



CITY OF DEL REY OAKS

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**CITY OF DEL REY OAKS CITY COUNCIL
TUESDAY, OCTOBER 27, 2009 at 7:00 P.M.
CHARLIE BENSON MEMORIAL HALL, CITY HALL**

**AGENDA
REGULAR MEETING**

1. **7:00 P.M. - ROLL CALL** – *City Council*
2. **PLEDGE OF ALLEGIANCE**
3. **PUBLIC COMMENTS:**
Anyone wishing to address the City Council or Agency on matters not appearing on the Agenda may do so now. The public may comment on any other matter listed on the Agenda at the time the matter is being considered. *There will be a time limit of not more than three minutes for each speaker. No action will be taken on matters brought up under this item and all comments will be referred to staff.*
4. **CONSENT AGENDA:** *Action Items*
 - A. **MINUTES:**
 1. September 03, 2009, Special City Council Meeting
 2. September 22, 2009 Regular Joint City Council Meeting
 3. September 29, 2009 Adjourned Regular City Council Meeting
 4. October 14, 2009, Planning Commission Meeting
 - B. **MONTHLY REPORTS:**
 1. Claims, September 2009
 2. Financials, September 2009
 3. Fire Department Response Report, September 2009
 4. Police Activity Report, September 2009
 - C. **MISCELLANEOUS**
 1. Approve Resolution 2009-14, a Resolution Declaring Three (3) Police Vehicles and One (1) Public Works Vehicle Surplus and Authorizing the Disposal Thereof

5. **PRESENTATION:** *Information Only*
 - A. Presentation by Jim Arnold regarding the General Jim Moore Boulevard Repaving and Encroachment Permit Request

6. **OLD BUSINESS:** *Action Items*
 - A. Public Hearing
 1. Open Public Hearing and Take Testimony and Consider Adopting Ordinance No. 264, An Ordinance of the City Council of the City of Del Rey Oaks Granting to California American Water Company a Franchise to Use Public Streets and Property Within City Boundaries for the Purposes of Providing Water Service Subject to Final Review and Approval by the City Attorney (*second reading*)
 - B. Consider Adopting Ordinance No. 265, An Ordinance Amending Section 2.04.010A of the Municipal Code Relating to the Time of Regular City Council Meetings. (*second reading*)

7. **NEW BUSINESS:** *Action Items*
 - A. Consider Establishing a Subcommittee to Discuss Improvements to Del Rey Oaks Park.
 - B. Consider Establishing a Subcommittee to Discuss the City's Affiliation with Monterey Peninsula Airport District.
 - C. Consider Establishing a Subcommittee to Examine Methods to Increase Revenue to the City.
 - D. Consider Resolution No. 2009-15, A Resolution Approving Execution and Delivery of a Purchase and Sale Agreement and Related Documents with Respect to the Sale of the Seller's Proposition 1A Receivable from the State; and Directing and Authorizing Certain Other Actions In Connection Therewith.
 - E. Consider Sending Out Request for Proposals for Legal Services

8. **STAFF REPORTS:**
 - A. City Manager Report

9. **MAYOR AND COUNCIL REPORTS**

10. **CORRESPONDENCE:**
 - A. Highlights of the Community Human Services Board Meeting
 - B. Monterey Regional Waste Management District
 - C. Note of thanks from Del Rey Oaks Citizen's Action Group

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

A. Conference with Real Property Negotiator

- 1) Property:** 360 Acres of Former Fort Ord
Negotiating Party: Federal Development Partners
Under Negotiation: Price and Terms of Payment

12. SET NEXT MEETING DATE: Establish **Tuesday, November 17, 2009**, at **7:00 P.M.** as the date and time of the Council's next regular meeting (*Note: The meeting is on the third Thursday due to Thanksgiving*).

13. ADJOURNMENT

<p>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.</p>
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SPECIAL MEETING OF THE CITY COUNCIL OF THE CITY OF DEL REY OAKS CONVENED AT 7:00 P.M. ON WEDNESDAY, SEPTEMBER 3, 2009 IN THE CHARLES BENSON MEMORIAL HALL, CITY HALL

Present: Vice Mayor Edelen, Council Member Clark, Cecilio, Allion

Absent: None

Also present: City Attorney Wellington, City Manager Dawson and Assistant Deputy City Clerk Minami

Meeting came to order at 7:00 p.m. and roll call was taken.

Council Member Clark lead the Council in the Pledge of Allegiance.

NEW BUSINESS:

The council considered **ITEM 2.A.**, City Council acknowledge receipt of resignation of Mayor Russell and consider filling the vacancy by appointment, at the meeting or a subsequent meeting, or calling an election.

Motion by Council Member Clark to nominate Vice Mayor Edelen for the office of Mayor, seconded by Council Member Allion.

There was no further public comment.

Motion passed 3-0 (Vice Mayor Edelen abstained)

Vice Mayor Edelen: Accepts with great humility. Is a public servant. No city credit card will be used. Thanks wife, Gloria and son, Rhett for all of their support. Grateful to former Mayor Jack Barlich for encouraging him to run. Thanks Joe Russell for all of his experience and hard work. Thanks all of the employees and public. The city is in the best financial situation and has the best employees in his eleven years of service and he challenges any city to stand up to Del Rey Oaks. Promise to work openly and honestly to move Del Rey Oaks even further forward.

City Manager Dawson: Swears in Vice Mayor Edelen as Mayor.

Motion by Mayor Edelen to nominate Council Member Clark for the office of Vice Mayor, seconded by Council Member Allion.

Motion passed 3-0 (Council Member Clark abstained)

Mayor Edelen: Council Member Clark is the next senior member of council, has been on the MST board for 7 years, was a Planning Commissioner for 5 years,

ITEM 4.A.1.

has been our liaison to the Monterey Airport Board, she is a driving force behind the Citizens Actions Group, assistant to make sure the Seaside Fire Contract was executed and has gone door to door for public safety tax more than once.

The council considered **ITEM 2.B.**, If an incumbent Council member is appointed as Mayor at this meeting, consider filling the Council vacancy by appointment or calling an election and provide direction to staff.

City Attorney Wellington: It would be costly to have a special election.

Council Member Clark: Wants to fill vacancy by appointment, due to the expense.

Council Member Allion: Was appointed and really thought the process works.

Council Member Clark: She and Mayor Edelen were originally appointed also.

Motion by Council Member Allion to fill the vacancy by appointment at the next city council meeting, seconded by Council Member Cecilio.

City Attorney Wellington: Set a time frame, notice doesn't have to be in the newspaper, it must be posted and plenty of time for residents to apply. Follow the process that has been used in the past.

Council Member Allion: Won't be here for September meeting.

Council Member Clark: Wants the announcement hand delivered to every house.

Motion by Council Member Clark to have the City Manager follow the application process for filing the Council Member vacancy, seconded by Council Member Cecilio. Motion passed 4-0

The council considered **ITEM 2.C.**, Revise 2009 Regional Agencies Boards and Committees Representatives Appointment List.

Mayor Edelen: Explains that with the resignation of Joe Russell, the appointments for boards and committees must change. The council will be taking part in more meetings.

City Attorney Wellington: The MRWMD is a 4 year position, until December 2012 and doesn't have an alternate.

Mayor Edelen: Because of vicinity of his home and the project, he can't be on the team. One assignment that isn't on the list is that Council Member Allion will be on the RDA Negotiation Team for the city. Council Member Allion has a financial background that will benefit the city.

Motion by Council Member Clark to approve the 2009 Revised Appointment List with the change to MRWMD, seconded by Council Member Cecilio. Motion passed 4-0.

7:18 p.m. Meeting adjourned

Next regular meeting is Tuesday, September 22, 2009 at 7:00 p.m.

Approved

**REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF
DEL REY OAKS REDEVELOPMENT AGENCY AND CITY
COUNCIL CONVENED AT 7:00 P.M. ON TUESDAY,
SEPTEMBER 22, 2009 IN THE CHARLES BENSON MEMORIAL
HALL, CITY HALL**

Present: Agency Member/Council Members Clark, Cecilio, Allion and
Agency Chair/Mayor Edelen

Absent: Agency Member/Council Member Allion

Also present: City Attorney Wellington, City Manager Dawson and Deputy
City Clerk Carvalho

Meeting came to order at 7:00 p.m. and roll call was taken.

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT:

Bob Oliver: Owner of Monterey Mopeds explained to tourists about the police presence on the peninsula. Spoke about the feeling of a police state.

Irene Barlich: Article in the newspaper about Seaside and Airport fire department consolidating and will the road be opened to Airport. Executive committee meeting of FORA and the insurance has not been paid by DRO.

Mayor Edelen: Stated that FORA has been paid.

City Attorney Wellington: That payment was the obligation of the developer and rather than have the policy lapse the funds were paid by the City via the RDA account.

NEW BUSINESS:

Consent Agenda:

A. MINUTES:

1. August 25, 2009, City Council Meeting
2. August 4, 2009, Special City Council Meeting
3. August 6, 2009, Special City Council Meeting
4. August 13, 2009, Special City Council Meeting
5. August 12, 2009, Regular Planning Commission Meeting - Cancelled

B. MONTHLY REPORTS:

1. Claims, August 2009
2. Financials, August 2009

Regular Meeting of the Del Rey Oaks City Council and Redevelopment Agency
September 22, 2009

3. Fire Department Response Report, August 2009
4. Police Activity Report, August 2009

Council Member Clark: Asked to pull 4.B.2. She stated that the Monterey fire contract payment was paid off so that frees up money.

Motion by Council Member Clark, seconded by Council Member Cecilio

There were no comments received

Motion passed 3-0

OLD BUSINESS: None

NEW BUSINESS:

The Council considered **ITEM 6.A.** RDA Resolution 2009-03, A Resolution of the City of Del Rey oaks Redevelopment Agency Authorizing Investment of Monies in the Local Agency Investment Fund

City Manager Dawson: Stated this is a formality with the change in council members and was necessary for both the City and the RDA.

Motion by Council Member Clark to approve Resolution 2009-03, seconded by Council Member Cecilio

There was no public comment received

Motion passed 3-0

The Council considered **ITEM 6.B.** City Resolution 2009-16, A Resolution of the City of Del Rey Oaks Authorizing Investment of Monies in the Local Agency Investment Fund

City Manager Dawson: Stated same situation as above but for the City.

Motion by Council Member Clark to approve Resolution 2009-16 and was seconded by Council Member Cecilio

There was no public comment received

Motion passed 3-0

The council considered **ITEM 6.C.,** Consider Introducing and Holding First Reading of Ordinance No. 264 An Ordinance Granting a Franchise to California-American Water Company to Use Public Streets and Property Within City Boundaries for the Purposes of Providing Water Service Subject to Final Review and Approval by the City Attorney (*first reading*)

City Attorney Wellington: Stated the City Manager has been involved with CalAm Water negotiating a franchise agreement. The conditions are an agreement for 25 years, fees will be to the maximum allowed which is 2% of the gross annual receipts and will be no less than 1% of the gross annual receipts. He stated that in Section 5 it states: Within 30 days of the agreement Cal-Am will

pay approximately \$14,000 in fees. He stated that Laura Gerard from CalAm is here to answer questions. This is the first reading to approve the resolution.

Council Member Clark: What should be expected from Cal Am?

City Manager Dawson: Approximately \$8,500 to \$10,000 a year.

Public Comment:

Bob Oliver: Stated he started a radio program called Quantum Leap, when Cal-Am was purchased by a German Company. This purchase left the public with a lot of questions. He was concerned that this is like payola. This franchise fee has been available to all cities. The rates between the difference cities are huge. Be sure that the residents don't become disenfranchised.

City Attorney Wellington: The franchise agreement has no impact on the water rates to the residents of any city. Water can be very expensive, and the rates are set by California State Public Utilities Commission.

Motion by Council Member Cecilio to approve the first reading of Ordinance 264, seconded by Council Member Clark

Roll call vote:

Council Member Clark: Aye

Council Member Cecilio: Aye

Mayor Edelen: Aye

There was no further public comment received

Motion passed 3-0

The Council considered **ITEM 6.D.** Consider Adopting Resolution 2009-17 A Resolution of Intention of the City Council to Grant to California-American Water Company

City Attorney Wellington: Stated that this resolution is to set a date for the public hearing of second reading of Ordinance 264

Motion by Council Member Clark to approve Resolution 2009-17, seconded by Council Member Cecilio

There was no public comment received

Motion passed 3-0

The Council considered **ITEM 6.E.** Consider Committee assignments to a "Revenue Enhancement Committee"

Mayor Edelen: Stated that the City Manager and Mayor had been asked by Council Member Cecilio to form a committee to bring in more revenue to the City.

Council Member Clark: Stated she things it's a great idea.

Mayor Edelen: Recommended that the City Manager and Council Member Cecilio make up the committee.

Motion by Council Member Clark to approve committee with the appointment of the City Manager and Council Member Cecilio to the committee, seconded by Mayor Edelen

There was no public comment received

Motion passed 3-0

The Council considered **ITEM 6.F.** Consider Request by Applicant for Reimbursement of City Manager Recruitment Expenses

City Manager Dawson: Received an email from an applicant requesting reimbursement for expenses from the interview process for hotels, meals and costs for coming out to apply and go through the interview process to City Manager. He stated that in his conversation with this applicant he told him that as a candidate himself he had asked this question prior to interviewing and felt that the applicant should have done the same.

City Attorney Wellington: Agreed with the City Manager, this should have been worked out in advance. His legal opinion: no legal necessity to reimbursement and if reimbursed this would be a gift of public funds which is not legal.

Mayor Edelen: He stated that this applicant was highly considered and he did stay longer than normal, but feels we need to respect our legal counsel.

Council Member Clark: Felt we would set a precedent of paying applicants if we reimburse him.

Council Member Cecilio: Felt there may have been a miscommunication and that we should follow our legal counsel advice.

Public comment:

Bob Oliver: Wants to know who the individual is.

Mayor Edelen: Stated he didn't think that was appropriate but that the candidate was from Ohio

City Attorney Wellington: Stated that Mr. Oliver could come by and talk to the City Manager regarding this individual, but that it would not be done in a public forum.

Council Member Cecilio: Stated that he felt that this was important and was put on the open session for public disclosure of the request

Motion by Council Member Clark to reject the request for reimbursement by the applicant, seconded by Council Member Cecilio

There was no further public comment received

Motion passed 3-0

STAFF REPORTS:

Regular Meeting of the Del Rey Oaks City Council and Redevelopment Agency
September 22, 2009

City Manager Dawson: Last week was the Annual League of California Cities convention in San Jose which he attended. Got to meet with colleagues and picked up many good ideas on budgets, etc. He stated he picked up a great booklet on the Brown Act and had a copy for everyone on the Council and also some copies for the public. He stated had a construction meeting regarding some of the road projects needed such as roots on Rosita and met with Cal-Am about the pipeline going up Carlton Drive which will take about 14 days to be finished with the slurry seal being done in April 2010. Bob Pack the project manager lives in DRO. Cal Trans lighted signs, notices and calendar on website, etc. He stated that he got them to agree that \$9000 should be paid for a fulltime traffic control officer.

COUNCIL REPORTS:

Council Member Clark: Announced that MST has a fixed bus route through DRO. She attended MRWMD (Monterey Regional Waste Management District) and that is was very interesting. She also attended that the City picnic huge success.

Council Member Cecilio: Attended his first Water board meeting with the City Manager, Mosquito district meeting where they discussed the budget, and stated that a DRO resident is heading up the crew of our project on Carlton and this is great because he's a good guy.

City Manager Dawson: Stated that Mr. Pack has requested that his cell phone will be posted on the website for any questions about the project.

Mayor Edelen: Stated that he attended his first Mayor's Select Committee meeting and that the Counties are losing money because of the State's bad management. He also stated that with the Swine Flu coming this season, to expect 1/3 to 1/2 of workforce missing because of flu. He stated that he attended FORA and paid the premium for insurance as stated before. He then reported that TAMC is meeting regarding light rail vs. articulated busses. He also stated the he seconded Council Member Clark's statement about the picnic, and that it's getting better and better each year. He announced that our City Manager Dan Dawson won the Chili cook-off and that the Herald had an article about the picnic in the local section which was very positive.

Mayor Edelen: Announced a special meeting on Tuesday September 29th at 5:30 p.m. to appoint a new City Council Member.

City Attorney Wellington: Stated that there may be an agenda item so this meeting will be an adjourned City Council meeting rather than a special meeting, to possibly hear a resolution to change the time of the city council meetings.

7:42 p.m. - Adjourned from open session

7:50 p.m. – The City Council/Agency Board of Directors went into closed session with regard to the listed closed session agenda item regarding real property negotiations. Council Member Allion called in via teleconference at 7:49 p.m. Mayor Edelen and Council Member Cecilio both live within 500 feet of the property being discussed during closed session. A coin toss was held and Council Member Cecilio stepped down, a quorum was formed with Mayor Edelen, Council Member Clark and Council Member Allion.

8:10 p.m. – Adjourned from closed session

The Council/Board came out from closed session and it was announced by the City Attorney that in the closed session information was received by the Council/Board from its negotiators, and by consensus directions were given to the negotiators regarding the matter; no other action was taken.

8:11 p.m. - The meeting was then adjourned to an Adjourned Regular Meeting of the Council/Board at 5:30 p.m. on Tuesday, September 29, 2009.

Approved

**ADJOURNED REGULAR MEETING OF THE CITY COUNCIL OF
THE CITY OF DEL REY OAKS CITY COUNCIL CONVENED AT
7:00 P.M. ON TUESDAY, SEPTEMBER 29, 2009 IN THE CHARLES
BENSON MEMORIAL HALL, CITY HALL**

Present: Council Members Clark, Cecilio, Allion and Mayor Edelen

Absent: None

Also present: City Attorney Wellington, City Manager Dawson and Deputy City Clerk Carvalho

Meeting came to order at 7:00 p.m. and roll call was taken.

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT: None

OLD BUSINESS: None

NEW BUSINESS:

The Council considered **ITEM 5.A.**, Consider Appointment to fill City Council Member Vacancy for Term of Office which expires in November 2012

Council Member Allion: Does the current Mayor have to run for election in November 2010?

City Attorney Wellington: Yes

Michael Zuccaro: Has lived in Del Rey Oaks (DRO) for 12+ years, and in that time has been on the Planning Commission for 9+ years and Del Rey Oaks Citizens Action Group for 6+ years. He and his wife have enjoyed living in Del Rey Oaks. He is an architect for the State Parks and was in private practice prior to that. He knows that this is a different type of position from being a Planning Commissioner.

Council Member Allion: Thanked him for applying and asked him how will he know when he's acting in the best interest of the citizen's.

Michael Zuccaro: Good question, and would learn as he goes along, based on common sense, working as a team for the best of the City.

Council Member Cecilio: Where do you see DRO in the next 3 years?

Michael Zuccaro: Happy to see the City is in the black, work on the roads, getting the residents more involved, and has a keen interest in the Ft. Ord project.

Council Member Clark: What challenges do you see?

Council Member Zuccaro: Our economy and the projects progress.

Council Member Edelen: What was the toughest decision you had to make and what was it?

Council Member Zuccaro: A project where we didn't have a quorum and couldn't agree at the Planning Commission and it just died and had to go to the Council.

Council Member Allion: Concern about tax dollars?

Council Member Zuccaro: In general how tax dollars are being spent, salaries would be a challenge.

Council: The Council thanked Mr. Zuccaro and asked Mr. Gregory to step to the podium.

Frank Gregory: Retired in 1997 from the army and lives in DRO on Carlton Dr. Plans to stay in the area. Background in human resources and transportation logistics. His position as Commander can be equated to being a Mayor, was in charge of roads, fire department, PD, construction, and responsible for 8000 people, is a volunteer fire fighter, lived in the area for many years. Two biggest challenges on the peninsula are water and building.

Council Member Allion: Thanked for applying.

Council Member Allion: Were more a city manager type?

Frank Gregory: Yes, but not micromanagement.

Council Member Allion: How will you apply those experiences?

Frank Gregory: Share my experience and thoughts and try to come to an agreement.

