday. Know the priorities and work on them first.

28. **CREATE A GREAT IMPRESSION.**
Every conversation, customer interaction, phone call, email, and even voicemail, sets a tone and creates an impression. Pay attention to every interaction and be sure you're setting a tone that's friendly, warm, and helpful.

29. **HAVE EACH OTHER'S BACKS.**
Be humble. Don't let what you want get in the way of doing what's best for the team. Step into another role, cover for a co-worker, and do whatever's required for each member of the team to succeed. Ask for and accept help when you need it. Make others look good, and don't worry about getting credit.

30. **KEEP THINGS FUN.**
While our passion for excellence and service is real, remember that the world has bigger problems than the daily challenges that make up our work. Stuff happens. Keep perspective. Don't take things personally or take yourself too seriously. Laugh every day.

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The Million Gallon Case Study

We understand you are focused on sustainability and conservation. We are humbled to share with you one of our recent accomplishments in water conservation.

In June 2023, K&D Landscaping landed on the front cover of Irrigation and Lighting Magazine. Our team was highlighted for implementing a smart irrigation system at the Seascape Resort in Santa Cruz, California, which resulted in significant water savings. Over the course of 12 months, K&D reduced the clients water usage by 1 million gallons. This initiative not only demonstrates our commitment to sustainability but also helped the resort achieve approximately 30% cost savings, equating to $35,000 on their water bills.

This achievement underscores the effectiveness of using smart irrigation controllers, which are designed to optimize water usage by adjusting irrigation schedules based on weather conditions and soil moisture levels. These upgrades help clients save both water and money, while promoting responsible water management practices.

Irrigation & Lighting
Vol. 2, Issue 2
June 2023
The business magazine for irrigation & lighting contractors

A million-gallon UPGRADE

K&D Landscaping used smart irrigation to save clients **1 million gallons of water**.

JULY SMART IRRIGATION MONTH

INSIDE

Kansas pros deal with drought, p. 16
Check your lighting toolkit, p. 20
View smart controller comparison charts, p. 36

Learn business-building tips from the Watch Us Grow: 2023 Industry Standouts on

irrigationandlighting.org
An official publication of the IRRIGATION ASSOCIATION

BY KATIE NAVARRA

Upgrading an irrigation system to use smart con- usage by 1 million gallons. That generated nearly 30% cost savings or about $35,000 in water bills in one year, according to Justin White, CEO of K&D Landscaping.

"It's hard to put an exact number on the dollar savings because of fines the resort was paying, but it was clear the reduction in water usage offset the budget of the entire project," White says. "It was pretty exciting to provide that report to the ownership team."

The resort spans 40 acres, watered with a nearly 30-year-old irrigation system operated and maintained by the resort maintenance staff. In 2021, K&D Landscaping secured the resort as a new maintenance client and pitched their newly established water management services.

"The resort's aesthetic is very important to the ownership group as well as being stewards of the environment through conservation," White says. "So, the project had to balance those two goals."

As commercial properties look for cost savings amid inflation and increasing conservation legislation, smart irrigation controllers offer a viable solution. But more than being an option for solving these challenges, smart controllers offer equal benefits to those who install them, according to White.

"Smart controllers have been around for a long time and are maybe a bit intimidating for people to start with," he says. "But they are probably one of the best tools we have as irrigators to save our clients money and water and also reduce our drive time and labor hours."

Selling the upgrade

White could see the potential benefits, and the resort management team was on board too, but it took a solid sales process to seal the deal. Resorts, like most commercial properties, are cost-sensitive. White says selling the services started with preparing a financial analysis showing a projected return on investment for the proposed conversion of 16 traditional controllers to Wi-Fi-enabled smart controllers.

> “I THINK **SMART CONTROLLERS ARE AN UNDERUTILIZED PART OF OUR TOOL BELT** THAT WE CAN ALL USE A LITTLE MORE, INCLUDING MY TEAM.” – **Justin White, K&D Landscaping**

“We wanted a controller where we could remotely monitor water usage and the facilities manager could access water usage reports,” he explains.

The next step was conducting a full assessment of the existing irrigation system and plantings. The system had multiple meters, points of connection and controllers across 210 zones. In some zones, only half the valves worked. Other valves only operated manually.

That meant the project would not be a quick controller swap out. Instead, it was a complete irrigation infrastructure upgrade that required installing new wiring, repairing wire splices, changing spray head nozzles and transitioning some zones to low-volume drip irrigation.

“There were some curveballs throughout the project, and we were able to get everything up and running,” White says. “Everything is working great now, but there were some challenges we didn’t expect.”

One of the biggest challenges was making valves functional that hadn’t worked in three or four years. In addition, the system had countless leaks that required repairs and upgrades. White says it took nearly four weeks to unwind what White described as a hodgepodge to get the system functioning properly.

“Once we got everything up and running, we realized that the Wi-Fi connectivity was not great all over the property,” he says. “Some controllers were not receiving the resort’s Wi-Fi signal.”

They chose to use wireless hotspots for the controllers out of the Wi-Fi range. While this client is accustomed to having tourists access their internet service, some commercial properties are concerned about cybersecurity. So, the hotspots can also be an alternative for clients with stricter internet security protocols as it is not linked to the internet connection used for business operations.

Once the system was fully functional, the team discovered that the fixes created the opposite impact they were striving for.



Inside one year, K&D Landscaping’s upgrade and redesign of the irrigation system and landscaping at the Seaside Resort saved the client 1 million gallons of water for a 30% cost savings. Photos: K&D Landscaping

“We quickly realized that some areas were not really getting a lot of water that should have gotten water. So, (with the repairs) we were actually putting more water out as far as the volume of square footage because we fixed things,” White says. “That quickly became a challenge around the promise to save water.”

The team was forced to get technical on programming the controller to ensure they could water a greater square footage area while reducing total water usage. First, White’s team used the newly installed weather system to measure the site’s evapotranspiration rates and determine precisely how much water was necessary. Then, they used the data to make weekly scheduling adjustments on the controller.

“In previous years, the controllers operated on a seasonal basis where they would be turned on in the spring and maybe adjust- ed once or twice throughout the summer. But basically, they ran for a set rate of time all year,” he says.

The smart controllers were central to decreasing water consumption, but the project included several changes. For example,



Repairing the original system was one step toward the goal, which included smart irrigation upgrades and rethinking plant choices to select native options instead.



rotator nozzles replaced traditional spray nozzles. In addition, spray heads with check valves took the place of standard spray heads, and drip irrigation replaced several spray areas. While there are 1,000 to 2,000 heads current- ly on the property, White says that number will contin- ue to fluctuate as more areas are swapped out with low- volume irrigation.

Additionally, select turf areas and planting beds with high water use plants were removed and transitioned to native plantings. White notes that the management team liked these alterations, given that the resort sits on the ocean coast and fits into the native scene of the area.

"The weekly adjustment, along with the added efficiencies in the system, really made for an overall water savings," says White. "The landscaping ended up being a lot happier because it had the right amount of water instead of what would have typically been overwatered. As a result, things greened up nicely and plant health im- proved overall."

THE CREW HAD TO WORK AROUND RESORT GUESTS AND UPGRADE IRRIGATION SYSTEMS WITHOUT DISTURBING BUSINESS .

White adds scheduling as an additional noteworthy challenge to consider when working on a property with public access, especially a busy one. Crews had to be invisible around guests and work had to be completed within specific hours to avoid disturbing them.

"It is a very active resort, and we needed to be there and get the work done without being seen," he says. "We had to work different hours and maybe not as long of days as we like to get the work done."

Breaking into water management

K&D Landscaping is a $15 million company with about 110 employees all dispatched out of one location. The company has offered irrigation services for years and is a nearly $2.5 million operation staffed by eight employees, and it added water management services in 2020. White emphasizes the importance of establishing the service as a separate division that features a new logo that retained the company brand while differentiating water management through smart irrigation practices.

"One of the biggest benefits is the savings to the contractor," he says. "Whether you're the maintenance contractor or the water manager for the property, you save a lot of money in time and fuel by not having to send your technicians out to the property to address the controller, whether it rained or something happened."

With the proper programming, smart controllers will adjust the watering schedule based on those events. Not only does that save the client a lot of water, but White says the biggest cost savings are in labor.

"With the labor shortage, it's a huge benefit," he says. "We've actually started offering free upgrades to some of our clients because it's cheaper for us to put in a smart controller for free than to manage a conventional controller. That's been really impressive for us to see."

White also sees the upgrades as a way to retain customers in a competitive market. Providing clients with the newest, latest and greatest technology demonstrates that you are looking out for their best interests.

"It just gives them a good feeling that they've got the right partner on board," he adds. "They're probably less apt to go out and shop your number, whether for maintenance, irrigation or water management, when you're providing them with ongoing proactive solutions, versus just waiting for a sprinkler to break so you can go get a billable hour."

The company sees this as such a strong benefit that they were willing to take a hit on the project's renovation price. It was an opportunity to demonstrate value through extensive cost savings and conservation solutions to a new maintenance client.

"We didn't need to make much money on this project. We were more concerned about covering our costs and upgrading the system so it'd be easier for us to manage," he says. "But if you're doing a one-time install that you don't maintain, or you just don't offer the maintenance services, you want to make sure that you bid these projects carefully. Let the client know upfront it may cost more than expected." For example, he suggests adding a buffer to proposed budgets, as much as 20%-30% because without fail, you will encounter unexpected issues that impact the price. He also recommends building the quote around time and ma- terials as well.

"When you go in with a higher-than-expected number and come in under budget and can tell them they have a credit coming back, it is a lot better than trying to convince them you need to get an extra $10,000 or $15,000 to cover the costs," he says.

White says the combined water reduction and cost savings at Seascape resort solidified his company's relationship with the new client not just as their water manager but as their maintenance provider as well. For other contractors out there, he says these scenarios, where irrigation systems are managed in-house, are the ideal properties to target with water management initiatives.

"Historically, the maintenance staff has so much on their plate that irrigation programming is quite low on their priority list," he says. "If you're able to get in and convince them to take over their water management or to do a smart controller upgrade there is a lot of meat on the bones on those type of properties."

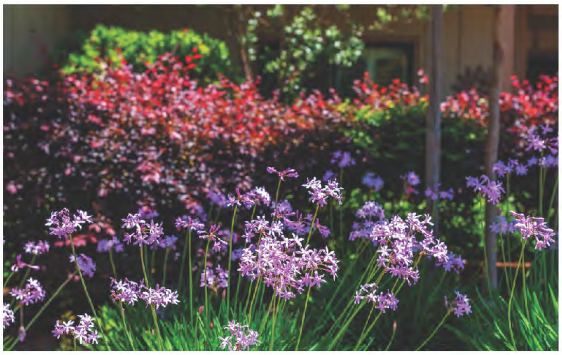
Since K&D Landscaping's big push on water management in 2021, only about 10% of their clients have opted in. But White is undeterred and is experimenting with different payment plans and options in 2023 to try and increase that number. His goal is to have 80% of clients utilizing the water management services by 2025.

"I think smart controllers are an underutilized part of our tool belt that we can all use a little more, including my team. We're going to audit all of our maintenance contractors right now," White says. "We're just basically offering free smart controllers for them because it's going to save us that much money this summer in programming costs."

Katie Navarra is a freelance writer in Mechanicville, New York, and can be reached at ktnavarra@gmail.com.













Cagwin & Dorward
LANDSCAPE CONTRACTORS • ESTD 1955

Proposal for:

Del Rey Oaks

Presented to:
Ron Fucci

Presented by:
Mindy Blundell

September 28,202

Table of Contents



1 - Introduction
- Cover Letter

2 - Rooted In Excellence
- Solutions That Bring New Life
- Consistency in Quality
- References

3 - Operations Plan
- Commencement of Services
- Sample Site Maps
- Sample Agronomic Calendar

4 - Why Cagwin & Dorward
- Safety
- Certificate of Insurance
- License
- Pricing

5 - Our Services
- Enhancements
- Tree Care
- Construction
- Turf Management

8 - Water Management
- Water Management & Irrigation
- Irrigation Maintenance & Repair

Introduction

Board of Directors
Del Rey Oaks
c/o Ron Fucci

Dear Ron,

Thank you for the opportunity to provide a landscape maintenance proposal for Del Rey Oaks. We appreciate the chance to learn about the property and present a plan to support its appearance, health, and long-term care.

At Cagwin & Dorward, we believe reliable service starts with a team that knows your property. You will have a dedicated Account Manager for clear communication and timely responses, supported by crews trained to deliver consistent care. We will also conduct monthly site walks or review meetings to discuss completed work, address concerns, and recommend improvements.

Our approach includes proactive landscape care and irrigation management. We will conduct a full irrigation analysis twice a year to identify potential leaks and help ensure each area receives the appropriate amount of water. Where improvements could reduce water use or maintenance costs, we will bring those opportunities to your attention.

We would be honored to partner with you at Del Rey Oaks. Thank you again for considering Cagwin & Dorward. We look forward to the opportunity to care for your landscape.

Creating Great Cagwin & Dorward Communities,

Mindy Blundell

Mindy Blundell
Business Developer



About Cagwin & Dorward

Rooted in Excellence

Crafting Beautiful and Sustainable Landscapes

Who We Are

Cagwin & Dorward is a landscape company built by gardeners. Locally operated in Northern California since 1955, we strive to be the area's premier landscape company by working closely with our clients to improve their properties.

We strive to bring innovations into our work, honor our customers and employees and enhance our communities and the environment safely.

What We Do

When partnering with Cagwin & Dorward, you're not just hiring a service provider, you're receiving and experience. Our vision is to provide an extraordinary customer experience, created by outstanding people. Our goal is to make your job easier while taking care of your all your landscaping needs.

The Cagwin & Dorward Difference includes:

- Align with Customer Needs
- Extraordinary Customer Service
- Experience & Services
- 12 Locations of Resources & Skilled Staff
- Outstanding People
- Eco Friendly
- Focus on Safety

Our Services

- LANDSCAPE MAINTENANCE
- LANDSCAPE DESIGN & INSTALL
- LANDSCAPE CONSTRUCTION
- ENHANCEMENTS
- WATER MANAGEMENT
- TREE SERVICES
- EROSION CONTROL
- ENVIRONMENTAL RESTORATION
- SUSTAINABLE LANDSCAPING
- MASTER PLANNING
- LANDSCAPE IMPROVEMENT PROGRAMS
- SINGLE POINT OF CONTACT
- EMERGENCY RESPONSE
- REGULAR SITE WALKS
- COMMENCEMENT OF SERVICES PLAN (30,60,90)

> *"Good work - good price - available for emergencies - quality arborists - responsive and dedicated staff. I wish I had heard of them 10 years ago"*

Solutions that Bring New Life



IVY GROWING ONTO BUILDINGS - Ivy growing on buildings may add a charming, natural aesthetic, but it can cause significant structural and maintenance issues over time. As ivy climbs, its roots can penetrate cracks and crevices in walls, leading to moisture retention, which accelerates deterioration and encourages mold growth. It can also dislodge bricks, damage mortar, and block drainage systems, resulting in costly repairs. While ivy can be an attractive feature when properly managed, unchecked growth poses risks to the building's integrity and longevity. Regular maintenance is essential to balance beauty with protection.

WATER MANAGEMENT ISSUES & LAWNS - Dead lawns are often a clear sign of underlying irrigation issues, such as inadequate watering, leaks, or uneven distribution of water. When irrigation systems fail to deliver the right amount of water to all areas, grass can dry out and die, leaving unsightly brown patches and barren spots. These problems not only harm the appearance of your lawn but can also lead to increased weed growth and soil erosion. Addressing irrigation issues through system checks, repairs, and adjustments is essential for reviving dead lawns and maintaining a healthy, vibrant landscape.



Cagwin & Dorward has been so communicative . . . they have done a great job getting inside early in the morning after the storm responding to the weather conditions situation so the flexibility and responsiveness to our feedback and comments are highly appreciated"
~ Glenbrook East HOA

CONSISTENCY IN QUALITY EFFICIENTLY DELIVERED

Our goal is to consistently offer the best value in the marketplace by providing unmatched service, a customized approach focused on your specific priorities and a well maintained landscape you and the community are proud of – all while meeting your predetermined budget parameters. Doing this requires operational excellence. The operational practices that allow us to consistently meet our customers' expectations include:

The industry's top talent – When selecting teams for each property, we match the specific landscape needs with our most appropriately experienced talent. At Cagwin & Dorward, we have a deep pool of talent. We recruit from the top horticultural and landscape schools in the country and have an all-encompassing training program that ensures our crews perform at their peak year round.

•**State-of-the-art equipment** – Our crews operate high quality and well maintained equipment and are trained to use the most effective tool for each task on your property. The result – a better end product achieved with greater efficiency and fewer injuries.

•**Horticultural excellence** – Plant material looks and performs its best when maintained properly. Our horticultural experts understand the science of landscape maintenance and will ensure the plant material on your property receives the proper care for each season and as unexpected circumstances arise.

•**Innovation** – Lead or follow; we choose to lead. ValleyCrest seeks out and tests the latest technology so we can help our customers reduce operating costs, benefit from greater efficiencies and have all around healthier and higher performing plant material.

•**Systematic operations** – We deploy Cagwin & Dorwards' Production System (VPS) to ensure our crews focus on your priorities and important details are not overlooked. In our process, we design the most effective path of motion for the work to be performed, specify the equipment to be used and supply our crew with detailed site plans that show their daily, weekly and monthly activities.

•**Continuous improvement** – We routinely evaluate for safety, quality and effectiveness in a persistent effort to be better today than we were yesterday.







Commencement of Services

Our Commencement of Services process ensures that we deliver exceptional customer service and quality landscaping. Our goal is to meet or exceed your expectations from the start, and build a strong partnership based on mutual understanding and trust.

Prior to Contract Start Date

First Meeting: Our sales and operations team meets with you to align our action plan with your expectations. During this first meeting we will cover introductions and contact information, desired service days and times, communication preferences, procedures for extra work approval, site access details, the desired frequency and type of site reports, and the potential for water reductions by reviewing water billing records.

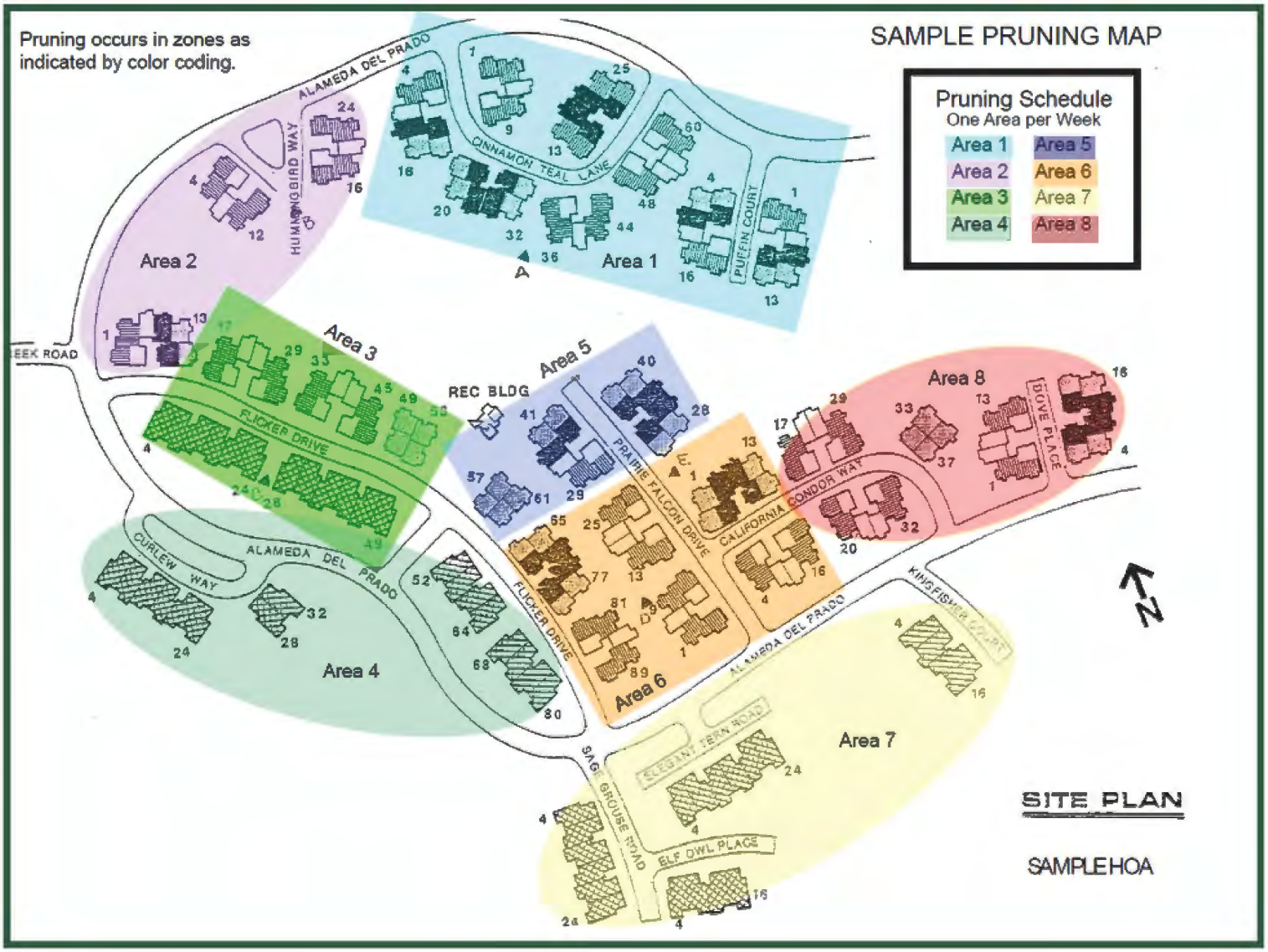
Job Start Plan: Your account manager will walk the site with the crew leader to adjust the irrigation programming and create a 30-day work plan, including a service frequency schedule and a phased pruning-rotation map. If needed, the account manager will coordinate with our tree care department, local pest control operator, and/or irrigation specialist.

Sample 30, 60, 90 Day Plan

Descrpiton	30 Days	60 Days	90 Days
Perform a complete irrigation system checks.	•		
Provide prioritized proposals for repairs, if applicable.	•		
Generate or update the irrigation system controller map.	•		
Complete approved irrigation repairs.	•		
Complete required maintenance reports		•	
Submit finalized pruning schedules.		•	
Finalize and fine-tune irrigation programming.		•	
Submit water-use analysis and recommendations to reduce landscape water use.		•	
Evaluate health of trees over 15-feet tall.			•
Provide proposals for tree work, if applicable.			•
Begin working on approved tree care or enhancement projects.			•
Discuss backflow testing and management services.			•
Attend a Board or executive meeting.			

Sample Site Map

At Cagwin & Dorward, we use site maps for each of our clients to help us create efficient schedules and provide transparency on what services are happening when and where. Our site maps will provide a snapshot of the property and indicate service schedules.



Sample Agronomic Calendar

TURF AREAS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TTL
Mow & Clean-Up	2	2	5	4	4	5	4	5	4	4	3	2	44
Edge Hardscape	1	2	2	2	2	3	2	3	2	2	2	1	24
Edge Softscape	1	1	1	2	2	2	2	2	2	1	1	1	18
Blow	2	2	5	4	4	5	4	5	4	4	3	2	44
Fertilize			1			1			1		1		4
Spary Obstacles	1		1		1		1		1		1		6
Aerate			1										1
Broadleaf Control					1			1					2

GROUNDCOVER AREAS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TTL
Trim Edges	1		1		1		1		1		1		6
Fertilize			1			1							2
Pre-Emergents			1						1				2
Spot Spray	1	1	1	1	1	1	1	1	1	1	1	1	12
Hand Weed & Trash Removal	4	4	5	4	4	5	4	4	5	4	4	5	52
Snail Bait				1			1			1			3
Leaf Litter	2				1					2	4	5	14
Growth Regulator			1		1		1		1		1		5

WOODY PLANTS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TTL
Tree Prune		1					1						2
Shrub Prune		1		1		1		1		1			5
Hedge Prune	1		1		1		1		1		1		6
Vine Prune				1			1			1			3
Stakes & Guys	1	1		1			1				1	1	6
Pesticide Sprays	1			1			1						3

SPRINKLER SYSTEMS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TTL
Irrigation Systems Check		1				1							2
Monitor & Adjust			2	4	4	5	4	5	4	4	2	1	35

OTHER	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TTL
Hardscape Weeds		1		1		1		1		1		1	6
Street Sweeping											1	1	2
Supervision	4	4	5	4	4	5	4	5	4	5	4	4	52

Safety

We are committed to the well being and safety of every team member at Cagwin & Dorward and the residents of properties we maintain. Working safely is at the core of everything we do, from daily task planning to active work activities, safety is always #1 on our list.

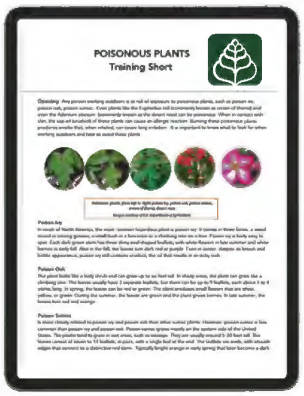
Whether planning for the day's activities in the daily huddle or keeping required safety documentation up to date, no detail is considered too small. Everyone at Cagwin has safety as a required metric. We watch out for each other every day to make sure that everyone returns home safely to their families.

KEY SAFETY PROGRAM COMPONENTS

- Company Code of Safe Practices
- Safety Metrics Across All Team Members
- Designated Safety Supervisors for Every Project
- Safety Committee
- Safety Orientation & Training
- Morning Huddle / Stretch & Flex Every Day
- Weekly Tailgate Safety Topic at Jobsite
- Equipment Shut Down Procedures Near Residents
- Drug-Free Workplace
- Period Safety Reviews
- Driver Safety
- Accident Alerts
- Personal Protective Equipment (PPE)

SAMPLE SAFETY TAILGATES







Sustainability & Electric Equipment

At Cagwin & Dorward, we believe that the small things we do make a huge impact on the level of service we provide to our clients. The equipment we utilize aids in our overarching sustainability goals. We are dedicated to sustainability and environmental stewardship. As leaders in the industry, we leverage cutting-edge battery-powered equipment and partner with the most innovative brands to deliver eco-friendly landscaping solutions.

Benefits of Battery-Powered Equipment

- **Eco-Friendly:** Reduces carbon emissions and air pollution, promoting a healthier environment.
- **Quiet Operation:** Significantly quieter than gas-powered tools, minimizing noise pollution.
- **Lower Maintenance:** Fewer moving parts mean less maintenance, longer-lasting equipment means minimal service interruption's.
- **Ease of Use:** Lightweight and easier to handle, reducing operator fatigue.
- **No Emissions:** Eliminates harmful exhaust fumes, improving air quality and worker health.
- **Convenient:** Quick to start and stop, with no need for refueling.
- **Innovation:** Utilizes advanced technology for improved performance and efficiency.



EGO™

Milwaukee®

greenworks®

Insurance

ACORD®

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
1/13/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME: Jordan Boone
Los Angeles-Alliant Insurance Services, Inc. 333 S Hope St Ste 3750 Los Angeles CA 90071	PHONE (A/C, No, Ext): FAX (A/C, No): E-MAIL ADDRESS: Jordan.Boone@alliant.com

INSURED	SPERLAN-01
Cagwin & Dorward, LLC PO Box 6004 Petaluma, CA 94955	

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Executive Risk Indemnity Inc	35181
INSURER B : Federal Insurance Company	20281
INSURER C :	
INSURER D :	
INSURER E :	
INSURER F :	

COVERAGES **CERTIFICATE NUMBER:** 733745151 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY	Y	Y	54309877	12/31/2024	12/31/2025	EACH OCCURRENCE	$ 2,000,000
	CLAIMS-MADE X OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 1,000,000
							MED EXP (Any one person)	$ 5,000
							PERSONAL & ADV INJURY	$ 2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$ 4,000,000
	POLICY X PRO-JECT LOC						PRODUCTS - COMP/OP AGG	$ 4,000,000
	OTHER:						SIR	$ 100,000
B	AUTOMOBILE LIABILITY	Y	Y	54309837	12/31/2024	12/31/2025	COMBINED SINGLE LIMIT (Ea accident)	$ 2,000,000
	X ANY AUTO						BODILY INJURY (Per person)	$
	OWNED AUTOS ONLY / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	HIRED AUTOS ONLY / NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
	UMBRELLA LIAB OCCUR						EACH OCCURRENCE	$
	EXCESS LIAB CLAIMS-MADE						AGGREGATE	$
	DED RETENTION $							$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N		Y	54309878	12/31/2024	12/31/2025	X PER STATUTE OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? N	N / A					E.L. EACH ACCIDENT	$ 1,000,000
	(Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$ 1,000,000
							E.L. DISEASE - POLICY LIMIT	$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Certificate Holder is included as Additional Insured as respects Liability arising out of operations (work) performed by or on behalf of the Named Insured in accordance with the policy provisions of the General Liability and Automobile Liability policies. The General Liability and Automobile Liability evidenced herein are primary and Non-Contributory to other insurance available to the Additional Insured, but only in accordance with the policy provisions. The Waiver of Subrogation applies as required by contract in accordance with the policy provisions of the General Liability, Automobile Liability and Workers' Compensation policies. Cancellation notice will be delivered to the certificate holder in accordance with the provisions of the General Liability, Automobile Liability and Workers' Compensation policies.

Additional Insured: California Association of Community Managers, Oakland Marriott City Center, The City of Oakland, The Oakland Chamber of Commerce and Their Respective Governing Bodies, Officers, Directors, Employees and/or Agents and Total Expo

CERTIFICATE HOLDER

California Association of Community Managers
23461 South Pointe Dr. Suite 200
Laguna Hills CA 92653

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Neal to Mata

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License



dca

CONTRACTORS
STATE LICENSE BOARD
ACTIVE LICENSE

License Number 1091179 Entity LLC

Business Name CAGWIN & DORWARD LLC

Classification(s) C27 A C49

Expiration Date 05/31/2028 www.cslb.ca.gov

CSLB



Pricing

We are committed to fulfilling the specific landscape needs of Del Rey Oaks Condominiums while providing the service you expect at a price point that fits your budget. Cagwin & Dorward Landscape Contractors will provide the following competitive pricing per specifications as noted in our proposal.

LANDSCAPING PRICING SCHEDULE		
LOCATION		
Del Rey Oaks		
SERVICE	**ANNUAL COST**	**MONTHLY COST**
Landscape Maintenance:		
Work will be performed on a weekly basis, as described by the attached Specification for Landscape Maintenance (112922) provided by Cagwin & Dorward.	$31,567	$2,631
Specifications highlights General 90-day Commencement of Services plan (at initial onboarding) Strategic operational/pruning/zone maps and plans incorporated into crew schedules Green waste recycling (IPM) Integrated Pest Management practices Horticultural Debris & Litter removed at time of service Lawn Care Mow patterns alternated to minimize rutting Aeration included Broadleaf herbicide applications Fertilization - slow-release applications; greater sustainability and consistent color Tree Care Pruning included for trees up to 15ft in total height Bottom/Clearance prune of all trees annually In-house Arborist provides training, and recommendations beyond base scope Fertilization - slow-release applications for improved sustainability and consistent color Shrub & Groundcover Care Trimming methodology tailored to enhance appearance Trimming frequencies tailored to provide sidewalk & building clearance Weed control program supplemented with preemergent Fertilization - slow-release applications included annually Water Management CLCA Certified Water Managers, and skilled Irrigation Technicians Full System Check 2x's/year, and weekly visual inspections Irrigation zone mapping		
TOTAL	$31,567	$2,631

Enhancements

Our mission is to go beyond vendor status and become your trusted partner. We first work to understand your commercial landscape needs and then deliver excellence through our full lifecycle service offerings. At Cagwin & Dorward, we aim to transform your ideas into a professional design and deliver the final result within the specified budget and timeline. Additionally, we provide various seasonal enhancement services to maintain the landscape's appearance, functionality, and efficiency.

Landscape Improvement Plan (LIP)

Our landscape improvement plan (LIP) is a proactive program we can create for our customers. Our landscape installation team works with you to develop a LIP that reflects your preferences, goals and budget. The LIP can then be used as a guide to make systematic upgrades to your landscape, and is a useful tool for long-range planning and maintaining consistency through board and management changes.

Digital Enhancements

Digitally enhanced pictures can be an excellent tool to visualize the potential of your landscape. Our Landscape Installation team can provide our customers with proposals that include "after" pictures to reflect the suggested enhancements to your landscape.



Before & After Examples



BEFORE



AFTER



BEFORE



AFTER

Tree Care

Our Tree Care Managers are Certified Arborists with an average of 20 years' experience in the tree-care industry. They have the training and experience to ensure effective and safe tree care. We are Tree Care Industry Association Members (TCIA) and our Managers are certified by the International Society of Arboriculture (ISA).

Our conscientious and respectful staff strives to avoid disruptions on your property. We realize the importance of responding quickly and being flexible. We can adjust our schedule as your needs change. Our staff will work with you to ensure tree care services are carefully coordinated and efficient. We will leave your property in better condition than when we arrived.







We provide all the Tree services you need to help your Trees thrive:

- Tree Pruning
- Stump Grinding
- Tree Cabling
- Tree Removal
- Disease & Pest Control
- Deep Root Fertilization
- Plant Health Care (PHC)
- Free Estimates
- Arborist Reports & Consultation
- 24-Hour Emergency Service

> "Cagwin has a great tree service team. They worked on a couple of our properties and we are very impressed with their quality and efficiency. We look forward to working with them in the future."
>
> *~ The Hattery of Sonoma County*



Turf Management

At Cagwin & Dorward, our team of seasoned professionals is committed to delivering top-notch turf management services to ensure your property looks its best. We can handle all your turf needs, whether it's turf renovation, conversion, fertilization, or aeration and overseeding—we've got it covered. Our comprehensive turf management services are designed to maintain and enhance the health, appearance, and functionality of various turf areas, including parks, sports fields, golf courses, residential community areas and commercial landscapes. These services are expertly provided by experienced turf management specialists and landscaping companies.

Our Turf Management Services Include:

- Mowing, Edging and Trimming
- Weed Control
- Turf Renovation
- Turf Conversions
- Drought Tolerant Landscaping
- Sod & Plant Installation
- Fertilization
- Disease Control
- Seasonal Color
- Irrigation Control

> *"Cagwin & Dorward (Ollie) and his crew have been great! They are always very nice and get the job done. Whenever something needs to be done, Ollie is right there to go over it with me. I highly recommend them."*







Water Management & Irrigation Control

Persistent droughts, changes in weather patterns, growing populations and aging water infrastructure have lead to the price of water is rising all over California. Consumers are facing tiered pricing and mandatory water budgets.

As much as 50% of annual landscape maintenance costs are spent on water. Cagwin & Dorward has helped many customers manage their landscape water usage and control their costs. Many of our clients have seen up to a **20% reduction in wate**r use through i**ntelligent irrigation programming** alone, and up to **69% reduction** after **system upgrades**.

Cagwin & Dorward Solutions:

Certified professionals help cut water costs with the latest innovations and high-efficiency techniques. We have over 25 California Landscape Contractors Association (CLCA) Certified Water Managers on staff to help with all your water management and irrigation needs we can help with:

- Existing Irrigation Systems
- Irrigation System & Landscape Upgrades
- Budget Planning
- Backflow Testing & Repair
- Consulting Services
- Turf Conversions
- Drought Tolerant Landscaping

CLCA MEMBER

Est. 2008 CLCA Water Management Program

Water-Wise Landscaping



Cagwin & Dorward is a leader in water conservation, and we have already reduced landscape water use for many of our customers. We always focus on efficient landscape water-use and understand the responsibility of carefully managing your landscape investment.

Step 1 - Understand your priorities and unique needs of your landscape. We will work with you to identify:

- Valuable assets, such as heritage or mature trees
- Focal areas, such as entry ways and monument signs.
- Low visibility or low priority areas where water reductions can be made

Step 2 - Implement site-specific water conservation and drought strategy which can include:

- Mulch in Planting Beds
- Meter Reading & Monitoring
- Water Budgets
- Irrigation Audits
- Smart Controllers
- Flow Sensors
- Drip Irrigation
- Turf Conversion

Step 3 - Maintain We provide the following services for our customers:

- Bi-Annual System Checks and Recommended Repairs
- Seasonal Controller Programming Adjustments
- Ongoing Visual Inspections
- CLCA Certified Water Managers
- Long-Term Landscape Planning

Water Management Case Study

Cagwin & Dorward and the CLCA Certified Water Manager Program Lead in Water Management

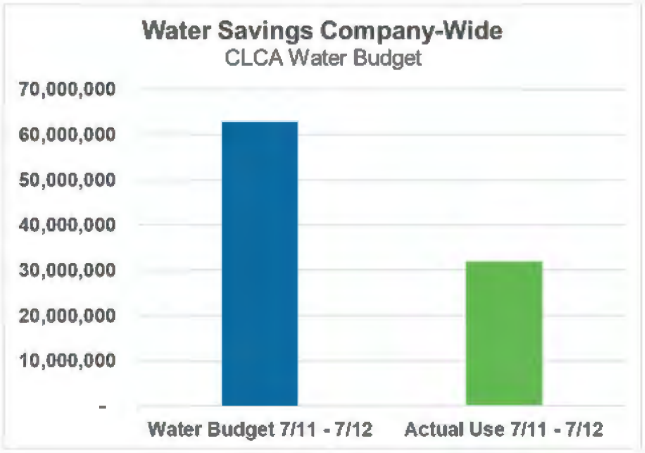
The California Landscape Contractors Association (CLCA) Certified Water Manager program trains landscape professionals to reduce water use by watering to a site specific budget.

Cagwin & Dorward employs over **25 CLCA Certified Water Managers**. They have proven they can save water and money. Our customers often see up to a **20% reduction in water** use through **intelligent irrigation programming** alone, and up to **50% reduction after system upgrades.**

Cagwin & Dorward Annual Results:

- Over 30,700,000 gallons of water saved for our customers by watering under budget. That is enough water to meet the needs of 90 families of 4 for a year!

- Watered 49% below budget company-wide in different microclimates, irrigating different plant varieties and property types Greenhouse gas emissions reduced by over 55,900 pounds*



To Achieve Certification, Participants Must:

- Pass a written test and submit an irrigation audit
- Manage at least one property to a water budget for one year
- Maintain certification by watering at least one property to a budget and tracking water use

*Approximately one-fifth of the electricity and one-third of the non-power plant natural gas consumed in the state are associated with water delivery, treatment and use, so efficient use also can reduce water related energy demands and associated greenhouse gas emissions. - California's 20x2020 Water Conservation Plan

WATER MANAGEMENT CERTIFICATION PROGRAM
A WaterSense Labeled Program



Master Planning

Creating a Master Plan

A Master Plan creates a vision for your landscape, and is used as a guide that reflects your preferences, goals and budget. Master Plans are useful for long-range planning and maintaining consistency through leadership and management changes.

The Master Plan can be comprehensive, or simple and inexpensive. We use digital imaging, conceptual planting plans, and plant palettes, which help visualize the potential of your landscape.

We will collaborate with the project stakeholders to create a plan that will guide the renovation and maintenance of your landscape. The suggested improvements can be implemented right away, or as phased-projects
over many years.



Master Plan Goals

The Master Plan will include the following elements to help ensure a uniform and attractive plan for your landscape:

PLANT PALETTE

We will provide a variety of recommended plants and other materials, presented with photos, to create a common theme throughout the property.

SUSTAINABLE APPROACH

Bay-Friendly guidelines, or other sustainable approaches, can be recommended for the design, installation, and maintenance of the property. Our horticulturist and sustainability manager is a great resource.

RETURN ON INVESTMENT (ROI)

Often, upgrades to the landscape and irrigation systems deliver a return on the investment. Savings in water, landscape maintenance and rebates can pay an ROI in as little as 2 years.

TURF AREAS

We will evaluate the turf to determine if it can be reduced in areas not used for recreation. Replacing turf with low water-use plants and drip irrigation can provide visual interest and reduce water use by up to 70%.

WATER-WISE

Water-efficient solutions will be recommended at all steps in the process from the plant palette, to renovating the irrigation system.

BUDGETING

We will present budget pricing prior to, and in conjunction with, plans and design concepts. Our pricing will align with your budget goals.

FERTIGATION

Automatic fertilizer application through an irrigation system reduces labor, provides a means to apply organic pest control, reduces water-use, and creates healthier soil biology through the use of bio-stimulants.

Thank You



Submitted by:

Mindy Blundell
(408)592-2964
Mindy.Blundell@cagwin.com

Cagwin & Dorward
LANDSCAPE CONTRACTORS · ESTD 1955

CITY OF DEL REY OAKS
AGREEMENT

THIS AGREEMENT ("Agreement") is executed October 24th , 2026, by and between the CITY OF DEL REY OAKS, a municipal corporation (hereinafter "City"), and K & D Landscaping (hereinafter "Consultant"), each of which is referred to herein as a "party," and collectively referred to herein as the "parties."

RECITALS

WHEREAS the City wishes to engage Consultant to perform the services required by this Agreement as City does not have the capability to perform such work.

WHEREAS Consultant is customarily engaged in the business of providing the services required herein and is willing to provide such services on the following terms and conditions; and

WHEREAS Consultant represents it is specially trained, experienced, and competent to perform the services required by this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the terms and conditions herein contained, the parties hereby covenant and agree as follows:

1. SERVICES

A. **Scope of Services**. Consultant agrees to provide to the City, as the scope of services under this Agreement, the following services: K & D Landscaping provides services to the city in the form of Landscaping services to include streetscape, DRO park maintenance and low brush clearing at the direction of the Public Works Supervisor.

A. **Amendment of Services**. The parties may make changes to the scope of services as defined in Section 1.A above. The parties shall agree in writing prior to commencement of any such changes.

2. COMPENSATION

A. **Total Fee**. The city agrees to pay, and the Consultant agrees to accept as full and fair consideration for the performance of this Agreement $1,158.00 per month for a total of $13,896.00 per year. If the City determines the services set forth in the written invoice have not been performed in accordance with the terms of this Agreement, the City shall not be responsible for payment until the services have been satisfactorily performed.

B. **Invoicing**. The consultant shall submit written invoices to the City. The consultant's invoices shall include a brief description of the services performed.

3. AGREEMENT TERM

A. **Term**. The work under this Agreement shall commence at the mutual reasonable agreement of the parties.

B. **Timely Work**. Consultant shall perform all services in a timely fashion. Failure to perform shall be deemed a material breach of this Agreement, and the City may terminate this Agreement with no further liability hereunder, or may authorize, in writing, an extension of time to the Agreement.

4. INDEPENDENT CONSULTANT

A. **Independent Consultant**.

i. Consultant is an independent consultant. This Agreement does not create the relationship of employer and employee, a partnership, or a joint venture.

ii. No offer or obligation of permanent employment with the City or City department or agency is intended in any manner, and Consultant shall not become entitled by virtue of this Agreement to receive from the City any form of employee benefits including, but not limited to, sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. Consultant shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of Consultant's performance of services under this Agreement. In connection with this, Consultant shall defend, indemnify and hold the City harmless from all liability, which the City may incur because of Consultant's failure to pay such taxes.

B. **Not an Agent of the City.** Nothing in this Agreement shall be interpreted to render the City the agent, employer, or partner of consultant, or the employer of anyone working for or subcontracted by consultant, and Consultant must not do anything that would result in anyone working for or subcontracted by Consultant being considered an employee of the City. The consultant is not, and must not claim to be, an agent of the city.

5. REPRESENTATIVES AND COMMUNICATIONS

A. **City's Representative.** The City appoints the individual named below as the City's contact person for the purposes of this Agreement.

Name: John Guertin
Title: City Manager
Address: 650 Canyon Del Rey Blvd. Del Rey Oaks, CA 93940
Telephone: 831-394-8511

B. **Consultant's Representative.** Consultant appoints the individual named below as its contact person for the purposes of this Agreement.

Name: K&D Landscaping, Inc.
Title: Kendal White, Owner
Address: 62C Hangar Way, Watsonville, CA 95076
Telephone: (831) 901-5243

C. **Communications and Notices**. Any notice, report, or other document that either party may be required or may wish to give to the other must be in writing, unless otherwise provided for, and shall be deemed to be validly given to and received by the addressee, if delivered personally, on the date of such personal delivery, if delivered by email, on the date of transmission, or if by mail, seven (7) calendar days after posting.

6. INDEMNIFICATION

Consultant hereby agrees to the following indemnification clause:

To the fullest extent permitted by law Consultant shall indemnify and hold harmless the City and its officers, designated agents, departments, officials, representatives and employees (collectively "Indemnitees") from and against claims, loss, cost, damage, injury expense and liability (including incidental and consequential damages, court costs, reasonable attorneys' fees, litigation expenses and fees of experts, consultants or expert witnesses incurred in connection therewith and costs of investigation) to the extent they arise out of, pertain to, or relate to, the negligence, recklessness, or willful misconduct of Consultant, anyone directly or indirectly employed by Consultant, or anyone Consultant controls (collectively "Liabilities"). Consultant shall have liability for reasonable and necessary defense costs incurred by persons indemnified to the extent caused by Consultant's negligence herein and recoverable under applicable law on account of negligence. Such obligations to defend, hold harmless and indemnify any Indemnitee shall not apply to the extent that such Liabilities are caused in part by the gross negligence or willful misconduct of such Indemnitee.

7. INSURANCE

Consultant shall submit and maintain in full force all insurance as described herein. Without altering or limiting Consultant's duty to indemnify, Consultant shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

A. **Commercial General Liability Insurance** including, but not limited to, premises, personal injuries, bodily injuries, property damage, products, and completed operations, with a combined single limit of not less than $1,000,000 per occurrence and $2,000,000 in the aggregate.

B. **Automobile Liability Insurance** covering all automobiles, including owned, leased, non-owned, and hired automobiles, used in providing services under this Agreement, with a combined single limit of not less than $1,000,000 per occurrence.

C. **Workers' Compensation Insurance.** If Consultant employs others in the performance of this Agreement, Consultant shall maintain Workers' Compensation insurance in accordance with California Labor Code section 3700 and with a minimum of $1,000,000 per occurrence.

D. **Other Insurance Requirements**:

i. The City shall be an additional named insured on Consultant's policy.

ii. All insurance required under this Agreement must be written by an insurance company either:

1. admitted to do business in California with a current A.M. Best rating of no less than A:VI;

or

2. an insurance company with a current A.M. Best rating of no less than A:VII.

iii. Prior to the start of work under this Agreement, Consultant shall file certificates of insurance and endorsements evidencing the coverage required by this Agreement with the City Manager. Consultant shall file a new or amended certificate of insurance promptly after any change is made in any insurance policy that would alter the information on the certificate then on file, including, without limitation, the number of coverages or the term of coverages.

iv. Neither the insurance requirements hereunder, nor acceptance or approval of Consultant's insurance, nor whether any claims are covered under any insurance, shall in any way modify or change Consultant's obligations under the indemnification clause in this Agreement, which shall continue in full force and effect. Notwithstanding the insurance requirements contained herein, Consultant is financially liable for its indemnity obligations under this Agreement.

v. City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

8. PERFORMANCE STANDARDS

A. Consultant warrants that Consultant and Consultant's employees performing services under this Agreement are specially trained and experienced to perform the services described herein.

B. Consultant and its employees shall perform all services in a safe and skillful manner consistent with the highest standards of care, diligence and skill ordinarily exercised by professionals in similar fields. All services performed under this Agreement that are required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

C. Consultant shall furnish, at its own expense, all materials, equipment and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. Consultant shall not use the City premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement, the RFP, or Consultant's Estimate.

D. Consultant agrees to perform all work under this Agreement to the satisfaction of City and as specified herein. The City Manager or his or her designee shall perform an evaluation of the work. If the quality of work is not satisfactory, City in its discretion may meet with consultant to review the quality of work and resolve the matters of concern.

9. CITY INFORMATION AND RESOURCES

A. **City Resources.** The City acknowledges that Consultant's ability to provide services in accordance with this Agreement may be dependent on the City providing available information and resources in a prompt and timely manner as reasonably required by consultant. To the extent that the

City fails to provide City resources, Consultant shall not be liable for any resulting delay in services, but in no event shall such delay or failure to provide City resources constitute a breach of this Agreement by the City, nor shall Consultant be entitled to extra compensation for same.

B. **Obligations of Consultant.** No reviews, approvals, or inspections carried out or supplied by the City shall derogate from the duties and obligations of consultant, and all responsibility related to performance of services shall be and remain with consultant.

10. OWNERSHIP AND USE OF MATERIALS

A. **Ownership of the Materials.** All data, studies, reports, calculations, field notes, sketches, designs, drawings, plans, specifications, cost estimates, manuals, correspondence, agendas, minutes, notes, audio-visual materials, photographs, models, software data, computer software (if purchased on the City's behalf) and other documents or products produced by Consultant under this Agreement (collectively, "the Materials") are and shall remain the property of the City even though Consultant or another party may have physical possession of them or a portion thereof. Consultant hereby waives, in favor of the City, any moral rights Consultant, its employees, vendors, successors or assignees may have in the Materials. Consultant agrees that all copyrights, which arise from creation of the work or services pursuant to this Agreement, shall be vested in the City and waives and relinquishes all claims to copyright or intellectual property rights in favor of the City.

B. **Delivery and Use of the Materials.** All Materials shall be transferred and delivered by Consultant to the City without further compensation following the expiration or sooner termination of this Agreement, provided that the City may, at any time prior to the expiration or earlier termination of this Agreement, give written notice to Consultant requesting delivery by Consultant to the City of all or any part of the Materials in which event Consultant shall forthwith comply with such request. The Materials created electronically must be submitted in a format and medium acceptable to the City. The Materials may be used by the City in any manner for the intended purpose or as part of its operations associated with the Materials.

11. DISPUTE RESOLUTION

The City Manager and Consultant shall make reasonable efforts to resolve any dispute by amicable negotiations and shall provide frank, candid, and timely disclosure of all relevant facts, information, and documents to facilitate negotiations.

If all or any portion of a dispute cannot be resolved by good faith negotiations as set forth above within thirty (30) days either party may, by notice to the other party, submit the dispute for formal mediation to a mediator selected mutually by the parties. The cost of the mediation (including fees of mediators) shall be borne equally by the parties, and each party shall bear its own costs of participating in mediation. The mediation shall take place within Monterey County.

Should either party not be satisfied with the outcome of the mediation, the matter may be submitted to a court of competent jurisdiction.

All claims by Consultant against the City for money or damages must comply with the Government Claims Act (California Government Code Sections 810-996.6).

12. TERMINATION OF AGREEMENT

A. **Termination for Cause or Default.** The City reserves the right to immediately terminate this Agreement, in whole or in part, if Consultant defaults or fails to deliver the services in accordance with the terms and conditions of this Agreement. Such termination shall be in writing, shall set forth the effective date of termination, and may be issued without any prior notice. Without limitation, Consultant is in default of its obligations contained in this Agreement if Consultant:

i. Fails to perform the required services within the term and/or in the manner provided under this Agreement;

ii. Fails to observe or comply with the City's reasonable instructions;

iii. Otherwise violates any provision of this Agreement.

13. LEGAL ACTION / VENUE

Should either party to this Agreement bring legal action against the other, the validity, interpretation and performance of this Agreement shall be controlled by and construed under the laws of the State of California, excluding California's choice of law rules. Venue for any such action relating to this Agreement shall be in the Monterey County Superior Court.

14. MISCELLANEOUS PROVISIONS

A. **Non-discrimination**. During the performance of this Agreement, Consultant shall not unlawfully discriminate against any person because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status, either in Consultant's employment practices or in the furnishing of services to recipients.

B. **Acceptance of Services Not a Release**. Acceptance by the City of services to be performed under this Agreement does not operate as a release of consultant from professional responsibility for the services performed.

C. **Headings**. The headings appearing herein shall not be deemed to govern, limit, modify, or in any manner affect the scope, meaning or intent of the provisions of this Agreement. The headings are for convenience only.

D. **Entire Agreement**. This Agreement, including the Exhibits attached hereto, constitute the entire agreement between the parties hereto with respect to the terms, conditions, and services and supersedes any and all prior proposals, understandings, communications, representations and agreements, whether oral or written, relating to the subject matter thereof pursuant to Section 1B, "Amendment of Services." Any amendment to this Agreement will be effective only if it is in writing signed by both parties hereto and shall prevail over any other provision of this Agreement in the event of inconsistency between them.

E. **Counterparts**. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and may be signed in counterparts, but all of which together shall constitute one and the same Agreement.

F. **Multiple Copies of Agreement**. Multiple copies of this Agreement may be executed, but the parties agree that the Agreement on file in the office of the City's City Clerk is the version of the Agreement that shall take precedence should any difference exist among counterparts of this Agreement.

G. **Authority**. Any individual executing this Agreement on behalf of the City or Consultant represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.

H. **Severability**. If any of the provisions contained in this Agreement are held illegal, invalid or unenforceable, the enforceability of the remaining provisions shall not be impaired thereby. Limitations of liability and indemnities shall survive termination of the Agreement for any cause. If a part of the Agreement is valid, all valid parts that are severable from the invalid part remain in effect. If a part of this Agreement is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications.

I. **Non-exclusive Agreement**. This Agreement is non-exclusive, and both the City and Consultant expressly reserve the right to enter into agreements with other Consultants for the same or similar services or may have its own employees perform the same or similar services.

J. **Assignment of Interest**. The duties under this Agreement shall not be assignable, delegable, or transferable without the prior written consent of the City. Any such purported assignment, delegation, or transfer shall constitute a material breach of this Agreement upon which the City may terminate this Agreement and be entitled to damages.

K. **Laws**. Consultant agrees that in the performance of this Agreement it will reasonably comply with all applicable federal, state and local laws and regulations. This Agreement shall be governed by and construed in accordance with the laws of the State of California and the City of Del Rey Oaks.

L. **Exhibits**. The following Exhibits are incorporated herein by reference as if fully set forth: _____

IN WITNESS WHEREOF, the parties enter into this Agreement on the day and year first above written in Del Rey Oaks, California.

CITY OF DEL REY OAKS

_____	_____
John Guertin, City Manager	Date
_____	_____
Kendal White/Owner	Date

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

DATE: October 27, 2026

TO: Honorable Mayor and City Council

FROM: John Guertin, City Manager

SUBJECT: Reappointment of Louise Goetzelt to the Monterey County Mosquito Abatement District Board of Trustees

CEQA: The reappointment is an administrative action that is not a project under CEQA Guidelines Section 15378(b)(5), because it will not result in direct or indirect physical changes in the environment.

Discussion

Staff recommends reappointing Louise Goetzelt as the City's representative on the Monterey County Mosquito Abatement District Board of Trustees for a four-year term beginning in January 2027.

In its October 6, 2026, letter, the District requests Ms. Goetzelt's reappointment and reports that she has actively and faithfully represented Del Rey Oaks residents since February 2019. The letter identifies the expiration of her current term as January 1, 2027, and suggests consideration of a four-year appointment based on her prior service.

California Health and Safety Code Section 2024(a) allows the City Council to select a two- or four-year term and provides that terms begin at noon on the first Monday in January. Accordingly, the proposed resolution establishes a four-year term commencing at noon on January 4, 2027, and expiring at noon on January 6, 2031. Reappointment will provide continuity in the City's representation on the District Board.

Fiscal Impacts

No direct fiscal impact to the City is anticipated from the reappointment. No additional appropriation is requested.

Recommendation

Adopt the resolution reappointing Louise Goetzelt to the Monterey County Mosquito Abatement District Board of Trustees for the four-year term described above and directing the City Clerk to notify the District.

Attachments

1. Draft resolution
2. District reappointment request dated October 6, 2026

Respectfully submitted,
John Guertin
City Manager

RESOLUTION NO. 2026-25

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DEL REY OAKS REAPPOINTING LOUISE GOETZELT TO THE MONTEREY COUNTY MOSQUITO ABATEMENT DISTRICT BOARD OF TRUSTEES

WHEREAS, Louise Goetzelt serves as the City of Del Rey Oaks representative on the Board of Trustees of the Monterey County Mosquito Abatement District and has represented City residents since February 2019; and,

WHEREAS, by letter dated October 6, 2026, the District requested that the City Council reappoint Ms. Goetzelt to continue representing Del Rey Oaks beginning in January 2027; and,

WHEREAS, California Health and Safety Code Section 2024(a) authorizes terms of two or four years at the discretion of the appointing authority and provides that terms commence at noon on the first Monday in January; and,

WHEREAS, the City Council desires to reappoint Ms. Goetzelt for a four-year term to provide continuity in the City's representation on the District Board.

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

1. Reappoint Louise Goetzelt as the City of Del Rey Oaks representative on the Monterey County Mosquito Abatement District Board of Trustees for a four-year term commencing at noon on January 4, 2027, and expiring at noon on January 6, 2031.

2. Direct the City Clerk to transmit a certified copy of this resolution to the Monterey County Mosquito Abatement District and notify Ms. Goetzelt of her reappointment.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF DEL REY OAKS, this 27th day of October, 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED: ATTEST:

_____ _____

Scott Donaldson, Mayor Karen Minami, City Clerk

BOARD OF TRUSTEES
Chairman of the Board:
Jeff Cecilio
County of Monterey
Vice Chair:
Don Cranford
County of Monterey
Secretary:
Jenny McAdams
City of Marina
Members-Representing:
Ray Coopersmith
County of Monterey
Mary Ann Carbone
City of Sand City
Louise Goetzelt
City of Del Rey Oaks
Ian Oglesby
City of Seaside
Jeff Glass
City of Monterey
James Tashiro
City of Salinas

Ken Klemme
Manager-Biologist

MONTEREY COUNTY
MOSQUITO ABATEMENT DISTRICT
926 E. Blanco Rd.
Salinas, California 93901

(831) 422-6438

DATE: 10/06/2026

City Council
City of Del Rey Oaks
650 Canyon Del Rey Rd.
Del Rey Oaks, CA 93940
RE: Reappointment letter for Louise Goetzelt

This letter is to inform the City Council of Del Rey Oaks that the current term of office held by District Trustee Louise Goetzelt will expire on January 1, 2027. Ms. Goetzelt has actively and faithfully represented the residents of the City of Del Rey Oaks on the Board of Trustees of the Monterey County Mosquito Abatement District since February 2019.

Pursuant to Section 2024 of the California Health and Safety Code, members of the District's Board of Trustees may be appointed for terms of either two or four years, at the discretion of the appointing authority. As Ms. Goetzelt has previously served a two-year term, the City Council may wish to consider a four-year appointment.

The Monterey County Mosquito Abatement District Board of Trustees respectfully requests that the City Council of Del Rey Oaks reappoint Louise Goetzelt to continue representing the residents of Del Rey Oaks on the District's Board of Trustees beginning in January 2027.

We appreciate Ms. Goetzelt's continued service to the District and the residents of Del Rey Oaks, and we thank the City Council for its consideration.

Sincerely,

Kenneth Klemme
Manager - Biologist
cc: Louise Goetzelt

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: October 27, 2026

TO: Honorable Mayor and City Council

FROM: John Guertin, City Manager

SUBJECT: Approval of an Exclusive Right to Negotiate Agreement with Shea Homes Limited Partnership for Potential Development of City-Owned Former Fort Ord Parcels

CEQA: Approval of the negotiating framework does not constitute a project under CEQA Guidelines Section 15378(b)(5). Future development and any physical site investigations remain subject to applicable environmental review and approvals, as discussed below.

Recommendation

Adopt a Resolution approving an Exclusive Right to Negotiate Agreement (ENA) with Shea Homes Limited Partnership and authorizing the City Manager to execute the agreement following approval as to form by the City Attorney. Authorize nonmaterial corrections and administration of the ENA within its express terms; reserve approval of the Term Sheet, Development and Disposition Agreement (DDA), and any material amendments to the City Council.

Rationale for Recommendation

The ENA provides a structured opportunity to test project feasibility, negotiate a fiscally sustainable development program, and obtain community input with a qualified development partner. It funds eligible City negotiating work and establishes milestones while preserving the Council's authority over the business terms, land disposition, and project approvals. Staff recommends approval to advance this evaluation.

Background

The City has pursued a development partner for its City-owned former Fort Ord property. In February 2023, the City issued a Notice of Availability/Offer to Sell Surplus Property. In June 2024, the City approved an exclusive negotiating agreement with City Ventures. That process did not result in a development agreement, and the negotiating period was not extended further.

As described in the proposed Shea ENA, the City initiated a targeted solicitation on February 26, 2026, inviting three qualified development teams. Shea offered the strongest overall

combination of financial capacity, development expertise, understanding of Fort Ord redevelopment challenges, and commitment to a collaborative public-private partnership. On June 23, 2026, the City selected Shea and directed staff to return to the Council with the proposed ENA to explore potential development of the sites.

Discussion

The proposed ENA establishes a defined process for evaluating a potential mixed-use project anticipated to include for-sale housing and commercial uses. The ENA identifies approximately 259 acres across APNs 031-191-026 and 031-191-028, along South Boundary Road east of General Jim Moore Boulevard.