Council Member Cecilio: Same question as Zuccaro.

Frank Gregory: Not many changes except Ft. Ord

Council Member Clark: How familiar are you with our challenges?

Council Gregory: Not that familiar.

Council Member Edelen: What was one of the biggest decision?

Frank Gregory: A building, went out to bid, then a contractor built it, not built very well, and had to get it ready for occupancy in 30 days. Inspected the building every day for 2 years.

Council Member Allion: How will you know when you are serving the best interest of the city?

Frank Gregory: When I can get up from a meeting and feel good about it, know I made the right decision.

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Scott Larson: Military brat moved here in 1972, went through schools here and is an entrepreneur. Works with board members, companies, etc. and spends a lot of time doing presentations. Moved back to DRO 9 years ago and has a 5 year old. Feels DRO is a gem, and focuses on the future of DRO. Time to start giving back to the City. Interested in developing a 10 year plan. The Ft. Ord property can be developed into something exciting. Votes his conscience, looking forward to working with the group. Wants a city that's planned not just happens. Take advantage of what we have with a good plan. Solicit developers and set us apart from all the other cities in CA. Would be proud to be of service.

Council Member Allion: How will you know when you are serving the best interest of the city?

Scott Larson: Looking at the demographics of the area and paying attention to what's the best decision.

Council Member Cecilio: Where do you see DRO in the next 3 years?

Scott Larson: Has looked at the driving range and has lots of ideas that can be done immediately. Park can attract leagues, etc. A lot of planning needs to be done. Solicit ideas and developers and feels planning is the most important, with some revenue, thinking outside the box.

Council Member Clark: How would you deal with a citizen's complaint?

Scott Larson: Listen to the complaint and take to Daniel, and send them to the right person and follow up.

Mayor Edelen: As an entrepreneur most difficult decision?

Scott Larson: In charge of a 12,000 sq. ft. facility. Changing from entrepreneur to corporate and helping them to let go and let the board of directors take over. Had to tell people how to let go and do the right thing. Always on the right side but it's always hard to do the right thing.

Council Member Clark: All three great guys and wonderful to have them come forward.

Mayor Edelen: Hardest decisions are the ones dealing with people's lives.

Council Member Allion: Would be nice to be able to try each one out.

George Jaksha: Endorsing **Mike Zuccaro**, always on time, well prepared, and conducts himself very professionally. Feels his background would enhance the Council.

Vote: Ballots were turned in and counted by the City Clerk

The vote was: 2 for Scott Larson and 2 for Mike Zuccaro

Discussion about vote and then revote:

Council Member Allion: Found it very difficult. Chose Scott Larson because of his entrepreneurial spirit and liked his comments about the Ft. Ord property.

Scott Gregory: Stated that he was going to leave since he was not voted for.

Council Member Cecilio: Was looking at the next 3 years and is very important and feels it's important to have a vision. Feels it's good to have someone with fresh ideas is very important.

Council Member Clark: Has known Mike Zuccaro for many years and is familiar with his decisions, feels he is level headed, involved with the citizens.

Mayor Edelen: Very impressed with Scott Larson but has worked with Mike Zuccaro for years and feels he has paid his dues. Would like to see Scott Larson do some public service on the Planning Commission and sees Mike as having the edge.

Public Comment:

George Jaksha: Appreciates good ideas but feels Mike hasn't had chance to voice his ideas.

Council Member Allion: Asked Scott about long range plan and if he'd seen the General Plan?

Scott Larson: General plan has not been seen, but asked how long it's been since a general plan was updated.

Council Member Allion: 1990's

SECOND VOTE: 3 for Mike Zuccaro, 1 for Scott Larson

Mayor Edelen: Stated that Scott is extremely interesting and would encourage him to join the Planning Commission.

City Manager Dawson: Swore in Mike Zuccaro as Council Member

Council Member Zuccaro: Very impressed with who he competed against. Thanked George Jaksha for his comments and stated he has worked with him for 10 years.

The Council considered **ITEM 5.B.**, Consider Introducing and Holding First reading of Ordinance No 265 an Ordinance Amending Section 2.04.010 A of the Municipal Code Relating To the Time of Regular City Council Meeting.

Council Member Cecilio: Would like to start at 6 pm

Council Member Allion: 6 pm if no public comment against it

Council Member Clark: 6 pm if no public comment against it

Council Member Zuccaro: 6 pm would be fine. Would like to hear from the public.

Council Member Allion: Frustrating thing is so few people at the meetings, maybe by moving to 6 pm more people would be able to attend.

Council Member Wellington: Talked about posting, agenda, and suggesting time alternatives.

George Jaksha: As Chair of the Planning Commission chair feels 6:30 would be better for people that work in Salinas.

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Scott Larson: How often can the time be changed? Feels coming by after work and not going home might be easier for people. He suggested trying it and readdressing later.

Mayor Edelen: Asked for a consensus on 6 pm?

Motion by Council Member Cecilio to approve, seconded by Council Member Clark

A Roll Call Vote was taken:

Council Member Clark: Aye

Council Member Cecilio: Aye

Council member Allion: Aye

Council Member Zuccaro: Aye

Mayor Edelen: Aye

Council Meeting adjourned at 6:32 p.m.

Approved

**REGULAR MONTHLY MEETING DEL REY OAKS PLANNING
COMMISSION WEDNESDAY, OCTOBER 14, 2009 AT 7:00 P.M.
CHARLIE BENSON MEMORIAL HALL**

Present: Commissioner Thayer, Clarke, Hayworth, Weir, and Chairman Jaksha
Absent: Commissioner Lucido
Also Present: City Manager Dawson and Deputy City Clerk Minami

CONSENT AGENDA:

Council Member Weir noted a correction that needs to be made on minutes from the September 9 meeting. The word accommodation should be commendation for Joe Russell.

Motion by Commissioner Clarke to approve September 9, 2009 Regular Planning Commission Minutes, seconded by Commissioner Hayworth. Motion passed 5-0. No public comment was received

PUBLIC COMMENT: None

BUILDING REPORT: Accepted

Chairman Jaksha noted that even though this isn't on the report, asks about section of the road (Angelus Way) that seems to be eroding in creek. City Manager Dawson, will be directing staff to put cages that will stop any further erosion.

Commissioner Thayer asked detailed questions regarding road project on Carlton Drive, and City Manager Dawson gave specifics.

OLD BUSINESS: None

NEW BUSINESS:

The Commission considered **Item 6.A.** Consider adoption Resolution 2009-03; A Resolution of the Planning Commission of the City of Del Rey Oaks Establishing the Time of Regular Meetings.

Chairman Jaksha: Since the City Council Meetings will be changing, good to stay consistent.

Commission Thayer: What time will study sessions and special meetings happen?

Deputy City Clerk Minami: The meetings will most likely be scheduled after the regular time, or on an alternate day.

Motion by Commissioner Weir to approve Item 6.A., seconded by Commissioner Thayer. No public comment was received.

Motion passed 5-0

Deputy City Clerk Minami and Chairman Jaksha sign Resolution 2009-03.

The Commission considered **Item 6.B.** Appointment of a nomination committee to appoint a Planning Commission Chair and Vice Chair.

Commissioner Thayer: What is the term?

Chairman Jaksha: One year.

Chairmen Hayworth and Clarke volunteer to be the nomination committee.

Motion by Commissioner Thayer to approve Item 6.B., seconded by Commissioner Clarke.

No public comment was received.

Motion passed 5-0

ANNOUNCEMENTS/COMMENTS:

Commissioner Weir noticed that the next meeting is scheduled for November 18th, rather than the 11th, is that because of Veterans Day?

Deputy City Clerk Minami: Yes.

Commissioner Weir: Needs website for AB1234 training, not able to attend the training in Pacific Grove.

City Manager Dawson: Will provide and reminds everyone else about the training on the 23rd in Pacific Grove.

Commissioner Hayworth: Thanks Mike Zuccaro for all of his years of service and dedication and everyone agree that he will be missed.

Deputy City Clerk Minami: The cut off for Planning Commissioner applications is Oct. 21st at noon.

NEXT MEETING: Wednesday, November 18, 2009 at 6:00 p.m. (As a result of this meeting and the passing of Resolution 2009-03)

7: 20 p.m. Meeting Adjourned

Approved:

**City of Del Rey Oaks
CLAIMS REPORT
SEPTEMBER 2009**

ITEM 4.B.1.

DATE	NUMBER	NAME	MEMO	AMOUNT
09/03/2009	EFT	FIRST NATIONAL BANK CHARGE	MERCHANT BNKCD FEE	(\$18.71)
09/10/2009	10926	POTTER'S ELECTRONICS	WALL MOUNT FOR PD MONITOR	(\$65.55)
09/11/2009	10927	AMERICAN LOCK & KEY	KEYS AND LOCKS CHANGED	(\$181.45)
09/11/2009	10928	AT&T	PHONE (LONG DISTANCE)	(\$387.01)
09/11/2009	10929	BAYVIEW BUSINESS SOLUTIONS, INC.	P.D. SHIPPING COSTS	(\$17.95)
09/11/2009	10930	CALIFORNIA-AMERICAN WATER	JULY 22- AUG 20 WATER	(\$406.01)
09/11/2009	10931	CHIEF SUPPLY CORP.	FLASHLIGHTS	(\$360.97)
09/11/2009	10932	DAWSON, DANIEL	REIMBURSEMENT	(\$95.81)
09/11/2009	10933	ELECTRICAL DISTRIBUTORS	PARK WELL BREAKER REPLACED/FLOOD LIGHT FOR THE CITY H	(\$83.92)
09/11/2009	10934	GLOBALSTAR USA	SATELITE PHONE	(\$26.88)
09/11/2009	10935	HOME DEPOT CRC	ACCT. # 6035 3220 0248 6219	(\$340.19)
09/11/2009	10936	JAMES DE CHALK	AUG BILLING	(\$300.00)
09/11/2009	10937	M&S BUILDING SUPPLY, INC.	CLEANING SUPPLIES	(\$11.30)
09/11/2009	10938	MONTEREY BAY AREA INSURANCE FUND	\$856.33 LIABILITY PREMIUM AND \$12,265.50 WORKERS COMP. P	(\$13,121.83)
09/11/2009	10939	MONTEREY BAY TECHNOLOGIES	IT SUPPORT-JULY 09	(\$1,632.00)
09/11/2009	10940	OFFICE DEPOT	FRAMES FOR PROCLAMATION/WATER AND PURELL/PRINTER FO	(\$204.54)
09/11/2009	10941	ORCHARD SUPPLY	TOILET SEAT FOR PARK RESTROOM	(\$26.09)
09/11/2009	10942	PENINSULA COMMUNICATIONS	FEDERAL SIGNAL MICROPHONE #61 & #68	(\$93.41)
09/11/2009	10943	PERS	RETIREMENT PAYMENT	(\$14,463.33)
09/11/2009	10944	PG&E	GAS 7/15/09-8/13/09 ELEC.7/15/09-8/24/09	(\$2,070.73)
09/11/2009	10945	SHELL OIL COMPANY	ACCT 079-056-693-FUEL FOR AUG 09	(\$2,020.78)
09/11/2009	EFT	FIRST NATIONAL BANK CHARGE	TRANSFER TO RDA TO PAY FORA (DUE FROM RDA)	(\$215,000.00)
09/15/2009	10033	JAIME DEL VALLE	RESERVE PAY	(\$108.80)

City of Del Rey Oaks
CLAIMS REPORT
SEPTEMBER 2009

ITEM 4.B.1.

09/10/2009	10926	POTTER'S ELECTRONICS	WALL MOUNT FOR PD MONITOR	(\$65.55)
09/24/2009	10946	MTRY CTY EMERGENCY SERV	City Charges FY 08-09	(\$31,460.00)
09/25/2009	EFT	FIRST NATIONAL BANK CHARGE	PACIFIC CAP BANK ANALYSIS	(\$49.72)
09/30/2009	10034	DAVID NGUYEN	RESERVE PAY	(\$487.84)
09/30/2009	10035	CECILIO, JEFF	RESERVE PAY	(\$100.00)
			TOTAL 1000 · GENERAL CHECKING	(\$283,134.82)

**City of Del Rey Oaks
Payroll Report
September 2009**

ITEM 4.B.1.

Date	Num	Name	Account	Class	Amount
09/11/2009	1150	CARVALHO, KIMBERLY R	10010 · SALARIES	GF:090 ADMIN:092 CITY CLERK	2,107.57
09/11/2009	1150	CARVALHO, KIMBERLY R	10010 · SALARIES	GF:090 ADMIN:111 AUDIT/TREASURER	371.93
09/11/2009	1152	MINAMI, KAREN L	10010 · SALARIES	GF:090 ADMIN:092 CITY CLERK	360.72
09/11/2009	1152	MINAMI, KAREN L	10010 · SALARIES	GF:090 ADMIN:111 AUDIT/TREASURER	2,044.10
09/11/2009	1153	BOURQUIN, CHRISTOPHER L	10008 · GF SALARIES/COPS GRANT	GF:172 POLICE	2,649.42
09/11/2009	1154	LANGFORD, RONALD J	10008 · GF SALARIES/COPS GRANT	GF:172 POLICE	4,600.00
09/11/2009	1155	TOPPS, RALPH E	10008 · GF SALARIES/COPS GRANT	GF:172 POLICE	2,649.42
09/11/2009	1155	TOPPS, RALPH E	10009 · OVERTIME	GF:172 POLICE	104.96
09/11/2009	1156	VAN ZANTEN, RUSS V.	10008 · GF SALARIES/COPS GRANT	GF:172 POLICE	2,649.42
09/11/2009	1156	VAN ZANTEN, RUSS V.	10009 · OVERTIME	GF:172 POLICE	83.97
09/11/2009	1157	VILLARREAL, MARIO A	10008 · GF SALARIES/COPS GRANT	GF:172 POLICE	3,381.26
09/11/2009	1157	VILLARREAL, MARIO A	10009 · OVERTIME	GF:172 POLICE	750.12
09/11/2009	1158	OLMOS, DAVID M.	10008 · GF SALARIES/COPS GRANT	GF:172 POLICE:173 COPS	2,649.42
09/11/2009	1158	OLMOS, DAVID M.	10009 · OVERTIME	GF:172 POLICE:173 COPS	83.97
09/11/2009	1159	JOSEPH JOHNSON	10009 · OVERTIME	GF:311 PUB WKS/STREETS	84.74
09/11/2009	1159	JOSEPH JOHNSON	10009 · OVERTIME	GF:411 PARKS/RECREATION	56.50
09/11/2009	1159	JOSEPH JOHNSON	10010 · SALARIES	GF:311 PUB WKS/STREETS	1,224.00
09/11/2009	1159	JOSEPH JOHNSON	10010 · SALARIES	GF:411 PARKS/RECREATION	816.00
09/11/2009	1160	TERRY L SERRANO	10010 · SALARIES	GF:311 PUB WKS/STREETS	1,224.00
09/11/2009	1160	TERRY L SERRANO	10010 · SALARIES	GF:411 PARKS/RECREATION	816.00
09/11/2009	1161	MUSE, HENRY	100103 · RESERVES SALARY	GF:172 POLICE	1,250.48
09/11/2009	1162	YOUNG, MATTHEW J	100103 · RESERVES SALARY	GF:172 POLICE	267.96
09/15/2009	10033	JAIME DEL VALLE	100103 · RESERVES SALARY	GF:172 POLICE	111.65
09/28/2009	1168	CARVALHO, KIMBERLY R	10010 · SALARIES	GF:090 ADMIN:092 CITY CLERK	2,107.57

**City of Del Rey Oaks
Payroll Report
September 2009**

ITEM 4.B.1.

Date	Num	Name	Account	Class	Amount
09/28/2009	1168	CARVALHO, KIMBERLY R	10010 · SALARIES	GF:090 ADMIN:111 AUDIT/TREASURER	371.93
09/28/2009	1170	MINAMI, KAREN L	10010 · SALARIES	GF:090 ADMIN:092 CITY CLERK	360.72
09/28/2009	1170	MINAMI, KAREN L	10010 · SALARIES	GF:090 ADMIN:111 AUDIT/TREASURER	2,044.10
09/28/2009	1171	BOURQUIN, CHRISTOPHER L	10008 · GF SALARIES/COPS GRANT	GF:172 POLICE	2,425.50
09/28/2009	1171	BOURQUIN, CHRISTOPHER L	10009 · OVERTIME	GF:172 POLICE	776.72
09/28/2009	1172	LANGFORD, RONALD J	10008 · GF SALARIES/COPS GRANT	GF:172 POLICE	4,600.00
09/28/2009	1173	TOPPS, RALPH E	10008 · GF SALARIES/COPS GRANT	GF:172 POLICE	2,425.50
09/28/2009	1173	TOPPS, RALPH E	10009 · OVERTIME	GF:172 POLICE	125.96
09/28/2009	1174	VAN ZANTEN, RUSS V.	10008 · GF SALARIES/COPS GRANT	GF:172 POLICE	2,425.50
09/28/2009	1175	VILLARREAL, MARIO A	10008 · GF SALARIES/COPS GRANT	GF:172 POLICE	3,095.50
09/28/2009	1175	VILLARREAL, MARIO A	10009 · OVERTIME	GF:172 POLICE	40.19
09/28/2009	1176	OLMOS, DAVID M.	10008 · GF SALARIES/COPS GRANT	GF:172 POLICE:173 COPS	2,425.50
09/28/2009	1176	OLMOS, DAVID M.	10009 · OVERTIME	GF:172 POLICE:173 COPS	146.95
09/28/2009	1177	JOSEPH JOHNSON	10010 · SALARIES	GF:311 PUB WKS/STREETS	1,224.00
09/28/2009	1177	JOSEPH JOHNSON	10010 · SALARIES	GF:411 PARKS/RECREATION	816.00
09/28/2009	1178	JOSEPH JOHNSON	10010 · SALARIES	GF:311 PUB WKS/STREETS	5,078.12
09/28/2009	1178	JOSEPH JOHNSON	10010 · SALARIES	GF:411 PARKS/RECREATION	3,385.42
09/28/2009	1179	TERRY L SERRANO	10010 · SALARIES	GF:311 PUB WKS/STREETS	1,224.00
09/28/2009	1179	TERRY L SERRANO	10010 · SALARIES	GF:411 PARKS/RECREATION	816.00
09/28/2009	1180	ALLION, DENNIS G	100101 · COUNCIL MEMBER STIPEND	GF:090 ADMIN:091 COUNCIL	100.00
09/28/2009	1181	CLARK, KRISTIN A	100101 · COUNCIL MEMBER STIPEND	GF:090 ADMIN:091 COUNCIL	100.00
09/28/2009	1182	EDELEN, JERRY B	100101 · COUNCIL MEMBER STIPEND	GF:090 ADMIN:091 COUNCIL	100.00
09/30/2009	10034	DAVID NGUYEN	100103 · RESERVES SALARY	GF:172 POLICE	535.92
09/30/2009	10035	CECILIO, JEFF	100101 · COUNCIL MEMBER STIPEND	GF:090 ADMIN:091 COUNCIL	100.00
					67,188.71

**CITY OF DEL REY OAKS
FISCAL YEAR 2009-2010 BUDGET VS. ACTUAL
SEPTEMBER 2009**

ITEM 4.B.2.