The ENA provides time for due diligence and good faith negotiations toward a Term Sheet and a possible Development and Disposition Agreement (DDA) governing the sale and development of the property. It does not establish a purchase price, authorize construction, convey property, or obligate either party to enter into a future agreement. Both the Term Sheet and DDA require separate City Council approval.

Negotiating Period and Exclusivity

Initial period: The first 180 days begin on the agreed Effective Date and are intended to produce a Term Sheet. If the parties agree on the Term Sheet within that period, the ENA automatically extends for another 180 days to negotiate a DDA. The City Manager may approve an additional 180 days if the parties are making progress toward a DDA. Further extensions require written City Council approval.

DDA review period: If Shea submits a signed DDA with fewer than 60 days remaining, the ENA automatically extends to allow 60 days after submission for City review and consideration. Shea may terminate if the City does not approve the submitted DDA within 60 days and the negotiating period has not expired. This provision does not require Council approval of the DDA.

Exclusivity: Except as needed to comply with applicable law, the City cannot solicit or process competing proposals, discuss another party’s potential acquisition or development, enter competing agreements, or provide site information or access for another prospective developer’s evaluation during the ENA term.

Deposit and Negotiation Payment

Shea must provide a $150,000 good faith deposit within five business days of the Effective Date. The deposit is held in an interest-bearing account and pays eligible City expenses within the mutually approved work budget. When the balance reaches $25,000 or less, Shea must replenish it to $50,000 within 30 days after written notice, subject to the agreement’s notice and cure provisions. The City must provide expense accountings at least every 60 days.

Shea must also pay a separate $15,000 negotiation payment within five business days. This payment is earned on the Effective Date and is nonrefundable except for a breach of the City’s exclusivity obligations. The deposit is distinct from entitlement fees and CEQA costs.

Term Sheet and Future Development Agreement

The Term Sheet will establish conceptual business terms and the work necessary to determine whether a feasible development agreement can be reached. Required subjects include:

- Land value and City fiscal balance: A process for determining the land disposition price and any financial assistance, using analysis of project costs, developer profit, financing costs, and revenues. The proposed land use mix must generate a positive fiscal balance for the City, with project revenues offsetting City service costs.

- Infrastructure and financing: A business plan identifying construction and permanent financing, including infrastructure and building development. The draft anticipates consideration of Mello-Roos Community Facilities District special taxes or other appropriate financing methods; it does not establish a district or approve financial assistance.

- Development program and schedule: A conceptual project description, phasing and locations of land take-downs, a performance schedule, and an updated budget for the extended negotiating period.

- Environmental review and public participation: Identification of required discretionary approvals and CEQA documents, a process for City selection of the environmental consultant, and a public participation plan for the entitlement, CEQA, and land use planning processes occurring in parallel with DDA negotiations.

Responsibilities and City Decision Making

Shea is responsible for its due diligence and negotiations at its own expense, progress reports upon City request no more frequently than monthly, disclosure of proposed financing and financial capacity upon written request, and reasonable cooperation in obtaining community input. If no DDA is reached, the City may request eligible studies and reports, but excludes protected materials.

The City must negotiate in good faith, review submissions promptly, and provide available site information and appropriate assistance. The City Manager and designated staff serve as the negotiating representatives. The City retains its independent land use and CEQA discretion, including the ability to impose mitigation, reject proposed agreements, or decline project approvals. A DDA signed by Shea becomes effective only if approved by the Council after a duly noticed public hearing.

Site Access and Other Agreement Terms

Shea and designated consultants may enter the sites after providing required liability and workers' compensation insurance. Invasive testing requires at least 72 hours' advance written notice and all necessary permits or approvals. Site restoration is required, subject to exceptions for preexisting hazardous materials.

The proposed indemnity covers Shea's and its designees' negligence or willful misconduct during site access, survives termination for two years, and excludes consequential,

punitive, and special damages under that provision. Certain affiliate, controlled-entity, and business-acquisition transfers are permitted without prior approval; other assignments require City Manager approval. Confidential information is protected only to the extent allowed by law, and disputes first proceed to nonbinding mediation.

Fiscal Impacts

The $150,000 deposit advances funds for eligible City work. Shea's reimbursement obligation for the initial negotiating period is capped at $200,000 unless Shea agrees in writing to a higher amount. The parties must use good faith efforts to finalize a scope of work and itemized budget within ten days of the Effective Date. Expenditures outside that scope or above the agreed amounts require Shea's prior written consent. An updated budget is to be included in the Term Sheet for the extended period.

Staff will monitor the budget and deposit to avoid unreimbursed obligations; reimbursement is limited to eligible expenses. Upon termination, eligible documented costs may be deducted and the undisputed unused balance, including interest, returned within 30 days. Disputed deductions follow the accounting and mediation process. Purchasing Shea's studies after unsuccessful negotiations would be an additional City cost requiring separate review.

Shea must fund CEQA document preparation separately under City fee policies; those costs and entitlement fees are not charged against the negotiation deposit. Approval does not authorize City infrastructure funding, a land sale, or a development subsidy. Any proposed future financial commitments will return to Council for consideration.

Next Steps and Final Agreement Preparation

Following execution, staff and Shea will finalize the work budget, undertake due diligence, develop the public participation plan, and negotiate the Term Sheet for Council consideration. Staff will report progress and seek Council policy and financial direction as needed. Shea may terminate at any time by written notice. The City may terminate if it declines the Term Sheet, planning approvals, or DDA, or pursuant to the agreement's default provisions; termination is generally the exclusive remedy for an uncured default.

Environmental Review

The recommended action establishes an exclusive negotiating framework without committing the City to a particular development or land disposition. Staff recommends a finding that this administrative action is not a project under CEQA Guidelines Sections 15060(c)(3) and 15378(b)(5). Any site investigation involving physical disturbance must be evaluated separately for applicable environmental requirements and obtain required approvals before work begins. The ENA preserves the City's discretion over the project, alternatives, and mitigation. Required CEQA review must precede City commitment to the project or a DDA approving it.

ATTACHMENTS:

1. Draft Resolution 2026-26
2. Proposed Exclusive Right to Negotiate Agreement with Shea Homes Limited Partnership dated October 8, 2026, to be attached separately as Exhibit A to the Resolution

Respectfully Submitted,

_____

John Guertin
City Manager

RESOLUTION NO. 2026-26

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DEL REY OAKS APPROVING AN EXCLUSIVE RIGHT TO NEGOTIATE AGREEMENT WITH SHEA HOMES LIMITED PARTNERSHIP FOR POTENTIAL DEVELOPMENT OF CITY-OWNED FORMER FORT ORD PARCELS AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT

RECITALS

WHEREAS, the City owns property identified in the proposed Exclusive Right to Negotiate Agreement as Assessor's Parcel Numbers 031-191-026 and 031-191-028, portions of which are located on the former Fort Ord military base; and

WHEREAS, the proposed agreement recites that the City declared the sites surplus property by Resolution No. 2022-28, adopted November 15, 2022, and initiated a targeted developer solicitation on February 26, 2026; and

WHEREAS, after consideration of qualified development teams, the City selected Shea Homes Limited Partnership on June 23, 2026, to explore potential development of the sites; and

WHEREAS, the City and Shea desire to establish procedures for exclusive good faith negotiations of a Term Sheet and a possible Development and Disposition Agreement for a potential mixed-use project; and

WHEREAS, the proposed Exclusive Right to Negotiate Agreement establishes negotiating periods, a $150,000 initial deposit, a separate $15,000 negotiation payment, budget and reimbursement requirements, due diligence responsibilities, and provisions preserving the City's discretion; and

WHEREAS, the agreement does not convey property, approve a development project, establish a purchase price, or obligate the City to approve a Term Sheet, Development and Disposition Agreement, or land use entitlement; and

WHEREAS, the City Council has considered the staff report and proposed agreement for its October 27, 2026 meeting, and desires to authorize an exclusive negotiating process while retaining approval authority over future agreements and development decisions;

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

1. Environmental determination. Approval of the negotiating framework is an administrative activity that does not commit the City to development or land disposition and is not a project under CEQA Guidelines Sections 15060(c)(3) and 15378(b)(5). Any physical site investigations shall remain subject to applicable environmental review and required permits and approvals. Required CEQA compliance shall precede any City commitment to the proposed development project.

2. Agreement approval. The City Council approves the Exclusive Right to Negotiate Agreement between the City of Del Rey Oaks and Shea Homes Limited Partnership to be attached as Exhibit A, subject to the finalization requirements in Section 3 below.

3. Execution authority. The City Manager is authorized to execute the agreement on behalf of the City following approval as to form by the City Attorney. Before execution, the City Manager and City Attorney shall ensure that the property description is verified and the map and legal description exhibits are complete and accurate. Authority includes nonmaterial corrections necessary to finalize the agreement. Any change materially affecting the property scope, economic terms, City obligations, or retained Council authority shall require further City Council approval.

4. Agreement administration. The City Manager is authorized to administer the agreement, including approving work budgets within available appropriations and the reimbursement provisions, issuing notices, receiving and accounting for payments, and exercising the extension, consent, and termination authority expressly provided in the agreement and consistent with the Del Rey Oaks Municipal Code. This authorization does not expand the agreement's delegation of authority or authorize additional City financial commitments.

5. Future Council approvals. The Term Sheet and any Development and Disposition Agreement shall be submitted to the City Council for separate consideration and approval. A Development and Disposition Agreement shall be considered at a duly noticed public hearing as required by the ENA. Further negotiating extensions beyond those expressly delegated or automatically provided by the ENA, and any material amendments, require City Council approval. All applicable land use, environmental, and public property disposition requirements remain in effect.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF DEL REY OAKS, this 27th day of October, 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED: ATTEST:

_____ _____

Scott Donaldson, Mayor Karen Minami, City Clerk

EXCLUSIVE RIGHT TO NEGOTIATE AGREEMENT

THIS EXCLUSIVE RIGHT TO NEGOTIATE AGREEMENT ("Agreement") is made as of this _____day of October 2026 ("Effective Date"), by and between the CITY OF DEL REY OAKS ("City"), a municipal corporation, and SHEA HOMES CALIFORNIA, LLC, a Delaware limited liability company ("Shea").

RECITALS

A. City owns approximately 259 acres of property among three parcels, identified by Assessor's Parcel Numbers ("APN") 031-191-026 031-191-028 portions of which are on the former Fort Ord military base as shown on Exhibit "A" and further described on Exhibit "B" (the "Sites"). The Sites are located on the former Fort Ord along South Boundary Road, east of General Jim Moore Boulevard. The Sites are currently referred to in the City's Housing Inventory as Site 1 (APN 031-191-026), consisting of one parcel totaling approximately 232 acres north of South Boundary Road, and Site 1A (APN 031-191-028), consisting of one parcel totaling approximately 12 acres south of South Boundary Road.

B. By City Council Resolution No. 2022-28, approved on November 15, 2022, the City declared the Sites as surplus property under the California Surplus Lands Act (Government Code Section §§ 54220 *et seq*.).

C. On February 26, 2026, the City initiated a targeted developer solicitation. Three qualified development teams were invited to participate. Of the three entities, Shea offered the strongest overall combination of financial capacity, development expertise, understanding of Fort Ord redevelopment challenges, and commitment to a collaborative public-private partnership. On June 23, 2026, the City selected Shea to explore potential development of the Sites.

D. The parties desire to enter into an exclusive right to negotiate to allow Shea time to conduct its due diligence to determine the feasibility of developing the Sites as a mixed-use project that is anticipated to include both a for-sale residential and a commercial component (collectively, the "Proposed Project"), and give the parties adequate time to negotiate in good faith toward the execution of a Development and Disposition Agreement ("DDA") under which Shea will purchase the Sites from the City, and develop them.

E. Subject to the terms of this Agreement, Shea will reimburse the City for expenses it incurs in furtherance of its obligations under this Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, City and Shea agree as follows:

1. Good Faith Negotiation. City and Shea agree that the sole purpose of this Agreement is for the parties to exclusively negotiate in good faith a Term Sheet (as defined below) and DDA to be entered into between City and Shea for the purchase and sale, and development, of the Sites. The parties have not reached agreement on the matters described herein, and do not intend to be bound until a final written DDA is executed by both parties, as provided in such DDA, other than to establish a period of exclusive negotiations during which time each of the City and

Shea shall negotiate with the other in good faith. By its execution of this Agreement, City is not committing to any disposition of land to Shea, to Shea's ability to obtain any approvals required from City to use the Sites for any particular use proposed by Shea, or to any other acts requiring the subsequent independent exercise of discretion by City or its staff. Each party reserves final discretion and approval as to any proposed Term Sheet and DDA and all proceedings and decisions in connection therewith. The parties further agree and understand that this Agreement does not imply any obligation on the part of City or Shea to enter into any DDA that may result from the negotiations contemplated herein.

City anticipates that following execution of this Agreement, and through the Negotiation Period (defined below) and preparation of the DDA, City, as well as certain consultants and attorneys for City, will devote time and effort in reviewing documents, proposals, plans, and meeting with Shea, each other, and other necessary third parties. City acknowledges that Shea will also expend substantial time and resources, and the parties are willing to engage in these activities subject to the terms and conditions set forth in this Agreement.

During the Negotiation Period, other than acting to comply with applicable law, including without limitation the California Public Records Act, City agrees that it shall not negotiate with any other person or entity for sale or development of the Sites or any portion thereof. The term "negotiate" as used herein shall be deemed to preclude City from (i) processing development proposals for the Sites from other persons or entities, (ii) soliciting development proposals for the Sites from other persons or entities, (iii) engaging in any discussions, meetings, or communications with other persons or entities regarding the potential sale, lease, or development of the Sites, (iv) entering into any letter of intent, memorandum of understanding, term sheet, or other agreement (whether binding or non-binding) with any other person or entity regarding the Sites, or (v) providing site information, due diligence materials, or access to the Sites to any other person or entity for purposes of evaluating the potential acquisition or development of the Sites. If the negotiations with Shea under this Agreement are unsuccessful and do not lead to approval and execution of a Term Sheet during the Initial Negotiating Period, as defined below, or a DDA within the Negotiation Period, then, following the expiration of the Negotiation Period, City reserves the right to negotiate with other entities and/or to solicit new proposals on terms different from those that may have been included in the solicitation Shea responded to.

2. **Term.** The negotiating period shall commence on the Effective Date and shall continue for one hundred eighty (180) days ("Initial Negotiating Period"). If Shea and the City's City Council agree on a Term Sheet within the Initial Negotiating Period, then the Initial Negotiating Period shall automatically be extended for an additional one hundred eighty (180) days, which period may be extended by approval of the City Manager if the parties are making progress toward the negotiation of a DDA for an additional one hundred eighty (180) days (the "Extended Negotiating Period"). The Initial Negotiating Period and Extended Negotiating Period (if applicable) are referred to herein, collectively, as the "Negotiation Period."

If, at the expiration of the Initial Negotiating Period, Shea and City have not agreed on the final Term Sheet or if, at the expiration of the Extended Negotiating Period, Shea and City have not agreed on the final DDA, then, in either case, this Agreement will automatically terminate, unless City, at the sole discretion of the City Council, agrees in writing to an additional extension.

If, based on the final negotiations with City and an evaluation of proposed terms and conditions Shea deems the DDA acceptable in its sole and absolute discretion, it will sign and

submit the DDA to the City. If, on the submittal, less than sixty (60) days remain in the Negotiation Period, then this Agreement will automatically be extended to a date that is sixty (60) days immediately subsequent to the submittal to enable City (1) to take actions necessary to review and consider the DDA, and (2) schedule for City Council approval and, if approved by the City Council, to execute the DDA. If the DDA is executed by the parties relating to all or part of the Sites during the Negotiating Period, then this Agreement shall terminate upon execution of said DDA and be of no further force and effect.

If City fails to approve the DDA signed and submitted by Shea within sixty (60) days of submittal and the Negotiation Period has not expired, then Shea may, at its election, terminate this Agreement.

Notwithstanding anything to the contrary contained herein, by delivering written notice to City, Shea may elect to terminate this Agreement at any time in its sole discretion without requiring a show of a default by City.

Within ten (10) days following the Effective Date, the parties shall meet and confer to agree upon a budget for City Expenses to be incurred during the Initial Negotiating Period (the "Budget"). The Budget shall include: (i) an agreed-upon scope of work describing the tasks, studies, reviews, and other activities to be performed by the City and its consultants in furtherance of this Agreement; (ii) an itemized list of the consultants, contractors, and City personnel anticipated to perform such work; and (iii) a good faith estimate of the costs associated with each line item ("City Expenses"). The parties shall use good faith efforts to finalize and execute the Budget within such ten (10) day period. Once approved by both parties, the Budget may only be amended by written agreement of the parties. City shall not incur, and Shea shall not be obligated to reimburse, any City Expenses that exceed the amounts set forth in the approved Budget or that are outside the approved scope of work, unless Shea has provided prior written consent to such expenditure, which consent shall not be unreasonably withheld or delayed.

3. Good Faith Deposit. No later than five (5) business days following the Effective Date, Shea shall submit to the City a good faith deposit ("Initial Deposit") in the amount of One Hundred Fifty Thousand Dollars ($150,000), in the form of a cashier or certified check, or wire transfer, payable to the City. City shall deposit the Initial Deposit in an interest-bearing account and such interest, when received by City, shall become part of the Initial Deposit.

If during the Negotiation Period the amount remaining in the Initial Deposit is Twenty Five Thousand Dollars ($25,000) or less, then within thirty (30) days following Shea's receipt of written notice from the City, Shea shall deposit with the City an additional amount necessary to ensure that the amount then on deposit with the City equals Fifty Thousand Dollars ($50,000) (each a "Supplemental Deposit" and with the Initial Deposit, the "Deposit"). Notwithstanding the foregoing, if Shea fails to make the Supplemental Deposit within such thirty (30) day period and such failure continues for five (5) business days after Shea's receipt of a second written notice from City, then, as City's sole and exclusive remedy, City shall have the right to terminate this Agreement by delivering written notice to Shea any time prior to the date on which Shea delivers the Supplemental Deposit.

Subject to the terms and conditions of this Agreement, the City shall apply the Deposit against City Expenses as they are incurred in accordance with the Budget (as the same may be updated pursuant to the Term Sheet). The Deposit amount is separate from and will not be used for the payment of applicable City fees or costs associated with the entitlement of any project

proposed by Shea.

In no event shall Shea's obligation to reimburse City for City Expenses incurred under this Agreement during the Initial Negotiating Period exceed a maximum of Two Hundred Thousand Dollars ($200,000) unless Shea agrees otherwise in writing (which agreement it may withhold in its sole and absolute discretion).

During the Negotiation Period, no less than every sixty (60) days, City shall provide Shea with an accounting of City Expenses charged against the Deposit, together with copies of invoices, with the understanding that invoices for legal services, including those of the City Attorney Office, will be redacted as provided by law.

Upon termination of this Agreement for any reason, City may expend funds from the Deposit only as needed to pay City Expenses that (i) are then due hereunder, (ii) are consistent with the Budget, and (iii) are supported by reasonable documentation, including invoices or other evidence of the work performed and fees incurred. Within thirty (30) days following a termination, City shall provide Shea with an accounting of all City Expenses it intends to deduct from the Deposit, together with copies of supporting invoices (with the understanding that invoices for legal services, including those of the City Attorney Office, will be redacted as provided by law). If Shea disputes any portion of such City Expenses, Shea shall notify City in writing within ten (10) business days of receipt of such accounting, specifying the disputed amounts and the basis for such dispute. The parties shall then confer in good faith to resolve such dispute. Pending resolution of any such dispute, City shall return the undisputed balance of the Deposit, including any interest, to Shea within thirty (30) days of termination and shall retain only the disputed portion. Any disputed amounts that remain unresolved after thirty (30) days of good faith discussions shall be submitted to mediation pursuant to Section 12.13 hereof.

So long as City does not default hereunder, then Shea acknowledges that any and all expenditures made by it are not recoverable from the City in the event the contemplated DDA, land use entitlements, or other permit applications are not approved.

The parties acknowledge that, except as expressly set forth herein or in the Budget, City reserves the full and sole discretion and authority to determine which consultants, contractors, or employees shall be hired to advise the City on its obligations under this Agreement, and to direct and evaluate such work and to establish the amount of compensation paid. Notwithstanding the foregoing, the City shall give good faith consideration to Shea's input regarding such selections.

4. **Non-refundable Negotiation Payment.** In partial consideration of City entering into this Agreement within five (5) business days of the Effective Date, Shea shall also pay to the City the amount of Fifteen Thousand Dollars ($15,000) in the form of a cashier's check, or a certified check or wire transfer ("Negotiation Payment"), naming the City as beneficiary or payee, as applicable. The Negotiation Payment shall be fully earned by the City on the Effective Date and shall be non-refundable to Shea under all circumstances other than a breach of the exclusivity obligations hereunder. Shea waives all claims or rights to any refund of the Negotiation Payment or any interest accrued on the Negotiation Payment.

5. **Shea's Responsibilities.** During the Negotiating Period, Shea shall diligently and in good faith use commercially reasonable efforts, at its sole cost and expense, to:

5.1. Negotiate the Term Sheet & DDA**.** Subject to Shea's rights under Section 2, above, negotiate the Term Sheet during the Initial Negotiating Period and, if applicable,

negotiate the DDA during the Extended Negotiating Period.

5.2. Shea's Studies and Reports. As requested by City, from time to time but not more often than monthly, Shea agrees to make oral progress reports and written reports advising City of the status of Shea's investigations and the negotiations of the Term Sheet and, if applicable, the DDA. If parties have not entered into a DDA prior to the expiration of the Negotiation Period, City may request from Shea copies of all non-proprietary and/or non-privileged studies and reports made in connection herewith; provided, however, that (a) such studies and reports will be provided without representation or warranty as to the truth, accuracy or completeness thereof, with no recourse to Shea and subject to the qualifications, limitations and restrictions set forth therein, and (b) Shea shall have no obligation to deliver any such materials to City until such time as the City has reimbursed Shea for Shea's actual out-of-pocket costs and expenses to obtain the applicable material(s).

5.3. Cooperation and Additional Information. Shea shall reasonably cooperate with City and shall supply other documents and information as may be reasonably requested in writing by City; provided, however, that Shea shall not be required to incur any material cost or liability in connection with such cooperation. Shea shall reasonably cooperate with the City in the solicitation of community input regarding any proposed development of the Sites.

5.4. Method of Financing. Shea shall make available and maintain full disclosure to City of its methods of construction financing proposed to be used for development of the Sites. All financing information shall be submitted to City upon written request. Such financial information shall include the following:

a) Financial statements prepared for Shea and any entities proposed to make an equity contribution to the proposed development of the Sites.
b) Proof of sufficient equity and other funds available to complete construction of the proposed development of the Sites.

All information disclosed pursuant to this Section 5.4 shall constitute Shea's Confidential Information and shall be subject to the terms of Section 12.12, below.

6. City Responsibilities. During the Negotiating Period, City shall diligently and in good faith use commercially reasonable efforts to:

6.1. Negotiate the Term Sheet & DDA**.** Negotiate the Term Sheet during the Initial Negotiating Period and, if applicable, negotiate the DDA during the Extended Negotiating Period.

6.2. Development Project Regulations and Review. This Agreement and other documents to be negotiated are subject to and will be reviewed in accordance with the provisions of the Del Rey Oaks General Plan, the Del Rey Oaks Municipal Code, and other applicable and relevant land use regulations and documents. City will review promptly all submittals made pursuant to this Agreement and provide feedback about development standards and permitting requirements.

6.3. City Assistance and Cooperation**.** City shall cooperate fully in providing Shea with appropriate information and assistance as may be required hereunder. City will negotiate exclusively through the City Manager and its staff members. City will promptly provide Shea with

documents in its possession related to the Sites in connection with Shea's due diligence activities described in this Agreement. However, City does not warranty the accuracy or completeness of the documents in the City's possession related to the Sites or Proposed Project.

6.4. City Public Hearing. If negotiations culminate in a DDA signed by Shea, such agreement shall become effective only after and if the DDA has been considered and approved by the City Council after a duly noticed public hearing.

6.5. Fees. City shall not be liable for any real estate commission or brokerage fees which may arise from this transaction. The City warrants it is not represented by any broker.

7. Conceptual Terms of Term Sheet

7.1. Generally. Subject to the terms and conditions of this Agreement, the parties will use commercially reasonable efforts to negotiate a term sheet setting forth the conceptual material terms of the DDA (the "Term Sheet") during the Initial Negotiating Period. Without limiting the generality of the foregoing, the Term Sheet shall include the following:

A. A process for determining the land disposition price and financial assistance (if any) package with respect to the Proposed Project, it being agreed that the land disposition price will be determined through the use of appropriate techniques, including discounted cash flow analysis, involving analysis of project costs, developer profit, financing costs and project revenue potential. The Proposed Project land use mix must generate a positive fiscal balance for the City (i.e., taxes and other City revenues generated by the Proposed Project must offset City service costs). It is anticipated the land disposition price will reflect the use of normal and customary methods of financing infrastructure and services through Mello-Roos Community Facility District Special Taxes or other appropriate methods, as necessary and appropriate.

B. An updated Budget for the Extended Negotiating Period.

C. A business plan for the development of the Proposed Project identifying the sources of construction and permanent financing, including both horizontal and/or vertical development, based on Shea's prepared Business Plan (the "Business Plan").

D. A conceptual development program for the Proposed Project including phasing and locations of land take-downs and a detailed project description sufficient to determine the appropriate level of environmental review necessary for the Proposed Project.

E. A schedule for performance.

F. A list of all discretionary approvals and entitlements required for the Proposed Project including, without limitation, all necessary environmental documents that may be required pursuant to the California Environmental Quality Act (CEQA) as the parties acknowledge that all applicable requirements of CEQA must be met in order for the City to approve the Proposed Project and/or Proposed Project entitlements and for the City to enter into a DDA for the Proposed Project (collectively, the "CEQA Documents"). The Term Sheet shall also set forth a process by which the City will select a consultant ("Environmental Consultant") to prepare any necessary CEQA Documents after consultation with Shea regarding the qualifications and experience of the proposed Environmental Consultant. Final selection of the Environmental Consultant shall be in the City's reasonable discretion, provided that the City shall give

good faith consideration to Shea's input regarding such selection. If the Term Sheet is approved, the City shall enter into an agreement for the preparation of any necessary CEQA Documents with the Environmental Consultant. Shea will, at its sole cost, reasonably cooperate with the City in the City's preparation of any CEQA Documents including preparation of technical studies necessary for the completion of the CEQA Documents. The cost of complying with CEQA and the preparation of the CEQA Documents shall not be considered City Expenses to be funded by the Deposit and, instead, Shea will be responsible for payment of all costs of preparation of the CEQA Documents consistent with the City's standard fee schedule and policies.

G. A public participation plan, detailing the public involvement in the entitlement, CEQA and land use planning processes that occurs in parallel with the DDA negotiation.

7.2. Project Agreements Subject to Further Approval

A. The parties understand and agree that neither party is under any obligation whatsoever to approve or enter into a Term Sheet or the DDA, and that notwithstanding its approval of this Agreement, each party shall have the right to disapprove the proposed Term Sheet or DDA to which it is to be a party in its sole and absolute discretion. Both the Term Sheet and the DDA are subject to approval by the City Council and neither shall be deemed approved or have any force or effect until such City Council approval is obtained and becomes final.

B. Upon execution of the DDA, Shea shall file and pursue with City, and with any other agencies with jurisdiction to issue permits or approvals for the Proposed Project ("Regulatory Agencies"), application for all required permits necessary to develop the Proposed Project, and gain approval for the Proposed Project from the City and such agencies in substantial conformance with the Schedule of Performance attached to the DDA.

8. City Discretion.

8.1. Limitation on Effect of Agreement. Nothing in this Agreement shall obligate the City to exercise its discretion regarding a Proposed Project in any particular manner. Shea acknowledges that execution of this Agreement by the City does not constitute approval by the City of any planning approvals, the Term Sheet, or DDA or any required permits, applications, or maps, and in no way limits the discretion of the City in the permit and approval process.

8.2. City Right to Exercise Discretion. Shea acknowledges that approval, conditional approval, or disapproval of the planning approvals and DDA following completion of the environmental review process is within the sole and exclusive discretion of the City without limitation by or consideration of the terms of this Agreement; that the City may not make any commitment to any particular course of action before it completes environmental review; that the City may not commit to planning and zoning approvals by contract; and that the City makes no representation regarding the ability or willingness of the City to approve the planning approvals or DDA, nor any representation regarding the imposition of any mitigation measures or other conditions of approval. In addition, Shea acknowledges that other local, state or federal agencies may require additional entitlements, including environmental review, and that any approval by the City does not bind any other local, state or federal agency.

8.3. No consents, approvals, comments or discussions by staff shall diminish, affect, or waive: (i) rights of the City to later impose conditions and mitigation measures or requirements under CEQA or as part of approval of entitlements; (ii) the right of City not to

approve the Term Sheet or the DDA; or (iii) the City's other governmental rights, powers, and obligations.

The parties recognize that the City has the sole discretion and right to terminate this Agreement without fault or default if City determines not to approve the Term Sheet, planning approvals or DDA. Upon termination for this reason, neither party shall have any further rights or obligations under this Agreement, except that (i) any provisions of this Agreement that are specified to survive termination shall remain in effect and binding upon the parties, including without limitation, Sections 3 and 11, and (ii) the City shall return to Shea any portion of the Deposit (together with any interest) in accordance with Section 3, above.

9. Actions by City

9.1. Whenever this Agreement calls for or permits the approval, consent, authorization or waiver of the City, the approval, consent, authorization, or waiver of the City Manager shall constitute the approval, consent, authorization or waiver of the City without further action of the City Council unless specified in this Agreement or the Del Rey Oaks Municipal Code. However, Shea acknowledges that nothing in this Agreement (including any approval by the City Manager in accordance with this Agreement or the Del Rey Oaks Municipal Code), or a DDA (if approved by the City Council) shall limit, waive, or otherwise impair the authority and discretion of: (1) the City's Planning Commission or Planning Department, in connection with the review and approval of the proposed plans and specification for the Proposed Project, or any use, or proposed use, of the Sites; (2) the City's issuance of a building permit; or (3) any other office or department of the City acting in its capacity as a governmental entity, regulatory authority and/or police power.

9.2. The City Manager or its designated staff is the City's representative for all purposes under this Agreement. Shea shall have the right to rely on the acts, approvals, consents, authorizations, waivers, directions, and other actions of the City Manager given in accordance with the authority set forth in this Agreement and the Del Rey Oaks Municipal Code, as binding upon the City for all purposes under this Agreement.

10. Right of Entry; Insurance

10.1. Right of Entry. Upon providing to City certificate(s) of insurance confirming that it maintains the insurance required below (including the naming of City as additional insureds, and waiver of subrogation), Shea and its consultants that shall have been designated in writing to City ("Shea Designees") shall have the right to enter the Sites with respect to its Proposed Project throughout the Negotiation Period, to inspect the same and any improvements thereon, and to conduct soils tests, Phase I environmental assessments, and if recommended by the applicable Phase I report(s), Phase II tests. Shea or Shea Designees shall return the Sites to a condition as close as reasonably possible to the condition they were in at the time of the commencement of this right of entry, reasonable wear and tear and the acts of City excepted; provided, however, in no event shall the foregoing be deemed to require Shea or any Shea Designee to remediate, treat, encapsulate, remove, transport or otherwise handle any hazardous or toxic materials not first placed on the Sites by Shea or any Shea Designees except to the extent that Shea or any Shea Designee has caused any release of such hazardous or toxic materials in a manner inconsistent with industry standards for the assessment, investigation, inspection, and testing of properties similar to the Sites. Notwithstanding the above, Shea shall not conduct any invasive testing or testing that requires borings or other earth removal on the Sites

without first providing the City with written notice of such testing at least seventy-two (72) hours in advance of such testing. Shea shall be responsible for obtaining any permits or approvals necessary prior to conducting any tests or investigations.

10.2. Insurance. Shea shall obtain, maintain, and keep in full force and effect all of the following minimum scope of insurance coverages with respect to the project, with an insurance company admitted to do business in California, rated "A-," Class VIII, or better in the most recent Best's Key Insurance Rating Guide:

1. Broad-form commercial general liability, in a form at least as broad as ISO from #CG 00 01 11 88, including premises-operations, products/completed operations, broad form property damage, blanket contractual liability, independent contractors, personal injury or bodily injury with a policy limit of not less than Two Million Dollars ($2,000,000.00), combined single limits, per occurrence. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or shall be twice the required occurrence limit.
2. Business automobile liability for owned vehicles, hired, and non-owned vehicles, with a policy limit of not less than One Million Dollars ($1,000,000.00), combined single limits, per occurrence for bodily injury and property damage.
3. Workers' compensation insurance as required by the State of California and Employers Liability Insurance with a minimum limit of $1,000,000 per accident. Shea agrees to waive, and to obtain endorsements from its workers' compensation insurer waiving subrogation rights under its workers' insurance policy against the City and their officers, agents, employees, and volunteers for losses arising from work performed by the Shea and to require each of its subcontractors, if any, to do likewise under their workers' compensation insurance policies.

10.3. Labor Code Section 3800. Shea shall also comply with Section 3800 of the Labor Code by securing, paying for and maintaining in full force and effect for the duration of this Agreement, complete Workers' Compensation Insurance, and shall furnish a Certificate of Insurance to the City Clerk before execution of this Agreement by the City. City and its officers and employees shall not be responsible for any claims in law or equity occasioned by failure of Shea to comply with this section.

10.4. No Warranty or Representation. Neither City nor any of its elected or appointed officials, officers, agents, employees, or volunteers make any representation that the types of insurance and the limits specified to be carried by Shea under this Agreement are adequate to protect Shea. If Shea believes that any such insurance coverage is insufficient, Shea shall provide, at its own expense, such additional insurance as Shea deems adequate.

10.5. Required Policy Provisions. Each commercial general liability insurance policy and business automobile liability policy shall contain or be endorsed to contain the following provisions:

1. Additional insureds: "The City and its elected and appointed boards, officers, officials, agents, employees, and volunteers are additional insureds with respect to: liability arising out of activities performed by or on behalf of the Shea pursuant to its contract with the City; premises owned, occupied or used by Shea; automobiles

owned, leased, hired, or borrowed by the Shea."

2. Other insurance: "Shea's insurance coverage shall be primary insurance in respect to the City and its officers, officials, agents, employees, and volunteers. Any other insurance maintained by the City shall be excess and not contributing with the insurance provided by this policy."

3. Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to City or its officers, officials, agents, employees, and volunteers.

4. Shea insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

10.6. Notices. Shea shall provide prompt written notice to the City if (a) any of the required insurance policies are terminated; (b) the limits of any of the required policies are reduced below the limits required hereunder; or (c) the deductible or self-insured retention is increased above the limits permitted hereunder. In the event of any cancellation or reduction in coverage or limits of any insurance below those required hereunder, Shea shall forthwith obtain and submit proof of substitute insurance. Should Shea fail to procure other insurance, as specified, to substitute for any canceled policy within ten (10) business days of its receipt of written notice from the City, then City may procure such insurance at Shea's sole cost and expense and until such insurance is obtained, Shea and Shea Designees shall not be entitled to enter the Sites for any reason.

10.7. Deductibles and Self Insurance. If any required insurance policies provide for a deductible or self-insured retention to provide such coverage, the amount of such deductible or self-insured retention shall be approved in advance by the City Manager, which approval shall not be unreasonably withheld, conditioned or delayed. No policy of insurance issued as to which City is an additional insured shall contain a provision which requires that no insured except the named insured can satisfy any such deductible or self-insured retention.

10.8. No Limitation. Nothing in this Section shall be construed as limiting, in any way, the indemnification provision contained in this Agreement, or the extent to which Shea may be held responsible for payments of damages to persons or property.

11. Indemnification. Shea will defend, indemnify, and hold harmless City, its council members, officers, employees, and agents, from all claims, liabilities, damages, losses, expenses, injuries, or claims (including reasonable attorneys' fees, expert fees and costs of suit) to the extent arising directly or indirectly from or relating to Shea's and the Shea Designees' activities on the Sites in exercising its access rights hereunder, except to the extent they are caused by the gross negligence or willful misconduct of City. Notwithstanding the foregoing, Shea shall have no responsibility or liability for any condition existing before Shea's or a Shea Designee's entry onto the Sites, or arising from the acts or omissions of any prior owner, occupant, operator, or other third party (each, a "Pre-Existing Condition"), and Shea does not assume any responsibility or liability for any Pre-Existing Condition. If Shea or a Shea Designee exacerbates a Pre-Existing Condition in a manner inconsistent with industry standards for the assessment, investigation, inspection, and testing of properties similar to the Sites, then Shea's responsibility and liability shall be limited solely to the incremental harm caused by such exacerbation, and shall not extend to the Pre-Existing Condition itself or to any harm that would have resulted from the Pre-Existing

Condition absent such exacerbation. The obligations of this section shall survive termination of this Agreement for a period of three (3) years. Notwithstanding anything to the contrary contained herein, in no event shall Shea be liable to the City for any consequential, punitive or special damages under this Section 11.

12. Miscellaneous

12.1. Assignment. Neither this Agreement nor any interest herein may be assigned or transferred voluntarily or by operation of law to any other party without written approval of the City Manager, which approval shall not be unreasonably withheld, conditioned or delayed. An attempt to transfer this Agreement by Shea to another party, without first obtaining such written permission of City Manager shall constitute grounds for the immediate termination of this Agreement with respect to Shea by the City Manager. Notwithstanding the foregoing Shea shall have the right to assign this Agreement and/or the DDA to (a) a general or limited partnership to be formed, provided that either (i) Shea is one of the general partners of such partnership, (ii) an entity in which Shea, individually, has more than fifty percent (50%) ownership interest in one of the general partners of such partnership, or (iii) any other entity in which Shea has more than a fifty percent (50%) ownership interest, directly or indirectly, in one of the general partners, (b) to an entity that is an affiliate of Shea, (c) a limited liability company in which Shea or an affiliate of Shea owns more than fifty percent (50%) membership interest and is a managing member thereof, (d) to any Shea Controlled Entity (as defined below), or (e) to any entity that acquires all or substantially all of the equity interests or assets of Shea (each of the transferees described in (a), (b), (c), (d), and (e) above are referred to individually as a "Permitted Transferee"). Shea shall promptly notify City in writing of such assumption. Any such Permitted Transferee shall, in writing, assume Shea's obligations herein, and notice of as much shall be given to the City. For purposes hereof, (1) a "Shea Controlled Entity" means any corporation, partnership, limited liability company, joint venture or other entity, at least 50.1% of the ownership interests in which are held, directly or indirectly, by one or more Shea Family Members (as defined below) or other Shea Controlled Entities or over which one or more Shea Family Members and/or Shea Controlled Entities has voting or day to day management control, and (2) "Shea Family Members" means (A) John Shea, Jr., Mary Shea, Peter Shea, Peter Shea, Jr., or John Morrissey, (B) any spouse of John Shea, Edmund Shea, Mary Shea, Peter Shea, Peter Shea, Jr., or John Morrissey, (C) any child, grandchild or great-grandchild of John Shea, Mary Shea, Peter Shea, Peter Shea, Jr., or John Morrissey, or (D) any spouse of any child, grandchild or great-grandchild of John Shea, Mary Shea, Peter Shea, Peter Shea, Jr., or John Morrissey.

12.2. Defaults and Remedies.

(a) Default. Failure by either party to negotiate in good faith as provided in this Agreement shall constitute an event of default under this Agreement. Additionally, failure of the parties to perform their respective obligations under this Agreement shall constitute an event of default under this Agreement. Upon an event of default, the non-defaulting party shall give written notice of a default to the defaulting party, specifying the nature of the default and the required action to cure the default. If a default remains uncured thirty (30) calendar days after receipt by the defaulting party of such notice, then the non-defaulting party may exercise the remedies set forth in subsection (b); provided, however, that if such default cannot reasonably be cured within such thirty (30) day period, the defaulting party shall have such additional time as is reasonably necessary to complete the cure so long as the defaulting party commences the cure within such thirty (30) day period and diligently and continuously prosecutes the cure to completion.

(b) Remedies. In the event of an uncured default by either party, the non-defaulting party's sole remedy shall be to terminate this Agreement. Following such termination neither party shall have any further right, remedy, or obligation under this Agreement. Notwithstanding the above, upon termination of this Agreement for any reason, the City shall return to Shea any portion of the Deposit that remains after payment of all City Expenses incurred up to the date of termination within thirty (30) days of termination.

(c) Except as expressly provided in this Agreement, neither party shall have any liability to the other party for damages or otherwise for any default, nor shall either party have any other claims with respect to performance under this Agreement. Each party specifically waives and releases any such rights or claims it may otherwise have at law or in equity.

12.3. Notice. Any notice pursuant to this Agreement shall be in writing and shall be deemed to be properly given if delivered in person, sent via overnight courier, mailed by certified mail, postage prepaid or sent via email to the following persons:

To City:

City Manager
City of Del Rey Oaks
650 Canyon Del Rey Blvd.
Del Rey Oaks, CA 93940
Email: _____

To Shea:

Shea Homes California, LLC
4309 Hacienda Drive, Ste. 180
Pleasanton, CA 94588
Attn: Don Hofer
Email: don.hofer@sheahomes.com

With a copy to:

Shea Homes Limited Partnership
655 Brea Canyon Road
Walnut, California 91789
Attention: Ross Kay, Esq.
Email: ross.kay@jfshea.com

Any notice shall be effective and deemed to have been given only upon actual receipt or refusal of delivery; provided, however, that (a) any email sent after 5:00 p.m. Pacific Time on a business day shall be deemed given on the immediately following business day; and (b) if a party sends a notice via email, then it shall concurrently send a copy of such notice by one of the other approved methods hereunder. For purposes of calculating time frames, weekends, and Federal, State, County and City holidays shall be excluded.

12.4. Waiver of Lis Pendens. It is expressly agreed by the parties that no lis pendens shall be recorded against any portion of the Sites with respect to this Agreement or any dispute or act arising from it.

12.5. Limitations of this Agreement. By execution of this Agreement, neither party is committing itself to or agreeing to the disposition, acquisition or transfer of the Sites. In addition, the City is not committed to or agreeing to undertake any acts or activities requiring the subsequent independent exercise of discretion by the City or any agency or department thereof, other than as specifically set forth and agreed to by the City under this Agreement. This Agreement

does not constitute a disposition of the Site by the City, or confer a right on Shea of control over the Site. Execution of this Agreement by the parties is merely an agreement to enter into a period of exclusive negotiations according to the terms hereof. Final discretion and approval by each party as to future agreements and proceedings and decisions in connection therewith are reserved.

12.6. Recitals Incorporated. The Recitals are hereby incorporated by this reference as though fully set forth herein.

12.7. Jurisdiction and Venue. This Agreement and all questions relating to its validity, interpretation, and enforcement shall be governed and construed in accordance with the laws of the State of California. All parties agree that courts in Monterey County, California, shall have jurisdiction and shall be the venue for any action or proceeding that may be brought or arise out of, in connection with or by reason of this Agreement.

12.8. Attorneys' Fees. In the event any judgment is ordered in any action upon this Agreement, the party hereto against whom such judgment is ordered agrees to pay to the opposing party ("prevailing party") hereto, and that there may be added to such judgment, an amount equal to, the reasonable attorneys' fees and costs incurred by such prevailing party.

12.9. Severability. The provisions of this Agreement are severable, and if any part of it is found to be unenforceable, the other paragraphs shall remain in full force and effect.

12.10. Time of Essence. Time is of the essence of every provision herein in which time is a factor.

12.11. Entire Agreement. This Agreement reflects the complete and total understanding between the parties hereto and all agreements or understandings between the parties hereto are contained within them. Any changes, modifications, amendments or addenda to this Agreement must be in writing and signed by all parties to be effective. If a DDA for the Proposed Project is executed by the City and Shea, the DDA shall supersede this Agreement with respect to the Proposed Project and thereafter govern the rights and obligations of the parties with respect to the sale and development of the Sites.

12.12. Confidentiality. Shea acknowledges and agrees that the City is a public entity with a responsibility and, in many cases, legal obligation to conduct its business in a manner open and available to the public. With respect to any information provided by Shea to the City that Shea deems and identifies in writing as proprietary and confidential in nature (the "Confidential Information"), the City agrees to exercise its best efforts to keep such Confidential Information confidential to the extent allowed by law. If the City receives a request for disclosure of any information provided by Shea to the City, whether or not such information was previously identified as confidential, then the City shall promptly notify Shea in writing of such request, and if Shea designates such information in writing as proprietary and confidential within five (5) business days after receipt of such notice, then such information shall be deemed Confidential Information for all purposes of this Agreement and shall be subject to all of the protections set forth in this Section, and the City shall not disclose such information before the end of such five (5) business day period except as required by law. Without limiting the generality of the foregoing sentence, City agrees that City shall not disclose any Confidential Information unless: (a) City Attorney determines that the release of the information is required by the California Public Records Act or other applicable statutes, or (b) a court orders the release of the information; provided, however, that (i) City shall provide Shea with at least ten (10) business days' prior written notice

before any such disclosure (or such shorter period as may be required by law), specifying the information to be disclosed and the legal basis therefor, to allow Shea an opportunity to seek a protective order or other appropriate remedy, (ii) City shall cooperate reasonably with Shea in any effort to obtain such protective relief, provided, however, the City shall be under no obligation to bear any costs associated with obtaining protective relief, and (iii) City shall assert any applicable exemptions under the California Public Records Act prior to disclosing such information. Further, City may share Confidential Information provided by Shea with third party consultants and the City Council as part of the negotiation and decision-making process; provided that any such third party consultants shall be bound by confidentiality obligations no less protective than those set forth herein prior to receiving such information. City shall use such confidential information solely for purposes related to this Agreement and the contemplated transaction.

12.13. Dispute Resolution. The City and Shea agree that any claim or dispute relating to this Agreement, as well as any other matters, disputes, or claims between them, shall first be submitted to non-binding mediation in an attempt to resolve any and all issues.

12.14. Counterparts; 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 facsimile, email (including PDF), or other electronic means (including DocuSign and similar electronic signature platforms) shall be deemed original signatures for all purposes.

Signature Page to Follow

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

"CITY"

CITY OF Del Rey Oaks, a municipal corporation

By: _____
John Guertin, City Manager

ATTEST:

By: _____
Karen Minami, City Clerk

APPROVED AS TO FORM:

By: _____
Alex Lorca, City Attorney

"SHEA"

SHEA HOMES CALIFORNIA, LLC, a Delaware limited liability company

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

EXHIBIT A
Map of Sites

EXHIBIT B
Legal Descriptions

EXECUTIVE DEPARTMENT
STATE OF CALIFORNIA

PROCLAMATION OF A STATE OF EMERGENCY

WHEREAS in the past several years, California has experienced increasingly severe and destructive storms, including atmospheric river events that have caused widespread flooding, mud and debris flows, landslides, high winds, power outages, road and highway closures, evacuation orders, damage to homes and critical infrastructure, and disruption of essential services; and

WHEREAS climate change is intensifying these weather and hydrologic extremes in California, contributing to increasingly severe swings between drought and flooding, and heightening the risks that extreme storms pose to communities, infrastructure, natural resources, and the economy; and

WHEREAS California is entering the 2026–2027 wet season amid the ongoing development of a strong and likely historic El Niño event in the Pacific Ocean; and

WHEREAS the National Oceanic and Atmospheric Administration's National Weather Service Climate Prediction Center, in its August 13, 2026, diagnostic report, found that the El Niño event is strengthening, with a greater than 90 percent chance of a very strong event during Northern Hemisphere fall and winter of 2026–2027; and

WHEREAS the Climate Prediction Center projected a 69 percent chance that the event will reach historic strength during the October through December 2026 season, defined as a three-month Relative Oceanic Niño Index, and exceeding the strength of all prior El Niño events in the historical record beginning in 1950; and

WHEREAS the National Weather Service Climate Prediction Center has found that atmospheric conditions over the tropical Pacific are consistent with a strengthening El Niño, including changes in equatorial winds and an eastward shift in enhanced convection and rainfall toward the central and eastern Pacific, making it more likely that at least some parts of California will experience stronger storms in coming months; and

WHEREAS elevated baseline coastal water levels, combined with high tides, large waves, high surf, and coastal storms, can increase risks of coastal flooding, beach erosion, bluff erosion, transportation disruption, and damage to public and private infrastructure; and

WHEREAS California has already begun to experience effects attributed to this El Niño event, including unusual precipitation and significant coastal flooding; and

WHEREAS historical experience demonstrates that very strong El Niño events do not produce uniform statewide outcomes, but can be associated with exceptionally wet and destructive winter conditions in California; and

WHEREAS California's recent experience with atmospheric rivers, debris flows following wildfires, flash flooding, coastal erosion, inundation, and damage to transportation and flood-control infrastructure demonstrates the importance of procuring and positioning resources, clearing waterways, and taking additional actions to prepare before severe storms arrive; and

WHEREAS areas affected by recent wildfires are particularly susceptible to flash flooding, mud and debris flows, erosion, sediment transport, and road closures during high-intensity rainfall; and

WHEREAS in light of that experience, local governments, local water agencies, and local flood control authorities have requested action now to enable them to move quickly to begin preparations for preventing and responding to the impacts of potential flooding; and

WHEREAS low-income communities, farmworker families, rural residents, seniors, persons with disabilities, residents with limited transportation access, people experiencing homelessness, and communities in flood-prone, coastal, or post-fire areas may face disproportionate risks; and

WHEREAS the demonstrated potential for a very strong or historic-strength El Niño event to cause elevated coastal water levels and high-impact storms in California warrants early, coordinated, and targeted preparedness actions to protect Californians, critical infrastructure, agricultural lands, natural resources, and the State's economy; and

WHEREAS under the provisions of Government Code section 8558(b), I find that conditions of extreme peril to the safety of persons and property exist due to the developing El Niño event; and

WHEREAS under the provisions of Government Code section 8558(b), I find that the developing El Niño event is likely to cause conditions that, by reason of their magnitude, are likely to be beyond the control of the services, personnel, equipment, and facilities of any single local government and require the combined forces of a mutual aid region or regions to appropriately respond; and

WHEREAS under the provisions of Government Code section 8625(c), I find that local authority is inadequate to cope with the magnitude of the extreme peril posed by the developing El Niño event; and

WHEREAS under the provisions of Government Code section 8571, I find that strict compliance with various statutes and regulations specified in this Proclamation would prevent, hinder, or delay the mitigation of the effects of the developing El Niño event.

NOW, THEREFORE, I, GAVIN NEWSOM, Governor of the State of California, in accordance with the authority vested in me by the State Constitution and statutes, including the California Emergency Services Act, and in particular, Government Code section 8625, **HEREBY PROCLAIM A STATE OF EMERGENCY** to exist statewide due to the developing 2026–2027 El Niño event.

IT IS HEREBY ORDERED THAT:

1. All agencies of the state government are to utilize and employ state personnel, equipment, and facilities for the performance of any and all activities consistent with the direction of the Governor's Office of Emergency Services and the State Emergency Plan. The Governor's Office of Emergency Services shall coordinate statewide preparedness activities for potential severe weather, flooding, coastal flooding, erosion, mud and debris flows, and related impacts associated with conditions resulting from the El Niño event, including atmospheric rivers and other severe storm systems. The Governor's Office of Emergency Services shall work with local and tribal governments to support emergency planning, resource coordination, and requests for state assistance. To protect their safety, all residents are to obey the direction of emergency officials with regard to this emergency.

2. As necessary to assist local governments and for the protection of public safety and the environment, state agencies shall enter into contracts to arrange for the procurement of materials, goods, and services necessary to quickly assist with the response to and recovery from the impacts of this emergency. Applicable provisions of the Government Code and the Public Contract Code, including but not limited to travel, advertising, and competitive bidding requirements, are suspended to the extent necessary to address the effects of this emergency.

3. The California Environmental Protection Agency and the California Natural Resources Agency, including boards, departments, and offices within those agencies, are directed to prioritize work to help local agencies prepare for anticipated impacts from the El Niño event. In particular, those state agencies are directed to prioritize permitting, consultation, and technical assistance to support local efforts to prevent or mitigate impacts from anticipated or potential flooding, landslides, and mud and debris flows, including local efforts to expedite levee and other flood management infrastructure repairs, vegetation management, debris removal, sediment management, bridge scour protection, and channel-capacity improvements. State agencies are directed to work with local agencies to issue any necessary permits or other approvals for such efforts as quickly as possible, including by identifying and invoking existing emergency authorities or other pathways for streamlined review. On or before October 16, 2026, the Secretary for Environmental Protection and the Secretary of the Natural Resources Agency shall submit a joint recommendation to my office as to whether further action or emergency suspensions are necessary to support and expedite this work.

4. The Governor's Office of Emergency Services shall coordinate the State's preparation for and response to the developing El Niño event, including by working with the Department of Water Resources and other appropriate government agencies to prepare to pre-position personnel, equipment, supplies, commodities, and other resources based on forecast conditions, local needs, and identified risks. In particular, this work shall draw on the Department of Water Resources' guidance regarding flood-risk-reduction activities.

5. The Department of Water Resources shall take appropriate action to procure, maintain, stage, pre-position, distribute, and replenish flood-fight supplies, equipment (including, but not limited to, sandbags, riprap and other rock materials, plastic sheeting, and pumps), and other materials necessary to support statewide flood preparedness, response, and protective actions in connection with the El Niño event. The Department of Water Resources shall coordinate with appropriate government agencies to identify priority areas for flood-fight material staging and plans to make these materials available where they are needed, when they are needed.

6. The Department of Water Resources, through its Division of Safety of Dams, shall conduct outreach to owners of jurisdictional dams regarding potential severe conditions during the El Niño event and shall reiterate to dam owners their responsibilities to inspect, operate, maintain, repair, and safely manage their dams and appurtenant structures in accordance

with applicable law, permit conditions, emergency action plans, and directives of the Division of Safety of Dams.

7. The Governor's Office of Emergency Services, in coordination with the Department of Water Resources, shall conduct outreach to counties, cities, and relevant local agencies that are responsible for levees, flood-control facilities, and associated structures that may be vulnerable to impacts of the El Niño event to take appropriate actions to procure, maintain, stage, pre-position, distribute, and replenish flood-fight supplies, commodities, equipment, and materials necessary to support flood preparedness, response, and protective actions.

8. The Department of Water Resources, in coordination with the State Water Resources Control Board, shall conduct outreach and education to advance groundwater recharge projects and to use flood flows to recharge groundwater aquifers under existing law with the goal of reducing flood impacts and strengthening local water supplies.

9. Consistent with Paragraph 3 of this Proclamation, the Coastal Commission is directed to expedite review and action on proposed development by coastal communities to prepare for the impacts of this El Niño event. Coastal communities are encouraged to submit permit applications, as appropriate, to facilitate timely Coastal Commission review, technical assistance, and other support for El Niño preparations. After an application is received, the Commission shall respond with notification of any incomplete items within five days. After an application is complete, it shall be scheduled for hearing at the next Commission meeting. For emergency permit requests, the Commission shall accept both written and oral requests to its district offices. When necessary to address an urgent need related to this emergency, the Commission shall take action on emergency permit requests as quickly as possible and within twenty-four hours of receipt.

10. The California Department of Transportation and California State Transportation Agency shall identify those state highways, bridges, culverts, drainage facilities, slopes, and other transportation infrastructure most at risk of flooding, erosion, debris flows, rockslides, mudslides, or other significant impacts from severe storms caused by the El Niño event, and transmit to the Governor's Office of Emergency Services a prioritized list of projects to address such risks within 30 days of this Proclamation.

11. The California Department of Transportation shall develop plans to pre-position personnel and materials (including directional signage, traffic-control devices, road-closure devices, warning signs, delineators, emergency communications equipment, and other resources) at or near locations that may be identified as at risk of severe impacts from the El Niño event. This shall include plans to prepare and pre-position snow-removal, snow-control, and ice-control equipment as appropriate, including snowplows, snow blowers, graders, loaders, chain-control equipment, salt, sand, and other materials necessary to maintain safe travel and restore access on state highways during the El Niño event.

12. The Adjutant General and the California Military Department shall, in coordination with the Director of the Governor's Office of Emergency

Services, identify California National Guard personnel, equipment, and capabilities that may be available to support state and local emergency operations, if activated or tasked, in relation to this El Niño event. Such planning shall include readiness for high-water vehicle operations; aviation operations, including reconnaissance, search and rescue, transport, and heavy-lift support, as appropriate; engineering support; emergency communications; transportation and logistics; evacuation support; flood-fight activities; debris removal and route clearance; commodity distribution; shelter support; and other life-safety and emergency-support missions.

13. California Volunteers, in coordination with the Governor's Office of Emergency Services and other appropriate agencies, shall prepare to mobilize volunteers and trained service members, consistent with their training, mission, safety requirements, and applicable law, to support state and local preparedness, response, and recovery activities in connection with the El Niño event.

14. The California Conservation Corps shall prepare to deploy Corpsmembers, consistent with its statutory mission, training, available resources, safety requirements, and applicable law, to support severe weather preparedness and response activities in connection with the El Niño event.

15. The California Energy Commission, the Office of Energy Infrastructure Safety, and the State Water Resources Control Board and regional water quality control boards are directed, and the California Public Utilities Commission is requested, to coordinate, consistent with their respective authorities, with electrical, natural-gas, water, wastewater, telecommunications, transportation, and other critical-service providers to enhance readiness and support timely restoration of essential services following storm impacts.

16. The Governor's Office of Emergency Services, in consultation with relevant state agencies, shall expand accessible, multilingual public preparedness communications related to severe weather, flooding, emergency alerts, evacuation readiness, power outages, safe travel, disaster assistance, and household emergency planning.

17. Agencies under my direct authority shall cooperate in their response to this emergency. Other agencies are requested to assist in responding to this emergency, as appropriate.

18. The restrictions set forth in Penal Code section 396, which are automatically triggered upon proclamation of a state of emergency, are suspended, and no such restrictions are imposed, with respect to this El Niño event, at this time.

I FURTHER DIRECT that as soon as hereafter possible, this Proclamation be filed in the Office of the Secretary of State and that widespread publicity and notice be given of this Proclamation.

This Proclamation is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its agencies, departments, entities, officers, employees, or any other person.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 21st day of September 2026.

GAVIN NEWSOM
Governor of California

ATTEST:

SHIRLEY WEBER, PH. D
Secretary of State

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

DATE: October 27, 2026

TO: Honorable Mayor and City Council

FROM: John Guertin, City Manager

SUBJECT: Appeal of the Notice of Expiration and Revocation concerning Commercial Cannabis Business Permit CBP-17-01 at 100 Calle Del Oak

Recommendation

It is recommended that the City Council conduct the appeal hearing, consider the administrative record and all testimony, and adopt the attached resolution to:

a. Deny the appeal of the City Manager's determination set forth in the Notice of Expiration and Revocation ("Notice") dated September 22, 2026.

b. Uphold the determination that the commercial cannabis authorization associated with CBP-17-01 has expired and, to the extent any such authorization remains valid, uphold its revocation under Del Rey Oaks Municipal Code (DROMC) Sections 5.20.100(A)(3) and (A)(6).

c. Affirm the requirement to cease commercial cannabis activity at 100 Calle Del Oaks, and preserve separate proceedings for collection of unpaid taxes and fees.

d. Find the action categorically exempt from the California Environmental Quality Act (CEQA) under Guidelines Section 15321, Class 21, for regulatory enforcement actions.

BUSINESS INFORMATION

Business premises: 100 Calle Del Oaks, Del Rey Oaks, California 93940
Legal business entity identified in the Notice: Blueprint Leasing and Consulting
DBA identified in the Notice: Integral Innovations, LLC
Commercial Cannabis Business Permit: CBP-17-01
Authorized activities identified in the Notice: Manufacturing and distribution
Appellant: Kip Clifton, CEO Integral Innovations, LLC

Summary

Staff recommends denial of the appeal because the City records described in the Notice establish prolonged failure to renew the required commercial cannabis permit, and failure to pay required cannabis business taxes and business license fees. Expiration is the primary basis for the determination. Revocation is an alternative basis addressing any claim that a City-issued commercial cannabis authorization remains valid. This action does not determine the dollar amount of any tax liability or revoke a State license or conditional use permit.

Discussion

The City Manager issued a Notice, dated September 22, 2026, concerning the manufacturing and distribution activities associated with CBP-17-01. The Notice directed immediate cessation of commercial cannabis activity and explained the factual grounds, applicable Municipal Code provisions, and right to appeal to the City Council.

The Notice stated the last renewal application accompanied by the required fees was received on or about May 22, 2020, and that no subsequent renewal application or renewal fee payment had been received. Under DROMC Section 5.20.040(B)(1), a commercial cannabis permit expires twelve months after issuance and confers no vested right beyond that period. Section 5.20.040(B)(2) requires a renewal application at least sixty calendar days before expiration, accompanied by the required filing fee..

DROMC Sections 5.20.030(C) and 5.20.040(A), as identified in the Notice, require the applicable commercial cannabis permit, City business license, conditional use permit, and State license for lawful operation. The absence of a valid City commercial cannabis permit is sufficient to prevent lawful operation even if another approval remains in place.