	Actual Total for 2009/10	FY 2009/10 Budget	% of Annual Budget
REVENUE			
300 - Operating Revenues			
3100 - PROPERTY TAXES			
3105 - P/T-SECURED		\$367,000.00	
3107 - P/T-UNITARY TAX		\$5,100.00	
3108 - PRIOR UNITARY TAX		\$50.00	
3110 - P/T-UNSECURED		\$17,400.00	
3120 - P/T-SB813		\$13,700.00	
3130 - P/T-PRIOR SECURED		\$20,800.00	
3132 - PRIOR UNSECURED		\$50.00	
3135 - PROPERTY TAX - VLF		\$125,600.00	
3140 - P/T-INT/PENAL		\$1,450.00	
3145 - P/T - ADMINISTRATIVE FEE		-\$5,500.00	
Total 3100 - PROPERTY TAXES		\$545,650.00	
3200 - OTHER TAXES			
3202 - MANDATED COSTS		\$4,000.00	
3205 - SALES TAX	\$54,285.90	\$255,000.00	21.29%
3206 - SALES TAX IN LIEU - 3-FLIP		\$83,000.00	
3208 - Sales Tax - Add On	\$78,301.76	\$388,000.00	20.18%
3209 - COP MONIES	\$44,774.56	\$88,000.00	50.88%
3210 - PROPERTY TRANSFER TAX	\$514.25	\$4,900.00	10.5%
3220 - GAS FRANCHISES		\$6,850.00	
3225 - ELECTRIC FRANCHISES		\$14,500.00	
3235 - GARBAGE FRANCHISES	\$8,114.98	\$40,600.00	19.99%
3240 - CABLE TV FRANCHISES	\$5,846.70	\$24,500.00	23.86%
3245 - WATER FRANCHISES		\$8,500.00	
3851 - SEWER IMPACT		\$8,400.00	
Total 3200 - OTHER TAXES	\$191,838.15	\$926,250.00	20.71%
3300 - LICENSES & PERMITS			
3301 - BUSINESS LICENSES	\$159,377.64	\$170,000.00	93.75%
3305 - BUILDING PERMITS	\$1,593.50	\$12,000.00	13.28%
3310 - PLAN CHECK FEES	\$120.00	\$5,000.00	2.4%
3315 - STREET OPENING PERMITS FEES	\$10,074.04	\$500.00	2,014.81%
3325 - PLUMBING PERMITS	\$160.00	\$600.00	26.67%
3330 - ELECTRICAL PERMITS		\$500.00	
3340 - ENVIRON ASSESS FEES/PERMIT		\$100.00	
3342 - DEVELOPER PYMT FEES/PERMITS	\$480.00	\$100.00	480.0%
3345 - OTHER LICENSES/PERMITS	\$200.00	\$500.00	40.0%
Total 3300 - LICENSES & PERMITS	\$172,005.18	\$189,300.00	90.86%
3400 - FINES & FORFEITURES			
3401 - VEHICLE CODE FINES	\$1,805.03	\$10,000.00	18.05%
3415 - OTHER COURT FINES	\$396.36	\$700.00	56.62%
Total 3400 - FINES & FORFEITURES	\$2,201.39	\$10,700.00	20.57%
3501 - INTEREST EARNED			
		\$20,000.00	
3600 - OTHER AGENCY REVENUE			

**CITY OF DEL REY OAKS
FISCAL YEAR 2009-2010 BUDGET VS. ACTUAL
SEPTEMBER 2009**

ITEM 4.B.2.

	Actual Total for 2009/10	FY 2009/10 Budget	% of Annual Budget
3602 · MOTOR VEHICLE LICENSE FEE(MVLF)	\$2,197.90	\$3,000.00	73.26%
3603 · OFF HIGHWAY		\$100.00	
3604 · HOPTR		\$400.00	
3605 · VEHICLE LICENSE COLLECTION		\$1,100.00	
3620 · PROP 172	\$2,426.26	\$8,500.00	28.54%
3624 · POST REIMBURSE		\$100.00	
3648 · GRANTS		\$100.00	
3649 · TRAFFIC CONGESTION RELIEF-AB438	\$3,288.79	\$10,000.00	32.89%
3655 · POLICE GRANTS OTHER AGENCIES		\$1,100.00	
Total 3600 · OTHER AGENCY REVENUE	\$7,912.95	\$24,400.00	32.43%
3700 · CURRENT SERVICES			
3703 · USE PERMITS	\$520.00	\$3,000.00	17.33%
3704 · MAPS/PUBLICATIONS	\$128.30	\$100.00	128.3%
3706 · RENTAL INCOME	\$2,450.50	\$9,600.00	25.53%
3707 · POLICE REPORTS		\$1,400.00	
3709 · PROPERTY INSPECTIONS	\$200.00	\$1,300.00	15.39%
3710 · POLICE SERVICES	\$8,805.00	\$10,000.00	88.05%
3711 · PUBLIC EVENTS	\$3,954.93	\$80,000.00	4.94%
3712 · MISCELLANEOUS SERVICES	\$186.36	\$1,000.00	18.64%
3715 · PD DONATIONS		\$100.00	
3717 · SCRIP TAXI SVC FOR SENIORS	\$40.00		
Total 3700 · CURRENT SERVICES	\$16,285.09	\$106,500.00	15.29%
3800 · PARKS/RECREATION			
3801 · PARK RENTAL	\$850.00	\$4,000.00	21.25%
3802 · RV RENTAL PARKS	\$5,160.00	\$26,000.00	19.85%
Total 3800 · PARKS/RECREATION	\$6,010.00	\$30,000.00	20.03%
3900 · OTHER			
3610 · GAS TAX 2107		\$15,000.00	
3612 · GAS TAX 2106		\$10,000.00	
3614 · GAS TAX 2107.5		\$1,000.00	
3616 · GAS TAX 2105		\$10,000.00	
Total 3900 · OTHER		\$36,000.00	
Total 300 · Operating Revenues	\$396,252.76	\$1,888,800.00	20.98%
EXPENDITURES			
10000 · S/B			
10008 · GF SALARIES/COPS GRANT	\$109,673.08		
10009 · OVERTIME	\$17,873.85	\$45,000.00	39.72%
10010 · SALARIES	\$71,047.62	\$743,250.00	9.56%
100101 · COUNCIL MEMBER STIPEND	\$1,400.00	\$6,000.00	23.33%
100102 · CITY MANAGER SALARY	\$19,900.00		
100103 · RESERVES SALARY	\$11,455.68	\$34,000.00	33.69%
10011 · PERS	\$34,036.64	\$144,000.00	23.64%
10012 · MEDICARE		\$10,000.00	
10013 · DENTAL EXPENSE	\$6,010.59	\$24,600.00	24.43%

**CITY OF DEL REY OAKS
FISCAL YEAR 2009-2010 BUDGET VS. ACTUAL
SEPTEMBER 2009**

ITEM 4.B.2.

	Actual Total for 2009/10	FY 2009/10 Budget	% of Annual Budget
10014 · HEALTH INS	\$31,598.12	\$127,400.00	24.8%
10015 · VISION INS	\$481.65	\$2,600.00	18.53%
10016 · WORKERS COMP	\$37,264.50	\$148,000.00	25.18%
10120 · UNIFORM ALLOWANCE	\$3,250.00	\$7,000.00	46.43%
10130 · EDUCATIONAL INCENTIVE	\$3,153.13	\$5,100.00	61.83%
Total 10000 · S/B	\$347,144.86	\$1,296,950.00	26.77%
20100 · PAYROLL EXPENSE	\$481.50	\$3,000.00	16.05%
20119 · BANK SERVICE CHARGES	\$161.07	\$100.00	161.07%
20120 · -SUPPLIES			
20121 · MATERIALS/SUPPLY	\$3,203.92	\$11,500.00	27.86%
20123 · AMMUNITION		\$9,000.00	
20124 · STREET MATERIAL PW/STR	\$177.39		
20160 · OFFICE SUPPLIES	\$3,263.77	\$15,500.00	21.06%
20161 · SPECIAL SUPPLY POLICE	\$1,241.86	\$9,000.00	13.8%
20120 · -SUPPLIES - Other	\$46.28		
Total 20120 · -SUPPLIES	\$7,933.22	\$45,000.00	17.63%
20130 · UTILITES & SERVICES			
20122 · REPAIR/MAINTENANCE	\$3,840.43	\$20,000.00	19.2%
20126 · STREET SWEEPING		\$14,400.00	
20127 · GABILAN CREW	\$10.16	\$2,000.00	0.51%
20131 · UTILITIES/PGE	\$2,013.99	\$7,500.00	26.85%
20132 · UTILITIES/WATER	\$820.22	\$5,000.00	16.4%
20140 · TELEPHONE / INTERNET	\$3,752.05	\$15,000.00	25.01%
20145 · WEBSITE DESIGN & MAINTENANCE	\$150.00	\$3,500.00	4.29%
20163 · BACKGROUND-TESTING	\$458.00	\$500.00	91.6%
20168 · POSTAGE / SHIPPING	\$655.09	\$4,000.00	16.38%
20170 · TRAVEL/CONFERENCE	\$1,116.65	\$1,000.00	111.67%
20171 · MEMBER/DUES/CONTRIBUTIONS	\$1,825.00	\$14,500.00	12.59%
20172 · AD/PROMOTION CITY CNCL		\$1,500.00	
20173 · LEGAL ADVERT NON-DEPT		\$1,500.00	
20174 · BOOK/PERIODICAL	\$32.48	\$100.00	32.48%
20175 · MEETING CITY CNCL	\$725.00	\$1,000.00	72.5%
20130X · OTHER EXPENSE	\$20.57	\$1,000.00	2.06%
Total 20130 · UTILITES & SERVICES	\$15,419.64	\$91,500.00	16.85%
20176 · PRINTING / PUBLICATIONS			
201761 · PERSONNEL MANUAL		\$500.00	
20176 · PRINTING / PUBLICATIONS - Other	\$178.61	\$3,000.00	5.95%
Total 20176 · PRINTING / PUBLICATIONS	\$178.61	\$3,500.00	5.1%
20180 · OUTSIDE SERVICES			
20177 · PROF DEVELOP CITY CLRK	\$503.28		
20178 · TRAINING POLICE	\$300.00	\$2,000.00	15.0%
20181 · OTHER PERMITS PW/ENGR		\$4,000.00	

**CITY OF DEL REY OAKS
FISCAL YEAR 2009-2010 BUDGET VS. ACTUAL
SEPTEMBER 2009**

ITEM 4.B.2.

	Actual Total for 2009/10	FY 2009/10 Budget	% of Annual Budget
30044 · LIABILITY/PROP NON-DPT	\$4,773.88	\$21,500.00	22.2%
30113 · CONTRACTUAL AUDIT		\$25,000.00	
30115 · DATA PROCESSING	\$1,632.00	\$4,000.00	40.8%
30116 · CONTRACTUAL SVCS PLANNING / ENG	\$1,527.75	\$26,000.00	5.88%
30119 · CONTRACTUAL SVCS - LEGAL	\$13,096.83	\$40,000.00	32.74%
30120 · CONTRL RETAINER LEGAL	\$3,640.00	\$11,000.00	33.09%
30126 · JANITORIAL FUND	\$675.00	\$4,100.00	16.46%
30127 · RADIO DISPATCH POLICE	\$31,460.00	\$23,800.00	132.19%
30129 · FEES NON-DT	\$54.87		
30165 · COMM HUM SERV NON-DEPT	\$3,057.00	\$3,100.00	98.61%
Total 20180 · OUTSIDE SERVICES	\$60,720.61	\$164,500.00	36.91%
30170 · AUTO OPERATION			
30181 · AUTO OPS - SUPPLIES / EQUIP	\$403.52	\$6,000.00	6.73%
30182 · AUTO OPS - FUEL	\$4,087.29	\$21,000.00	19.46%
30190 · AUTO REPAIR/MAINTENANCE	\$5,354.80	\$23,000.00	23.28%
Total 30170 · AUTO OPERATION	\$9,845.61	\$50,000.00	19.69%
30180 · POLICE AND FIRE			
30183 · FUND JAIL & PRISONER	\$13.79	\$1,000.00	1.38%
30184 · ACJIS SYSTEM POLICE	\$429.70	\$1,500.00	28.65%
30186 · FIRE CONTRACT	\$61,063.67		
301861 · FIRE SEASIDE		\$116,000.00	
30187 · ANIMAL REGULATION FIRE	\$808.50	\$2,500.00	32.34%
Total 30180 · POLICE AND FIRE	\$62,315.66	\$121,000.00	51.5%
30200 · STREETS & STORM WATER			
30218 · STREETS ENGINEERING	\$57.84		
30219 · S.M.I.P.	-\$9.00	\$200.00	(4.5%)
30220 · SB 1473	-\$5.00		
30230 · STREET LIGHTING	\$4,119.58	\$17,000.00	24.23%
30231 · STORM WATER PROJECT - PHASE1&2		\$4,900.00	
Total 30200 · STREETS & STORM WATER	\$4,163.42	\$22,100.00	18.84%
		\$22,550.00	
	\$22,000.00	\$47,345.00	
	-\$52,651.83	\$21,255.00	
Total 10 · Operating Expenses	\$477,712.37	\$1,888,800.00	25.29%
TOTAL OPERATING REVENUE	\$396,252.76		
LESS TOTAL OPERATING EXPENDITURES	\$477,712.37		
TOTAL OPERATING REVENUE LESS EXPENDITURES	-\$81,459.61		

CITY OF DEL REY OAKS
FISCAL YEAR 2009/10 CAPITAL OUTLAY BUDGET VS. ACTUAL
JULY 1, 2009 - SEPTEMBER 30, 2009

ITEM 4.B.2.

		FY 2009/10 BUDGET			ACTUAL TOTALS FOR 2009/10
4900 - CAPITAL OUTLAY REVENUE					
	3625 - 2000 PARK BOND GRANT	\$0.00			
	3627 - 2002 Parks Resources Bond Act	\$99,655.00			
	3720 - Portola/Carlton (Prop 1B) CIP	\$0.00			
	3730 - Portola/Work Walkway (MPRPD)	\$12,500.00			
	3740 - Stream Blockage (State)	\$0.00			
	3750 - Portola/Work Street (TAMC)	\$0.00			
	3760 - City Monument Sign Proceeds	\$0.00			
TOTAL 4900 - CAPITAL OUTLAY REVENUE		\$112,155.00			
50400 - CAPITAL OUTLAY EXPENDITURE					
	50400 - CAPITAL OUTLAY				
	50410 - ADMINISTRATION COMPUTERS				
	50420 - MONUMENT SIGN	\$0.00			
	50430 - PORTOLA / CARLTON (PROP 1B)	\$400,000.00	*		
	50440 - PORTOLA / WORK WALKWAY (MPRPD)	\$25,000.00	**		
	50450 - 2000 PARKS BOND ACT	\$0.00			
	50460 - 2002 PARKS RESOURCES BOND ACT	\$134,500.00	***		
	50470 - STREAM BLOCKAGE (STATE GRANT)	\$0.00			
	50480 - PORTOLA / WORK STREET (TAMC)	\$0.00			
TOTAL 50400 - CAPITAL OUTLAY EXPENDITURE		\$559,500.00			
	Operating Funds Transferred In for Capital Outlay Funding ^①	\$47,345.00			
	Projected Excess/(Deficit) Capital Outlay Fund Balance				-\$400,000.00
*50430	Portola/Carlton (Prop 1B):				
	Revenue received last FY; the City Engineer is preparing the plans and specifications for road resurfacing along Portola / Carlton and 13 cul-de-sacs, project deadline 06/30/2012				
**50440	Portola/Work Walkway (MPRPD)				
	The \$12,5000 parks grant is to be matched 100% by the City, project deadline 11/30/2010)				
***50460	2002 Parks Resources Bond Act:				
	The \$99,655 bond revenue is to be matched 35% by the City, project deadline 6/30/2011				
①	Funds Transferred In from City Operating Account				
	\$47,345 is the amount of match required to be paid by the City for the Walkway and the Park Bond Grants				

**CITY OF DEL REY OAKS
CASH FUNDS
AS OF SEPTEMBER 30, 2009**

ITEM 4.B.2.

CITY OF DEL REY OAKS			
CASH BALANCES AS OF SEPTEMBER 30, 2009			
		1000 - GENERAL CHECKING	43,088.21
		1008 - LAIF CITY ACCOUNT	862,475.50
		10080 - LAIF ANTICIPATION BOND ACT	1,041.90
		Total City Checking/Savings	\$ 906,605.61
REDEVELOPMENT AGENCY			
CASH BALANCES AS OF SEPTEMBER 30, 2009			
		10-1001 - GENERAL CHECKING	\$31,101.49
		10-1003 - DUFFY EIR/CEQA CHECKING	16,677.62
		10-1002 - LAIF RDA ACCOUNT	21,199.04
		Total RDA Checking/Savings	68,978.15
GRAND TOTAL CASH BALANCES			\$ 975,583.76



FIRE DEPARTMENT

1635 Broadway Avenue
Seaside, CA 93955

Telephone (831) 899-6790
FAX (831) 899-6261
TDD (831) 899-6207

October 1, 2009

Chief Langford
Del Rey Oaks City Hall
650 Canyon Del Rey
Del Rey Oaks, CA 93940

RECEIVED
OCT 06 2009
DEL REY OAKS
CITY CLERK

Dear Chief Langford:

Enclosed is a copy of the response reports for the Seaside Fire Department response to Del Rey Oaks for the period of September 1, 2009 thru September 30, 2009.

The City of Del Rey Oaks is being billed for the following incident numbers:

- Incident #
- 09-0001582
- 09-0001596
- 09-0001597
- 09-0001613
- 09-0001631
- 09-0001651
- 09-0001652
- 09-0001728

There are eight calls for the month of September. If you have any questions, please contact me.

Sincerely,

Kathryn Pernet
Sr. Administrative Assistant

CC: File

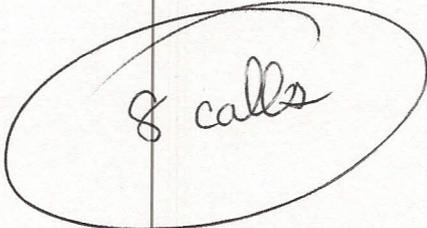
09-0001582
09-0001596
09-0001597
09-0001613
09-0001631
09-0001651
09-0001652
09-0001728

Incident List by Alarm Date/Time

Alarm Date Between {09/01/2009} And {09/30/2009}
and District = "029"

Incident-Exp#	Alm Date	Alm Time	Location	Incident Type
09-0001582-000	09/07/2009	11:12:00	6 CARLTON DR /Del Rey Oak	321 EMS call, excluding vehicle
09-0001596-000	09/09/2009	07:40:00	425 CANYON DEL REY BLVD	321 EMS call, excluding vehicle
09-0001597-000	09/09/2009	07:54:00	1091 ROSITA RD /Del Rey O	321 EMS call, excluding vehicle
09-0001603-000	09/10/2009	16:19:00	650 CANYON DEL REY BLVD	611 Dispatched & cancelled en ro
09-0001613-000	09/12/2009	09:37:00	465 CANYON DEL REY BLVD /	520 Water problem, Other
09-0001631-000	09/15/2009	16:23:00	1013 VIA VERDE RD /Del Re	500 Service Call, other
09-0001651-000	09/19/2009	05:21:00	441 CANYON DEL REY BLVD /	321 EMS call, excluding vehicle
09-0001652-000	09/19/2009	06:47:00	7 ROBERTSON PL /Del Rey O	321 EMS call, excluding vehicle
09-0001654-000	09/19/2009	07:43:00	1007 PORTOLA DR	611 Dispatched & cancelled en ro
09-0001660-000	09/21/2009	01:59:00	1025 PORTOLA DR /Del Rey	611 Dispatched & cancelled en ro
09-0001728-000	09/30/2009	11:40:00	800 PORTOLA DR /Del Rey O	321 EMS call, excluding vehicle

Total Incident Count 11



8 calls



Del Rey Oaks Police Department
 Monthly Report of Activity
 September – 2009
 Completed By: Ron Langford, COP

ARRESTS:

<i>Felony Arrests</i>	00
<i>Misdemeanor Arrests</i>	05 ¹
<i>Warrant Arrests (OJ)</i>	01
TOTAL ARRESTS	06

REPORTS FILED:

15

BURGLARIES:

<i>Residential</i>	00
<i>Commercial</i>	00
<i>From Locked Vehicle</i>	03 ²
<i>Other</i>	00
TOTAL BURGLARIES	03

GRAND & PETTY THEFTS:

<i>Residential</i>	01
<i>Commercial</i>	00
<i>Shoplifting</i>	05
<i>From Motor Vehicle</i>	00
<i>Other</i>	00
TOTAL THEFTS	06

CITATIONS ISSUED:

<i>Traffic Citations Issued</i>	07
<i>Parking Citations Issued</i>	00
<i>Admin Citations Issued</i>	00
TOTAL CITATION ISSUED	07

¹ Shoplifting at Safeway.