Unpaid taxes and business license fees

The City Council temporarily permitted deferral of cannabis business tax payments during the COVID-19 emergency. Resolution 2022-15, adopted June 28, 2022, ended the deferral effective July 1, 2022, and required deferred payments within 120 days after June 30, 2022. City records show no cannabis business tax payment since August 6, 2021.

DROMC Section 5.20.100(A)(3) authorizes revocation or suspension for failure to pay required taxes and business license fees. Section 5.20.100(A)(6) authorizes revocation or suspension for violation of Chapter 5.20. The temporary tax deferral did not constitute a waiver of the renewal requirements, and the Notice identifies a subsequent Council action ending that deferral. The permit and payment histories provide separate grounds supporting the recommended determination.

Basis for recommending revocation

To the extent any commercial cannabis authorization remains valid, staff recommends revocation rather than suspension due to nonrenewal extending over multiple annual renewal periods and payment deficiencies extending over several years. These are continuing failures to satisfy basic operating requirements. A suspension would not resolve the independent absence of a renewed permit.

APPEAL

DROMC Section 5.20.110(B) provides for appeal to the City Council within ten calendar days after receipt of the Notice, accompanied by the required appeal fee, and a hearing no later than forty-five days after filing.

Appeal filed: September 23, 2026.

Appellant’s contentions: We dispute the determination on the following grounds:

1. **The City's own conduct since 2020.** Since the May 2020 renewal, the City has continued to accept our business license fees, including the recent business fee just last week and our

monthly DRO reports. The City accepted these payments and reports as though the permit were valid and never gave notice of any lapse until this revocation.

2. **Prior assurances.** In approximately 2023, we reached an understanding with Mayor Donaldson regarding leniency until federal law is clarified. We wrote to the City last month asking that this understanding continue to be honored. We received no response, despite having paid the City over $551k throughout our history.
3. **Lack of prior notice and opportunity to cure.** We received no notice of deficiency before this revocation was issued despite our 12 year history here and $551k in payments made to the city.

In total, our operation has paid the City approximately $551k in taxes and fees, and it employs 3 people living in Monterey County. We have operated as a licensed, state-compliant manufacturer and distributor. Closing licensed operators does not reduce demand. It moves that demand to untested, unregulated products, which is exactly the public-safety problem that local and state regulation exists to prevent.

Fiscal Impacts

The proposed resolution does not approve an expenditure or establish a final tax assessment. Staff and legal time are required to process the appeal and any subsequent enforcement. The amount of unpaid taxes, fees, penalties, and interest, and any recoverable costs, will be addressed through the applicable separate procedures. No quantified recovery is assumed in this recommendation.

Environmental Review

The recommended action enforces City permit and operating requirements and, alternatively, revokes an existing authorization. It is categorically exempt under CEQA Guidelines Section 15321(a), Class 21, which covers regulatory enforcement and revocation decisions. The action approves no construction or new use. Staff recommends finding that no exception under Guidelines Section 15300.2 applies to this enforcement decision.

Attachments

1. Draft resolution
2. Notice of Expiration and Revocation
3. Filed Appeal
4. Administrative Record

Respectfully submitted,

_____

John Guertin
City Manager

RESOLUTION NO. 2026-23

In the matter of the appeal concerning
INTEGRAL INNOVATIONS, LLC
Commercial Cannabis Business Permit CBP-17-01

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DEL REY OAKS DENYING THE APPEAL OF THE NOTICE OF EXPIRATION AND REVOCATION FOR COMMERCIAL CANNABIS ACTIVITIES AT 100 CALLE DEL OAKS AND UPHOLDING THE CITY MANAGER'S DETERMINATION

The appeal of Kip Clifton, CEO of Integral Innovations, LLC, concerning the City Manager's Notice of Expiration and Revocation dated September 22, 2026, came before the City Council for a hearing on October 27, 2026. Having considered the Notice, the written appeal, the staff report, the administrative record, oral testimony, and other evidence presented, the City Council finds and decides as follows:

FINDINGS AND EVIDENCE

1 Process and scope of decision

FINDING: The Council has considered the appeal under DROMC Section 5.20.110(B) and has provided an opportunity to present evidence and argument concerning the City Manager's determination.

EVIDENCE:

a. The Notice identifies the premises as 100 Calle Del Oaks; the legal business entity as Blueprint Leasing and Consulting; the DBA as Integral Innovations, LLC; and CBP-17-01 as the commercial cannabis permit associated with manufacturing and distribution activities.

b. The Notice bears a mailing date of September 22, 2026, states the grounds for expiration and alternative revocation, directs immediate cessation of commercial cannabis activity, and describes the administrative appeal procedure.

c. The Council considered the written appeal and evidence presented at the hearing.

2 Expiration and required City authorization

FINDING: The commercial cannabis authorization associated with CBP-17-01 has expired, and the business does not hold a valid renewed commercial cannabis permit authorizing manufacturing and distribution at the premises.

EVIDENCE:

a. DROMC Section 5.20.040(B)(1) provides for expiration twelve months after issuance and no vested right beyond that period. Section 5.20.040(B)(2) requires filing a renewal application at least sixty calendar days before expiration with the required filing fee.

b. The City records described in the Notice identify the last renewal application accompanied by the required fees as received on or about May 22, 2020, with no subsequent renewal application or renewal fee payment. The determination rests on the absence of a valid renewed permit, not on treating the application receipt date as the issuance or expiration date.

c. DROMC Sections 5.20.030(C) and 5.20.040(A) require the applicable City approvals as prerequisites to lawful operation. An expired commercial cannabis permit provides no current authority to operate. A separate approval does not replace the required valid commercial cannabis permit.

3 Alternative revocation for unpaid taxes and fees

FINDING: To the extent CBP-17-01 or a City-issued commercial cannabis authorization associated with the manufacturing or distribution activities at the premises remains valid, revocation is warranted under DROMC Sections 5.20.100(A)(3) and (A)(6).

EVIDENCE:

a. DROMC Section 5.20.100(A)(3) authorizes revocation or suspension for failure to pay required taxes and business license fees. Section 5.20.100(A)(6) authorizes revocation or suspension for violations of Chapter 5.20.

b. As described in the Notice, City Council Resolution 2022-15, adopted June 28, 2022, ended the temporary cannabis business tax deferral effective July 1, 2022, and required deferred payments within 120 days after June 30, 2022. The temporary deferral did not permanently excuse payment.

c. The payment records described in the Notice show no cannabis business tax payment since August 6, 2021, and required business license fees unpaid for multiple years.

d. The renewal history described in Finding 2 also establishes failure to meet the recurring permit renewal requirements of Chapter 5.20. The prolonged renewal and payment failures support revocation of any authorization claimed to remain in effect.

e. Revocation, rather than suspension, is appropriate because the deficiencies extend over multiple annual renewal and payment periods and concern basic operating requirements. A suspension does not cure the absence of a renewed permit. The Council has considered the appellant's evidence and requests for alternative relief as set forth in Finding 5.

4 Separate tax and fee collection proceedings

FINDING: This decision determines the appeal concerning permit status and alternative revocation; it does not establish a final monetary tax assessment.

EVIDENCE: The Notice expressly reserves the City's rights concerning unpaid cannabis business taxes, penalties, interest, business license fees, and other amounts owed. It provides that tax assessment and collection may proceed separately under DROMC Chapter 4.07, including applicable notice and hearing procedures. The Council's action preserves those procedures and does not fix an amount due.

5 Appeal contentions and disposition

FINDING: The City Council has considered the appellant's contentions concerning the City's acceptance of payments and reports, alleged prior assurances, lack of advance notice and an opportunity to cure, historical financial contributions, employment, and public safety. Based on the evidence and determinations below, these contentions do not warrant reversal of the permit expiration determination or alternative revocation.

EVIDENCE:

a. Acceptance of payments and reports. The appellant states that the City continued accepting business license fees and monthly reports after May 2020, including a business license payment shortly before the appeal. The Council distinguishes payment of a business license fee and submission of monthly reports from renewal of a Commercial Cannabis Business permit. Acceptance of those items does not, by itself, establish that the required permit renewal application was submitted, approved, or accompanied by the applicable renewal fee.

The Council recognizes that the City's continued acceptance of payments and reports could have contributed to the appellant's understanding of its permit status. Nevertheless, the Council finds that these circumstances do not establish a valid permit renewal. The expiration determination rests on the verified permit history. Any alternative revocation

based on unpaid amounts rests only on obligations shown by the reconciled records to remain unpaid.

b. Alleged assurances and requested leniency. The appellant asserts that an understanding was reached with Mayor Donaldson in approximately 2023 to allow leniency until federal cannabis law was clarified, and that a subsequent written request to continue that understanding received no response.

The Council has considered the asserted understanding and the appellant's claimed reliance upon it. The Council finds that were the assertion to be factual, Mayor Donaldson does not have the authority to grant such an assurance without approval of the City Council. The absence of a response to the appellant's subsequent request does not, standing alone, establish approval of that request. The tax deferral described in Resolution 2022-15 must be distinguished from any separately established understanding and from the requirements governing permit renewal.

c. Prior notice and opportunity to cure. The appellant contends that it received no notice of deficiency or opportunity to cure before issuance of the Notice of Expiration and Revocation. On September 9, 2026, however, the City Manager, Police Commander, and Building Official visited the business to provide notice of the outstanding compliance requirements and hand-deliver application materials. This visit occurred before issuance of the September 22, 2026 Notice. City staff also sent invoices notifying the business of its outstanding tax and fee obligations. These communications provided notice of the deficiencies and an opportunity to take corrective action before the formal determination.

Additionally, DROMC Section 4.07.110 provides that the administrator is not required to send a delinquency notice or bill to persons subject to the cannabis business tax provisions, and that failure to send such notice or bill does not affect the validity of any tax or penalty due under that chapter. Accordingly, the appellant's tax obligations were not contingent upon receipt of an invoice or delinquency notice. This provision concerns tax and penalty obligations; it does not replace any notice or hearing requirements applicable to permit revocation.

The Council finds that the September 9 visit, delivery of application materials, and invoices contradict the contention that the City provided no advance notice. These facts, together with Section 4.07.110, support rejection of the appellant's assertion that the absence of notice excused its outstanding tax obligations or warranted reversal of the permit determination.

d. Historical payments, employment, and public safety. The appellant reports approximately $551,000 in historical taxes and fees, employment of three Monterey County

residents, State licensing and compliance, and concern that closing licensed businesses shifts demand toward unregulated products.

The Council recognizes these asserted contributions and policy concerns. Historical payments, however, do not establish current permit renewal or payment of all currently due obligations. State licensing likewise does not establish compliance with separate City authorization requirements.

The Council's decision does not depend on a finding that the appellant's products are unsafe or that its State licenses are invalid. It concerns compliance with the City's permit and payment requirements. The Council has considered the economic consequences and the appellant's public safety argument but finds that they do not overcome the established grounds for the decision.

e. Disposition. Based on the verified renewal history, reconciled payment records, findings concerning the alleged assurances, and compliance with applicable procedural requirements, the Council denies the appeal and upholds the expiration determination. To the extent an authorization remains valid, the Council upholds revocation on the independently supported grounds identified in this resolution. Any ground not supported by the hearing record is excluded from the Council's decision.

6 Environmental review

FINDING: The decision is categorically exempt from CEQA pursuant to CEQA Guidelines Section 15321(a), Class 21, and no exception under Guidelines Section 15300.2 applies.

EVIDENCE: The action enforces the City's commercial cannabis permit and operating requirements and alternatively revokes an authorization. It approves no construction, physical alteration, or new use. The decision is limited to regulatory enforcement; no circumstance in the record brings the decision within an exception to the categorical exemption.

DECISION

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

1. Adopts the foregoing findings and supporting evidence as the basis for this decision.

2. Finds the action categorically exempt from CEQA under Guidelines Section 15321(a), Class 21, for the reasons stated in Finding 6.

3. Denies the appeal of Kip Clifton, CEO Integral Innovations, LLC and upholds the City Manager's determination set forth in the Notice of Expiration and Revocation dated September 22, 2026.

4. Affirms that the commercial cannabis authorization associated with CBP-17-01 has expired. To the extent CBP-17-01 or any City-issued commercial cannabis authorization associated with the manufacturing or distribution activities at 100 Calle Del Oaks remains valid, upholds its revocation under DROMC Sections 5.20.100(A)(3) and (A)(6).

5. Affirms the requirement to cease commercial cannabis activity at 100 Calle Del Oaks without the required valid permits and licenses. This resolution grants no renewed permit, reinstatement, grace period, or authority to resume operations.

6. Preserves the City's rights and remedies to assess and collect unpaid taxes, fees, penalties, interest, and other amounts through the applicable separate proceedings. This resolution does not establish a final monetary tax assessment and does not revoke a State-issued license or a conditional use permit.

7. Directs the City Clerk to provide the appellant and the persons or entities served with the Notice a copy of this resolution, to retain the administrative record, and to provide any notice of judicial review rights required by applicable law.

8. Provides that this resolution takes effect immediately upon adoption.

PASSED AND ADOPTED by the City Council of the City of Del Rey Oaks at a meeting held on October 27, 2026, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED

_____

Mayor, Scott Donaldson

ATTEST

_____

City Clerk, Karen Minami

Laura Batra

From: Laura Batra
Sent: Thursday, August 20, 2026 2:11 PM
To: 'Kip Clifton'
Cc: Karen Minami
Subject: RE: business application- Need Cannabis Business Permit in Conjunction with Business License Renewal
Attachments: 2026InvoiceCUP - Integral Innovations.pdf

Hello Kip,

I have your fees calculation, but I realized we will also need to renew your Annual Cannabis Business Permits as a part of your business license renewal cycle. Please find attached an invoice for your annual business permits for the Manufacturing and Distribution portions of the business.

I have also reviewed the business license fees due, and we are waiving the late penalties a courtesy.

Please find below a breakdown of what is due:

- Annual Cannabis Business Permit Renewal:
  - Renewal for 2026 Manufacturing Permit: $5,190.00
  - Renewal for 2026 Distrubution Permit: $5,190.00
  - Subtotal for Annual Cannabis Business Renewal: **$10,380.00**
- Business License Renewal based on $465,538.00 Gross Annual Receipts in Del Rey Oaks
  - License Tax of $225.00
  - Application Renewal Fee $28
  - 25% of License Tax late penalty – Waived
  - Subtotal for Del Rey Oaks Business License: **$253**
- **Total Due: $10,633.00**

Please be advised that we will need payment for both your business license, and your two Annual Cannabis Business Permits to process your renewal.

Will you be sending a check, paying in person at our City Hall location, or paying via credit card (subject to 3% transaction fee)?

Please advise, and thank you.

Best regards,

LAURA BATRA
DEPUTY CITY CLERK/PERMIT CLERK
(831) 394-8511
LBATRA@DELREYOAKS.ORG
www.delreyoaks.org

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From: Kip Clifton <kip@pxclient.com>
Sent: Wednesday, August 19, 2026 3:32 PM
To: Laura Batra <lbatra@delreyoaks.org>
Subject: business application

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.

Hi very much appreciate the phone call. please find attached the renewal.

--

Kip Clifton
PUREXTRACTS
P2, Preserve Cartridges and Concentrates

(843)-822-6293
kip@pxclient.com
www.pxvape.com
C11-0000541-LIC

INVOICE

City of Del Rey Oaks
650 Canyon Del Rey
Del Rey Oaks, CA 93940
(831) 394-8511
kminami@delreyoaks.org

Invoice No : 2026IIInc
Date : 08/20/2026

Integral Innovations, Inc.
100 Calle Del Oaks
Del Rey Oaks, CA 93940

kminami	Cannabis Business Permit	Due by 08/31/2026	
1	2026 Cannabis Business Permit-Manufacturing		**$5,190.00**
	2026 Cannabis Business Permit-Distribution		**$5,190.00**

TOTAL DUE $10,380.00

Make checks payable to City of Del Rey Oaks.

Laura Batra

From: Kip Clifton <kip@pxclient.com>
Sent: Wednesday, August 26, 2026 12:26 PM
To: Laura Batra
Cc: Karen Minami
Subject: Re: business application- Need Cannabis Business Permit in Conjunction with Business License Renewal

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.

Hi Laura,

Nice to chat with you on the phone this week. For the past few years we have been paying the regular business license fee to the city, until the regulated cannabis market can stabilize. This was based on a verbal agreement we made with the mayor some several years ago.

For frame of reference throughout the years - Since 2017, Integral Innovations has paid Del Rey Oaks $552,198 and have always tried to be a good partner. But since 2022, the licensed cannabis industry has been in a real free fall - hemp-derived THC is being sold everywhere from gas stations to convenience stores, untaxed and unregulated, with no real enforcement from the state. We're playing by the rules and competing against people who aren't, and it's crushed our revenue. I haven't taken a paycheck in three years. Jennifer, who handles our books, hasn't been paid in about a year either.

We think the fed, rather than the state, will eventually clarify the rules around hemp-derived cannabinoids, and once that happens we believe we can climb back out. Until then, we're asking the city to allow us to pay the regular business license.

Happy to hop on a call. Just let me know.
Kip

On Thu, Aug 20, 2026 at 11:10 AM Laura Batra <lbatra@delreyoaks.org> wrote:

> Hello Kip,
>
> I have your fees calculation, but I realized we will also need to renew your Annual Cannabis Business Permits as a part of your business license renewal cycle. Please find attached an invoice for your annual business permits for the Manufacturing and Distribution portions of the business.
>
> I have also reviewed the business license fees due, and we are waiving the late penalties a courtesy.

Laura Batra

From: Laura Batra
Sent: Wednesday, August 26, 2026 2:40 PM
To: 'Kip Clifton'
Cc: Karen Minami
Subject: RE: business application- Business license, $253 due, link to payment portal

Hello Kip,

Thank you for sending this follow up email. For now, let's work on getting your business license for fiscal year 2026-2027 paid.

With that in mind, please find below your fees breakdown for the annual business license renewal:

- Business License Renewal based on $465,538.00 Gross Annual Receipts in Del Rey Oaks
  - License Tax of $225.00
  - Application Renewal Fee $28
  - 25% of License Tax late penalty – Waived
  - Subtotal for Del Rey Oaks Business License: **$253**
- **Total Due: $253.00**

Please find below a link to our online payment portal (subject to 3% transaction fee); please shoot me an email when you have paid, and I will move your business license application into processing.

Hyperlink to payment portal: [redacted]

Thank you,

LAURA BATRA
DEPUTY CITY CLERK/PERMIT CLERK
(831) 394-8511
LBATRA@DELREYOAKS.ORG
www.delreyoaks.org

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7

C | M

City of Del Rey Oaks
650 Canyon Del Rey Rd, Del Rey Oaks CA 93940 (831) 394-8511

APPLICATION FOR LICENSE TO DO BUSINESS

☐ New ☒ Renew (Prior to August Deadline)

THIS BUSINESS LICENSE IS FOR REVENUE PURPOSES ONLY. IT MUST BE RENEWED ANNUALLY AND THE CERTIFICATE MUST BE POSTED IN A CONSPICUOUS PLACE. LICENSES ARE NOT TRANSFERABLE DUE TO ANY CHANGES IN OWNERSHIP.

Business name: Integral Innovations Phone number: 843-822-6293

Business location: 100 Calle Del Oaks

Business mailing address (if different): PO Box 155, Seaside 93940

Is Application for a ☐ Sole Proprietorship ☐ Partnership ☒ Corporation

Applicant's Name and Title: Kip Clifton CEO Phone number: 843 822 6293

Applicant's address (if different from any above): PO Box 1168 Koloa HI 96756

Description of Business Activity manufacturer Start Date in Del Rey Oaks: 2017

CA Contractor's License #: _____ Type of state license: _____ Expiration date: _____

Resale Permit #: 103-127798 Federal ID or State ID #: [redacted] Social Security #: _____

☒ I hereby affirm that I have a certificate of consent to self insure, or a certificate of Workers' Compensation Insurance and a copy thereof is furnished to the City of Del Rey Oaks (Expires 2/2027), or

☒ I certify that in the performance of work for which this license is issued I shall not employ any person in any manner so as to become subject to the Workers' Compensation Laws of California.

Note: If after signing the certificate, you hire ANY employee, you become subject to the Workers' Compensation provisions of the California Labor Code, and you must immediately comply with the provisions of section 3700 or your license immediately becomes revoked.

	Yes	No	
Is this a change of ownership?	☐	☒	Previous Owner's Name:
Is this a name change in Business or Corporation?	☐	☒	Previous Name:
Is this an address change:	☐	☒	Previous Address:

AFFIDAVIT, I certify under penalties of perjury that the contents hereof are true and correct:

Signature: [signature] Date: 8/18/26 Email Address: kip@pxclicut.com

Estimate of Gross Annual Receipts in Del Rey Oaks: $465,538 $225 + $28 New/$28 Renew (Prior to Aug) = $253

FOR OFFICE USE ONLY

Signature of Issuing Agent: [signature] Amount due $225 + $28 = Amount paid: $ [redacted] 253 P/C

Date License Issued: 8/26/26 Date License Expires: 06-30-2026 Business License # INT001

Laura Batra

From: Karen Minami
Sent: Thursday, October 22, 2026 12:06 PM
To: Laura Batra
Subject: FW: Revocation Letter attached
Attachments: Revocation letter 2026.pdf

Importance: High

KAREN MINAMI
CITY CLERK
(831) 394-8511
KMINAMI@DELREYOAKS.ORG
www.delreyoaks.org

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From: Karen Minami
Sent: Tuesday, September 22, 2026 4:07 PM
To: kip@pxclient.com
Cc: John Guertin <jguertin@delreyoaks.org>
Subject: Revocation Letter attached
Importance: High

Kip,
Attached you will find the letter of revocation for the business Integral Innovations Inc, at 100 Calle Del Oaks, Del Rey Oaks, CA.

Sincerely,
Karen Minami

KAREN MINAMI
CITY CLERK
(831) 394-8511
KMINAMI@DELREYOAKS.ORG
www.delreyoaks.org

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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

NOTICE OF EXPIRATION AND REVOCATION

Integral Innovations, LLC
100 Calle Del Oaks
Del Rey Oaks, CA 93940

Mailing Date: September 22, 2026
Appeal Deadline: October 2, 2026
Compliance Date: IMMEDIATELY

Business Premises: 100 Calle Del Oaks
Legal Business Entity: Blueprint Leasing and Consulting
DBA: Integral Innovations, LLC
Commercial Cannabis Business Permit: CBP-17-01
Authorized Activities: Manufacturing and Distribution

YOU ARE HEREBY ORDERED TO CEASE ALL COMMERCIAL CANNABIS ACTIVITY AT 100 CALLE DEL OAKS, DEL REY OAKS, CALIFORNIA, IMMEDIATELY.

This Notice constitutes the City Manager's written determination concerning the status of the Commercial Cannabis Business permits identified above. Based on the City's records, Integral Innovations, LLC has not submitted a timely renewal application or paid the required renewal fees since the renewal application received on or around May 22, 2020. Del Rey Oaks Municipal Code (DROMC) Section 5.20.040(B)(1) provides that each Commercial Cannabis Business permit expires twelve (12) months after issuance and confers no vested right beyond that period. Section 5.20.040(B)(2) requires a renewal application to be filed at least sixty (60) calendar days before permit expiration and to be accompanied by the required filing fee.

Accordingly, the City Manager determines that Integral Innovations, LLC Commercial Cannabis Business permits are expired and, as such, Integral Innovations, LLC does not have valid authorization to conduct commercial cannabis activity in the City of Del Rey Oaks. To the extent Integral Innovations, LLC contends that CBP-17-01, or any City-issued commercial cannabis authorization associated with the manufacturing or distribution activities at the Business Premises, remains valid, the City hereby revokes that authorization on the grounds stated in this Notice.

DROMC Sections 5.20.030(C) and 5.20.040(A) require a Commercial Cannabis Business to maintain the required Commercial Cannabis Business permit, City business license, conditional use permit, and applicable State license as prerequisites to lawful operation. Operation without the required approvals is unlawful. Nothing in this Notice authorizes continued commercial cannabis activity during the appeal period.

Grounds for revocation of the permits include DROMC Section 5.20.100(A)(3), which authorizes revocation or suspension when a permit or license holder fails to pay required taxes and business license

fees, and Section 5.20.100(A)(6), which authorizes revocation or suspension for violation of any provision of Chapter 5.20.

The City's determination is based on the following facts and circumstances:

- **Failure to renew the Commercial Cannabis Business permit.** DROMC Section 5.20.040(A) requires a Commercial Cannabis Business to maintain a Commercial Cannabis Business permit, and Section 5.20.040(B)(1) requires the payment of a renewal fee. The last renewal application for the manufacturing and distribution activities, accompanied by the required fees, was received by the City on or about May 22, 2020. The City has received no subsequent renewal application or renewal fee payment.
- **Failure to maintain required City authorization.** A valid Commercial Cannabis Business permit and City business license are requirements for commercial cannabis operations under DROMC Sections 5.20.030(C) and 5.20.040(A).
- **Failure to pay required Cannabis Business Tax.** The City Council temporarily permitted deferral of Cannabis Business Tax payments during the COVID-19 emergency. On June 28, 2022, the City Council adopted Resolution 2022-15, ending the deferral effective July 1, 2022, and requiring deferred payments to be paid within 120 days after June 30, 2022. City records reflect that no Cannabis Business Tax payment has been received from Integral Innovations, LLC since August 6, 2021. This constitutes grounds for revocation under DROMC Section 5.20.100(A)(3).
- **Failure to pay required business license fees.** City records reflect that required business license fees have not been paid for multiple years. This constitutes grounds for revocation under DROMC Section 5.20.100(A)(3).

The City reserves all rights and remedies relating to unpaid Cannabis Business Taxes, penalties, interest, business license fees, and other amounts owed. This Notice does not constitute a final assessment of the amount of Cannabis Business Tax liability. Any tax assessment and collection proceedings may be undertaken separately pursuant to DROMC Chapter 4.07, including the applicable notice and hearing procedures.

You must immediately cease all operations, manufacturing, distribution, storage, processing, transportation, or other commercial cannabis activity at the Business Premises. Continued commercial cannabis operations without the required permits and licenses may result in additional enforcement, including the remedies and penalties authorized by the DROMC and applicable law.

John Guertin
City Manager
City of Del Rey Oaks

ADMINISTRATIVE APPEAL:

Pursuant to DROMC Section 5.20.110(B), a person who disagrees with the City Manager's determination concerning denial, suspension, or revocation of a Commercial Cannabis Business permit may appeal the determination to the City Council. The appeal must be filed within ten (10) calendar days after receipt of this Notice. No appeal is deemed filed unless the required appeal fee, as established by the City Council, is submitted with the notice of appeal.

The written notice of appeal and required appeal fee shall be submitted to the City Manager/City Clerk at City Hall, 650 Canyon Del Rey Boulevard, Del Rey Oaks, California 93940. The appeal will be heard by the City Council not later than forty-five (45) days after filing, as provided by DROMC Section 5.20.110(B).

Laura Batra

From: Karen Minami
Sent: Wednesday, September 23, 2026 11:16 AM
To: Stacy Matthews; Laura Batra
Subject: Fw: Revocation Letter attached

Sent via the Samsung Galaxy S25 Ultra, an AT&T 5G smartphone
Get Outlook for Android

From: Kip Clifton <kip@pxclient.com>
Sent: Wednesday, 23 September 2026 10:47:03
To: Karen Minami <KMinami@delreyoaks.org>
Cc: John Guertin <jguertin@delreyoaks.org>
Subject: Re: Revocation Letter attached

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.

Subject: Notice of Appeal – CBP-17-01, Integral Innovations, LLC / Blueprint Leasing and Consulting, 100 Calle Del Oaks

Dear City Manager and City Clerk,

Integral Innovations, LLC hereby gives written notice of appeal, under DROMC Section 5.20.110, of the Notice of Expiration and Revocation dated September 22, 2026 regarding Commercial Cannabis Business Permit CBP-17-01.

We dispute the determination on the following grounds:

1. **The City's own conduct since 2020.** Since the May 2020 renewal, the City has continued to accept our business license fees, including the recent business fee just last week and our monthly DRO reports. The City accepted these payments and reports as though the permit were valid and never gave notice of any lapse until this revocation.
2. **Prior assurances.** In approximately 2023, we reached an understanding with Mayor Donaldson regarding leniency until federal law is clarified. We wrote to the City last month asking that this understanding continue to be honored. We received no response, despite having paid the City over $551k throughout our history.
3. **Lack of prior notice and opportunity to cure.** We received no notice of deficiency before this revocation was issued despite our 12 year history here and $551k in payments made to the city.

In total, our operation has paid the City approximately $551k in taxes and fees, and it employs 3 peo living in Monterey County. We have operated as a licensed, state-compliant manufacturer and distributor. Closing licensed operators does not reduce demand. It moves that demand to untested, unregulated products, which is exactly the public-safety problem that local and state regulation exists to prevent.

We request (a) hearing before the City Council as provided in Section 5.20.110(B), (b) copies of all City records relied on in this determination, including our payment history and renewal file, and (c) the opportunity to meet with City staff before the hearing to resolve this.

Sincerely,
Kip Clifton
CEO, Integral Innovations, LLC

On Tue, Sep 22, 2026 at 1:07 PM Karen Minami <KMinami@delreyoaks.org> wrote:

> Kip,
>
> Attached you will find the letter of revocation for the business Integral Innovations Inc, at 100 Calle Del Oaks, Del Rey Oaks, CA.
>
> Sincerely,
>
> Karen Minami

KAREN MINAMI
CITY CLERK
(831) 394-8511
KMINAMI@DELREYOAKS.ORG
www.delreyoaks.org

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COPY

CASH RECEIPT

9/25/2026 [redacted]

INTEGRALINNOVATIONSL
INTEGRAL INNOVATIONS LLC
100 Calle Del Oaks
DEL REY OAKS, CA 93940

Description	Amount
FEE FOR APPEAL OF NOTICE OF REVOCATION OF CBP 17-01	$415.00
FEE FOR APPEAL OF NOTICE OF REVOCATION OF CBP 17-01	$12.45

Total Amount $427.45

9/25/2026 [redacted]

INTEGRALINNOVATIONSL
INTEGRAL INNOVATIONS LLC
100 Calle Del Oaks
DEL REY OAKS, CA 93940

Total Amount $427.45

FEE FOR APPEAL OF NOTICE OF REVOCATION OF CBP 17-01

CITY OF DEL REY OAKS
650 CANYON DEL REY BLVD
DEL REY OAKS, CA 93940-5505
831-394-8511

CITY OF DEL REY OAKS

Date: 09/25/2026 12:25:52 PM

CREDIT CARD SALE

VISA
CARD NUMBER: **********[redacted]

AMOUNT: $415.00

SERVICE FEE: $12.45 (non-refundable)
TOTAL ALL
CHARGES AND FEES: $427.45
SF APPROVAL CD: 022554
APPROVAL CD: 022553
RECORD #: 000
CLERK ID: apiuser385390

Signature Not Required

I AGREE TO PAY THE ABOVE TOTAL AMOUNT
ACCORDING TO THE CARD ISSUER AGREEMENT
(MERCHANT AGREEMENT IF CREDIT VOUCHER)

Merchant Copy

Transaction Details

RECEIPT

Sale Approval 09/25/2026 12:25:52 PM

$415.00

Order Section

Payment	VISA Credit Card [redacted] 10/26
Name	michael clifton
Invoice Number	
Transaction Currency	USD
Card Short Description	VISA

Address

Bill to

Integral Innovations
michael clifton
8438226293
100 Calle Del Oaks
Del Rey Oaks CA
93940 USA
kip@pxclient.com

Authorization

Transaction ID	250926C53-B15C9276-E7EA-4EBB-855D-916EC3CCBBD6
User Name	apiuser385390
Auth Approval Code	022553
AVS Code	Y
CVV2 Response	M
Txn Ref Number	925192552

Item C.