² Incidents occurred -9/25/09 –Throughout City

ASSAULTS:

<i>Simple Assault</i>	
<i>Domestic Violence</i>	
<i>Weapon Involved</i>	
TOTAL ASSAULTS	00

TRAFFIC ACCIDENTS:

<i>Non-Injury Accidents</i>	01
<i>Injury Accidents</i>	
TOTAL ACCIDENTS	01

TOWED & STORED VEHICLES:

01

ALARMS:

<i>Residential</i>	
<i>Commercial</i>	
TOTAL ALARMS	00

DUI ENFORCEMENT:

00

RESOLUTION NO. 2009-14

**A RESOLUTION DECLARING THREE (3) POLICE VEHICLES AND ONE
(1) PUBLIC WORKS VEHICLE SURPLUS AND AUTHORIZING THE
DISPOSAL THEREOF**

-oOo-

WHEREAS, the City has three (3) police vehicles and a public works vehicle that it no longer requires;

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

1. That the Council hereby declares the following equipment surplus to the needs of the City:

- | | | |
|----|--|-------------------|
| a) | 1996 Ford Police Sedan | Partial VIN 07937 |
| b) | 1992 Chevrolet Suburban Police Vehicle | Partial VIN 43721 |
| c) | 2003 Hummer Police Vehicle | Partial VIN 25809 |
| d) | 1992 GMC Public Works Truck | Partial VIN 34057 |

2. That the Council hereby authorizes and directs the City Manager to place appropriate advertisements for the surplus equipment and to sell the equipment to the highest bidder.

PASSED AND ADOPTED by the City Council of the City of Del Rey Oaks at a joint meeting duly held on, October 27, 2009 by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSTAINS: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST:

Jerry Edelen, Mayor

Daniel D. Dawson, City Clerk

**CITY OF DEL REY OAKS
CITY MANAGER STAFF REPORT**

Date: October 22, 2009
From: Daniel Dawson, City Manager
To: City Council
Re: General Jim Moore Boulevard

Requested Action: Del Rey Oaks City Council authorize the execution of a construction easement to the Fort Ord Reuse Authority for the realignment and improvement of General Jim Moore Boulevard across the westerly frontage of the Del Rey Oaks land holding on the former Fort Ord.

Discussion:

The Fort Ord Reuse Authority (FORA) is poised to commence the next phase of the realignment and widening of General Jim Moore Boulevard (GJMB). The project will commence approximately 890 feet south of the Del Rey Oaks (DRO) city boundary.

FORA has secured an American Recovery and Reinvestment Act (ARRA) grant in the amount of \$6.48 million dollars. FORA will match that sum with local funding.

The grant requires FORA to provide a title opinion from the Authority Counsel indicating fee title or construction easement for the lands on which the construction is proposed. In the case of GJMB, FORA holds fee title to the lands north of the DRO/Seaside boundary line. DRO holds title south of this line.

FORA requests the DRO City Council to grant a construction easement for the purpose of the proposed construction and the execution of the title opinion by the Authority Counsel. The description of the requested easement is shown in the attached legal description and map.

Prompt performance of this request is critical to performance under the terms of the grant. The grant requires its conditions to be met no later than December 17, 2009. FORA may not award a construction contract until the title opinion is prepared. Advertisement for construction bids must commence no later than October 31, 2009 to meet the EDA deadline.

The value of construction on the DRO property is estimated at no less than \$1M, which will be provided at no cost to DRO, and will support DRO's proposed development of its land holdings.

Improvement of the remainder of the DRO frontage on GJMB will follow approval of the Habitat Conservation Plan (HCP). That approval is anticipated in the first half of 2011. Those frontage improvements are linked to the HCP because there

ITEM 5.A.

is a state listed plant species south of the proposed limits of work. The HCP will facilitate the California Department of Fish and Game issuing a basewide 2081 permit for the take of the impeding plant species and the construction of the remainder of GJMB.

DRO's exposure to liability will be reduced by insurance purchased by the contractor as required by the contract. Liability will be further reduced by the Pollution Legal Liability Insurance provided through a policy arranged by FORA.

FORA's Capital Improvement Plan includes improvement of both the remainder of GJMB and South Boundary Road. That work depends on FORA's ability to fund the work. Funding is anticipated to be derived from the FORA Community Finance District.

LEGAL DESCRIPTION FOR FORT ORD REUSE AUTHORITY CONSTRUCTION EASEMENT

Parcel E29a.1

All that real property located in the City of Del Rey Oaks, County of Monterey, State of California; being a portion of Parcel E29a.1 as it is described in the quitclaim deed from the United States of America to the Fort Ord Reuse Authority dated July 10, 2009 and recorded in the County of Monterey, California on July 10, 2009, in Series Number 2009043259, Monterey County Official Records described as follows:

Being a strip of land varying in width, the perimeter of which is more particularly described as follows:

Commencing at the most northwesterly corner of said Parcel A as it is shown on that certain map filed in Volume 28 of Surveys at Page 40, Monterey County Official Records; thence South 23°14'55" West for a distance of 843.97 feet to the POINT OF BEGINNING of this description; thence from said POINT OF BEGINNING

1. North 84°50'03" East for a distance of 36.80 feet along the southerly boundary of said Parcel A; thence continuing along said southerly boundary
2. South 14°52'39" East for a distance of 20.48 feet; thence leaving said southerly boundary
3. South 29°01'32" West for a distance of 198.85 feet; thence
4. South 23°14'55" West for a distance of 158.04 feet, more or less, to the northerly line of South Boundary Road being also the southerly boundary line of said Parcel E29a.1; thence along said southerly boundary line
5. Along a non-tangent curve to the right; concave to the east, the center of which bears North 79°41'29" East, having a radius of 150.00 feet, through a central angle of 33°33'26", an arc length of 87.85 feet to a point of tangency; thence continuing along the westerly boundary line of said Parcel E29a.1
6. North 23°14'55" East for a distance of 271.57 feet, more or less, to the Point Of Beginning.

Containing an area of 10,551 square feet, more or less.

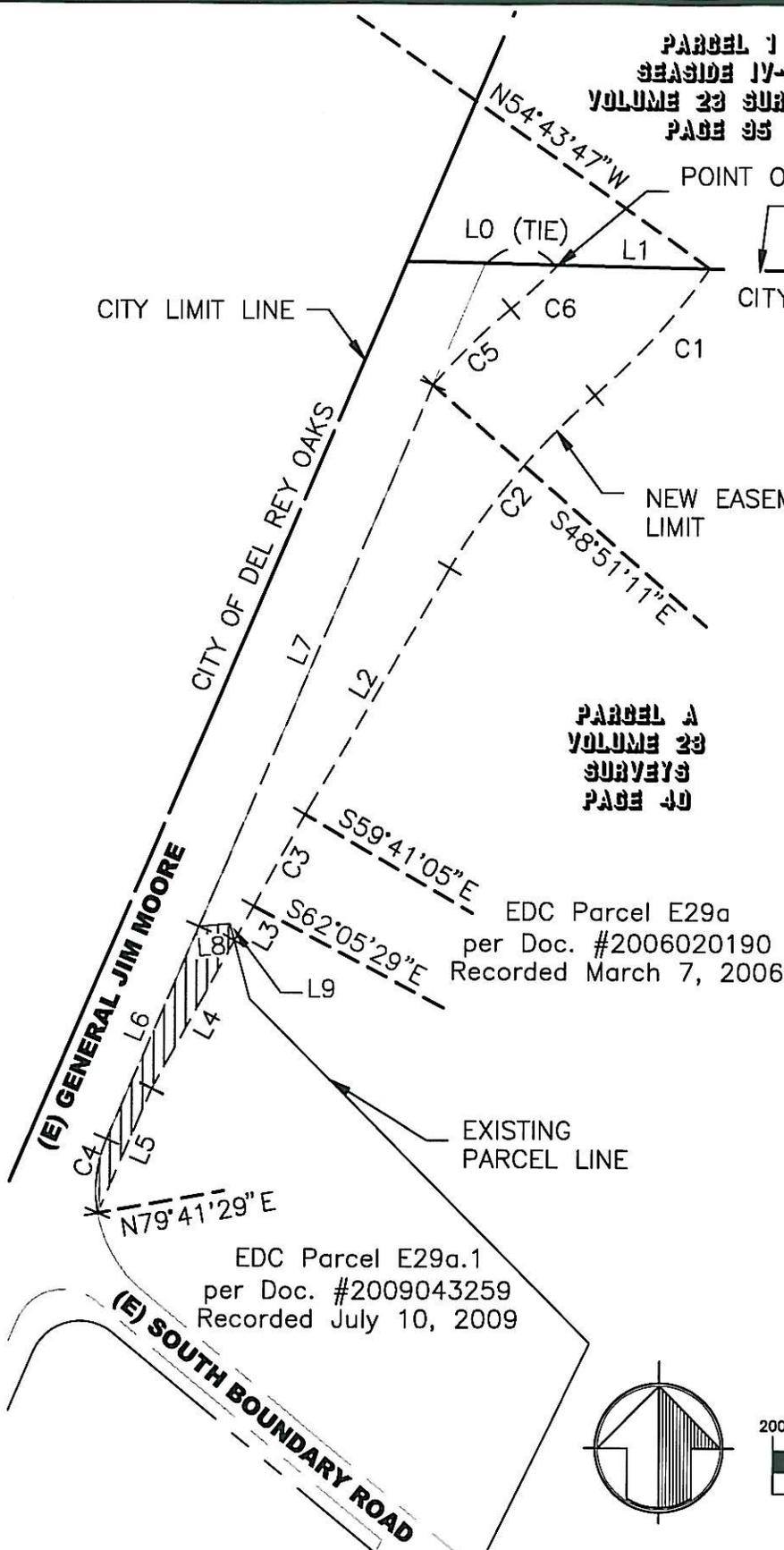
This legal description was prepared by


Lynn A. Kovach L. S. 5321
My license expires December 31, 2009



PARCEL 1
SEASIDE IV-B
VOLUME 23 SURVEYS
PAGE 95

EDC Parcel E24



POINT OF BEGINNING
 CITY LIMIT LINE

CITY OF SEASIDE
 CITY OF DEL REY OAKS

BASIS OF BEARINGS

THE BEARING OF S14°23'43"E ALONG THE WESTERLY BOUNDARY LINE OF PARCEL 1, "SEASIDE IV-A" AS SHOWN ON THE MAP RECORDED IN VOLUME 23 OF SURVEYS AT PAGE 99 AND THE EASTERLY BOUNDARY LINE OF "SEASIDE III" AS SHOWN ON THE MAP RECORDED IN VOLUME 23 OF SURVEYS AT PAGE 83, AS FOUND MONUMENTED, WAS TAKEN AS THE BASIS OF BEARINGS SHOWN UPON THIS MAP.

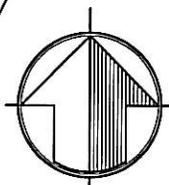
PARCEL A
VOLUME 23
SURVEYS
PAGE 40

EDC Parcel E29a
 per Doc. #2006020190
 Recorded March 7, 2006

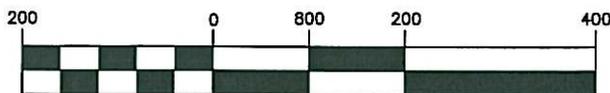
EDC Parcel E29a.1
 per Doc. #2009043259
 Recorded July 10, 2009

LINE TABLE		
LINE	LENGTH	BEARING
LO (TIE)	84.57	S88°47'40"E
L1	177.86	S88°47'40"E
L2	334.07	S30°18'55"W
L3	46.38	S29°01'32"W
L4	198.85	S29°01'32"W
L5	158.04	S23°14'55"W
L6	271.57	N23°14'55"E
L7	689.35	N23°14'55"E
L8	36.80	S84°50'03"W
L9	20.48	S14°52'39"E

CURVE TABLE			
CURVE	LENGTH	RADIUS	DELTA
C1	200.06	820.00	13°58'43"
C2	264.36	800.00	18°56'00"
C3	123.08	2930.00	2°24'24"
C4	87.85	150.00	33°33'26"
C5	127.15	820.00	8°53'03"
C6	75.21	680.00	6°20'13"



GRAPHIC SCALE



(IN FEET)



Creegan+D'Angelo

INFRASTRUCTURE
 ENGINEERS

225 Cannery Row, Suite H
 Monterey, CA 93940
 Tel (831) 373-1333
 Fax (831) 373-0733

www.cdengineers.com

EXHIBIT '1B'
CONSTRUCTION EASEMENT
CITY OF DEL REY OAKS
COUNTY OF MONTEREY, CA

SHEET 1 OF 1

LEGAL DESCRIPTION FOR FORT ORD REUSE AUTHORITY CONSTRUCTION EASEMENT

Portion of Parcel E29a

All that real property located in the City of Del Rey Oaks, County of Monterey, State of California; being a portion of Parcel A as it is shown on that certain map filed in Volume 28 of Surveys at Page 40, Monterey County Official Records described as follows:

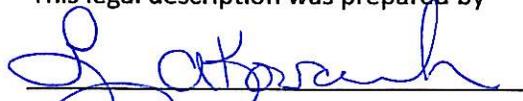
Being a strip of land varying in width, the perimeter of which is more particularly described as follows:

Commencing at the most northwesterly corner of said Parcel A; thence along the northerly boundary line of said Parcel A, South 88°47'40" East for a distance of 84.57 feet to the POINT OF BEGINNING of this description; thence from said POINT OF BEGINNING

1. South 88°47'40" East for a distance of 177.86 feet; thence leaving said northerly boundary line
2. Along a non-tangent curve to the right; concave to the west, the center of which bears North 54°43'47" West, having a radius of 820.00 feet, through a central angle of 13°58'43", an arc length of 200.06 feet to a point of tangency; thence
3. Along a tangent curve to the left; concave to the east, having a radius of 800.00 feet, through a central angle of 18°56'00", an arc length of 264.36 feet to a point of tangency; thence
4. South 30°18'55" West for a distance of 334.07 feet; thence
5. Along a non-tangent curve to the left; concave to the west, the center of which bears South 59°41'05" East, having a radius of 2,930.00 feet, through a central angle of 2°24'24", an arc length of 123.08 feet; thence
6. South 29°01'32" West for a distance of 46.38 feet to the southerly boundary line of said Parcel A; thence along said southerly boundary line
7. North 14°52'39" West for a distance of 20.48 feet; thence continuing along said southerly boundary line
8. South 84°50'03" West for a distance of 36.80 feet to the most southwesterly corner of said Parcel A; thence along the westerly boundary line of said Parcel A
9. North 23°14'55" East for a distance of 689.43 feet; thence leaving said westerly boundary line
10. Along a non-tangent curve to the right; concave to the east, the center of which bears North 48°51'11" East, having a radius of 820.00 feet, through a central angle of 8°53'03", an arc length of 127.15 feet to a point of tangency; thence
11. Along a tangent curve to the left; concave to the west, having a radius of 680.00 feet, through a central angle of 6°20'13", an arc length of 75.21 feet, more or less, to the Point Of Beginning.

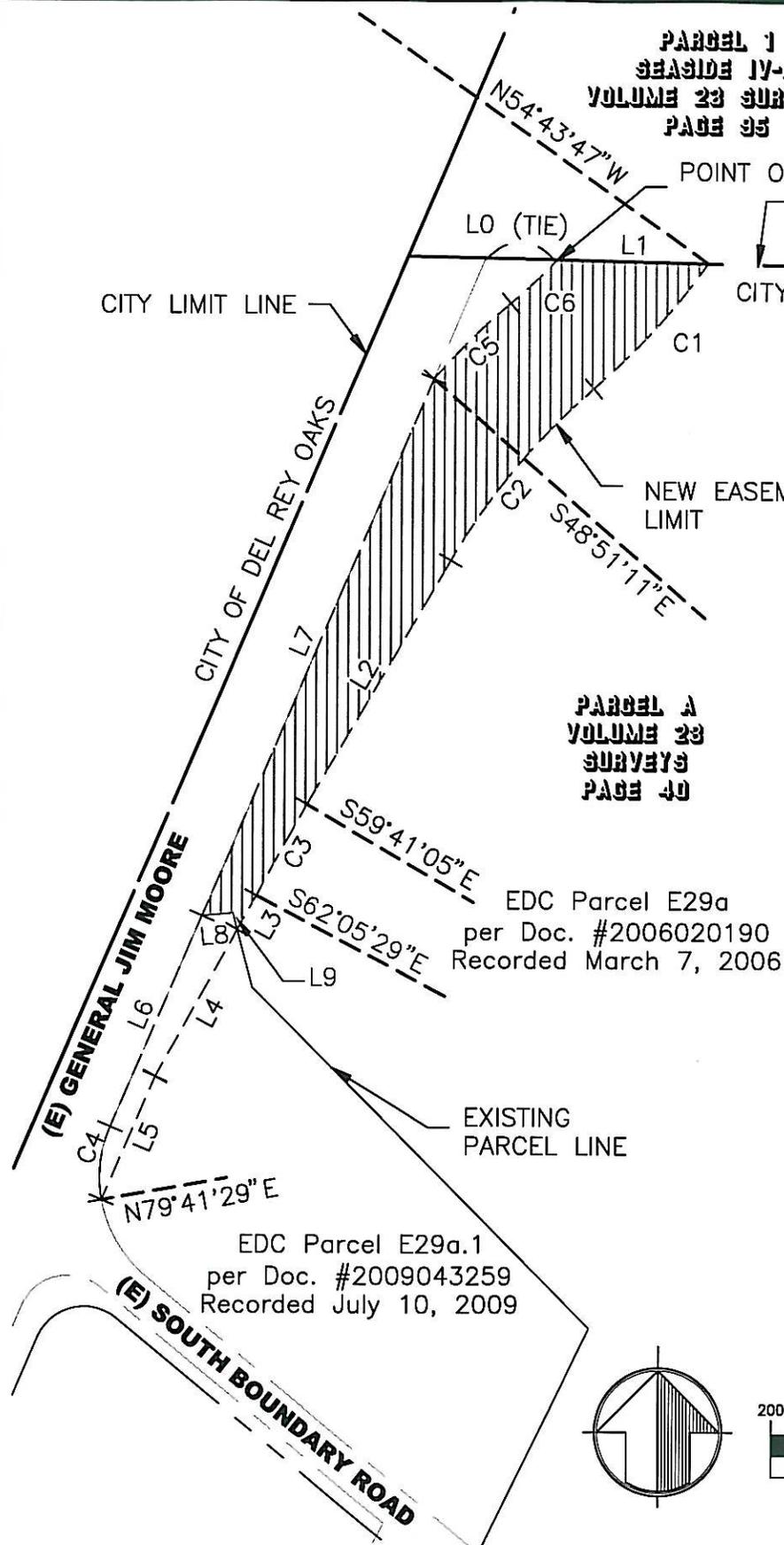
Containing an area of 92,500 square feet, more or less.

This legal description was prepared by


Lynn A. Kovach L. S. 5321

My license expires December 31, 2009





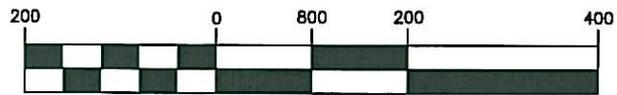
BASIS OF BEARINGS

THE BEARING OF S14°23'43"E ALONG THE WESTERLY BOUNDARY LINE OF PARCEL 1, "SEASIDE IV-A" AS SHOWN ON THE MAP RECORDED IN VOLUME 23 OF SURVEYS AT PAGE 99 AND THE EASTERLY BOUNDARY LINE OF "SEASIDE III" AS SHOWN ON THE MAP RECORDED IN VOLUME 23 OF SURVEYS AT PAGE 83, AS FOUND MONUMENTED, WAS TAKEN AS THE BASIS OF BEARINGS SHOWN UPON THIS MAP.

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C6	75.21	680.00	6°20'13"

GRAPHIC SCALE



(IN FEET)



225 Cannery Row, Suite H
 Monterey, CA 93940
 Tel (831) 373-1333
 Fax (831) 373-0733
 www.cdengineers.com

EXHIBIT '1B'
CONSTRUCTION EASEMENT
CITY OF DEL REY OAKS
COUNTY OF MONTEREY, CA
 SHEET 1 OF 1

WELLINGTON
LAW OFFICES

KENNETH D. BUCHERT
ROBERT W. RATHIE
GEORGE C. THACHER
ROBERT R. WELLINGTON

857 CASS STREET, SUITE D
MONTEREY, CALIFORNIA 93940
TELEPHONE (831) 373-8733
FACSIMILE (831) 373-7106
E-MAIL - ATTYS@WELLINGTONLAW.COM

September 17, 2009

Memo to: City Council

From: Ken Buchert, Assistant City Attorney

Re: California-American Water Company – Consider Introducing and Holding First Reading of an Ordinance Granting a Franchise to California-American Water Company and Adopting a Resolution of Intention to Grant the Franchise and Setting Public Hearing

As you know, the City Manager has been negotiating a franchise Agreement with California-American Water Company (“Cal Am”) to use the City streets for the purposes of Providing Water Service. Negotiations have now been completed and the proposed Franchise Agreement is Exhibit “A” to the attached Ordinance.

Granting a franchise by the City is controlled by the Franchise Act of 1937 (California Public Utilities Code, Division 3, Chapter 2) and consists of adopting an ordinance granting the franchise through the normal City procedure, meaning two readings of the Ordinance. A resolution of intention to grant the franchise and to set the matter for public hearing prior to adoption of the ordinance is also required. At the hearing on October 27th, the City Council will hear and consider any protests as well as consider any written protests and then consider adopting the Ordinance.

Attached are the proposed Ordinance, including the draft Franchise Agreement as an attachment (authorization for the City Manager to execute the Franchise Agreement by the City Manager is part of the Ordinance), and the Resolution of intention to grant the franchise and setting the required public hearing for the council meeting of October 27, 2009.

Recommendation: It is recommended that the Council

- a) Introduce and hold first reading of the attached Ordinance granting the franchise to California-American Water Company, and then
- b) Adopt the attached Resolution of Intention to Grant the Franchise to California-American Water Company and Setting Public Hearing

K.D.B.

KDB:ms
Enclosure

ORDINANCE NO. 264

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DEL REY OAKS
GRANTING TO CALIFORNIA-AMERICAN WATER COMPANY
A FRANCHISE TO USE PUBLIC STREETS AND PROPERTY WITHIN CITY
BOUNDARIES FOR THE PURPOSES OF
PROVIDING WATER SERVICE SUBJECT TO FINAL REVIEW AND
APPROVAL BY THE CITY ATTORNEY

WHEREAS, the City Council of Del Rey Oaks (“City Council”) desires to grant a franchise to California-American Water Company (“California American Water”) to use public streets and property for the purposes of providing water service (“Franchise”); and

WHEREAS, California American Water, a corporation organized and existing under the laws of the State of California, has agreed to enter into a Franchise and is willing and qualified to perform thereunder; and

WHEREAS, City has the authority to enter into a franchise agreement with California American Water pursuant to the terms and conditions of the Franchise Act of 1937 (California Public Utilities Code, Division 3, Chapter 2); and

WHEREAS, this Ordinance shall authorize City to enter into a franchise agreement with California American Water to use public streets and property within City’s boundaries for the purposes of providing water service following the Noticed Public Hearing and final adoption of this Ordinance;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF DEL REY OAKS DOES ORDAIN AS FOLLOWS:

1. Grant of Franchise. City hereby grants to California American Water, a corporation organized and existing under the laws of the State of California, upon execution of a franchise agreement, a Franchise to use public streets and property within City’s boundaries as set forth in the attached Franchise Agreement, marked as Exhibit “A” and incorporated herein by this reference thereto. The City Manager of City is hereby authorized to execute the Franchise Agreement, subject to final review and approval by the City Attorney, which shall be consistent with this Ordinance and with the terms and conditions set forth in the Franchise Act of 1937.

2. Franchise Term. The Franchise shall have a term of twenty-five (25) years from the effective date of the Franchise Agreement authorized by this Ordinance. The Franchise shall be renewable for subsequent twenty-five (25) year periods upon consent of the City Council given by ordinance.

3. Franchise Fees. California American Water shall, during the term of the Franchise, pay to City a sum equivalent to the maximum allowed to be paid for the Franchise under Section 6231 of the Franchise Act of 1937, as it may be from time to time amended, currently equivalent to two percent (2%) of the gross annual receipts of California American Water arising from the use, operation, or possession of the Franchise; provided, however, that such payment shall in no event be less than a sum which shall be equivalent to one per cent (1%) of the gross annual receipts derived by California American Water from the sale of water within City's boundaries.

4. Verified Statement of Gross Receipts. California American Water shall file with the City Manager of City, within three (3) months after expiration of the calendar year, a duly verified statement showing in detail the total gross receipts of California American Water, its successors, or assigns, during the preceding calendar year from the sale of water within City. California American Water shall pay to City within fifteen (15) days after the time for filing such statement, in lawful money of the United States, the aforesaid percentage of its gross receipts for such calendar year, or such fractional calendar year, covered by such statement. Any neglect, omission or refusal by California American Water to file such verified statement, or to pay said percentage at the time and in the manner specified in this Ordinance, shall be grounds for the forfeiture of the Franchise and of all rights of California American Water thereunder.

5. Restriction on Assignability of Franchise. The Franchise shall not be sold, leased, assigned or otherwise alienated, without the express consent of the City Council given by ordinance and subject to referendum.

6. Severability. If any provision, section, paragraph, sentence, clause, or phrase of this Ordinance, or any part thereof, or the application thereof to any person or circumstance is for any reason held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance, or any part thereof, or its application to other persons or circumstances. The City Council hereby declares that it would have passed and adopted each provision, section, paragraph, subparagraph, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, paragraphs, subparagraphs, sentences, clauses or phrases, or the application thereof to any person or circumstance, be declared invalid or unconstitutional.

7. Effective Date. This ordinance shall take effect and be in force thirty (30) days from and after its final passage.

8. Posting of Ordinance. Within fifteen (15) days after the passage of this ordinance, the City Clerk shall cause it to be posted in the three (3) public places designated by resolution of the City Council.

The foregoing ordinance was introduced at a regular meeting of the City Council of the City of Del Rey Oaks duly held on September 22, 2009, and was passed and adopted at a regular meeting duly held on October 27, 2009, by the following vote:

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

Jerry Edelen, Mayor

ATTEST:

Daniel Dawson, City Clerk

ORDINANCE NO. 265

AN ORDINANCE AMENDING SECTION 2.04.010 A OF THE MUNICIPAL CODE
RELATING TO THE TIME OF REGULAR CITY COUNCIL MEETINGS

-oOo-

THE CITY COUNCIL OF THE CITY OF DEL REY OAKS DOES ORDAIN AS FOLLOWS:

1. Section 2.04.010 A. Amended. Section 2.04.010 A. of the Municipal Code, entitled "Regular Meetings, is hereby deleted in its entirety and replaced with a new section to read as follows:

"Section 2.04.010 Regular Meetings

A. Time. The City Council shall hold regular meetings on the fourth Tuesday of each month at 6:00 p.m. or as may be designated by resolution of the City Council. Provided, however, when the day fixed for any regular meeting of the Council falls upon a day designated by law as a legal or national holiday or is otherwise inconvenient to the Council because of such a holiday, such meeting shall be held at the same hour on the date designated by the Council and announced at a Council meeting."

2. Effective Date. This ordinance shall take effect and be in force thirty (30) days from and after its final passage.

3. Posting of Ordinance. Within fifteen (15) days after the passage of this ordinance, the City Clerk shall cause it to be posted in the three (3) public places designated by resolution of the City Council.

The foregoing ordinance was introduced at an adjourned regular meeting of the City Council of the City of Del Rey Oaks duly held on September 29, 2009, and was passed and adopted at a regular meeting duly held on October 27, 2009, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

Jerry Edelen, Mayor

ATTEST:

Daniel Dawson, City Clerk

**Sample Staff Report
Proposition 1A Securitization Program
[Tax-Exempt Proceeds]**

Note to Staff: The following is sample language for use in a staff report to accompany the Proposition 1A Receivables Sale Resolution.. This language is only a suggestion and you should not hesitate to edit as needed. If you need assistance or would like the Proposition 1A Securitization Program to review your staff report or agenda item, please do not hesitate to contact us. Because of the need to maintain the uniformity of documents among all participating local agencies, the Proposition 1A Securitization Program will supply you with a finalized Proposition 1A Receivables Sale Resolution suitable for adoption based on the information you submit on the Proposition 1A Securitization Program enrollment. Participation in the Proposition 1A Securitization Program requires that the documents be approved exactly in the form provided to you. If you believe there is an error in the documents provided to you, please contact Orrick, Herrington & Sutcliffe LLP, the Proposition 1A Program's bond counsel as soon as possible. (Please see the Proposition 1A Securitization Program financing team contacts list for contact information.)

Agenda Item: A RESOLUTION APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A PURCHASE AND SALE AGREEMENT AND RELATED DOCUMENTS WITH RESPECT TO THE SALE OF THE SELLER'S PROPOSITION 1A RECEIVABLE FROM THE STATE; AND DIRECTING AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH.

Background

Proposition 1A Suspension: Proposition 1A was passed by California voters in 2004 to ensure local property tax and sales tax revenues remain with local government thereby safeguarding funding for public safety, health, libraries, parks, and other local services. Provisions can only be suspended if the Governor declares a fiscal necessity and two-thirds of the Legislature concur.

The emergency suspension of Proposition 1A was passed by the Legislature and signed by the Governor as ABX4 14 and ABX4 15 as part of the 2009-10 budget package on July 28, 2009. Under the provision, the State will borrow 8% of the amount of property tax revenue apportioned to cities, counties and special districts. The state will be required to repay those obligations plus interest by June 30, 2013.

The legislature is currently reviewing a clean-up bill, SB67 which would provide for a few critical changes to the enacted legislation, including but not limited to providing for: financing to occur in November; county auditor certification of amount of Prop 1A receivable; tax-exempt structure; California Communities as the only issuer; more flexibility on bond structure (interest payments, state payment date and redemption features); sales among local agencies; and revision to the hardship mechanism. [*Note to Staff: include if SB 67 has not yet been passed*] [While SB 67 has not yet been passed and signed into law, California Communities expects that to occur prior to funding the Program. If for any reason SB 67 is not enacted and

the bonds cannot be sold by December 31, 2009, all approved documents placed in escrow with Transaction counsel will be of no force and effect and will be destroyed.]

Proposition 1A Securitization Program: Authorized under ABX4 14 and ABX4 15, the Proposition 1A Securitization Program was instituted by California Communities to enable Local Agencies to sell their respective Proposition 1A Receivables to California Communities. Currently, SB67 is being considered to clarify specific aspects of ABX4 14 and ABX4 15. Under the Securitization Program, California Communities will simultaneously purchase the Proposition 1A Receivables, issue bonds (“Prop 1A Bonds”) and provide each local agency with the cash proceeds in two equal installments, on January 15, 2010 and May 3, 2010 (to coincide with the dates that the State will be shifting property tax from local agencies). The purchase price paid to the local agencies will equal 100% of the amount of the property tax reduction. All transaction costs of issuance and interest will be paid by the State of California. Participating local agencies will have no obligation on the bonds and no credit exposure to the State.

If the [City/County/Special District] sells its Proposition 1A Receivable under the Proposition 1A Securitization Program, California Communities will pledge the [City/County/Special District]’s Proposition 1A Receivable to secure the repayment of a corresponding amount of the Prop 1A Bonds. The [City/County/Special District]’s sale of its Proposition 1A Receivable will be irrevocable. Bondholders will have no recourse to the [City/County/Special District] if the State does not make the Proposition 1A Repayment.

Proposition 1A Program Sponsor: California Statewide Communities Development Authority (“California Communities”) is a joint powers authority sponsored by the California State Association of Counties and the League of California Cities. The member agencies of California Communities include approximately 230 cities and 54 counties throughout California. [Note –the [City/County/Special District] does not need to be a member of California Communities to participate].

Benefits of Participation in the Proposition 1A Securitization Program:

The benefits to the [City/County/Special District] of participation in the Proposition 1A Securitization Program include:

- Immediate cash relief – the sale of the [City/County/Special District]’s Proposition 1A Receivable will provide the [City/County/Special District] with 100% of its Proposition 1A Receivable in two equal installments, on January 15, 2010 and May 3, 2010.
- Mitigates impact of 8% property tax withholding in January and May – Per ABX4 14 and ABX4 15 and the proposed clean-up legislation SB 67, the State will withhold 8% of property tax receivables due to Cities, Counties, and Special Districts under Proposition 1A. The financing outlines bond proceeds to be distributed to coincide with the dates that the State will be shifting property tax from local agencies.
- All costs of financing borne by the State of California. The [City/County/District] will not have to pay any interest cost or costs of issuance in connection with its participation.

- No obligation on Bonds. The [City/County/District] has no obligation with respect to the payment of the bonds, nor any reporting, disclosure or other compliance obligations associated with the bonds.

Proceeds of the Sale of the [City/County/Special District]'s Proposition 1A Receivable:

Upon delivery of the Proposition 1A Bonds, California Communities will make available to the [City/County/Special District] its fixed purchase price, which will equal 100% of the local agency's Proposition 1A Receivable. These funds may be used for any lawful purpose of the [City/County/District] and are not restricted by the program.

Proposed Proposition 1A Receivables Sale Resolution:

The proposed Proposition 1A Receivables Sale Resolution:

- (1) Authorizes the sale of the [City/County/Special District]'s Proposition 1A Receivable to California Communities for 100% of its receivable;
- (2) Approves the form, and directs the execution and delivery, of the Purchase and Sale Agreement with California Communities and related documents;
- (3) Authorizes and directs any Authorized Officer to send, or to cause to be sent, an irrevocable written instruction required by statute to the State Controller notifying the State of the sale of the Proposition 1A Receivable and instructing the disbursement of the Proposition 1A Receivable to the Proposition 1A Bond Trustee;
- (4) Appoints certain [City/County/Special District] officers and officials as Authorized Officers for purposes of signing documents; and
- (5) Authorizes miscellaneous related actions and makes certain ratifications, findings and determinations required by law.

Proposed Purchase and Sale Agreement

The proposed Purchase and Sale Agreement:

- (1) Provides for the sale of the Proposition 1A Receivable to California Communities;
- (2) Contains representations and warranties of the [City/county/District] to assure California Communities that the Proposition 1A Receivable has not been previously sold, is not encumbered, that no litigation or other actions is pending or threatened to disrupt the transaction and the this is an arm's length "true sale" of the Proposition 1A Receivable.
- (3) Provides mechanics for payment of the Purchase Price
- (4) Contains other miscellaneous provisions.

Proposed Purchase and Sale Agreement Exhibits:

The proposed Proposition 1A Purchase and Sale Agreement Exhibits:

- (B1) Opinion of Counsel: This is an opinion of the counsel to the local agency (which may be an in-house counsel or an outside counsel) covering basic approval of the documents, litigation, and enforceability of the document against the Seller. It will be dated as of the Pricing date of the bonds (currently expected to be November 10, 2009).
- (B2) Bringdown Opinion: This simply "brings down" the opinions to the closing date (currently expected to be November 19, 2009).
- (C1) Certificate of the Clerk of the Local Agency: A certificate of the Clerk confirming that the resolution was duly adopted and is in full force and effect.
- (C2) Seller Certificate: A certification of the Seller dated as of the Pricing Date confirming that the representations and warranties of the Seller are true as of the Pricing Date, confirming authority to sign, confirming due approval of the resolution and providing payment instructions.
- (C3) Bill of Sale and Bringdown Certificate: Certificate that brings the certifications of C2 down to the Closing Date and confirms the sale of the Proposition 1A Receivable as of the Closing Date.
- (D) Irrevocable Instructions to the Controller: Required in order to let the State Controller know that the Proposition 1A Receivable has been sold and directing the State to make payment of the receivable to the Trustee on behalf of the Purchaser.
- (E) Escrow Instruction Letter: Instructs Transaction Counsel (Orrick) to hold all documents in escrow until closing, and if closing does not occur by December 31, 2009 for any reason, to destroy all documents.

Recommended Action:

After [Council/Board] discussion and questions, if the [Board/Council] wishes to participate in the Proposition 1A Securitization Program, it should adopt the proposed Proposition 1A Sale Resolution and Purchase and Sale Agreement, which requires only a simple majority vote.

September 25, 2009

Re: California Statewide Communities Development Authority
Proposition 1A Receivable Financing Program

To: Participating Local Agency

Thank you for enrolling in the Proposition 1A Receivable Financing Program (the "Program") sponsored by California Statewide Communities Development Authority (CSCDA). Attached are the final versions of the resolution and documents that your local agency will need to approve and execute in order to participate in the Program, as follows:

- (A) Resolution approving participation in the Proposition 1A Receivable Financing Program (the "Proposition 1A Resolution"); and
- (B) Purchase and Sale Agreement (the "Sale Agreement").

In addition, attached to the Sale Agreement are the following documents:

- (C) Opinion of Counsel to be delivered in connection with pricing (Exhibit B1);
- (D) Bringdown Opinion of Counsel to be delivered in connection with closing (Exhibit B2);
- (E) Certificate of the Clerk of your Local Agency (Exhibit C1);
- (F) Seller Certificate (Exhibit C2);
- (G) Bill of Sale and Bringdown Certificate (Exhibit C3);
- (H) Irrevocable Instructions to Controller (Exhibit D);and
- (I) Escrow Instruction Letter (Exhibit E).

Please note that these documents, delivered in pdf format, are final may not be changed. If you have questions or believe changes are required, please immediately contact one of the team members from Orrick, Herrington & Sutcliffe LLP, Transaction Counsel ("Transaction Counsel") listed at the end of this letter.

1. Instructions for Adoption of Resolution

Please take the following steps with respect to the enclosed resolution:

- (A) Adopt the Proposition 1A Resolution to participate in the Proposition 1A Receivable Financing Program. The Proposition 1A Resolution may be placed on the consent calendar for approval.

Agenda Language: The following language should be used for the agenda of the meeting at which the Proposition 1A Resolution will be adopted:

"A RESOLUTION APPROVING THE FORM OF AND
AUTHORIZING THE EXECUTION AND DELIVERY OF A

PURCHASE AND SALE AGREEMENT AND RELATED DOCUMENTS WITH RESPECT TO THE SALE OF THE SELLER'S PROPOSITION 1A RECEIVABLE FROM THE STATE; AND DIRECTING AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH."

Sample Staff Report: A sample Staff Report is included in editable format in this distribution for your reference.

Adoption Deadline: The Proposition 1A Resolution must be adopted and delivered back to Transaction Counsel as provided below no later than November 6, 2009, in order to participate in the financing.

Fill in blanks and sign: The Clerk should print the Proposition 1A Resolution, fill in the resolution number on page 1, and fill in the adoption date and the governing board voting information on the last page. Your legal counsel should approve the form by signing the Proposition 1A Resolution on the last page.

2. Instructions for Execution of Documents

Please take the following steps with respect to the attached documents:

(A) Sign the Sale Agreement.

Please arrange for an authorized officer to sign the Sale Agreement. ***Once your local agency has adopted the Proposition 1A Resolution, has signed the Sale Agreement, and has delivered the documents to Transaction Counsel, your local agency's obligations under the Sale Agreement are binding and are irrevocable.***

(B) Have legal counsel sign the legal opinions (Exhibit B1 and Exhibit B2 to Sale Agreement).

Please arrange for legal counsel to sign the legal opinion attached as Exhibit B1 of the Sale Agreement and the bringdown opinion attached as Exhibit B2 of the Sale Agreement. Your legal counsel should circle the appropriate description in each of the bracketed portions of the opinion. Such legal counsel may be the Town Attorney, City Attorney, County Counsel, District Counsel, or such other local agency counsel as appropriate. There is no requirement that the legal opinion or bringdown opinion be placed on the letterhead of such legal counsel.