Integral Innovations - Timeline Highlights

Date(s)	Event
8/4/2017	Use Permit CUP17-08 for Medical Cannabis Manufacturing business submitted to City of Del Rey Oaks
8/21/2017	CUP17-08 approved 6-0 at Planning Commission Special Meeting with change to staff report #2 "*minimum of an annual inspection by the City Manager or his disgnee*" and that it is consistent with the City General Plan and the City Zoning Code.
10/13/2017	Conditional Use Permit CUP 17-18A for Medical and Adult Use Cannabis Distribution and Manufacturing subsequent to passing of new Cannabis Ordinance submitted to City of Del Rey Oaks
11/8/2017	CUP17-18A approved 6-0 at Planning Commission Regular Meeting with condition that CUP is coextensive with Cannabis Business Permit
11/29/2017	Application for Cannabis Business Permit for Medical and Adult Use Recreational Manufacturing (Type 7) and Distribution Approved CPB17-01
01/2018 to 04/2019	**No forms filed or payment made for Cannabis Business Tax Jan 2018 - April 2019**
6/28/2019	Lease Agreement signed between Integral Innovations and City of Del Rey Oaks for rental of Public Works Building and 14 parking spaces in Public Works (PW) yard for $4000/month, with non-refundable $8000 payment for the purchase of a temporary storage shed to be the property of the Landlord
7/1/2019	Del Rey Oaks Business License Paid INT001 FY 19-20
8/6/2019	CUP19-05 renewal per MIP entry ($2990.00 payment made)
11/29/2019	**First missed Annual Cannabis Business Permit payments ($5000 Distribution + $5000 Manufacturing = $10.000.00)**
05/1/2020 - 04/01/2021	**No rent paid for PW Building Lease**
4/28/2020	**City Council approved Resolution 2019-09, allowing Cannabis businesses in good standing to temporarily defer Cannabis Business Tax (CBT) during the COVID-19 emergency.**
7/6/2020	Del Rey Oaks Business License Paid INT001 FY 20-21
7/30/2020	**No forms filed or payment made for Cannabis Business Tax**
8/6/2020	**Cannabis Business Tax (CBT) for May 2020 paid, last CBT received by City of Del Rey Oaks from Integral Integrations.**
06/2020 to Present	**No forms filed or payment made for Cannabis Business Tax from June 2020 to Present.**
4/1/2021	**As of 4/1/2021, Integral Innovations owes City $48,000 of unpaid rent for PW Building Lease**
7/1/2021	Lease Termination Agreement signed for PW Building and 14 Parking Spaces. Integral Integrations to pay $1000 monthly until $12,000 is paid off. Loss of $36,000 to City of Del Rey Oaks.
7/6/2021	$5000/$10,000 paid for 2021 Annual Cannabis Business Permit.
7/6/2021	Del Rey Oaks Business License Paid INT001 FY 21-22
7/6/2021	**$5000 balance due for 2021 Annual Cannabis Business Permit.**
6/28/2022	**City Council approved Resolution 2022-15 rescinding Resolution 2019-09 and ending Cannabis Business Tax deferral option effective 7/1/2022. all deferred payments shall be payable to City of Del Rey Oaks within 120 Days of expiration date (6/30/2022)**
10/29/2022	**End of 120 day period to pay deferred Cannabis Business taxes from COVID-19 emergency through 6/30/2022 ends, Integral Integrations did not pay back deferred Cannabis Business Tax**

Integral Innovations - Timeline Highlights

11/29/2022	**2022 Annual Cannabis Permit renewal not paid, $10,000 Due**
6/8/2022	Del Rey Oaks Business License Paid INT001 FY 22-23
7/1/2022	**City of Del Rey Oaks Business License for FY 2023-2024 Not Renewed**
11/29/2023	**2023 Annual Cannabis Permit renewal not paid, $10,000 Due**
8/8/2024	Del Rey Oaks Business License Paid INT001 FY 24-25
11/29/2024	**2024 Annual Cannabis Permit renewal not paid, $10,000 Due**
3/13/2025	Invoice for Annual Cannabis Permit sent to Integral Innovations
7/28/2025	Del Rey Oaks Business License Paid INT001 FY 25-26
11/29/2025	**2025 Annual Cannabis Permit renewal not paid, $10,000 Due**
8/20/2026	Invoice for Annual Cannabis Permit sent from City to Integral Innovations
8/26/2026	Del Rey Oaks Business License Paid INT001 FY 26-27
9/22/2026	**Notice of Expiration and Revocation letter sent from City to Integral Innovations via email and certified mail ordering the cessation of all commercial cannabis activity at 100 Calle Del Oaks**
9/23/2026	**Written Notice of Appeal emailed from Integral Innovations to City**
9/24/2026	Acknowledgement of receipt of Notice of Appeal from Integral Innovations to City
9/25/2026	Payment for Appeal of Notice of Revocation of Cannabis Business Permit CPB17-01 received from Integral Innovations
11/29/2026	2026 Annual Cannabis Permit Renewal - $10,380 would have been due if license not revoked ($5190 for Distribution + 5190 for Manufacture)

Integral Innovations - Complete Payment Timeline

Receipt Date	Receipt Number	Session ID	Fund Code	Dept-Project Code	GL Code	Transaction Description	Revenues	Unpaid Fees	Customer ID	Category
8/4/2017	Quickbooks					CUP17-08 for CUP for Medical cannabis manufacturing	2,990.00		INTEGRALINNOVATIONSL	CUP
10/13/2017	Quickbooks					CUP17-18A Medical and Adult Use Cannabis Distribution and Manufacturing subsequent to new	1,010.00		INTEGRALINNOVATIONSL	CUP
11/29/2017	Quickbooks					II2 Distribution (Annual Cannabis Permit)	5,000.00		INTEGRALINNOVATIONSL	Annual Cannabis License Paid
11/29/2017	Quickbooks					II2 Manufacture (Annual Cannabis Permit)	5,000.00		INTEGRALINNOVATIONSL	Annual Cannabis License Paid
~~1/15/2018~~	~~CR-1078~~	~~CR-147~~	~~100~~	~~000~~	~~42222~~	~~CBT DEC 2018~~	~~34,237.50~~		~~INTEGRALINNOVATIONSL~~	Tax
~~1/15/2018~~	~~CR-1078~~	~~CR-147R~~	~~100~~	~~000~~	~~42222~~	~~CBT DEC 2018~~	~~34,237.50~~		~~INTEGRALINNOVATIONSL~~	Tax
~~1/15/2018~~	~~CR-1078~~	~~CR-147X~~	~~100~~	~~000~~	~~42222~~	~~CBT DEC 2018~~	~~(34,237.50)~~		~~INTEGRALINNOVATIONSL~~	Tax
~~1/15/2018~~	~~CR-1078~~	~~CR-147XX~~	~~100~~	~~000~~	~~42222~~	~~CBT DEC 2018~~	~~(34,237.50)~~		~~INTEGRALINNOVATIONSL~~	Tax
6/28/2018	CR-1008	CR-005	100	100	42222	Integral Inovations Dep May 2018	27,897.00		INTEGRALINNOVATIONSL	Tax
7/30/2018	CR-1009	CR-017	100	000	42222	Inegral Inovations June 2018	23,904.00		INTEGRALINNOVATIONSL	Tax
8/27/2018	CR-1011	CR-027	100	000	42222	July 2018	30,916.00		INTEGRALINNOVATIONSL	Tax
9/26/2018	CR-1016	CR-95	100	000	42222	Sept 2018 II Tax	37,648.00		INTEGRALINNOVATIONSL	Tax
10/11/2018	Integral Inovations	10112018	100	000	42222	Sept Tax Return	32,357.00		INTEGRALINNOVATIONSL	Tax
10/11/2018	**Cash3**	**CR-102**	**100**	**000**	**48211**	**employee backgrounds**	**1,250.00**		**INTEGRALINNOVATIONSL**	Employee Background
10/18/2018	**Cash1**	**CR-102**	**100**	**000**	**48211**	**Cannabis Employee Permitting**	**750.00**		**INTEGRALINNOVATIONSL**	Employee Background
11/29/2018	CR-1019	CR-104	100	000	42222	II2 CBT Pmt Oct 2018	39,959.00		INTEGRALINNOVATIONSL	Tax
11/29/2018	CR-1020	CR-104	100	000	43325	II2 Distribution (Annual Cannabis Permit Renewal)	5,000.00		INTEGRALINNOVATIONSL	Annual Cannabis License Paid
11/29/2018	CR-1020	CR-104	100	000	43325	II2 Manufacture (Annual Cannabis Permit Renewal)	5,000.00		INTEGRALINNOVATIONSL	Annual Cannabis License Paid
12/14/2018	3005	CR-114	100	000	42222	CBT PMT 11/2018	32,420.00		INTEGRALINNOVATIONSL	Tax
12/24/2018	**0467**	**CR-174**	**100**	**000**	**43325**	**CANNABIS BUSINESS PERMIT (unclear what payment is for; paid approx 1 month after 2018 renewal)**	**5,000.00**		**INTEGRALINNOVATIONSL**	Annual Cannabis License Paid
1/14/2019	CR-1078C	CR-147C	100	000	42222	To correct date Dec 2018	34,237.50		INTEGRALINNOVATIONSL	Tax
~~1/15/2019~~	~~CR-1078~~	~~CR-1124~~	~~100~~	~~000~~	~~42222~~	~~CBT DEC 2018~~	~~34,237.50~~		~~INTEGRALINNOVATIONSL~~	Tax
~~1/15/2019~~	~~CR-1078~~	~~CR-1124X~~	~~100~~	~~000~~	~~42222~~	~~CBT DEC 2018~~	~~(34,237.50)~~		~~INTEGRALINNOVATIONSL~~	Tax
2/5/2019	3020	CR-159	100	000	42222	Jan 2018	40,864.13		INTEGRALINNOVATIONSL	Tax
3/5/2019	3135	CR-187	100	000	42222	03082019 DEPOSIT - Feb 2019	32,635.69		INTEGRALINNOVATIONSL	Tax
4/5/2019	3168	CR-190	100	000	42222	CBT MARCH 2019	31,380.31		INTEGRALINNOVATIONSL	Tax
4/9/2019	**3140**	**CR-238**	**100**	**000**	**43330**	**Plan Check 100 Calle Del Oaks**	**674.32**		**INTEGRALINNOVATIONSL**	Plan Check
6/4/2019	3205	CR-253	100	000	42222	April 2019	36,328.96		INTEGRALINNOVATIONSL	Tax
6/25/2019	3213	CR-254	100	000	42222	CBT MAY 2019	38,526.54		INTEGRALINNOVATIONSL	Tax
6/28/2019	3228	CR-264	100	000	48805	II2 Deposit for Yard Building	8,000.00		INTEGRALINNOVATIONSL	
7/1/2019	3226	CR-276	100	000	42310	INT001 (BUS LIC)	526.00		INTEGRALINNOVATIONSL	Business License Paid
7/1/2019	3226	CR-276	100	000	43311	INT001, SB 1186 (BUS LIC)	4.00		INTEGRALINNOVATIONSL	Business License Paid
8/6/2019	3237	CR-1196	100	000	42222	CBT JUNE 2019	29,052.94		INTEGRALINNOVATIONSL	Tax
8/6/2019	3236	CR-1193	100	000	48805	CUP-19-05 RENEWAL	2,990.00		INTEGRALINNOVATIONSL	CUP
8/6/2019	**924912CASJ**	**CR-1196**	**100**	**000**	**43330**	**FIRE PLANS**	**120.00**		**INTEGRALINNOVATIONSL**	Fire Plans
9/6/2019	3257	CR-1209	100	000	42222	II2 CBT JULY 2019	35,049.43		INTEGRALINNOVATIONSL	Tax
9/17/2019	3270	CRS-058	100	000	42222	Business Tax - August 2019	31,362.00		INTEGRALINNOVATIONSL	Tax
10/4/2019	**3281**	**CRS-073**	**100**	**000**	**43330**	**TI II2 BUILDOUT MAINTENANCE BUILDING**	**1,301.92**		**INTEGRALINNOVATIONSL**	Building Permit
10/24/2019	3298	CRS-087	100	000	42222	Canabus Tax (CBT) - September2019	26,143.31		INTEGRALINNOVATIONSL	Tax
~~11/27/2019~~	~~3321~~	~~CRS-108~~	~~100~~	~~000~~	~~42222~~	~~II Inc tax payment~~	~~21,443.30~~		~~INTEGRALINNOVATIONSL~~	Tax
~~11/27/2019~~	~~3321~~	~~CRS-110~~	~~100~~	~~000~~	~~42222~~	~~II Inc tax payment~~	~~(21,443.30)~~		~~INTEGRALINNOVATIONSL~~	Tax
~~11/27/2019~~	~~3321~~	~~CRS-111~~	~~100~~	~~000~~	~~42222~~	~~II Inc tax payment~~	~~(21,443.30)~~		~~INTEGRALINNOVATIONSL~~	Tax
~~11/27/2019~~	~~3321~~	~~CRS-112~~	~~100~~	~~000~~	~~42222~~	~~II Inc tax payment~~	~~21,443.30~~		~~INTEGRALINNOVATIONSL~~	Tax
11/27/2019	3321	CRS-119	100	000	42222	Reposting CRS-108 after reversing in error - Ocotber 2019	21,443.30		INTEGRALINNOVATIONSL	Tax
11/29/2019	**Not Paid**					**II2 Distribution (Annual Cannabis Permit Renewal)**		**5,000.00**	**INTEGRALINNOVATIONSL**	Annual Cannabis License Not Paid
11/29/2019	**Not Paid**					**II2 Manufacture (Annual Cannabis Permit Renewal)**		**5,000.00**	**INTEGRALINNOVATIONSL**	Annual Cannabis License Not Paid
1/2/2020	3338	CR-1271	100	000	42222	Nov 2019	20,658.00		INTEGRALINNOVATIONSL	Tax
1/17/2020	**3350**	**CR-1279**	**100**	**000**	**48211**	**Cannabis employee screening**	**625.00**		**INTEGRALINNOVATIONSL**	Employee Background

Integral Innovations - Complete Payment Timeline

1/30/2020	361	CRS-140	100	000	42220	Dec 2019 CBT	23,696.69		INTEGRALINNOVATIONSL	Tax
2/19/2020	3387	CR-1299	100	000	42222	CBT Jan 2020	23,845.09		INTEGRALINNOVATIONSL	Tax
3/23/2020	3391	CR-1303	100	000	48920	II2 Rent On Maint Building	4,000.00		INTEGRALINNOVATIONSL	PW Lease Payment
4/3/2020	3412	CR-1304	100	000	42222	CBT Feb 2020	25,173.15		INTEGRALINNOVATIONSL	Tax
4/3/2020	3413	CR-1304	100	000	48920	April 2020 Rent	4,000.00		INTEGRALINNOVATIONSL	PW Lease Payment
5/1/2020						**May 2020 Rent ($4000, included in 7/1/2021 Lease Termination agreement)**		**4,000.00**	INTEGRALINNOVATIONSL	PW Unpaid Lease Installment
5/22/2020	3419	CR-1335	100	000	42222	CBT Mar 2020	25,688.43		INTEGRALINNOVATIONSL	Tax
5/22/2020	3427	CR-1335	100	000	43325	2020 Permit (Annual Cannabis Permit Renewal)	10,000.00		INTEGRALINNOVATIONSL	Annual Cannabis License Paid
6/1/2020						**June 2020 Rent ($4000, included in 7/1/2021 Lease Termination agreement)**		**4,000.00**	INTEGRALINNOVATIONSL	PW Unpaid Lease Installment
6/9/2020	3430	CR-1341	100	000	42222	CBT APRIL 2020	26,702.81		INTEGRALINNOVATIONSL	Tax
7/1/2020						**July 2020 Rent ($4000, included in 7/1/2021 Lease Termination agreement)**		**4,000.00**	INTEGRALINNOVATIONSL	PW Unpaid Lease Installment
7/6/2020	3432	CR-1351	100	000	42310	INT001 (BUS LIC)	526.00		INTEGRALINNOVATIONSL	Business License Paid
7/6/2020	3432	CR-1351	100	000	43311	INT001, SB 1186 (BUS LIC)	4.00		INTEGRALINNOVATIONSL	Business License Paid
7/30/2020						**2020-06 CBT June 2020**		**no form or payment**	**INTEGRALINNOVATIONSL**	Tax not Paid
8/1/2020						**August 2020 Rent ($4000, included in 7/1/2021 Lease Termination agreement)**		**4,000.00**	INTEGRALINNOVATIONSL	PW Unpaid Lease Installment
8/6/2020	**3449**	**CR-1378**	**100**	**000**	**42222**	**CBT MAY 2020**	**28,290.35**		**INTEGRALINNOVATIONSL**	**Last tax payment received**
8/30/2020						**2020-07 CBT July 2020**		**no form or payment**	**INTEGRALINNOVATIONSL**	Tax not Paid
9/1/2020						**September 2020 Rent ($4000, included in 7/1/2021 Lease Termination agreement)**		**4,000.00**	INTEGRALINNOVATIONSL	PW Unpaid Lease Installment
9/16/2020	**3458**	**CR-1393**	**100**	**000**	**48211**	**LIVESCAN**	**250.00**		**INTEGRALINNOVATIONSL**	Employee Background
9/30/2020						**2020-08 CBT August 2020**		**no form or payment**	**INTEGRALINNOVATIONSL**	Tax not Paid
10/1/2020						**October 2020 Rent ($4000, included in 7/1/2021 Lease Termination agreement)**		**4,000.00**	INTEGRALINNOVATIONSL	PW Unpaid Lease Installment
10/30/2020						**2020-09 CBT September 2020**		**no form or payment**	**INTEGRALINNOVATIONSL**	Tax not Paid
11/1/2020						**November 2020 Rent ($4000, included in 7/1/2021 Lease Termination agreement)**		**4,000.00**	INTEGRALINNOVATIONSL	PW Unpaid Lease Installment
11/30/2020						**2020-10 CBT October 2020**		**no form or payment**	**INTEGRALINNOVATIONSL**	Tax not Paid
12/1/2020						**December 2020 Rent ($4000, included in 7/1/2021 Lease Termination agreement)**		**4,000.00**	INTEGRALINNOVATIONSL	PW Unpaid Lease Installment
12/30/2020						**2020-11 CBT November 2020**		**no form or payment**	**INTEGRALINNOVATIONSL**	Tax not Paid
1/1/2021						**January 2021 Rent ($4000, included in 7/1/2021 Lease Termination agreement)**		**4,000.00**	INTEGRALINNOVATIONSL	PW Unpaid Lease Installment
1/30/2021						**2020-12 CBT December 2020**		**no form or payment**	**INTEGRALINNOVATIONSL**	Tax not Paid
2/1/2021						**February 2021 Rent ($4000, included in 7/1/2021 Lease Termination agreement)**		**4,000.00**	INTEGRALINNOVATIONSL	PW Unpaid Lease Installment
2/27/2021						**2021-01 CBT January 2021**		**no form or payment**	**INTEGRALINNOVATIONSL**	Tax not Paid
3/1/2021						**March 2021 Rent ($4000, included in 7/1/2021 Lease Termination agreement)**		**4,000.00**	INTEGRALINNOVATIONSL	PW Unpaid Lease Installment
3/30/2021						**2021-02 CBT February 2021**		**no form or payment**	**INTEGRALINNOVATIONSL**	Tax not Paid
4/1/2021						**April 2022 Rent ($4000, included in 7/1/2021 Lease Termination agreement)**		**4,000.00**	INTEGRALINNOVATIONSL	PW Unpaid Lease Installment
4/1/2021						**As of 4/1/2021, Integral Innovations Owes $48,000 in rent, $1000 to be paid per month until $12,000 total paid ($36,000 loss to City)**			INTEGRALINNOVATIONSL	$48,000 Owed for missed PW Lease Payments
4/30/2021						**2021-03 CBT March 2021**		**no form or payment**	**INTEGRALINNOVATIONSL**	Tax not Paid
5/30/2021						**2021-04 CBT April 2021**		**no form or payment**	**INTEGRALINNOVATIONSL**	Tax not Paid
6/30/2021						**2021-05 CBT May 2021**		**no form or payment**	**INTEGRALINNOVATIONSL**	Tax not Paid
7/1/2021						**Lease Termination Signed for PW Yard Rental**			INTEGRALINNOVATIONSL	PW Lease Termination
7/6/2021	3504	CRS-367	100	000	42310	BUS LIC 21-22	526.00		INTEGRALINNOVATIONSL	Business License Paid
7/6/2021	3504	CRS-367	100	000	43311	BUS LIC 21-22, SB 1186	4.00		INTEGRALINNOVATIONSL	Business License Paid
7/6/2021	3503	CRS-367	100	000	46817	JULY PAYMENT ON PW BUILDING	1,000.00		INTEGRALINNOVATIONSL	Post Term PW Lease Payment
7/6/2021	3502	CRS-367	100	000	43325	ANNUAL CONDITIONAL USE PERMIT EXP 7/2022 (Annual Cannabis Permit Renewal)($5000/$10000)	5,000.00		INTEGRALINNOVATIONSL	Annual Cannabis License Paid
7/6/2021						**ANNUAL CONDITIONAL USE PERMIT EXP 7/2022 (Annual Cannabis Permit Renewal) ($5000/10000 Due)**		**5,000.00**	**INTEGRALINNOVATIONSL**	Annual Cannabis License Not Paid
7/30/2021						**2021-06 CBT June 2021**		**no form or payment**	**INTEGRALINNOVATIONSL**	Tax not Paid
8/17/2021	3505	CRS-391	100	000	46817	AUG RENT PAYMENT	1,000.00		INTEGRALINNOVATIONSL	Post Term PW Lease Payment
8/30/2021						**2021-07 CBT July 2021**		**11,737.42**	**INTEGRALINNOVATIONSL**	Tax not Paid
9/15/2021	3507	CRS-413	100	000	46817	PW YARD RENT FOR AUGUST 2021 - (September?)	1,000.00		INTEGRALINNOVATIONSL	Post Term PW Lease Payment
9/30/2021						**2021-08 CBT August 2021**		**6,818.51**	**INTEGRALINNOVATIONSL**	Tax not Paid

Integral Innovations - Complete Payment Timeline

10/30/2021						**2021-09 CBT September 2021**		**15,409.96**	**INTEGRALINNOVATIONSL**	Tax not Paid
11/9/2021	3510	CRS-448	100	000	46817	PW LEASE PAYMENT FOR NOV 2021	1,000.00		INTEGRALINNOVATIONSL	Post Term PW Lease Payment
11/30/2021						**2021-10 CBT October 2021**		**8,564.47**	**INTEGRALINNOVATIONSL**	Tax not Paid
12/30/2021						**2021-11 CBT November 2021**		**11,133.08**	**INTEGRALINNOVATIONSL**	Tax not Paid
1/13/2022	3513	CRS-474	100	000	46817	JAN RENT OF PW LOT	1,000.00		INTEGRALINNOVATIONSL	Post Term PW Lease Payment
1/13/2022	3517	CRS-474	100	000	46817	DEC PW LEASE PAYMENT	1,000.00		INTEGRALINNOVATIONSL	Post Term PW Lease Payment
1/27/2022	3519	CRS-484	100	000	46817	RENT FOR PW BUILDING feb	1,000.00		INTEGRALINNOVATIONSL	Post Term PW Lease Payment
1/30/2022						**2021-12 CBT December 2021**		**10,432.63**	**INTEGRALINNOVATIONSL**	Tax not Paid
2/27/2022						**2022-01 CBT January 2022**		**7,316.73**	**INTEGRALINNOVATIONSL**	Tax not Paid
3/7/2022	3523	CRS-502	100	000	46817	RV STORAGE RENT March	1,000.00		INTEGRALINNOVATIONSL	Post Term PW Lease Payment
3/30/2022						**2022-02 CBT February 2022**		**10,166.83**	**INTEGRALINNOVATIONSL**	Tax not Paid
4/6/2022	3526	CRS-517	100	000	46817	CORP YARD LEASE PAYMENT April 2022	1,000.00		INTEGRALINNOVATIONSL	Post Term PW Lease Payment
4/30/2022						**2022-03 CBT March 2022**		**10,038.02**	**INTEGRALINNOVATIONSL**	Tax not Paid
5/2/2022	3532	CRS-535	100	000	46817	Rent of PW May 2022	1,000.00		INTEGRALINNOVATIONSL	Post Term PW Lease Payment
5/30/2022						**2022-04 CBT April 2022**		**8,152.44**	**INTEGRALINNOVATIONSL**	Tax not Paid
6/7/2022	3536	CRS-555	100	000	46817	PW BUILDING June 2022	1,000.00		INTEGRALINNOVATIONSL	Post Term Lease Payment
6/8/2022	3535	CRS-559	100	000	42310	BUS LIC 2022-23	526.00		INTEGRALINNOVATIONSL	
6/8/2022	3535	CRS-559	100	000	43311	BUS LIC 2022-23	4.00		INTEGRALINNOVATIONSL	
6/30/2022						**2022-05 CBT May 2022**		**4,539.57**	**INTEGRALINNOVATIONSL**	Tax not Paid
7/7/2022	3543	CRS-584	100	000	46817	PUBLIC WORKS BUILDING RENT July 2022	1,000.00		INTEGRALINNOVATIONSL	Post Term PW Lease Payment
7/30/2022						**2022-06 CBT June 2022**		**10,513.24**	**INTEGRALINNOVATIONSL**	Tax not Paid
8/30/2022						**2022-07 CBT July 2022**		**7,265.14**	**INTEGRALINNOVATIONSL**	Tax not Paid
9/30/2022						**2022-08 CBT August 2022**		**4,871.22**	**INTEGRALINNOVATIONSL**	Tax not Paid
10/30/2022						**2022-09 CBT September 2022**		**2,790.26**	**INTEGRALINNOVATIONSL**	Tax not Paid
11/14/2022	**3555**	**CRS-673**	**100**	**000**	**48840**	**LIFESCAN SERVICES**	**125.00**		**INTEGRALINNOVATIONSL**	Employee Background
11/29/2022	**Not Paid**					**II2 Distribution (Annual Cannabis Permit Renewal)**		**5,000.00**	**INTEGRALINNOVATIONSL**	Annual Cannabis License Not Paid
11/29/2022	**Not Paid**					**II2 Manufacture (Annual Cannabis Permit Renewal)**		**5,000.00**	**INTEGRALINNOVATIONSL**	Annual Cannabis License Not Paid
11/30/2022						**2022-10 CBT October 2022**		**3,977.53**	**INTEGRALINNOVATIONSL**	Tax not Paid
12/30/2022						**2022-11 CBT November 2022**		**3,160.67**	**INTEGRALINNOVATIONSL**	Tax not Paid
1/30/2023						**2022-12 CBT December 2022**		**1,467.52**	**INTEGRALINNOVATIONSL**	Tax not Paid
2/27/2023						**2023-01 CBT January 2023**		**3,509.70**	**INTEGRALINNOVATIONSL**	Tax not Paid
3/30/2023						**2023-02 CBT February 2023**		**2,133.00**	**INTEGRALINNOVATIONSL**	Tax not Paid
4/30/2023						**2023-03 CBT March 2023**		**3,863.20**	**INTEGRALINNOVATIONSL**	Tax not Paid
5/30/2023						**2023-04 CBT April 2023**		**2,737.21**	**INTEGRALINNOVATIONSL**	Tax not Paid
6/30/2023						**2023-05 CBT May 2023**		**3,189.77**	**INTEGRALINNOVATIONSL**	Tax not Paid
7/1/2023	**Did not renew**	**Did not renew**	**Did not renew**	**Did not renew**	**Did not renew**	**Did not renew - Bus Lic**	**Did not renew**	**? 2023-24 ?**	**INTEGRALINNOVATIONSL**	Business License Not Paid
7/1/2023	**Did not renew**	**Did not renew**	**Did not renew**	**Did not renew**	**Did not renew**	**Did not renew - SB 1186 for BUS LIC**	**Did not renew**	**4.00**	**INTEGRALINNOVATIONSL**	Business License Not Paid
7/30/2023						**2023-06 CBT June 2023**		**3,406.79**	**INTEGRALINNOVATIONSL**	Tax not Paid
8/1/2023	3671	CRS-845	100	000	43325	II Inc. 2of 5 payments toward $10,000 2023 Annual Cannabis Permit Renew	4,000.00		INTEGRALINNOVATIONSL	Annual Cannabis License Paid
8/1/2023	**Not Paid**	**CRS-845**	**100**	**000**	**43325**	**balance for 2023 Annual Cannabis Permit Renew**		**6,000.00**	**INTEGRALINNOVATIONSL**	Annual Cannabis License Not Paid
8/30/2023						**2023-07 CBT July 2023**		**6,305.80**	**INTEGRALINNOVATIONSL**	Tax not Paid
9/30/2023						**2023-08 CBT August 2023**		**4,552.32**	**INTEGRALINNOVATIONSL**	Tax not Paid
10/30/2023						**2023-09 CBT September 2023**		**no form or payment**	**INTEGRALINNOVATIONSL**	Tax not Paid
11/30/2023						**2023-10 CBT October 2023**		**4,920.30**	**INTEGRALINNOVATIONSL**	Tax not Paid
12/30/2023						**2023-11 CBT November 2023**		**3,535.73**	**INTEGRALINNOVATIONSL**	Tax not Paid
1/30/2024						**2023-12 CBT December 2023**		**3,030.92**	**INTEGRALINNOVATIONSL**	Tax not Paid
2/27/2024						**2024-01 CBT January 2024**		**3,304.12**	**INTEGRALINNOVATIONSL**	Tax not Paid
3/30/2024						**2024-02 CBT February 2024**		**2,632.47**	**INTEGRALINNOVATIONSL**	Tax not Paid
4/30/2024						**2024-03 CBT March 2024**		**3,940.08**	**INTEGRALINNOVATIONSL**	Tax not Paid
5/30/2024						**2024-04 CBT April 2024**		**2,589.55**	**INTEGRALINNOVATIONSL**	Tax not Paid
6/30/2024						**2024-05 CBT May 2024**		**3,206.97**	**INTEGRALINNOVATIONSL**	Tax not Paid
7/30/2024						**2024-06 CBT June 2024**		**no form or payment**	**INTEGRALINNOVATIONSL**	Tax not Paid
8/8/2024	7295	CRS-1102	100	000	42310	BUS LIC INT001 FOR FY 2024-2025	476.00		INTEGRALINNOVATIONSL	Business License Paid
8/8/2024	7295	CRS-1102	100	000	43311	SB1186 FOR BUS LIC INT001 FOR FY 2024-2025	4.00		INTEGRALINNOVATIONSL	Business License Paid
8/30/2024						**2024-07 CBT July 2024**		**2,844.86**	**INTEGRALINNOVATIONSL**	Tax not Paid
9/30/2024						**2024-08 CBT August 2024**		**3,735.98**	**INTEGRALINNOVATIONSL**	Tax not Paid
10/30/2024						**2024-09 CBT September 2024**		**1,630.11**	**INTEGRALINNOVATIONSL**	Tax not Paid
11/29/2024	**Not Paid**					**II2 Distribution (Annual Cannabis Permit Renewal)**		**5,000.00**	**INTEGRALINNOVATIONSL**	Annual Cannabis License Not Paid