(C) Sign Clerk's Certificate (Exhibit C1 to Sale Agreement).

Please arrange for the clerk of the governing body of your local agency (i) to manually write on the signature page of the Certificate attached as Exhibit C1 to the Sale Agreement in the appropriate places the resolution number, the adoption date and the governing board voting information, and (ii) to sign the Certificate.

(D) Sign Seller Certificate (Exhibit C2 to Sale Agreement).

Please arrange for the Seller Certificate attached as Exhibit C2 to the Sale Agreement to be signed by (i) the authorized officers of your local agency, and (ii) the clerk of the governing body of your local agency.

(E) Sign Bill of Sale and Bringdown Certificate (Exhibit C3 to the Sale Agreement).

Please arrange for an authorized officer to sign the Bill of Sale and Bringdown Certificate (Exhibit C3 to the Sale Agreement). The Bill of Sale and Bringdown Certificate will be dated the Closing Date, as defined therein. See 4. Conclusion of Transaction below.

(G) Sign Irrevocable Instructions to Controller (Exhibit D to Sale Agreement).

Please arrange for an authorized officer to sign the Irrevocable Instructions to Controller attached as Exhibit D to the Sale Agreement.

(F) Sign Escrow Instruction Letter (Exhibit E to the Sale Agreement).

Please arrange for an authorized officer to (i) manually write on the 1st page of the Escrow Instruction Letter the date of the Escrow Instruction Letter and (ii) sign the Escrow Instruction Letter attached as Exhibit E to the Sale Agreement.

3. Provide Payment Instructions to Trustee

Local agencies have the option of receiving payment of the Purchase Price by wire or by check. If your local agency prefers payment by check, you do not need to do anything further. Checks will be mailed by Wells Fargo Bank, National Association (the "Trustee") on January 15, 2010, and May 3, 2010, to the Principal Place of Business of the Local Agency as provided in the Purchase and Sale Agreement. If your local agency would prefer to be paid by wire transfer, you must contact the Trustee by e-mail to John Deleray at john.deleray@wellsfargo.com, or by facsimile to (213) 614-3355. Provide the local agency's wiring instructions in the following format:

Institution Name
ABA#
Account#
Attention: (e.g. Finance Department of City, County
Treasurer)

If the wire instructions provided are invalid, the Trustee will make payment by check as discussed above.

4. Return Executed Documents and Resolution to Transaction Counsel

As mentioned above, the Proposition 1A Resolution must be adopted no later than November 6, 2009, in order to participate in the Proposition 1A Receivable Financing Program. As soon as possible after adoption of the Proposition 1A Resolution, and in any event no later than November 6, 2009, all

originally executed copies of the documents and resolution described above need to be returned by mail, fax or pdf to:

Orrick, Herrington & Sutcliffe LLP
405 Howard Street
San Francisco, California 94105

or

(304) 231-2696 (fax)

or

Prop1a@orrick.com

Attention: Dulcie Cattrell
Re: CSCDA Proposition 1A Securitization

5. Conclusion of Transaction

After Transaction Counsel receives the executed documents described above, CSCDA and its investment bankers will price the Bonds on or about November 10, 2009. At that time, CSCDA will inform you that it will pay the Purchase Price in the manner described in the Sale Agreement and will inform you of the Closing Date.

Should any event occur between the time the documents are delivered to Transaction Counsel and the Closing Date which makes the opinions or certifications contained in the bringdown opinion or certificate (Exhibits B2 and C3) untrue as of the Closing Date, you must immediately inform Transaction Counsel. These documents will be released by Transaction Counsel on the Closing Date absent any such notification.

6. Contacts for Further Information

If you have any questions regarding this letter, the instructions contained herein, or the documents enclosed herewith, please call (916) 329-4915.

Very Truly Yours,

John H. Knox

John H. Knox

RESOLUTION NO. _____

**CITY COUNCIL
OF THE
CITY OF DEL REY OAKS**

A RESOLUTION APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A PURCHASE AND SALE AGREEMENT AND RELATED DOCUMENTS WITH RESPECT TO THE SALE OF THE SELLER'S PROPOSITION 1A RECEIVABLE FROM THE STATE; AND DIRECTING AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

WHEREAS, pursuant to Section 25.5 of Article XIII of the California Constitution and Chapter 14XXXX of the California Statutes of 2009 (Assembly Bill No. 15), as amended (the "Act"), certain local agencies within the State of California (the "State") are entitled to receive certain payments to be made by the State on or before June 30, 2013, as reimbursement for reductions in the percentage of the total amount of ad valorem property tax revenues allocated to such local agencies during the State's 2009-10 fiscal year (the "Reimbursement Payments"), which reductions have been authorized pursuant to Sections 100.05 and 100.06 of the California Revenue and Taxation Code;

WHEREAS, the **City of Del Rey Oaks**, a local agency within the meaning of Section 6585(f) of the California Government Code (the "Seller"), is entitled to and has determined to sell all right, title and interest of the Seller in and to its "Proposition 1A receivable", as defined in Section 6585(g) of the California Government Code (the "Proposition 1A Receivable"), namely, the right to payment of moneys due or to become due to the Seller pursuant to Section 25.5(a)(1)(B)(iii) of Article XIII of the California Constitution and Section 100.06 of the California Revenue and Taxation Code, in order to obtain money to fund public capital improvements or working capital;

WHEREAS, the Seller is authorized to sell or otherwise dispose of its property as the interests of its residents require;

WHEREAS, the California Statewide Communities Development Authority, a joint exercise of powers authority organized and existing under the laws of the State (the "Purchaser"), has been authorized pursuant to Section 6588(x) of the California Government Code to purchase the Proposition 1A Receivable;

WHEREAS, the Purchaser desires to purchase the Proposition 1A Receivable and the Seller desires to sell the Proposition 1A Receivable pursuant to a purchase and sale agreement by and between the Seller and the Purchaser in the form presented to this City Council (the "Sale Agreement") for the purposes set forth herein;

WHEREAS, in order to finance the purchase price of the Proposition 1A Receivable from the Seller and the purchase price of other Proposition 1A Receivables from other local agencies, the Purchaser will issue its bonds (the "Bonds") pursuant to Section 6590 of the California Government Code and an Indenture (the "Indenture"), by and between the Purchaser and Wells Fargo Bank, National Association, as trustee (the "Trustee"), which Bonds will be payable solely

from the proceeds of the Seller's Proposition 1A Receivable and other Proposition 1A Receivables sold to the Purchaser by local agencies in connection with the issuance of the Bonds;

WHEREAS, the Seller acknowledges that (i) any transfer of its Proposition 1A Receivable to the Purchaser pursuant to the Sale Agreement shall be treated as an absolute sale and transfer of the property so transferred and not as a pledge or grant of a security interest by **City of Del Rey Oaks** to secure a borrowing, (ii) any such sale of its Proposition 1A Receivable to the Purchaser shall automatically be perfected without the need for physical delivery, recordation, filing or further act, (iii) the provisions of Division 9 (commencing with Section 9101) of the California Commercial Code and Sections 954.5 to 955.1 of the California Civil Code, inclusive, shall not apply to the sale of its Proposition 1A Receivable, and (iv) after such transfer, the Seller shall have no right, title, or interest in or to the Proposition 1A Receivable sold to the Purchaser and the Proposition 1A Receivable will thereafter be owned, received, held and disbursed only by the Purchaser or a trustee or agent appointed by the Purchaser;

WHEREAS, the Seller acknowledges that the Purchaser will grant a security interest in the Proposition 1A Receivable to the Trustee and any credit enhancer to secure payment of the Bonds;

WHEREAS, a portion of the proceeds of the Bonds will be used by the Purchaser to, among other things, pay the purchase price of the Proposition 1A Receivable;

WHEREAS, the Seller will use the proceeds received from the sale of the Proposition 1A Receivable for any lawful purpose as permitted under the applicable laws of the State;

NOW THEREFORE, the **City Council** of the **City of Del Rey Oaks** hereby resolves as follows:

Section 1. All of the recitals set forth above are true and correct, and this **City Council** hereby so finds and determines.

Section 2. The Seller hereby authorizes the sale of the Proposition 1A Receivable to the Purchaser for a price equal to the amount certified as the Initial Amount (as defined in the Sale Agreement) by the County auditor pursuant to the Act. The form of Sale Agreement presented to the **City Council** is hereby approved. An Authorized Officer (as set forth in Appendix A of this Resolution, attached hereto and by this reference incorporated herein) is hereby authorized and directed to execute and deliver the Sale Agreement on behalf of the Seller, which shall be in the form presented at this meeting.

Section 3. Any Authorized Officer is hereby authorized and directed to send, or to cause to be sent, an irrevocable written instruction to the State Controller (the "Irrevocable Written Instruction") notifying the State of the sale of the Proposition 1A Receivable and instructing the disbursement pursuant to Section 6588.6(c) of California Government Code of the Proposition 1A Receivable to the Trustee, on behalf of the Purchaser, which Irrevocable Written Instruction shall be in the form presented at this meeting.

Section 4. The Authorized Officers and such other Seller officers, as appropriate, are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents, including but not limited to, if required, appropriate escrow instructions relating to the delivery into escrow of executed documents prior to the closing of the Bonds, and such other documents mentioned in the Sale Agreement or the Indenture, which any of them may deem necessary or desirable in order to implement the Sale Agreement and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution; and all such actions heretofore taken by such officers are hereby ratified, confirmed and approved.

Section 5. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the sale of the Proposition 1A Receivable or the issuance of the Bonds, including without limitation any of the foregoing that may be necessary or desirable in connection with any default under or amendment of such documents, may be given or taken by an Authorized Officer without further authorization by this **City Council**, and each Authorized Officer is hereby authorized and directed to give any such consent, approval, notice, order or request, to execute any necessary or appropriate documents or amendments, and to take any such action that such Authorized Officer may deem necessary or desirable to further the purposes of this Resolution.

Section 6. The **City Council** acknowledges that, upon execution and delivery of the Sale Agreement, the Seller is contractually obligated to sell the Proposition 1A Receivable to the Purchaser pursuant to the Sale Agreement and the Seller shall not have any option to revoke its approval of the Sale Agreement or to determine not to perform its obligations thereunder.

Section 7. This Resolution shall take effect from and after its adoption and approval.

PASSED AND ADOPTED by the City Council of the City of Del Rey Oaks, State of California, this _____ day of _____, 2009, by the following vote:

AYES:

NOES:

ABSENT:

Mayor

Attest:

City Clerk

Approved as to form :

SELLER'S COUNSEL

By _____

Dated: _____

APPENDIX A

CITY OF DEL REY OAKS

Authorized Officers: Jerry Edelin, Mayor

Kristin Clark, Vice-Mayor

any designee of any of them, as appointed in a written certificate of such Authorized Officer delivered to the Trustee.

CITY OF DEL REY OAKS, CALIFORNIA,
as Seller

and

CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY,
as Purchaser

PURCHASE AND SALE AGREEMENT

Dated as of November 1, 2009

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PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT, dated as of November 1, 2009 (this "Agreement"), is entered into by and between:

- (1) **CITY OF DEL REY OAKS**, a local agency of the State of California within the meaning of Section 6585(f) of the California Government Code (the "Seller"); and
- (2) CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY, a joint exercise of powers authority organized and existing under the laws of the State of California (the "Purchaser").

RECITALS

A. Pursuant to Section 25.5 of Article XIII of the California Constitution and Section 100.06 of the California Revenue and Taxation Code, local agencies within the meaning of Section 6585(f) of the California Government Code are entitled to receive certain payments to be made by the State of California (the "State") on or before June 30, 2013, as reimbursement for reductions in the percentage of the total amount of ad valorem property tax revenues allocated to such local agencies during the State's 2009-10 fiscal year, which reductions have been authorized pursuant to Sections 100.05 and 100.06 of the California Revenue and Taxation Code.

B. The Seller is the owner of the Proposition 1A Receivable (as defined below) and is entitled to and has determined to sell all right, title and interest in and to the Proposition 1A receivable, namely, the right to payment of moneys due or to become due to the Seller pursuant to Section 25.5(a)(1)(B)(iii) of Article XIII of the California Constitution and Section 100.06 of the California Revenue and Taxation Code, in order to obtain money to fund any lawful purpose as permitted under the applicable laws of the State.

C. The Seller is authorized to sell or otherwise dispose of its property as the interests of its residents require.

D. The Purchaser, a joint exercise of powers authority organized and existing under the laws of the State, has been authorized pursuant to Section 6588(x) of the California Government Code to purchase the Proposition 1A Receivable.

E. The Seller is willing to sell, and the Purchaser is willing to purchase, the Proposition 1A Receivable upon the terms specified in this Agreement.

F. Pursuant to its Proposition 1A Receivable Financing Program (the "Program"), the Purchaser will issue its bonds (the "Bonds") pursuant to an Indenture (the "Indenture"), between the Purchaser and Wells Fargo Bank, National Association, as trustee (the "Trustee"), and will use a portion of the proceeds thereof to purchase the Proposition 1A Receivable from the Seller.

G. The Purchaser will grant a security interest in such Proposition 1A Receivable to the Trustee and each Credit Enhancer to secure the Bonds.

AGREEMENT

NOW, THEREFORE, in consideration of the above Recitals and the mutual covenants herein contained, the parties hereto hereby agree as follows:

1. Definitions and Interpretation.

(a) For all purposes of this Agreement, except as otherwise expressly provided herein or unless the context otherwise requires, capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in Exhibit A attached hereto and which is incorporated by reference herein.

(b) The words “hereof,” “herein,” “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement; section and exhibits references contained in this Agreement are references to sections and exhibits in or to this Agreement unless otherwise specified; and the term “including” shall mean “including without limitation.”

(c) Any agreement, instrument or statute defined or referred to herein or in any instrument or certificate delivered in connection herewith means such agreement, instrument or statute as from time to time may be amended, modified or supplemented and includes (in the case of agreements or instruments) references to all attachments and exhibits thereto and instruments incorporated therein; and any references to a Person are also to its permitted successors and assigns.

2. Agreement to Sell and Purchase; Conditions Precedent.

(a) The Seller agrees to sell, and the Purchaser agrees to purchase, on the Closing Date, for an amount equal to the Purchase Price, all right, title and interest of the Seller in and to the “Proposition 1A receivable” as defined in Section 6585(g) of the California Government Code (the “Proposition 1A Receivable”), namely, the right to payment of moneys due or to become due to the Seller pursuant to Section 25.5(a)(1)(B)(iii) of Article XIII of the California Constitution and Section 100.06 of the California Revenue and Taxation Code. The Purchase Price shall be paid by the Purchaser to the Seller in two equal cash installment payments, without interest (each, an “Installment Payment” and, collectively, the “Installment Payments”), on January 15, 2010, and May 3, 2010 (each a “Payment Date” and, collectively, the “Payment Dates”). The Purchaser shall pay the Purchase Price by wire transfer pursuant to wire instructions provided by the Seller to the Trustee by e-mail to john.delaray@wellsfargo.com or by facsimile to 213-614-3355, Attention: John Delaray. If wire instructions are not provided to the Trustee (or if such wire instructions are invalid) payment will be made by check mailed to the Seller’s Principal Place of Business.

(b) The performance by the Purchaser of its obligations hereunder shall be conditioned upon:

- (i) Transaction Counsel receiving on or before the date the Bonds are sold (the “Pricing Date”), to be held in escrow until the Closing Date and then delivered to the Purchaser on the Closing Date, the following documents

duly executed by the Seller or its counsel, as applicable: (1) an opinion of counsel to the Seller dated the Pricing Date in substantially the form attached hereto as Exhibit B1, (2) certificates dated the Pricing Date in substantially the forms attached hereto as Exhibit C1 and Exhibit C2, (3) irrevocable instructions to the Controller dated as of the Closing Date in substantially the form attached hereto as Exhibit D, (4) this Agreement, (5) a certified copy of the resolution of the Seller's City Council approving this Agreement, the transactions contemplated hereby and the documents attached hereto as exhibits, and (6) an escrow instruction letter in substantially the form attached hereto as Exhibit E;

- (ii) Transaction Counsel receiving on or before the Pricing Date, (1) a bringdown opinion of counsel to the Seller dated as of the Closing Date in substantially the form attached hereto as Exhibit B2, and (2) a bill of sale and bringdown certificate of the Seller (the "Bill of Sale") in substantially the form attached hereto as Exhibit C3; provided that the Purchaser may waive, in its sole discretion, the requirements of Section 2(b)(ii)(1);
- (iii) the Purchaser issuing Bonds in an amount which will be sufficient to pay the Purchase Price; and
- (iv) the receipt by the Purchaser of a certification of the County Auditor confirming the Initial Amount of the Proposition 1A Receivable pursuant to the Act.

(c) The performance by the Seller of its obligations hereunder shall be conditioned solely upon the Purchaser's issuance of the Bonds its execution and delivery of this Agreement, pursuant to which it is legally obligated to pay the Installment Payments to the Seller on the Payment Dates as set forth in this Agreement, and no other act or omission on the part of the Purchaser or any other party shall excuse the Seller from performing its obligations hereunder. Seller specifically disclaims any right to rescind this Agreement, or to assert that title to the Proposition 1A Receivable has not passed to the Purchaser, should Purchaser fail to make Installment Payments in the requisite amounts on the Payment Dates.

3. Purchase Price, Conveyance of Proposition 1A Receivable and Payment of Purchase Price.

(a) Upon pricing of the Bonds by the Purchaser, the Purchaser will inform the Seller that it will pay the Purchase Price in Installment Payments on the Payment Dates.

(b) In consideration of the Purchaser's agreement to pay and deliver to the Seller the Installment Payments on the Payment Dates, the Seller agrees to (i) transfer, grant, bargain, sell, assign, convey, set over and deliver to the Purchaser, absolutely and not as collateral security, without recourse except as expressly provided herein, and the Purchaser agrees to purchase, accept and receive, the Proposition 1A Receivable, and (ii) assign to the Purchaser, to the extent permitted by law, all present or future rights, if any, of the Seller to enforce or cause the enforcement of payment of the Proposition 1A Receivable pursuant to the Act and other

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applicable law. Such transfer, grant, bargain, sale, assignment, conveyance, set over and delivery is hereby expressly stated to be a sale and, pursuant to Section 6588.6(b) of the California Government Code, shall be treated as an absolute sale and transfer of the Proposition 1A Receivable, and not as a grant of a security interest by the Seller to secure a borrowing. This is the statement referred to in Sections 6588.6(b) and (c) of the California Government Code.

4. Representations and Warranties of the Purchaser. The Purchaser represents and warrants to the Seller, as of the date hereof, as follows:

(a) The Purchaser is duly organized, validly existing and in good standing under the laws of the State of California.

(b) The Purchaser has full power and authority to enter into this Agreement and to perform its obligations hereunder and has duly authorized such purchase and assignment of the Proposition 1A Receivable by the Purchaser by all necessary action.

(c) Neither the execution and delivery by the Purchaser of this Agreement, nor the performance by the Purchaser of its obligations hereunder, shall conflict with or result in a breach or default under any of its organizational documents, any law, rule, regulation, judgment, order or decree to which it is subject or any agreement or instrument to which it is a party.

(d) To the best of the knowledge of the Purchaser, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, is pending or threatened in any way against the Purchaser affecting the existence of the Purchaser or the titles of its commissioners or officers, or seeking to restrain or to enjoin the purchase of the Proposition 1A Receivable or to direct the application of the proceeds of the purchase thereof, or in any way contesting or affecting the validity or enforceability of any of the Transaction Documents or any other applicable agreements or any action of the Purchaser contemplated by any of said documents, or in any way contesting the powers of the Purchaser or its authority with respect to the Transaction Documents to which it is a party or any other applicable agreement, or any action on the part of the Purchaser contemplated by the Transaction Documents, or in any way seeking to enjoin or restrain the Purchaser from purchasing the Proposition 1A Receivable or which if determined adversely to the Purchaser would have an adverse effect upon the Purchaser's ability to purchase the Proposition 1A Receivable, nor to the knowledge of the Purchaser is there any basis therefor.

(e) This Agreement, and its execution, delivery and performance hereof have been duly authorized by it, and this Agreement has been duly executed and delivered by it and constitutes its valid and binding obligation enforceable against it in accordance with the terms hereof, subject to the effect of bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws relating to or affecting creditors' rights generally or the application of equitable principles in any proceeding, whether at law or in equity.

(f) The Purchaser is a separate legal entity, acting solely through its authorized representatives, from the Seller, maintaining separate records, books of account, assets, bank accounts and funds, which are not and have not been commingled with those of the Seller.

(g) All approvals, consents, authorizations, elections and orders of or filings or registrations with any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to, or the absence of which would adversely affect, the purchase by the Purchaser of the Proposition 1A Receivable or the performance by the Purchaser of its obligations under the Transaction Documents to which it is a party and any other applicable agreements, have been obtained and are in full force and effect.

(h) Insofar as it would materially adversely affect the Purchaser's ability to enter into, carry out and perform its obligations under any or all of the Transaction Documents to which it is a party, or consummate the transactions contemplated by the same, the Purchaser is not in breach of or default under any applicable constitutional provision, law or administrative regulation of the State of California or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which it is a party or to which it or any of its property or assets is otherwise subject, and, to the best of the knowledge of the Purchaser, no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument, and the execution and delivery by the Purchaser of the Transaction Documents to which it is a party, and compliance by the Purchaser with the provisions thereof, under the circumstances contemplated thereby, do not and will not conflict with or constitute on the part of the Purchaser a breach of or default under any agreement or other instrument to which the Purchaser is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the Purchaser is subject.

5. Representations and Warranties of the Seller. The Seller hereby represents and warrants to the Purchaser, as of the date hereof, as follows:

(a) The Seller is a local agency within the meaning of Section 6585(f) of the California Government Code, with full power and authority to execute and deliver this Agreement and to carry out its terms.

(b) The Seller has full power, authority and legal right to sell and assign the Proposition 1A Receivable to the Purchaser and has duly authorized such sale and assignment to the Purchaser by all necessary action; and the execution, delivery and performance by the Seller of this Agreement has been duly authorized by the Seller by all necessary action.

(c) This Agreement has been, and as of the Closing Date the Bill of Sale will have been, duly executed and delivered by the Seller and, assuming the due authorization, execution and delivery of this Agreement by the Purchaser, each of this Agreement and the Bill of Sale constitutes a legal, valid and binding obligation of the Seller enforceable in accordance with its terms, subject to the effect of bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws relating to or affecting creditors' rights generally or the application of equitable principles in any proceeding, whether at law or in equity.

(d) All approvals, consents, authorizations, elections and orders of or filings or registrations with any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to, or the absence of which would adversely affect, the sale by the Seller of the Proposition 1A Receivable or the performance by the Seller of its

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obligations under the Resolution and the Transaction Documents to which it is a party and any other applicable agreements, have been obtained and are in full force and effect.

(e) Insofar as it would materially adversely affect the Seller's ability to enter into, carry out and perform its obligations under any or all of the Transaction Documents to which it is a party, or consummate the transactions contemplated by the same, the Seller is not in breach of or default under any applicable constitutional provision, law or administrative regulation of the State of California or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which it is a party or to which it or any of its property or assets is otherwise subject, and, to the best of the knowledge of the Seller, no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument, and the adoption of the Resolution and the execution and delivery by the Seller of the Transaction Documents to which it is a party, and compliance by the Seller with the provisions thereof, under the circumstances contemplated thereby, do not and will not conflict with or constitute on the part of the Seller a breach of or default under any agreement or other instrument to which the Seller is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the Seller is subject.

(f) To the best of the knowledge of the Seller, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, is pending or threatened in any way against the Seller affecting the existence of the Seller or the titles of its **City Council** members or officers to their respective offices, or seeking to restrain or to enjoin the sale of the Proposition 1A Receivable or to direct the application of the proceeds of the sale thereof, or in any way contesting or affecting the validity or enforceability of any of the Transaction Documents or any other applicable agreements or any action of the Seller contemplated by any of said documents, or in any way contesting the powers of the Seller or its authority with respect to the Resolution or the Transaction Documents to which it is a party or any other applicable agreement, or any action on the part of the Seller contemplated by the Transaction Documents, or in any way seeking to enjoin or restrain the Seller from selling the Proposition 1A Receivable or which if determined adversely to the Seller would have an adverse effect upon the Seller's ability to sell the Proposition 1A Receivable, nor to the knowledge of the Seller is there any basis therefor.

(g) Prior to the sale of the Proposition 1A Receivable to the Purchaser, the Seller was the sole owner of the Proposition 1A Receivable, and has such right, title and interest to the Proposition 1A Receivable as provided in the Act. From and after the conveyance of the Proposition 1A Receivable by the Seller to Purchaser on the Closing Date, the Seller shall have no right, title or interest in or to the Proposition 1A Receivable. Except as provided in this Agreement, the Seller has not sold, transferred, assigned, set over or otherwise conveyed any right, title or interest of any kind whatsoever in all or any portion of the Proposition 1A Receivable, nor has the Seller created, or to the best knowledge of the Seller permitted the creation of, any lien, pledge, security interest or any other encumbrance (a "Lien") thereon. Prior to the sale of the Proposition 1A Receivable to the Purchaser, the Seller held title to the Proposition 1A Receivable free and clear of any Liens. As of the Closing Date, this Agreement, together with the Bill of Sale, constitutes a valid and absolute sale to the Buyer of all of the Seller's right, title and interest in and to the Proposition 1A Receivable.

(h) The Seller acts solely through its authorized officers or agents.

(i) The Seller maintains records and books of account separate from those of the Purchaser.

(j) The Seller maintains its respective assets separately from the assets of the Purchaser (including through the maintenance of separate bank accounts); the Seller's funds and assets, and records relating thereto, have not been and are not commingled with those of the Purchaser.

(k) The Seller's principal place of business and chief executive office is located at 650 Canyon Del Rey Rd., Del Rey Oaks, CA 93940.

(l) The aggregate amount of the Installment Payments is reasonably equivalent value for the Proposition 1A Receivable. The Seller acknowledges that the amount payable to or on behalf of the Purchaser by the State with respect to the Proposition 1A Receivable will be in excess of the Purchase Price and the Initial Amount of the Proposition 1A Receivable and confirms that it has no claim to any such excess amount whatsoever.

(m) The Seller does not act as an agent of the Purchaser in any capacity, but instead presents itself to the public as an entity separate from the Purchaser.

(n) The Seller has not guaranteed and shall not guarantee the obligations of the Purchaser, nor shall it hold itself out or permit itself to be held out as having agreed to pay or as being liable for the debts of the Purchaser; and the Seller has not received nor shall the Seller accept any credit or financing from any Person who is relying upon the availability of the assets of the Purchaser in extending such credit or financing. The Seller has not purchased and shall not purchase any of the Bonds or any interest therein.

(o) All transactions between or among the Seller, on the one hand, and the Purchaser on the other hand (including, without limitation, transactions governed by contracts for services and facilities, such as payroll, purchasing, accounting, legal and personnel services and office space), whether existing on the date hereof or entered into after the date hereof, shall be on terms and conditions (including, without limitation, terms relating to amounts to be paid thereunder) which are believed by each such party thereto to be both fair and reasonable and comparable to those available on an arms-length basis from Persons who are not affiliates.

(p) The Seller has not, under the provisions of Section 100.06(b) of the California Revenue and Taxation Code, received a reduction for hardship or otherwise, nor has it requested, made arrangements for, or completed a reallocation or exchange with any other local agency, of the total amount of the ad valorem property tax revenue reduction allocated to the Seller pursuant to Section 100.06(a) of the California Revenue and Taxation Code.

6. Covenants of the Seller.

(a) The Seller shall not take any action or omit to take any action which adversely affects the interests of the Purchaser in the Proposition 1A Receivable and in the proceeds thereof. The Seller shall not take any action or omit to take any action that shall adversely affect

the ability of the Purchaser, and any assignee of the Purchaser, to receive payments of the Proposition 1A Receivable.

(b) The Seller shall not take any action or omit to take any action that would impair the validity or effectiveness of the Act, nor, without the prior written consent of the Purchaser or its assignees, agree to any amendment, modification, termination, waiver or surrender of, the terms of the Act, or waive timely performance or observance under the Act. Nothing in this agreement shall impose a duty on the Seller to seek to enforce the Act or to seek enforcement thereof by others, or to prevent others from modifying, terminating, discharging or impairing the validity or effectiveness of the Act.

(c) Upon request of the Purchaser or its assignee, (i) the Seller shall execute and deliver such further instruments and do such further acts (including being named as a plaintiff in an appropriate proceeding) as may be reasonably necessary or proper to carry out more effectively the purposes and intent of this Agreement and the Act, and (ii) the Seller shall take all actions necessary to preserve, maintain and protect the title of the Purchaser to the Proposition 1A Receivable.

(d) On or before the Closing Date, the Seller shall send (or cause to be sent) an irrevocable instruction to the Controller pursuant to Section 6588.6(c) of California Government Code to cause the Controller to disburse all payments of the Proposition 1A Receivable to the Trustee, together with notice of the sale of the Proposition 1A Receivable to the Purchaser and the assignment of all or a portion of such assets by the Purchaser to the Trustee. Such notice and instructions shall be in the form of Exhibit D hereto. The Seller shall not take any action to revoke or which would have the effect of revoking, in whole or in part, such instructions to the Controller. Upon sending such irrevocable instruction, the Seller shall have relinquished and waived any control over the Proposition 1A Receivable, any authority to collect the Proposition 1A Receivable, and any power to revoke or amend the instructions to the Controller contemplated by this paragraph. Except as provided in Section 2(c) of this Agreement, the Seller shall not rescind, amend or modify the instruction described in the first sentence of this paragraph. The Seller shall cooperate with the Purchaser or its assignee in giving instructions to the Controller if the Purchaser or its assignee transfers the Proposition 1A Receivable. In the event that the Seller receives any proceeds of the Proposition 1A Receivable, the Seller shall hold the same in trust for the benefit of the Purchaser and the Trustee and each Credit Enhancer, as assignees of the Purchaser, and shall promptly remit the same to the Trustee.

(e) The Seller hereby covenants and agrees that it will not at any time institute against the Purchaser, or join in instituting against the Purchaser, any bankruptcy, reorganization, arrangement, insolvency, liquidation, or similar proceeding under any United States or state bankruptcy or similar law.

(f) The financial statements and books and records of the Seller prepared after the Closing Date shall reflect the separate existence of the Purchaser and the sale to the Purchaser of the Proposition 1A Receivable.

(g) The Seller shall treat the sale of the Proposition 1A Receivable as a sale for regulatory and accounting purposes.

(h) From and after the date of this Agreement, the Seller shall not sell, transfer, assign, set over or otherwise convey any right, title or interest of any kind whatsoever in all or any portion of the Proposition 1A Receivable, nor shall the Seller create, or to the knowledge of the Seller permit the creation of, any Lien thereon.

7. The Purchaser's Acknowledgment. The Purchaser acknowledges that the Proposition 1A Receivable is not a debt or liability of the Seller, and that the Proposition 1A Receivable is payable solely by the State from the funds of the State provided therefor. Consequently, neither the taxing power of the Seller, nor the full faith and credit thereof is pledged to the payment of the Proposition 1A Receivable. No representation is made by the Seller concerning the obligation or ability of the State to make any payment of the Proposition 1A Receivable pursuant to Section 100.06 of the Revenue and Taxation Code and Section 25.5 of Article XIII of the California Constitution, nor is any representation made with respect to the ability of the State to enact any change in the law applicable to the Transaction Documents (including without limitation Section 100.06 of the Revenue and Taxation Code or Section 6588.6 of the Government Code). The Purchaser acknowledges that the Seller has no obligation with respect to any offering document or disclosure related to the Bonds.

8. Notices of Breach.

(a) Upon discovery by the Seller or the Purchaser that the Seller or Purchaser has breached any of its covenants or that any of the representations or warranties of the Seller or the Purchaser are materially false or misleading, in a manner that materially and adversely affects the value of the Proposition 1A Receivable or the Purchase Price thereof, the discovering party shall give prompt written notice thereof to the other party and to the Trustee, as assignee of the Purchaser, who shall, pursuant to the Indenture, promptly thereafter notify each Credit Enhancer and the Rating Agencies.

(b) The Seller shall not be liable to the Purchaser, the Trustee, the holders of the Bonds, or any Credit Enhancer for any loss, cost or expense resulting from the failure of the Trustee, any Credit Enhancer or the Purchaser to promptly notify the Seller upon the discovery by an authorized officer of the Trustee, any Credit Enhancer or the Purchaser of a breach of any covenant or any materially false or misleading representation or warranty contained herein.

9. Liability of Seller; Indemnification. The Seller shall be liable in accordance herewith only to the extent of the obligations specifically undertaken by the Seller under this Agreement. The Seller shall indemnify, defend and hold harmless the Purchaser, the Trustee and each Credit Enhancer, as assignees of the Purchaser, and their respective officers, directors, employees and agents from and against any and all costs, expenses, losses, claims, damages and liabilities to the extent that such cost, expense, loss, claim, damage or liability arose out of, or was imposed upon any such Person by the Seller's breach of any of its covenants contained herein or any materially false or misleading representation or warranty of the Seller contained herein. Notwithstanding anything to the contrary herein, the Seller shall have no liability for the payment of the principal of or interest on the Bonds issued by the Purchaser.

10. Limitation on Liability.

(a) The Seller and any officer or employee or agent of the Seller may rely in good faith on the advice of counsel or on any document of any kind, prima facie properly executed and submitted by any Person respecting any matters arising hereunder. The Seller shall not be under any obligation to appear in, prosecute or defend any legal action regarding the Act that is unrelated to its specific obligations under this Agreement.

(b) No officer or employee of the Seller shall have any liability for the representations, warranties, covenants, agreements or other obligations of the Seller hereunder or in any of the certificates, notices or agreements delivered pursuant hereto, as to all of which recourse shall be had solely to the assets of the Seller.

11. The Seller's Acknowledgment. The Seller hereby agrees and acknowledges that the Purchaser intends to assign and grant a security interest in all or a portion of (a) its rights hereunder and (b) the Proposition 1A Receivable, to the Trustee and each Credit Enhancer pursuant to the Indenture. The Seller further agrees and acknowledges that the Trustee, the holders of the Bonds, and each Credit Enhancer have relied and shall continue to rely upon each of the foregoing representations, warranties and covenants, and further agrees that such Persons are entitled so to rely thereon. Each of the above representations, warranties and covenants shall survive any assignment and grant of a security interest in all or a portion of this Agreement or the Proposition 1A Receivable to the Trustee and each Credit Enhancer and shall continue in full force and effect, notwithstanding any subsequent termination of this Agreement and the other Transaction Documents. The above representations, warranties and covenants shall inure to the benefit of the Trustee and each Credit Enhancer.

12. Notices. All demands upon or, notices and communications to, the Seller, the Purchaser, the Trustee or the Rating Agencies under this Agreement shall be in writing, personally delivered or mailed by certified mail, return receipt requested, to such party at the appropriate notice address, and shall be deemed to have been duly given upon receipt.

13. Amendments. This Agreement may be amended by the Seller and the Purchaser, with (a) the consent of the Trustee, (b) the consent of each Credit Enhancer, and (c) a Rating Agency Confirmation, but without the consent of any of the holders of the Bonds, for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Agreement.

Promptly after the execution of any such amendment, the Purchaser shall furnish written notification of the substance of such amendment to the Trustee and to the Rating Agencies.

14. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Seller, the Purchaser and their respective successors and permitted assigns. The Seller may not assign or transfer any of its rights or obligations under this Agreement without the prior written consent of the Purchaser. Except as specified herein, the Purchaser may not assign or transfer any of its rights or obligations under this Agreement without the prior written consent of the Seller.

15. Third Party Rights. The Trustee and each Credit Enhancer are express and intended third party beneficiaries under this Agreement. Nothing expressed in or to be implied from this Agreement is intended to give, or shall be construed to give, any Person, other than the parties hereto, the Trustee, and each Credit Enhancer, and their permitted successors and assigns hereunder, any benefit or legal or equitable right, remedy or claim under or by virtue of this Agreement or under or by virtue of any provision herein.

16. Partial Invalidity. If at any time any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Agreement nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall in any way be affected or impaired thereby.

17. Counterparts. This Agreement may be executed in any number of identical counterparts, any set of which signed by all the parties hereto shall be deemed to constitute a complete, executed original for all purposes.

18. Entire Agreement. This Agreement sets forth the entire understanding and agreement of the parties with respect to the subject matter hereof and supersedes any and all oral or written agreements or understandings between the parties as to the subject matter hereof.

19. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the Seller and the Purchaser have caused this Agreement to be duly executed as of the date first written above.

CITY OF DEL REY OAKS, as Seller

By: _____
Authorized Officer

CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY, as Purchaser

By: _____
Authorized Signatory

**EXHIBIT A
DEFINITIONS**

For all purposes of this Agreement, except as otherwise expressly provided herein or unless the context otherwise requires, capitalized terms not otherwise defined herein shall have the meanings set forth below.

“Act” means Chapter 14XXXX of the California Statutes of 2009 (Assembly Bill No. 15), as amended.

“Bill of Sale” has the meaning given to that term in Section 2(b)(ii) hereof.

“Closing Date” means the date on which the Bonds are issued. The Closing Date is expected to be November 19, 2009, but the Purchaser may change the Closing Date by providing e-mail notification to citymanager@delreyoaks.org not later than one day prior to the Closing Date.

“Controller” means the Controller of the State.

“County Auditor” means the auditor or auditor-controller of the county within which the Seller is located.

“Credit Enhancer” means any municipal bond insurance company, bank or other financial institution or organization which is performing in all material respects its obligations under any Credit Support Instrument for some or all of the Bonds.

“Credit Support Instrument” means a policy of insurance, a letter of credit, a stand-by purchase agreement, a revolving credit agreement or other credit arrangement pursuant to which a Credit Enhancer provides credit or liquidity support with respect to the payment of interest, principal or purchase price of the Bonds.

“Initial Amount” means, with respect to the Proposition 1A Receivable, the amount of property tax revenue reallocated away from the Seller pursuant to the provisions of Section 100.06 of the Revenue and Taxation Code, as certified by the County Auditor pursuant to the Act.

“Installment Payments” have the meaning set forth in Section 2(a).

“Payment Dates” have the meaning set forth in Section 2(a).

“Pricing Date” means the date on which the Bonds are sold. The Pricing Date is expected to be November 10, 2009, but the Purchaser may change the Pricing Date by providing e-mail notification to citymanager@delreyoaks.org not later than one day prior to the Pricing Date.

“Principal Place of Business” means, with respect to the Seller, the location of the Seller’s principal place of business and chief executive office located at [650 Canyon Del Rey Rd., Del Rey Oaks, CA 93940](#).

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“Proposition 1A Receivable” has the meaning set forth in Section 2(a).

“Purchase Price” means an amount equal to the Initial Amount.

“Rating Agency” means any nationally recognized rating agency then providing or maintaining a rating on the Bonds at the request of the Purchaser.

“Rating Agency Confirmation” means written confirmation from each Rating Agency that any proposed action will not, in and of itself, cause the Rating Agency to lower, suspend or withdraw the rating then assigned by such Rating Agency to any Bonds.

“Resolution” means the resolution adopted by the **City Council** approving the sale of the Proposition 1A Receivable.

“State” means the State of California.

“Transaction Counsel” means Orrick, Herrington & Sutcliffe LLP.

“Transaction Documents” mean this Agreement, the Bill of Sale, the Indenture, the Bonds and the Irrevocable Instructions For Disbursement of Proposition 1A Receivable of **City of Del Rey Oaks**, dated as of the Closing Date.