Integral Innovations - Complete Payment Timeline

11/29/2024	Not Paid					II2 Manufacture (Annual Cannabis Permit Renewal)		5,000.00	INTEGRALINNOVATIONSL	Annual Cannabis License Not Paid
11/30/2024						2024-10 CBT October 2024		no form or payment	INTEGRALINNOVATIONSL	Tax not Paid
12/30/2024						2024-11 CBT November 2024		2,172.04	INTEGRALINNOVATIONSL	Tax not Paid
1/30/2025						2024-12 CBT December 2024		no form or payment	INTEGRALINNOVATIONSL	Tax not Paid
2/27/2025						2025-01 CBT January 2025		no form or payment	INTEGRALINNOVATIONSL	Tax not Paid
3/30/2025						2025-02 CBT February 2025		1,677.09	INTEGRALINNOVATIONSL	Tax not Paid
4/30/2025						2025-03 CBT March 2025		1,853.63	INTEGRALINNOVATIONSL	Tax not Paid
5/30/2025						2025-04 CBT April 2025		no form or payment	INTEGRALINNOVATIONSL	Tax not Paid
6/30/2025						2025-05 CBT May 2025		no form or payment	INTEGRALINNOVATIONSL	Tax not Paid
7/28/2025	3694	CRS-1353	100	000	42310	BUS LIC 25-26 INT001	301.00		INTEGRALINNOVATIONSL	Business License Paid
7/28/2025	3694	CRS-1353	100	000	43311	BUS LIC 25-26 INT001, SB 1186	4.00		INTEGRALINNOVATIONSL	Business License Paid
7/30/2025						2025-06 CBT June 2025		1,845.25	INTEGRALINNOVATIONSL	Tax not Paid
8/30/2025						2025-07 CBT July 2025		1,834.00	INTEGRALINNOVATIONSL	Tax not Paid
9/30/2025						2025-08 CBT August 2025		1,549.25	INTEGRALINNOVATIONSL	Tax not Paid
10/30/2025						2025-09 CBT September 2025		1,618.38	INTEGRALINNOVATIONSL	Tax not Paid
11/29/2025	Not Paid					II2 Distribution (Annual Cannabis Permit Renewal)		5,000.00	INTEGRALINNOVATIONSL	Annual Cannabis License Not Paid
11/29/2025	Not Paid					II2 Manufacture (Annual Cannabis Permit Renewal)		5,000.00	INTEGRALINNOVATIONSL	Annual Cannabis License Not Paid
11/30/2025						2025-10 CBT October 2025		1,704.17	INTEGRALINNOVATIONSL	Tax not Paid
12/30/2025						2025-11 CBT November 2025		1,855.25	INTEGRALINNOVATIONSL	Tax not Paid
1/30/2026						2025-12 CBT December 2025		830.57	INTEGRALINNOVATIONSL	Tax not Paid
2/27/2026						2018-01 CBT January 2018		no form or payment		Tax not Paid
2/27/2026						2026-01 CBT January 2026		no form or payment	INTEGRALINNOVATIONSL	Tax not Paid
3/30/2026						2018-02 CBT February 2018		no form or payment		Tax not Paid
3/30/2026						2026-02 CBT February 2026		no form or payment	INTEGRALINNOVATIONSL	Tax not Paid
4/1/2026						2018-03 CBT March 2018		no form or payment		Tax not Paid
4/30/2026						2026-03 CBT March 2026		no form or payment	INTEGRALINNOVATIONSL	Tax not Paid
5/30/2026						2018-04 CBT April 2018		no form or payment		Tax not Paid
5/30/2026						2026-04 CBT April 2026		no form or payment	INTEGRALINNOVATIONSL	Tax not Paid
6/30/2026						2026-05 CBT May 2026		no form or payment	INTEGRALINNOVATIONSL	Tax not Paid
7/30/2026						2026-06 CBT June 2026		no form or payment	INTEGRALINNOVATIONSL	Tax not Paid
8/26/2026	8577	CRS-1636	100	000	42310	BUS LIC INT001 FY 2026-2027	249.00		INTEGRALINNOVATIONSL	Business License Paid
8/26/2026	8577	CRS-1636	100	000	43311	SB 1186 FOR BUS LIC INT001 FY 2026-2027	4.00		INTEGRALINNOVATIONSL	Business License Paid
8/30/2026						2026-07 CBT July 2026		4,029.06	INTEGRALINNOVATIONSL	Tax not Paid
9/30/2026						2018-08 CBT August 2018				Tax not Paid
9/30/2026						2026-08 CBT August 2026		1,437.93	INTEGRALINNOVATIONSL	Tax not Paid
9/22/2026						NOTICE OF EXPIRATION AND REVOCATION				
11/29/2026	2026 Annual Cannabis Permit Renewal, would have been due 11/29/26					II2 Distribution (Annual Cannabis Permit Renewal) - $5190 would have been due if license not revoked			INTEGRALINNOVATIONSL	Annual Licensse Renewal Due
11/29/2026	2026 Annual Cannabis Permit Renewal,would have been due 11/29/26					II2 Manufacture (Annual Cannabis Permit Renewal) - $5190 due			INTEGRALINNOVATIONSL	Annual Licensse Renewal Due

	Conditional Use Permit	**Total Paid:**	**843,423.87**
	Paid - Cannabis Business Tax		
	Unpaid - Cannabis Business Tax		
	Paid - Annual Cannabis Busines Permit		
	Unpaid Annual Cannabis Business Permit		
	Del Rey Oaks Business License		
	PW Yard Rental		
	Misc Fees Paid		

Text	**Paid**
Text	**Unpaid**

324,834.74	**Subtotal Unpaid (not including CBT not accounted for in 30 forms or possible CUP renewals)**
(36,000.00)	Less $36,000 negotiated at termination of PW Yard Lease
288,834.74	**Total Unpaid as of 9/08/2026 (not including CBT not accounted for in 30 forms or possible CUP renewals)**

Integral Innovations - Cannabis Business Permit Timeline

Receipt Date	Receipt Number	Session ID	Fund Code	Dept-Project	GL Code	Transaction Description	Revenues	Unpaid Fees	Customer ID
11/29/2017	Quickbooks					II2 Distribution (Annual Cannabis Permit)	5,000.00		INTEGRALINNOVATIONSL
11/29/2017	Quickbooks					II2 Manufacture (Annual Cannabis Permit)	5,000.00		INTEGRALINNOVATIONSL
11/29/2018	CR-1020	CR-104	100	000	43325	II2 Distribution (Annual Cannabis Permit Renewal)	5,000.00		INTEGRALINNOVATIONSL
11/29/2018	CR-1020	CR-104	100	000	43325	II2 Manufacture (Annual Cannabis Permit Renewal)	5,000.00		INTEGRALINNOVATIONSL
12/24/2018	**0467**	**CR-174**	**100**	**000**	**43325**	**CANNABIS BUSINESS PERMIT (unclear what payment is for; paid approx 1 month after 2018 renewal)**	**5,000.00**		**INTEGRALINNOVATIONSL**
11/29/2019	**Not Paid**					**II2 Distribution (Annual Cannabis Permit Renewal)**		**5,000.00**	**INTEGRALINNOVATIONSL**
11/29/2019	**Not Paid**					**II2 Manufacture (Annual Cannabis Permit Renewal)**		**5,000.00**	**INTEGRALINNOVATIONSL**
5/22/2020	3427	CR-1335	100	000	43325	2020 Permit (Annual Cannabis Permit Renewal)	10,000.00		INTEGRALINNOVATIONSL
7/6/2021	3502	CRS-367	100	000	43325	ANNUAL CONDITIONAL USE PERMIT EXP 7/2022 (Annual Cannabis Permit Renewal)($5000/$10000)	5,000.00		INTEGRALINNOVATIONSL
7/6/2021						**ANNUAL CONDITIONAL USE PERMIT EXP 7/2022 (Annual Cannabis Permit Renewal) ($5000/10000 Due)**		**5,000.00**	**INTEGRALINNOVATIONSL**
11/29/2022	**Not Paid**					**II2 Distribution (Annual Cannabis Permit Renewal)**		**5,000.00**	**INTEGRALINNOVATIONSL**
11/29/2022	**Not Paid**					**II2 Manufacture (Annual Cannabis**		**5,000.00**	**INTEGRALINNOVATIONSL**
8/1/2023	3671	CRS-845	100	000	43325	II Inc. 2of 5 payments toward $10,000 2023 Annual Cannabis Permit Renew	4,000.00		INTEGRALINNOVATIONSL
8/1/2023	**Not Paid**	**CRS-845**	**100**	**000**	**43325**	**balance for 2023 Annual Cannabis Permit Renew**		**6,000.00**	**INTEGRALINNOVATIONSL**
11/29/2024	**Not Paid**					**II2 Distribution (Annual Cannabis Permit Renewal)**		**5,000.00**	**INTEGRALINNOVATIONSL**
11/29/2024	**Not Paid**					**II2 Manufacture (Annual Cannabis Permit Renewal)**		**5,000.00**	**INTEGRALINNOVATIONSL**
11/29/2025	**Not Paid**					**II2 Distribution (Annual Cannabis Permit Renewal)**		**5,000.00**	**INTEGRALINNOVATIONSL**
11/29/2025	**Not Paid**					**II2 Manufacture (Annual Cannabis Permit Renewal)**		**5,000.00**	**INTEGRALINNOVATIONSL**
11/29/2026	**Pending, due 11/29/26**					**II2 Distribution (Annual Cannabis Permit Renewal) - $5190 due**			**INTEGRALINNOVATIONSL**
11/29/2026	**Pending, due 11/29/26**					**II2 Manufacture (Annual Cannabis Permit Renewal) - $5190 due**			**INTEGRALINNOVATIONSL**
						Transaction Total	44,000.00	**51,000.00**	**Due**

Integral Innovations - Cannabis Business Tax Timeline

Receipt Date	Receipt Number	Session ID	Fund Code	Dept-Project Code	GL Code	Transaction Description	Revenues	Unpaid Cannabis Business Tax	Customer ID
~~1/15/2018~~	~~CR-1078~~	~~CR-147~~	~~100~~	~~000~~	~~42222~~	~~CBT DEC 2018~~	~~34,237.50~~		~~INTEGRALINNOVATIONSL~~
~~1/15/2018~~	~~CR-1078~~	~~CR-147R~~	~~100~~	~~000~~	~~42222~~	~~CBT DEC 2018~~	~~34,237.50~~		~~INTEGRALINNOVATIONSL~~
~~1/15/2018~~	~~CR-1078~~	~~CR-147X~~	~~100~~	~~000~~	~~42222~~	~~CBT DEC 2018~~	~~(34,237.50)~~		~~INTEGRALINNOVATIONSL~~
~~1/15/2018~~	~~CR-1078~~	~~CR-147XX~~	~~100~~	~~000~~	~~42222~~	~~CBT DEC 2018~~	~~(34,237.50)~~		~~INTEGRALINNOVATIONSL~~
2018-01						**2018-01 CBT January 2018**		**no form or payment**	
2018-02						**2018-02 CBT February 2018**		**no form or payment**	
2018-03						**2018-03 CBT March 2018**		**no form or payment**	
2018-04						**2018-04 CBT April 2018**		**no form or payment**	
6/28/2018	CR-1008	CR-005	100	100	42222	Integral Inovations Dep May 2018	27,897.00		INTEGRALINNOVATIONSL
7/30/2018	CR-1009	CR-017	100	000	42222	Inegral Inovations June 2018	23,904.00		INTEGRALINNOVATIONSL
8/27/2018	CR-1011	CR-027	100	000	42222	July 2018	30,916.00		INTEGRALINNOVATIONSL
2018-08						**2018-08 CBT August 2018**			
9/26/2018	CR-1016	CR-95	100	000	42222	Sept 2018 II Tax	37,648.00		INTEGRALINNOVATIONSL
10/11/2018	Integral Inovations	10112018	100	000	42222	Sept Tax Return	32,357.00		INTEGRALINNOVATIONSL
11/29/2018	CR-1019	CR-104	100	000	42222	II2 CBT Pmt Oct 2018	39,959.00		INTEGRALINNOVATIONSL
12/14/2018	3005	CR-114	100	000	42222	CBT PMT 11/2018	32,420.00		INTEGRALINNOVATIONSL
1/14/2019	CR-1078C	CR-147C	100	000	42222	To correct date Dec 2018	34,237.50		INTEGRALINNOVATIONSL
~~1/15/2019~~	~~CR-1078~~	~~CR-1124~~	~~100~~	~~000~~	~~42222~~	~~CBT DEC 2018~~	~~34,237.50~~		~~INTEGRALINNOVATIONSL~~
~~1/15/2019~~	~~CR-1078~~	~~CR-1124X~~	~~100~~	~~000~~	~~42222~~	~~CBT DEC 2018~~	~~(34,237.50)~~		~~INTEGRALINNOVATIONSL~~
2/5/2019	3020	CR-159	100	000	42222	Jan 2018	40,864.13		INTEGRALINNOVATIONSL
3/5/2019	3135	CR-187	100	000	42222	03082019 DEPOSIT - Feb 2019	32,635.69		INTEGRALINNOVATIONSL
4/5/2019	3168	CR-190	100	000	42222	CBT MARCH 2019	31,380.31		INTEGRALINNOVATIONSL
6/4/2019	3205	CR-253	100	000	42222	April 2019	36,328.96		INTEGRALINNOVATIONSL
6/25/2019	3213	CR-254	100	000	42222	CBT MAY 2019	38,526.54		INTEGRALINNOVATIONSL
8/6/2019	3237	CR-1196	100	000	42222	CBT JUNE 2019	29,052.94		INTEGRALINNOVATIONSL
9/6/2019	3257	CR-1209	100	000	42222	II2 CBT JULY 2019	35,049.43		INTEGRALINNOVATIONSL
9/17/2019	3270	CRS-058	100	000	42222	Business Tax - August 2019	31,362.00		INTEGRALINNOVATIONSL
10/24/2019	3298	CRS-087	100	000	42222	Canabus Tax (CBT) - September2019	26,143.31		INTEGRALINNOVATIONSL
~~11/27/2019~~	~~3321~~	~~CRS-108~~	~~100~~	~~000~~	~~42222~~	~~II Inc tax payment~~	~~21,443.30~~		~~INTEGRALINNOVATIONSL~~
~~11/27/2019~~	~~3321~~	~~CRS-110~~	~~100~~	~~000~~	~~42222~~	~~II Inc tax payment~~	~~(21,443.30)~~		~~INTEGRALINNOVATIONSL~~
~~11/27/2019~~	~~3321~~	~~CRS-111~~	~~100~~	~~000~~	~~42222~~	~~II Inc tax payment~~	~~(21,443.30)~~		~~INTEGRALINNOVATIONSL~~
~~11/27/2019~~	~~3321~~	~~CRS-112~~	~~100~~	~~000~~	~~42222~~	~~II Inc tax payment~~	~~21,443.30~~		~~INTEGRALINNOVATIONSL~~
11/27/2019	3321	CRS-119	100	000	42222	Reposting CRS-108 after reversing in error - Ocotber 2019	21,443.30		INTEGRALINNOVATIONSL
1/2/2020	3338	CR-1271	100	000	42222	Nov 2019	20,658.00		INTEGRALINNOVATIONSL
1/30/2020	361	CRS-140	100	000	42220	Dec 2019 CBT	23,696.69		INTEGRALINNOVATIONSL
2/19/2020	3387	CR-1299	100	000	42222	CBT Jan 2020	23,845.09		INTEGRALINNOVATIONSL
4/3/2020	3412	CR-1304	100	000	42222	CBT Feb 2020	25,173.15		INTEGRALINNOVATIONSL
5/22/2020	3419	CR-1335	100	000	42222	CBT Mar 2020	25,688.43		INTEGRALINNOVATIONSL
6/9/2020	3430	CR-1341	100	000	42222	CBT APRIL 2020	26,702.81		INTEGRALINNOVATIONSL
8/6/2020	3449	CR-1378	100	000	42222	CBT MAY 2020	28,290.35		INTEGRALINNOVATIONSL
						Transaction Total	**756,179.63**		

Integral Innovations - Cannabis Business Tax Timeline

Receipt Date	Receipt Number	Session ID	Fund Code	Dept-Project Code	GL Code	Transaction Description	Revenues	Unpaid Cannabis Business Tax	Customer ID	# mo	no forms
7/30/2020						2020-06 CBT June 2020		no form or payment	INTEGRALINNOVATIONSL	1	1
8/30/2020						2020-07 CBT July 2020		no form or payment	INTEGRALINNOVATIONSL	2	2
9/30/2020						2020-08 CBT August 2020		no form or payment	INTEGRALINNOVATIONSL	3	3
10/30/2020						2020-09 CBT September 2020		no form or payment	INTEGRALINNOVATIONSL	4	4
11/30/2020						2020-10 CBT October 2020		no form or payment	INTEGRALINNOVATIONSL	5	5
12/30/2020						2020-11 CBT November 2020		no form or payment	INTEGRALINNOVATIONSL	6	6
1/30/2021						2020-12 CBT December 2020		no form or payment	INTEGRALINNOVATIONSL	7	7
2/27/2021						2021-01 CBT January 2021		no form or payment	INTEGRALINNOVATIONSL	8	8
3/30/2021						2021-02 CBT February 2021		no form or payment	INTEGRALINNOVATIONSL	9	9
4/30/2021						2021-03 CBT March 2021		no form or payment	INTEGRALINNOVATIONSL	10	10
5/30/2021						2021-04 CBT April 2021		no form or payment	INTEGRALINNOVATIONSL	11	11
6/30/2021						2021-05 CBT May 2021		no form or payment	INTEGRALINNOVATIONSL	12	12
7/30/2021						2021-06 CBT June 2021		no form or payment	INTEGRALINNOVATIONSL	13	13
8/30/2021						2021-07 CBT July 2021		11,737.42	INTEGRALINNOVATIONSL	14	
9/30/2021						2021-08 CBT August 2021		6,818.51	INTEGRALINNOVATIONSL	15	
10/30/2021						2021-09 CBT September 2021		15,409.96	INTEGRALINNOVATIONSL	16	
11/30/2021						2021-10 CBT October 2021		8,564.47	INTEGRALINNOVATIONSL	17	
12/30/2021						2021-11 CBT November 2021		11,133.08	INTEGRALINNOVATIONSL	18	
1/30/2022						2021-12 CBT December 2021		10,432.63	INTEGRALINNOVATIONSL	19	
2/27/2022						2022-01 CBT January 2022		7,316.73	INTEGRALINNOVATIONSL	20	
3/30/2022						2022-02 CBT February 2022		10,166.83	INTEGRALINNOVATIONSL	21	
4/30/2022						2022-03 CBT March 2022		10,038.02	INTEGRALINNOVATIONSL	22	
5/30/2022						2022-04 CBT April 2022		8,152.44	INTEGRALINNOVATIONSL	23	
6/30/2022						2022-05 CBT May 2022		4,539.57	INTEGRALINNOVATIONSL	24	
7/30/2022						2022-06 CBT June 2022		10,513.24	INTEGRALINNOVATIONSL	25	
8/30/2022						2022-07 CBT July 2022		7,265.14	INTEGRALINNOVATIONSL	26	
9/30/2022						2022-08 CBT August 2022		4,871.22	INTEGRALINNOVATIONSL	27	
10/30/2022						2022-09 CBT September 2022		2,790.26	INTEGRALINNOVATIONSL	28	
11/30/2022						2022-10 CBT October 2022		3,977.53	INTEGRALINNOVATIONSL	29	
12/30/2022						2022-11 CBT November 2022		3,160.67	INTEGRALINNOVATIONSL	30	
1/30/2023						2022-12 CBT December 2022		1,467.52	INTEGRALINNOVATIONSL	31	
2/27/2023						2023-01 CBT January 2023		3,509.70	INTEGRALINNOVATIONSL	32	
3/30/2023						2023-02 CBT February 2023		2,133.00	INTEGRALINNOVATIONSL	33	
4/30/2023						2023-03 CBT March 2023		3,863.20	INTEGRALINNOVATIONSL	34	
5/30/2023						2023-04 CBT April 2023		2,737.21	INTEGRALINNOVATIONSL	35	
6/30/2023						2023-05 CBT May 2023		3,189.77	INTEGRALINNOVATIONSL	36	
7/30/2023						2023-06 CBT June 2023		3,406.79	INTEGRALINNOVATIONSL	37	
8/30/2023						2023-07 CBT July 2023		6,305.80	INTEGRALINNOVATIONSL	38	
9/30/2023						2023-08 CBT August 2023		4,552.32	INTEGRALINNOVATIONSL	39	
10/30/2023						2023-09 CBT September 2023		no form or payment	INTEGRALINNOVATIONSL	40	14
11/30/2023						2023-10 CBT October 2023		4,920.30	INTEGRALINNOVATIONSL	41	
12/30/2023						2023-11 CBT November 2023		3,535.73	INTEGRALINNOVATIONSL	42	

Integral Innovations - Cannabis Business Tax Timeline

1/30/2024						2023-12 CBT December 2023		3,030.92	INTEGRALINNOVATIONSL	43	
2/27/2024						2024-01 CBT January 2024		3,304.12	INTEGRALINNOVATIONSL	44	
3/30/2024						2024-02 CBT February 2024		2,632.47	INTEGRALINNOVATIONSL	45	
4/30/2024						2024-03 CBT March 2024		3,940.08	INTEGRALINNOVATIONSL	46	
5/30/2024						2024-04 CBT April 2024		2,589.55	INTEGRALINNOVATIONSL	47	
6/30/2024						2024-05 CBT May 2024		3,206.97	INTEGRALINNOVATIONSL	48	
7/30/2024						2024-06 CBT June 2024		no form or payment	INTEGRALINNOVATIONSL	49	15
8/30/2024						2024-07 CBT July 2024		2,844.86	INTEGRALINNOVATIONSL	50	
9/30/2024						2024-08 CBT August 2024		3,735.98	INTEGRALINNOVATIONSL	51	
10/30/2024						2024-09 CBT September 2024		1,630.11	INTEGRALINNOVATIONSL	52	
11/30/2024						2024-10 CBT October 2024		no form or payment	INTEGRALINNOVATIONSL	53	16
12/30/2024						2024-11 CBT November 2024		2,172.04	INTEGRALINNOVATIONSL	54	
1/30/2025						2024-12 CBT December 2024		no form or payment	INTEGRALINNOVATIONSL	55	17
2/27/2025						2025-01 CBT January 2025		no form or payment	INTEGRALINNOVATIONSL	56	18
3/30/2025						2025-02 CBT February 2025		1,677.09	INTEGRALINNOVATIONSL	57	
4/30/2025						2025-03 CBT March 2025		1,853.63	INTEGRALINNOVATIONSL	58	
5/30/2025						2025-04 CBT April 2025		no form or payment	INTEGRALINNOVATIONSL	59	19
6/30/2025						2025-05 CBT May 2025		no form or payment	INTEGRALINNOVATIONSL	60	20
7/30/2025						2025-06 CBT June 2025		1,845.25	INTEGRALINNOVATIONSL	61	
8/30/2025						2025-07 CBT July 2025		1,834.00	INTEGRALINNOVATIONSL	62	
9/30/2025						2025-08 CBT August 2025		1,549.25	INTEGRALINNOVATIONSL	63	
10/30/2025						2025-09 CBT September 2025		1,618.38	INTEGRALINNOVATIONSL	64	
11/30/2025						2025-10 CBT October 2025		1,704.17	INTEGRALINNOVATIONSL	65	
12/30/2025						2025-11 CBT November 2025		1,855.25	INTEGRALINNOVATIONSL	66	
1/30/2026						2025-12 CBT December 2025		830.57	INTEGRALINNOVATIONSL	67	
2/27/2026						2026-01 CBT January 2026		no form or payment	INTEGRALINNOVATIONSL	68	21
3/30/2026						2026-02 CBT February 2026		no form or payment	INTEGRALINNOVATIONSL	69	22
4/30/2026						2026-03 CBT March 2026		no form or payment	INTEGRALINNOVATIONSL	70	23
5/30/2026						2026-04 CBT April 2026		no form or payment	INTEGRALINNOVATIONSL	71	24
6/30/2026						2026-05 CBT May 2026		no form or payment	INTEGRALINNOVATIONSL	72	25
7/30/2026						2026-06 CBT June 2026		no form or payment	INTEGRALINNOVATIONSL	73	26
8/30/2026						2026-07 CBT July 2026		4,029.06	INTEGRALINNOVATIONSL	74	
9/30/2026						2026-08 CBT August 2026		1,437.93	INTEGRALINNOVATIONSL	75	
						Transaction Total	**732,482.94**	**225,830.74**	**Due before penalties, with 30 months of forms unaccounted for**		

Mayor Donaldson Report

Below is a summary of board meetings I attended:

Transportation Agency for Monterey County (TAMC)

September 23, 2026

Update on the State Route 156 / Castroville Boulevard Improvement Project

The California Department of Transportation (Caltrans) presented an update to the Transportation Agency for Monterey County (TAMC) Board of Directors on the State Route 156/ Castroville Boulevard Interchange Project. The project will construct a grade-separated interchange at the intersection of State Route 156 and Castroville Boulevard, replacing the existing traffic signal. The project is designed to improve safety, reduce traffic delays, facilitate regional and agricultural freight movement, and enhance bicycle and pedestrian connectivity within the Castroville area.

With the allocation of construction funds by the California Transportation Commission in June 2026, the State Route 156/ Castroville Boulevard Interchange Project now has the funding necessary to proceed into the construction phase. The cost of the construction is $75.5 million. Funding sources include $15.389 million in local TAMC Measure X and Regional Development Impact Fee funds, $48.2 million in Senate Bill (SB) 1 Trade Corridor Enhancement Program funds, $10.3 million in SB 1 Local Partnership Program Competitive funds, and $1.576 million SB 1 Local Partnership Program Formula funds.

Caltrans District 5 is currently working to finalize the bid package documents and complete all remaining administrative activities necessary to advertise the project for construction bids in Fall 2026. Advertisement of the project will mark the final step before the award of a construction contract and the start of major construction activities.

Construction of the State Route 156/ Castroville Boulevard Interchange Project is anticipated to start in Spring 2027 and be completed in Fall 2029. It should be noted that the start and end of construction dates are dependent on the progress of ongoing utility relocation work currently underway and weather conditions.

Kim Shirley's Council Report
for Tuesday, October 27, 2026

For questions or comments, please reach out to me:
kshirley@delreyoaks.org or 831-917-4115

Friday, September 18th- ReGen Monterey Board Meeting- Besides the usual consent agenda items and financial reports, the bulk of today's meeting was mainly taken up by a closed session item and a presentation on the upcoming SB 54 Plastic Pollution Prevention and Packaging Responsibility Act. This new legislation, that goes into full effect in January 2027, is meant to hold manufacturers of products responsible for not only making packaging that is either recyclable or compostable, but it also holds them financially responsible for the entire lifecycle of their products. By 2032, the goal will be to have 100% of the single-use packaging and plastic single-use food ware be recyclable or compostable. This legislation will greatly reduce the volume of plastic sold in California and will push manufacturers to move towards simplifying their packaging, and invest in reuse and refill systems. It will effectively reduce the confusion for consumers as it eliminates the need to read the number in the recycle arrows and decide if something gets recycled or not. ReGen is currently reviewing all of the state guidelines for materials and will begin to look for exemptions for items we can't currently recycle or compost. As this legislation continues, we may find materials we can begin collecting and will be reimbursed for the costs of implementation. In the meantime, it's up to the jurisdictions to collect all materials deemed to be recyclable or compostable (we already do). It's likely that the needs of this legislation will be worked into the RFP as we solicit proposals from waste haulers for the new franchise agreement.

Saturday, September 19th- California Coastal Cleanup Event- I joined Sustainable Del Rey Oaks (SDRO) in the largest cleanup event of the year. We were stationed at Laguna Grande park, along with Sustainable Seaside and the Monterey High Dewasters, to clean up the Laguna Grande area as well as Roberts Lake. As you might imagine, we found all kinds of trash mostly associated with take out food, items from the unhoused population, and things that had flown from cars off Highways 1 and 218. It's always a sobering event to see the amount of trash that's left in our beautiful waterways. Thanks to all the volunteers who helped gather this trash before it reached Monterey Bay.

Tuesday, September 22nd- City Council Meeting- We began our council meeting with proclamations for Stormwater Awareness Week and National Hispanic Heritage Month. Next began the bulk of our meeting with a presentation from the executive director of the Transportation Agency of Monterey County (TAMC) Todd Muck who was providing an update on the FORTAG project in DRO. Besides acknowledging there have been some construction challenges and letting us know that he's talking with the President of Granite Rock construction who is building the project, assuring us we will end up with a high quality

project, he also provided us with some critical dates and information. He shared that the project is 75% complete. He also shared that Carlton would be open on Sept. 28th, and that although it's not part of the project, he's committed to helping us work with Granite Rock to make sure our corp yard is properly paved at the end, as Granite Rock has clearly benefited from using both that site and the Garden Center site for staging their equipment. Additionally, he shared that the construction would be completed by Nov. 25th. At the same time, there have been official delays which also allows a contract extension through Feb. 23rd, which is time that will be used for the finishing touches (landscaping, etc.). It was also noted that the Frog Pond will likely open at the beginning of November. Todd Muck was joined at the podium by a representative of BKF who is managing the project and also assured the council that we will end up with a quality project in the end. There was lots of talk about items they have on a punch list which will address the construction issues that had been noted and that they plan on completing all of these items by the end of the project. Two items that still did not seem answered were the warranty information of the project (is there one?) and who actually needs to sign off on the project, noting that it's completed, before it's turned over to the city. I suggested Todd or another rep from TAMC return to future council meetings to provide us updates and the answers to these questions, but I'm not sure if that will happen. When I asked what the city could do to assist with project completion, it was mentioned that it would be helpful if our city manager would attend the weekly meetings. He historically had not been attending them, so I hope that changes. It was clear that we all had different levels of frustration about the project, but I believe now is the time to work together to find solutions to the construction issues and to finish the project to all of our satisfaction.

After passing the consent agenda, we got into New Business and addressed the only item which was to consider approval of the City of Del Rey Oaks Vision Zero Plan. This was an easier presentation, also from TAMC, explaining what have been our biggest safety issues for drivers and pedestrians. By passing this plan it would allow the city to then more easily go after grants that could support projects to help improve our honestly pretty low rate of accidents in DRO, which mainly occur on HWY 218. Given that Cal Trans is the one who owns 218, I'm hoping they'll be more open to projects now that we have this plan. During this item, I encouraged our Police Chief/ACM to bring this plan to the Public Safety committee so we can start brainstorming and talking about ideas that might improve the safety for our residents and for those who are driving/walking/riding through DRO. This plan easily passed with support from all the council members.

Wednesday, October 7th- Seaside Groundwater Basin Watermaster Meeting- Today's meeting wasn't very long, but it was important in that we passed the annual budgets for 2027 (the Watermaster works on a calendar year budget). These included our administrative budget, which essentially stayed the same as last year, as well as our Monitoring and Management Program, which includes our Operations and Capital budgets. In addition we approved 6 contracts that were included in the Monitoring and Management Program.

Every year, we estimate the cost of replenishment water from the operating and proposed water projects. This “Replenishment Assessment Unit Cost” was easily approved. We also approved the cost sharing model to update the Seaside Groundwater Basin Modeling. The Watermaster will be paying 50% and the Monterey Peninsula Water Management District and M1W will be collectively covering the other 50%. It was noted that the board may want to revisit future cost sharing so that it’s more equal towards the Watermaster.

Lastly, we approved a revision to the rules and regulations by adding a policy for producers who operate without a working meter. Since we ran across this issue earlier in the year, we opted for a policy that allows us to either use a historical peak production amount or a peer comparison production. With either one, we can allow the producer to provide information that might help us with our decision. And if it turns out the decision puts too much extra work on our staff, we’re allowed to charge an administrative fee to cover the costs.

Monday, October 12th- Monterey-Salinas Transit Board Operations Performance Committee Meeting- This was my first time on this new committee, and I enjoyed the topics we covered. Although we didn’t make a quorum, we were still able to review the updates listed in the “Action Items.” In regards to our operations performance, we continue to grow our ridership month over month. What was interesting was that some of that growth stems from the increase in the use of van pools. With a stipend and the use of a vehicle, it can greatly decrease the cost for travel to workplaces. Much of our van pools are being used in agriculture, but MST is continuing to reach out to other industries such as hospitality and medical facilities.

We received an update on the pilot program for the Uber voucher program in south county. Since we’re not able to get taxis in that area, we’re partnering with Uber to supplement rides, which would allow residents to get places within their city or even make a longer trip up to Salinas. Several dozen residents enrolled, but they aren’t using the service, likely because the technology can be such a hurdle for the older population. It also can still be costly if you’re riding on your own and not pooling with several other people. A solution for the technology issue is to allow them to book a ride by phone, so they'll see if that helps. The pilot program ends at the end of this year.

Our next update was about the College EcoSmart Pass Program which is a partnership with the local colleges and allows students to ride anywhere for free during the time they’re in school. Ridership has continued to grow over the 5 year period for this program, and MST will be looking to renew and revamp this program in the following year, mainly looking at maybe a new name and getting a longer commitment from the colleges.

Lastly, we received an update on the Salinas Rapid Bus Transit Center Relocation, mainly about the community outreach that’s been done regarding potential new locations and different variations of bus, bike, and car lanes.

Monday, October 12th- Monterey-Salinas Transit Board Meeting- Please see the MST board highlights in our agenda packet.

Monday, October 19th- District 4 Roundtable- CSUMB's College of Business and Institute for Innovation & Economic Development- This event, hosted by County Supervisor Wendy Root Askew, was an opportunity for elected officials and local leaders to learn about the potential opportunities for collaboration and learning through their non-profit organization. CSUMB's College of Business, which interestingly is the only local university offering a business degree, hosts a non-profit called "Institute for Innovation & Economic Development" which matches collaborative, interdisciplinary faculty, professional staff, and students with local projects focusing on businesses and agencies throughout the area. Their facilitated approach allows students, especially 1st generation college students and low income students, to gain hands-on experience working with small businesses, entrepreneurs, or local agencies to promote innovation and sustainability for economic growth. It's truly a win-win for everyone! The goal of this roundtable was to inform the attendees and expand their collaboration with our local connections. Given the size of our city and our lack of available staff, it seems hosting a project for a CSUMB student would be ideal, allowing the student to become experienced with city work and providing Del Rey Oaks with a needed service. I appreciated learning about this opportunity and will keep it in mind!

Council Report from Councilmember John Uy
October 27, 2026 Meeting

I. Council Report: Regular Meeting of the DRO City Council on September 22, 2026

Dear Del Rey Oaks Neighbors,

One of the things I appreciate most about serving our small city is that the decisions we make at City Hall are never very far removed from the people they affect. We know our neighborhoods, we see the construction happening along our roads, and we understand how even the smallest improvements can make a difference in everyday life.

Our September 22 City Council meeting brought several important matters before us, including the ongoing FORTAG construction, a new traffic safety plan, improvements to our housing regulations, financial oversight, and greater transparency in City operations.

Throughout these discussions, I was reminded of something I believe deeply: **Good government is not simply about getting things done. It is about getting things done right, listening to the people we serve, and being responsible with the trust placed in us.**

FORTAG: Welcoming Progress While Expecting Quality

One of the most important discussions involved the Fort Ord Regional Trail and Greenway (FORTAG) project.

We received an update from Transportation Agency for Monterey County (TAMC) Executive Director Todd Muck regarding the project's construction and progress.

I have long appreciated FORTAG's vision of creating safer, more accessible connections for pedestrians, bicyclists, families, and people with disabilities. Once completed, this trail has the potential to become a wonderful community resource, connecting our neighborhoods, schools, parks, and surrounding communities.

However, supporting a project's vision does not mean overlooking problems with its execution.

The Council raised concerns about construction quality and unfinished work, including exposed reinforcing steel, visible cracks in newly constructed concrete, and damage to City property. We were informed that these concerns are being documented for correction before the project is considered complete.

I believe our residents deserve both the benefits of this important regional investment and the assurance that the work is completed safely, properly, and to an acceptable standard.

We also recognize the patience of our neighbors who have endured traffic delays, road closures, construction noise, and disruptions to their daily routines.

Progress should never come at the expense of quality, safety, or accountability. I remain hopeful about what FORTAG will bring to our community, and I believe continued communication and careful follow-through will be essential as construction approaches completion.

Vision Zero: Making Every Journey Safer

Another meaningful item was the Council's adoption of the City of Del Rey Oaks Vision Zero Safety Action Plan, developed in collaboration with TAMC.

Vision Zero is based on a simple but powerful belief: Traffic deaths and serious injuries are preventable, and our roads should be designed with human safety in mind.

According to the City's safety analysis, 16 injury-related traffic collisions occurred between 2019 and 2023, including two serious injuries and one fatality. All three of the most severe collisions occurred along Canyon Del Rey Boulevard.

These numbers may appear small compared with those of larger cities, but every number represents a person, a family, and a life affected.

For me, traffic safety is personal. It is about children walking to school, older residents crossing the street, families enjoying our neighborhoods, and every driver, cyclist, and pedestrian returning home safely.

Adopting this plan also positions Del Rey Oaks to pursue future federal transportation safety grants. While adoption does not automatically fund improvements, it gives us a foundation for identifying priorities and working with our regional and state partners.

I am pleased that our City is taking this proactive approach. My hope is that this plan will translate into practical, measurable improvements that residents can see and experience.

Getting the Details Right: Our Updated ADU Ordinance

We also completed the process of updating the City's Accessory Dwelling Unit (ADU) ordinance to align with current California law.

At our August meeting, I raised a concern about language addressing development impact fees for smaller ADUs. State law exempts ADUs measuring **750 square feet or less** from these fees,

and I wanted to ensure our ordinance clearly included homes measuring exactly 750 square feet.

I was especially pleased to see that this clarification was incorporated into the ordinance presented for its second reading.

It may seem like a minor wording change, but details like these matter. A few words in a municipal ordinance can affect a homeowner's application, expenses, or understanding of the law.

I appreciate the work of our City staff and colleagues in ensuring that the final language is clear and consistent with state requirements.

For me, this is an example of the value of careful review and constructive collaboration. We do not need to agree on every detail immediately, but we should always be willing to listen, improve, and get things right for the people we serve.

Being Responsible With Public Funds

Our Council also considered an important financial decision involving approximately **$7.27 million** designated for the South Boundary Road improvement project.

These funds were previously allocated by the Fort Ord Reuse Authority and have been held in a non-interest-bearing escrow account while project planning and implementation continue.

The Council authorized moving the money into an interest-bearing escrow account, while preserving the original restrictions governing how the funds may be used.

I appreciate this practical approach to managing public resources.

When funds are set aside for a particular purpose, our responsibility does not stop at safeguarding the principal. We should also look for reasonable, responsible ways to preserve and potentially increase their value.

Our financial reports also remind us to pay close attention to the distinction between the City's overall cash balance and funds that are legally restricted for particular projects. A healthy account balance does not necessarily mean every dollar is available for everyday City expenses.

I will continue to value careful financial oversight, clear reporting, and decisions that protect our City's long-term interests.

Transparency and Better Public Service

We also approved a contract with CivicPlus for a system to help manage California Public Records Act requests.

Public access to government records is an important part of an open and accountable local government. The proposed system is intended to help City staff organize requests, track response deadlines, and maintain more consistent communication with the public.

The contract carries an initial cost of approximately $11,099, with annual recurring services of approximately $12,685.

As with any technology investment, I believe we should consider not only its cost but also whether it makes our City more responsive, efficient, and accessible to the residents we serve.

Good technology should make government easier to work with, not more complicated.

Celebrating Our Community and Caring for Our Environment

Our September meeting also recognized National Hispanic Heritage Month and Stormwater Awareness Week.

These observances reflect two important parts of community life: celebrating the people and cultures that enrich our shared experience, and caring for the natural environment we all depend upon.

National Hispanic Heritage Month is an opportunity to recognize the contributions, traditions, and stories of Hispanic Americans whose presence has helped shape our communities and our country.

Stormwater Awareness Week reminds us that protecting our waterways begins with everyday choices, from preventing pollution to caring for the natural spaces surrounding our homes.

Del Rey Oaks may be small, but our sense of community and responsibility extends well beyond our boundaries.

A Continuing Commitment to Our Neighbors

As I reflect on this meeting, I am encouraged by the opportunities ahead of us.

We are improving connections between neighborhoods, planning for safer streets, updating City regulations, protecting public resources, and finding better ways to serve our residents.

Not every decision will be easy. Some projects will encounter setbacks, some policies will require closer examination, and some concerns will take time to resolve. What matters is that we remain willing to ask thoughtful questions, listen respectfully, and work toward solutions.

I am grateful to our residents who stay engaged, share their concerns, and continue to care about the future of Del Rey Oaks. I also appreciate our City staff, public safety personnel, fellow Councilmembers, and regional partners who contribute their time and expertise to this work.

Our community deserves leadership that listens, follows through, and never loses sight of the people behind every decision.

It continues to be a privilege to serve Del Rey Oaks. Thank you for the trust, kindness, and sense of community that make our little city such a special place to call home.

II. Council Report: Regular Meeting of the Seaside County Sanitation District (SCSD) Board of Directors – October 13, 2026

Dear Del Rey Oaks Neighbors,

Some of the most important work in local government happens quietly, often beneath our feet and out of sight.

Our sewer system is a good example. Most of us rarely think about it until something goes wrong. Yet maintaining this essential infrastructure is one of the ways we protect public health, our homes, our environment, and the quality of life we enjoy in Del Rey Oaks.

As your representative and Second Vice Chair of the Seaside County Sanitation District (SCSD), I appreciate the opportunity to help oversee the wastewater collection infrastructure serving Del Rey Oaks, Seaside, and Sand City.

At our October 13 Board meeting, we reviewed sewer maintenance activities, infrastructure conditions, and inspections designed to prevent problems before they affect our communities.

I would like to share a few highlights and explain why they matter to us here in Del Rey Oaks.

Keeping Our Sewer System Healthy and Reliable

I was especially encouraged by the District's ongoing preventive maintenance efforts.

According to the September operations report, approximately **39,218 feet of sewer mainlines were cleaned in Del Rey Oaks during September alone**, bringing our reported fiscal-year total to 40,242 feet.

For perspective, Del Rey Oaks has approximately 42,240 feet of sewer mainlines within the District's system.

That is a substantial amount of maintenance for our small community, and I sincerely appreciate the hardworking crews who perform this essential service.

Even more encouraging, the August and September reports showed **no reported sewer stoppages or sanitary sewer overflows** across Del Rey Oaks, Seaside, and Sand City.

That is welcome news for all of us.

However, I also believe that successful maintenance is about more than how many feet of sewer lines we clean. We must understand which sections need frequent attention, whether older pipelines are showing signs of deterioration, and where we should invest before small problems become expensive emergencies.

One area deserving continued attention is the use of sewer cameras to inspect the condition of our underground infrastructure. While extensive cleaning was reported in Del Rey Oaks, no camera inspections were recorded for our city during the fiscal year through September.

Cleaning keeps pipelines operating, but inspections can help identify cracks, root intrusion, and structural deterioration that ordinary cleaning may not reveal.

The goal should always be to prevent problems rather than simply respond to them.

Planning Today to Avoid Bigger Expenses Tomorrow

Another important consideration is the District's ongoing Sanitary Sewer Master Plan.

At the July Board meeting, staff reported that the plan was approximately 50 to 60 percent complete.

This planning effort is particularly important because it can help us better understand the condition of our infrastructure, identify future repairs and replacements, and anticipate the financial resources needed to maintain a reliable system.

As the representative of Del Rey Oaks, I want to ensure that our city has a clear understanding of any future infrastructure needs and their potential financial implications.

Our community has limited resources, and planning ahead gives us a much better opportunity to prioritize improvements, explore funding options, and avoid unexpected financial burdens.

Good infrastructure planning may not always be exciting, but it is one of the most responsible investments we can make for future generations.

Keeping Grease Out of Our Sewers

We also reviewed the District's Fats, Oils, and Grease (FOG) Management Program.

This program addresses a common but preventable problem: grease and food waste entering sewer lines, accumulating over time, and potentially causing blockages or overflows.

The District currently oversees approximately 165 food-service establishments, including restaurants and other businesses that prepare and serve food.

During the April through June 2026 reporting period, District staff conducted 40 inspections. Three establishments did not meet inspection requirements, and one had corrected the identified issue by the time the report was prepared.

These findings remind us why consistent inspections, follow-up, and education are so important.

I believe we should continue working collaboratively with local businesses to encourage compliance while ensuring that unresolved problems receive appropriate attention.

This is also a useful reminder for our households: Keeping cooking grease, fats, and oils out of our drains is a simple way each of us can help protect the sewer system.

Sometimes, protecting our community begins with small everyday habits.

Fairness for Homeowners and Responsible Growth

Another matter I continue to follow is the District's implementation of sewer capacity fees for accessory dwelling units (ADUs).

In July, the Board approved an ordinance amendment authorizing proportional sewer capacity fees for ADUs in accordance with California law.

As our communities explore additional housing opportunities, it is important that homeowners receive clear, understandable information about applicable fees.

I believe these assessments should be fair, transparent, and proportional to the additional demand placed on the sewer system.

We need to balance the responsibility of maintaining essential infrastructure with the importance of treating homeowners fairly.

These two goals can, and should, go hand in hand.

Remembering a Dedicated Public Servant

I also want to take a moment to remember our colleague, Jerry Blackwelder, whose dedication and years of service to the Seaside County Sanitation District and our neighboring communities deserve our gratitude.

Public service often involves work that receives little recognition, yet its impact can be felt for many years.

Jerry's commitment to serving others is a meaningful reminder of the value of thoughtful leadership and community dedication.

My heartfelt condolences go to his family, friends, and colleagues. May his legacy continue to inspire all of us who have the privilege of serving our communities.

Looking Ahead With Appreciation

I would like to sincerely thank District Manager Greg McDanel, District Engineer Thomas Korman, the engineering team, maintenance crews, and our fellow Board members for their continued service.

Maintaining a reliable sewer system requires planning, technical expertise, consistent attention, and a genuine commitment to the communities we serve.

I am grateful for the work happening behind the scenes every day to keep these essential services operating safely and efficiently.

For Del Rey Oaks, my priorities remain straightforward: **Protect public health, maintain our infrastructure responsibly, plan for future needs, and ensure that our residents' interests are well represented.**

We may not see the sewer lines beneath our streets, but the care we give them today makes a meaningful difference in the community we leave for tomorrow.

Thank you, as always, for the opportunity to represent our wonderful little city.

III. Council Report: AMBAG Board of Directors Meeting – October 14, 2026

Dear Del Rey Oaks Neighbors,

One of the wonderful things about living in Del Rey Oaks is that we enjoy the closeness of a small community while being part of a much larger and beautiful Monterey Bay region.

Many of the challenges and opportunities that shape our future, from transportation and energy costs to environmental protection and regional growth, extend beyond our city boundaries. That is why having a voice in regional decision-making matters.

As your representative on the Association of Monterey Bay Area Governments (AMBAG) Board of Directors, I have the opportunity to work alongside leaders from Monterey, San Benito, and Santa Cruz Counties to help address these shared priorities.

Our October 14 meeting agenda highlighted several promising initiatives. I would like to share a few that I believe are especially meaningful for our community.

Preparing for a Future With More Electric Vehicles

One of the major topics was the Monterey Bay Electric Vehicle Climate Adaptation and Resiliency Framework, a regional planning initiative supported by a $750,000 state transportation planning grant.

The goal is to prepare our region for the growing use of electric vehicles while ensuring that charging infrastructure remains accessible, reliable, and resilient during emergencies.

The numbers are interesting. Our region currently has approximately 1,000 publicly available EV chargers, but projections indicate that approximately **5,000 chargers may be needed by 2030 and 18,000 by 2045**.

That is a significant increase, and it raises important questions about where chargers should be located, whether our electrical grid can support them, and how we can ensure that smaller communities and households without home charging are not left behind.

The draft roadmap outlines 12 strategies, including expanding charging access at apartment communities, exploring solar-powered charging stations with battery storage, improving accessibility, and strengthening charging reliability during power outages.

What I particularly appreciate is that the planning goes beyond simply installing more chargers. It recognizes that infrastructure must work for people in their everyday lives.

For Del Rey Oaks, I see opportunities to explore future partnerships and funding that could help us improve transportation options without placing unnecessary financial burdens on our residents.

A cleaner transportation future should also be a practical, affordable, and dependable one.

Helping Families and Small Businesses Save Energy

Another encouraging initiative was the Central California Rural Regional Energy Network (CCR REN), a collaborative program designed to help communities improve energy efficiency and reduce costs.

The program received approximately $36 million for initiatives primarily covering 2025 through 2027.

So far, its commercial program has distributed more than $600,000 in incentives, allowing 39 small businesses and nonprofit organizations to receive energy-efficiency improvements at no cost. Within the AMBAG region, 12 participating customers received more than $160,000 in improvements.

These are meaningful investments, particularly for small businesses and nonprofit organizations that may not have the resources to make such upgrades independently.

The program also offers a residential energy-modeling tool that helps homeowners explore potential savings from energy-efficiency improvements. Staff are promoting free energy-saving kits with simple items such as LED lightbulbs and power strips.

I appreciate initiatives like these because their benefits can be felt directly in our homes and businesses.

For families managing rising living expenses, even modest reductions in monthly utility bills can make a difference.

I hope we can continue exploring ways to connect Del Rey Oaks residents and businesses with programs like these, particularly when assistance is available at little or no cost.

Building Stronger Communities Through Energy Resilience

Beyond energy savings, AMBAG is also working with regional partners to identify potential resilience centers and funding opportunities for public facilities.

These efforts include improving heating, ventilation, and air-conditioning systems and expanding cooling capabilities at libraries and community centers.

As we experience changing weather patterns, rising temperatures, and occasional power disruptions, facilities that can support residents during emergencies are becoming increasingly important.

For smaller communities like ours, regional collaboration offers a valuable opportunity to share expertise, explore grants, and learn from successful projects in neighboring jurisdictions.

I believe preparedness is one of those responsibilities best addressed before an emergency occurs.

Listening to the People Behind the Plans

One aspect of the electric vehicle planning effort that I found particularly meaningful was its emphasis on community participation.

AMBAG and its partners collected more than 750 survey responses from underserved communities, with approximately 75 percent submitted in Spanish and Mixteco.

The responses helped identify transportation challenges, gaps in EV awareness, and the practical difficulties people experience during extreme weather.

I appreciate this approach because good regional planning should reflect more than technical studies and projections. It should also reflect the voices and experiences of the people who will live with the results.

Different communities have different needs, and smaller jurisdictions deserve thoughtful consideration alongside larger cities.

When we listen carefully, we make better decisions. When we include more voices, we build stronger communities.

Responsible Management and Regional Accountability

Our meeting agenda also included important administrative and financial matters, including updates to procurement procedures, financial reporting, and policies governing emerging technologies such as artificial intelligence.

These may not be the most visible aspects of regional government, but they are essential to maintaining public confidence.

As technology evolves and public agencies manage increasingly complex programs, we must continue balancing efficiency with transparency, responsible spending, privacy, and sound judgment.

I believe regional organizations should be held to the same standards of accountability that we expect from our own City government.

Our residents deserve to know that public resources are being managed carefully and that regional investments are producing meaningful benefits.

Looking Ahead Together

I am grateful to AMBAG Executive Director Maura Twomey, the dedicated staff, and my fellow Board members for their continued work on behalf of our Monterey Bay communities.

Regional partnerships remind us that even though Del Rey Oaks is a small city, we are part of something much larger. We can contribute to regional solutions while ensuring that our own residents' needs and perspectives are represented.

What encourages me most about these initiatives is their potential to make everyday life a little better, whether through lower utility costs, improved transportation options, greater environmental responsibility, or better preparation for the future.

My commitment remains to bring the interests of Del Rey Oaks to the regional table, look for opportunities that benefit our community, and ensure that our little city continues to have a meaningful voice in decisions that shape our shared future.

Thank you for the privilege of representing Del Rey Oaks. It is an honor to be part of a community where people care deeply about one another and the place we call home.

MST HIGHLIGHTS
Board of Directors Meeting
October 12, 2026

RECOGNIZED OCTOBER MST EMPLOYEE OF THE MONTH
The MST Board adopted Resolution 2027-10 recognizing Daysi Chaidez, Communications Systems Specialist as employee of the month for October 2026 and for her outstanding contribution to MST and the entire community.

25 YEARS OF SERVICE
The MST Board recognized Navin Nishal, Coach Operator for 25 years of service and for his outstanding contribution to MST and the entire community.

LCTOP PROJECTS
The MST Board adopted Resolutions 2027-11 and 2027-12 authorizing the certifications and assurances, authorized agent forms, and execution of the Low-Carbon Transit Operations Program (LCTOP) projects for the FY 25/26 application.

DISPOSAL OF SURPLUS PROPERTY
The MST Board approved a list of MST-owned vehicles as surplus property and directed staff to dispose of the vehicles using the most economical method available.

MOBILITY ADVISORY COMMITTEE MEMBER REAPPOINTMENT
The MST Board reappointed Mobility Advisory Committee member Steven Macias to a new 3-year term.

APPROVED 2.5% FY 2026 INCENTIVE POOL FOR MSTEA AND CONFIDENTIAL UNIT EMPLOYEES
The MST Board approved a 2.5% FY2026 incentive pool for eligible Monterey-Salinas Transit Employee Association and Confidential Unit Employees (excluding the General Manager/CEO).

NEXT MST BOARD MEETING
The next regular MST Board meeting is scheduled for November 9, 2026.

893nd REGULAR MEETING

OF THE
BOARD OF TRUSTEES
926 East Blanco Road
Salinas, CA. 93901

October 13th , 2026 **~AGENDA~** **12:00 P.M. Noon**

926 East Blanco Road

Salinas, CA 93901

(831) 422-6438 p

Office Hours:
Monday – Friday
8 a.m. – 4:30 p.m.

Jeff Cecilio
Board Chair
County at Large

Don Cranford
Vice Chair
County at Large

Jennifer McAdams
Secretary
City of Marina

Ian Oglesby
Trustee
City of Seaside

Ray Coopersmith
Trustee
County at Large

Mary Ann Carbone
Trustee
City of Sand City

Louise Goetzelt
Trustee
City of Del Rey Oaks

Jim Tashiro
Trustee
City of Salinas

Jeff Glass
Trustee
City of Monterey

We strive to host inclusive, accessible meetings that enable all individuals, including individuals with disabilities, to engage fully. To request an accommodation or for inquiries about accessibility, please contact the District.

1. **CALL TO ORDER/ PLEDGE OF ALLIGENCE:**

2. **AGENDA MANAGEMENT:**

3. **ROLL CALL – ESTABLISHMENT OF QUORUM:**

4. **PUBLIC INPUT: *(Limited to 3 minutes)***

The consent calendar includes routine items than can be approved with a single motion and vote. A member of the Board of Trustees may request that any item be pulled from the Consent Calendar for separate consideration

5. **CONSENT CALENDAR:**

   A. **APPROVAL OF THE MINUTES:**
   B. **PAYROLL WARRANTS: September 2026 $84,871.07**
   C. **COMMERICAL WARRANTS: September 2026 $20,565.39**
   D. **UMPQUA BANK: September 2026 $5,416.56**
   E. **BALANCE SHEET: September 2026**
   F. **SCHEDULE OF EXPENDITURES: September 2026**

6. **BUSINESS ITEMS:**

   A. **Letters Of Reappointment for Board members Tashiro and Goetzelt**

   B. **SDA Dinner October 20th Bayonet Golf Course Speaker TBA**

   C. **Discussion of State and National Mosquito Conferences**
   https://www.mvcac.org/event/95th-annual-mvcac-conference/ and
   https://amca2027.eventscribe.net

7. **MONTHLY ADMINISTRATIVE REPORT:** Ken Klemme, District Manger

8. **TRUSTEE COMMENTS:**

Adjournmemt to November 10th 2026

DRAFT MINUTES OF THE 892th REGULAR MEETING

OF THE BOARD OF TRUSTEES OF THE
MONTEREY COUNTY MOSQUITO ABATEMENT DISTRICT
September 8th, 2026

A regular meeting of the Board of Trustees of the Monterey County Mosquito Abatement District was held on September 8th, 2026, at the District Office in Salinas, California.

MEMBERS PRESENT:

- Don Cranford, Vice Chair, County of Monterey
- Jenny McAdams, Secretary, City of Marina
- Mary Ann Carbone, City of Sand City
- Ray Coopersmith, County of Monterey
- Louise Goetzelt, City of Del Rey Oaks
- Jim Tashiro, City of Salinas
- Jeff Glass, City of Monterey

MEMBERS ABSENT:

Ian Oglesby, City of Seaside
Ray Coopersmith, County at Large

STAFF PRESENT:

- Ken Klemme, District Manager
- Kelli Gutierrez, Administrative Assistant

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1. CALL TO ORDER / PLEDGE OF ALLEGIANCE

Board Vice Chair Don Cranford called the 892th Regular Meeting to order at 12:00 PM and led the Pledge of Allegiance.

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2. AGENDA MANAGEMENT

No changes were made to the agenda.

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3. ROLL CALL

Administrative Assistant Kelli Gutierrez called roll; a quorum was present.

4. PUBLIC COMMENTS

None

5. CONSENT CALENDAR

A. Approval of the Minutes: August 2026
B. Payroll Warrants: August 2026 $ 84,576
C. Commercial Warrants: August 2026 $ 41,029.27
D. Umpqua Bank Statement: August 2026 $ 5416.56
E. Balance Sheet: August 2026
F. Schedule of Expenditures: August 2026

Action: Trustee Carbone moved to approve the Consent Calendar; Trustee Goetzelt seconded. Motion passed unanimously.

6. BUSINESS ITEMS

A. Discussion and direction for the policy book

Manger Klemme reported that all the edits were complete, and Trustee Goetzelt was a great help. The Board gave Klemme, direction to send to attorney for final review.

B. MBS Printer Contract

Trustee Tashiro moved to approve MBS contract, Trustee Cranford seconded. A roll call vote was taken, motion passed unanimously.

7. MONTHLY ADMINISTRATIVE REPORT

The General Manager reported that:

- **CEQA / Programmatic EIR Addendum:** Continued reviewing supporting documents, incorporating District operations, clarifying mitigation measures, and identifying remaining items for verification before finalization.

- **Operations Policy Manual:** Continued updating outdated information, legal references, personnel and leave provisions, Board procedures, public records requirements, and surplus property procedures. Proposed revisions are under Policy Committee review before legal review and Board consideration.

- **FY 2024–25 Financial Audit:** Continued reviewing draft financial statements and coordinating corrections with the auditor, including pension and OPEB information, reconciliations, supporting schedules, and Management's Discussion and Analysis.

- **Auditing Services RFP:** Began preparing a Request for Proposals outlining the scope of services, qualifications, evaluation criteria, fees, and experience requirements for independent auditing services.

- **Mapping and Field Data System:** Continued coordinating the transition from MapVision/Central to the new system, including migration of database records, GIS layers, attachments, and historical operational information.

- **Technology and Communications:** Continued implementing the District's .gov domain and related system updates to improve security, reliability, records management, and consistency in public communications.

8. TRUSTEE COMMENTS

None

9. ADJOURNMENT

There being no additional trustee comments or business, the meeting was adjourned at approximately 12:14 p.m.

Jeff Cecilio, Board Chair

ATTEST:

Jenny McAdams, Secretary