EXHIBIT B1

OPINION OF COUNSEL
to
CITY OF DEL REY OAKS

Dated: Pricing Date

California Statewide Communities Development Authority
Sacramento, California

Wells Fargo Bank, National Association
Los Angeles, California

Re: Sale of Proposition 1A Receivable

Ladies & Gentlemen:

[I have/This Office has] acted as counsel for the **City of Del Rey Oaks** (the “Seller”) in connection with the adoption of that certain resolution (the “Resolution”) of the **City Council** of the Seller (the “Governing Body”) pursuant to which the Seller authorized the sale to the California Statewide Communities Development Authority (the “Purchaser”) of the Seller’s “Proposition 1A Receivable”, as defined in and pursuant to the Purchase and Sale Agreement dated as of November 1, 2009 (the “Sale Agreement”) between the Seller and the Purchaser. In connection with these transactions, the Seller has issued certain Irrevocable Instructions For Disbursement of the Seller’s Proposition 1A Receivable to the Controller of the State of California (the “Disbursement Instructions”) and a Bill of Sale and Bringdown Certificate of the Seller (the “Bill of Sale” and, collectively with the Sale Agreement and the Disbursement Instructions, the “Seller Documents”).

Unless the context otherwise requires, capitalized terms used but not otherwise defined herein shall have the meanings given to such terms in the Sale Agreement. [I/We] have examined and are familiar with the Seller Documents and with those documents relating to the existence, organization, and operation of the Seller, the adoption of the Resolution, and the execution of the Seller Documents, and have satisfied ourselves as to such other matters as [I/we] deem necessary in order to render the following opinions. As to paragraphs numbered 3 and 4 below, [I/we] have relied as to factual matters on the representations and warranties of the Seller contained in the Sale Agreement.

Based upon the foregoing, and subject to the limitations and qualifications set forth herein, [I/we] are of the opinion that:

1. The Seller is a local agency, within the meaning of Section 6585(f) of the California Government Code. The Governing Body is the governing body of the Seller.

2. The Resolution was duly adopted at a meeting of the Governing Body, which was called and held pursuant to law and with all public notice required by law, and at which a quorum was present and acting throughout, and the Resolution is in full force and effect and has not been modified, amended or rescinded since the date of its adoption.

3. To the best of [my/our] knowledge, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, is pending or threatened in any way against the Seller (i) affecting the existence of the Seller or the titles of its Governing Body members or officers to their respective offices; (ii) seeking to restrain or to enjoin the sale of the Proposition 1A Receivable or to direct the application of the proceeds of the sale thereof, or materially adversely affecting the sale of the Proposition 1A Receivable; (iii) in any way contesting or affecting the validity or enforceability of the Resolution, Seller Documents or any other applicable agreements or any action of the Seller contemplated by any of said documents; or (iv) in any way contesting the powers of the Seller or its authority with respect to the Resolution or the Seller Documents or any other applicable agreement, or any action on the part of the Seller contemplated by any of said documents.

4. To the best of [my/our] knowledge, prior to the sale of the Proposition 1A Receivable to the Purchaser, the Seller had not sold, transferred, assigned, set over or otherwise conveyed any right, title or interest of any kind whatsoever in all or any portion of the Seller's Proposition 1A Receivable, nor had the Seller created, or permitted the creation of, any Lien thereon.

5. The Seller has duly authorized and executed the Seller Documents and, assuming the due authorization execution and delivery of the Sale Agreement by the Purchaser, each Seller Document will be legal, valid and binding against the Seller and enforceable against the Seller in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or laws relating to or affecting creditors' rights, and the application of equitable principles and the exercise of judicial discretion in appropriate areas.

No opinion is expressed concerning the obligation or ability of the State of California to make any payment of the Proposition 1A Receivable pursuant to Section 100.06 of the Revenue and Taxation Code and Section 25.5 of Article XIII of the California Constitution, nor is any opinion expressed with respect to the ability of the State to enact any change in the law applicable to the Seller Documents (including, without limitation, Section 100.06 of the Revenue and Taxation Code or Section 6588.6 of the Government Code). Furthermore, [I/we] express no opinion as to the value of the Proposition 1A Receivable or as to any legal or equitable remedies that may be available to any person should the Proposition 1A Receivable have little or no value. No opinion is expressed with respect to the sale of Bonds by the Purchaser.

The legal opinion set forth herein is intended for the information solely of the addressees hereof and for the purposes contemplated by the Sale Agreement. The addressees may not rely on it in connection with any transactions other than those described herein, and it is not to be relied upon by any other person or entity, or for any other purpose, or quoted as a whole or in part, or otherwise referred to, in any document, or to be filed with any governmental or administrative agency other than the Purchaser or with any other person or entity for any purpose without [my/our] prior written consent. In addition to the addressees hereof, each Credit Enhancer and the underwriters of the Bonds may rely upon this legal opinion as if it were addressed to them. [I/We] do not undertake to advise you of matters that may come to [my/our] attention subsequent to the date hereof that may affect the opinions expressed herein.

Very truly yours,

By: _____
Seller's Counsel

EXHIBIT B2

OPINION OF COUNSEL
to
CITY OF DEL REY OAKS

Dated: Closing Date

California Statewide Communities Development Authority
Sacramento, California

Wells Fargo Bank, National Association
Los Angeles, California

Re: Sale of Proposition 1A Receivable (Bringdown Opinion)

Ladies & Gentlemen:

Pursuant to that certain Purchase and Sale Agreement dated as of November 1, 2009 (the “Sale Agreement”) between the City of Del Rey Oaks (the “Seller”) and the California Statewide Communities Development Authority (the “Purchaser”), this Office delivered an opinion (the “Opinion”) dated the Pricing Date as counsel for the Seller in connection with the sale of the Seller’s Proposition 1A Receivable (as defined in the Sale Agreement), the execution of documents related thereto and certain other related matters.

Capitalized terms used but not defined herein shall have the meanings given to such terms in the Sale Agreement.

I confirm that you may continue to rely upon the Opinion as if it were dated as of the date hereof. Each Credit Enhancer and the underwriters of the Bonds may rely upon this legal opinion as if it were addressed to them. This letter is delivered to you pursuant to Section 2(b)(ii)(1) of the Sale Agreement.

Very truly yours,

By: _____
Seller’s Counsel

**EXHIBIT C1
CLERK'S CERTIFICATE**

**CERTIFICATE OF THE
CITY CLERK OF
CITY OF DEL REY OAKS, CALIFORNIA**

Dated: Pricing Date

The undersigned City Clerk of the City of Del Rey Oaks (the "Seller"), a local agency of the State of California within the meaning of Section 6585(f) of the California Government Code, does hereby certify that the foregoing is a full, true and correct copy of Resolution No. _____ duly adopted at a regular meeting of the City Council of said Seller duly and legally held at the regular meeting place thereof on the _____ day of _____, 2009, of which meeting all of the members of said City Council had due notice and at which a quorum was present and acting throughout, and that at said meeting said resolution was adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

I do hereby further certify that I have carefully compared the same with the original minutes of said meeting on file and of record in my office and that said resolution is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes and that said resolution has not been amended, modified or rescinded since the date of its adoption and the same is now in full force and effect.

I do hereby further certify that an agenda of said meeting was posted at least 72 hours before said meeting at a location in the City of Del Rey Oaks, California freely accessible to members of the public, and a brief general description of said resolution appeared on said agenda.

Capitalized terms used but not defined herein shall have the meanings given to such terms in the Purchase and Sale Agreement, dated as of November 1, 2009, between the Seller and the California Statewide Communities Development Authority.

WITNESS by my hand as of the Pricing Date.

By: _____
City Clerk of the City of Del Rey Oaks,
California

**EXHIBIT C2
SELLER CERTIFICATE**

SELLER CERTIFICATE

Dated: Pricing Date

We, the undersigned officers of the **City of Del Rey Oaks** (the “Seller”), a local agency of the State of California within the meaning of Section 6585(f) of the California Government Code, holding the respective offices herein below set opposite our signatures, do hereby certify that on the date hereof the following documents (the “Seller Transaction Documents”) were officially executed and delivered by the Authorized Officer or Officers whose names appear on the executed copies thereof, to wit:

Document

1. Purchase and Sale Agreement, dated as of November 1, 2009 (the “Sale Agreement”), between the Seller and the California Statewide Communities Development Authority (the “Purchaser”).
2. Irrevocable Instructions For Disbursement of Seller’s Proposition 1A Receivable to the Controller of the State of California, dated the Closing Date.
3. Bill of Sale, dated the Closing Date.

Capitalized terms used herein and not defined herein shall have the meaning given such terms in the Sale Agreement.

We further certify as follows:

1. At the time of signing the Seller Transaction Documents and the other documents and opinions related thereto, we held said offices, respectively, and we now hold the same.
2. The representations and warranties of the Seller contained in the Seller Transaction Documents are true and correct as of the date hereof in all material respects.
3. The **City Council** duly adopted its resolution (the “Resolution”) approving the sale of the Seller’s Proposition 1A Receivable at a meeting of the **City Council** which was duly called and held pursuant to law with all public notice required by law and at which a quorum was present and acting when the Resolution was adopted, and such Resolution is in full force and effect and has not been amended, modified, supplemented or rescinded.

Name, Official Title _____

Signature

Jerry Edelin, Mayor

Kristin Clark, Vice-Mayor

I HEREBY CERTIFY that the signatures of the officers named above are genuine.

Dated: Pricing Date

By: _____
City Clerk of the City of Del Rey Oaks,
California

**EXHIBIT C3
BILL OF SALE AND BRINGDOWN CERTIFICATE**

BILL OF SALE AND BRINGDOWN CERTIFICATE

Pursuant to terms and conditions of the Purchase and Sale Agreement (the “Sale Agreement”), dated as of November 1, 2009, between the undersigned (the “Seller”) and the California Statewide Communities Development Authority (the “Purchaser”), and in consideration of the obligation of the Purchaser to pay and deliver to the Seller the Purchase Price (as defined in the Sale Agreement), in two equal installment payments to be made on January 15, 2010, and May 3, 2010 (collectively, the “Payment Dates”), the Seller does hereby (a) transfer, grant, bargain, sell, assign, convey, set over and deliver to the Purchaser, absolutely and not as collateral security, without recourse except as expressly provided in the Sale Agreement, the Proposition 1A Receivable as defined in the Sale Agreement (the “Proposition 1A Receivable”), and (b) assign to the Purchaser, to the extent permitted by law (as to which no representation is made), all present or future rights, if any, of the Seller to enforce or cause the enforcement of payment of the Proposition 1A Receivable pursuant to the Act and other applicable law. Such transfer, grant, bargain, sale, assignment, conveyance, set over and delivery is hereby expressly stated to be a sale and, pursuant to Section 6588.6(b) of the California Government Code, shall be treated as an absolute sale and transfer of the Proposition 1A Receivable, and not as a grant of a security interest by the Seller to secure a borrowing. Seller specifically disclaims any right to rescind the Agreement, or to assert that title to the Proposition 1A Receivable has not passed to the Purchaser, should Purchaser fail to make the installment payments in the requisite amounts on the Payment Dates.

The Seller hereby certifies that the representations and warranties of the Seller set forth in the Certificate of the **City Clerk** dated the Pricing Date, the Seller Certificate dated the Pricing Date and in the Transaction Documents to which the Seller is a party are true and correct in all material respects as of the date hereof (except for such representations and warranties made as of a specified date, which are true and correct as of such date). Capitalized terms used but not defined herein shall have the meanings given to such terms in the Sale Agreement.

Dated: Closing Date

CITY OF DEL REY OAKS

By: _____
Authorized Officer

EXHIBIT D
IRREVOCABLE INSTRUCTIONS TO CONTROLLER

IRREVOCABLE INSTRUCTIONS FOR DISBURSEMENT
OF PROPOSITION 1A RECEIVABLE OF
CITY OF DEL REY OAKS

Dated: Closing Date

Office of the Controller
State of California
P.O. Box 942850
Sacramento, California 94250-5872

Re: Notice of Sale of Proposition 1A Receivable by the City of Del Rey Oaks
and Wiring Instructions Information Form

Dear Sir or Madam:

Pursuant to Section 6588.6(c) of the California Government Code, City of Del Rey Oaks (the "Seller") hereby notifies you of the sale by Seller, effective as of the date of these instructions written above, of all right, title and interest of the Seller in and to the "Proposition 1A Receivable" as defined in Section 6585(g) of the California Government Code (the "Proposition 1A Receivable"), namely, the right to payment of moneys due or to become due to the Seller pursuant to Section 25.5(a)(1)(B)(iii) of Article XIII of the California Constitution and Section 100.06 of the California Revenue and Taxation Code.

By resolution, the Seller's City Council authorized the sale of the Proposition 1A Receivable to the California Statewide Communities Development Authority (the "Purchaser") pursuant to a Purchase and Sale Agreement, dated as of November 1, 2009 (the "Purchase and Sale Agreement") and a Bill of Sale, dated the Closing Date (as defined in the Purchase and Sale Agreement). The Proposition 1A Receivable has been pledged and assigned by the Purchaser pursuant to an Indenture, dated as of November 1, 2009 (the "Indenture") between the Purchaser and Wells Fargo Bank, National Association, as Trustee (the "Trustee").

The Seller hereby irrevocably requests and directs that, commencing as of the date of these instructions written above, all payments of the Proposition 1A Receivable (and documentation related thereto) be made directly to Wells Fargo Bank, National Association, as Trustee, in accordance with the wire instructions and bank routing information set forth below.

Please note that the sale of the Proposition 1A Receivable by the Seller is irrevocable and that: (i) the Seller has no power to revoke or amend these instructions at any time; (ii) the Purchaser shall have the power to revoke or amend these instructions only if there are no notes of the Purchaser outstanding under the Indenture and the Indenture has been discharged; and (iii) so long as the Indenture has not been discharged, these instructions cannot be revoked or amended by the Purchaser without the consent of the Trustee. Should

the Purchaser, however, deliver a written notice to the Office of the Controller stating that: (a) the Seller failed to meet the requirements set forth in the Purchase and Sale Agreement; (b) the Purchaser has not waived such requirements; and (c) the Purchaser has not purchased the Proposition 1A Receivable as a result of the circumstances described in (a) and (b) above, then these instructions shall be automatically rescinded and the Seller shall again be entitled to receive all payment of moneys due or to become due to the Seller pursuant to Section 25.5(a)(1)(B)(iii) of Article XIII of the California Constitution and Section 100.06 of the California Revenue and Taxation Code.

Bank Name: Wells Fargo Bank, N.A.
Bank ABA Routing #: 121000248
Bank Account #: 0001038377
Bank Account Name: Corporate Trust Clearing
Further Credit To: CSCDA Proposition 1A Bonds
Bank Address: 707 Wilshire Blvd., 17th Floor
MAC E2818-176
Los Angeles, CA 90017
Bank Telephone #: (213) 614-3353
Bank Contact Person: Robert Schneider

Please do not hesitate to call the undersigned if you have any questions regarding this transaction. Thank you for your assistance in this matter.

Very truly yours,

CITY OF DEL REY OAKS

By: _____
Authorized Officer

**EXHIBIT E
ESCROW INSTRUCTION LETTER**

ESCROW INSTRUCTION LETTER

_____, 2009

California Statewide Communities Development Authority
1100 K Street
Sacramento, CA 95814

Re: Proposition 1A Receivable Financing

Dear Sir or Madam:

The **City of Del Rey Oaks** (the “Seller”) hereby notifies you of its agreement to participate in the California Statewide Communities Development Authority Proposition 1A Receivable Financing. By adoption of a resolution (the “Resolution”) authorizing the sale of its Proposition 1A Receivable, the Seller’s **City Council** has agreed to sell to the California Statewide Communities Development Authority (the “Purchaser”), for a purchase price that meets the conditions set forth in the Resolution, all of its right, title and interest in the Proposition 1A Receivable.

Enclosed herewith are the following documents which have been duly approved and executed by the Seller and which are to be held in escrow by Orrick, Herrington & Sutcliffe LLP, as transaction counsel (“Transaction Counsel”), as instructed below:

1. certified copy of the Resolution, together with a certificate of the **City Clerk**, dated the Pricing Date;
2. the Seller Certificate, dated the Pricing Date;
3. the Opinion of Seller’s Counsel, dated the Pricing Date;
4. the Opinion of Seller’s Counsel (bringdown opinion), dated the Closing Date;
5. the Purchase and Sale Agreement, dated as of November 1, 2009;
6. the Bill of Sale and Bringdown Certificate, dated the Closing Date; and
7. the Irrevocable Instructions to Controller, dated the Closing Date.

The foregoing documents are to be held in escrow by Transaction Counsel and shall be delivered on the Closing Date (as defined in the Purchase and Sale Agreement), provided that such Closing Date occurs on or before December 31, 2009.

ITEM 7.D.

Should (i) the Closing Date not occur on or before December 31, 2009, or (ii) Transaction Counsel receive prior to the Closing Date written notification from Seller or Seller's Counsel stating, respectively and in good faith, that the representations made in the Seller's Certificate are not true and accurate, or the opinions set forth in the Opinion of Seller's Counsel are not valid, in each case as of the Closing Date and provided that the Purchaser may, in its sole discretion, choose to waive receipt of such representations or opinions, then this agreement shall terminate and Transaction Counsel shall destroy all of the enclosed documents.

Very truly yours,

CITY OF DEL REY OAKS

By: _____
Authorized Officer

Enclosures

cc: Orrick, Herrington & Sutcliffe LLP

www.chservices.org
831.658.3811 phone
831.658.3815 fax

Administration Office
P.O. Box 3076
Monterey, CA 93942-3076



**community
human services**

hope. help. here.

RECEIVED

SEP 24 2009

DEL REY OAKS
CITY CLERK

**HIGHLIGHTS OF
REGULAR BOARD MEETING
September 17, 2009**

1. *The board approved the consent agenda items. Some items currently under "Consent Agenda" will be moved to "Information Items."*
2. *Jenelle Montoya reviewed the Development Report which was included in the board packet. Robin McCrae, Executive Director, announced that Ms. Montoya's position has been reclassified as Development Director.*
3. *Connie Santistevan, Counselor for DAISY (Drug and Alcohol Intervention Services for Youth), and Michael Ramirez, Counselor for ROPP (Repeat Offender Prevention Program), shared with the board the work they do with the youth of Monterey County by providing treatment using The Seven Challenges. The Seven Challenges Program is designed specifically for adolescents with drug problems, to motivate a decision and commitment to change - and to support success in implementing the desired changes. The Program simultaneously helps young people address their drug problems as well as their co-occurring life skill deficits, situational problems, and psychological problems. The challenges provide a framework for helping youth think through their own decisions about their lives and their use of alcohol and other drugs. Counselors using The Seven Challenges Program teach youth to identify and work on the issues most relevant to them. In sessions, as youth discuss the issues that matter most, counselors seamlessly integrate the Challenges as part of the conversation. The Seven Challenges is listed as an evidence-based program in the SAMHSA National Registry of Evidence-Based Programs and Practices.*
4. *Kristy Sherrer, Employment Specialist for the new Work Achievement Program, reported to the board the progress of the program to date. The Work Achievement Program assists clients of Genesis House, Elm House, Safe Passage and Safe Place with employment services. The community response to the program has been one of overwhelming gratitude and support. The program goal is to provide clients with the self-confidence and tools they need to seek, secure, and maintain employment. Ms. Sherrer was pleased to announce that the program had its first placement! A workshop is scheduled for October 13 at Genesis House to discuss Apprenticeship Opportunities available to the clients.*
5. *The board approved a proclamation officially declaring September 2009 as "National Alcohol and Drug Addiction Recovery Month." Recovery Month is celebrating its 20th Anniversary. The theme for this year is "Join the Voices for Recovery: Together We Learn, Together We Heal." Please join us in celebrating recovery at one of our events:*
 - *Cookin' For Recovery – Sept. 21, 11-2pm at Good Sam Center in Sand City*
 - *Lunch at the Train Station – Sept. 23, 12-2pm at the Train Station in Salinas*
 - *Drop-In for Recovery – Sept. 24, 5:30-8:30pm at Monterey Youth Center in Monterey*

The next board meeting is scheduled for Thursday, October 15, 2009 from 11am – 1pm and will be held at the Sand City City Hall at One Sylvan Park, Sand City, CA 93955

BOARD OF DIRECTORS

LEO LASKA
CHAIR

SUE McCLOUD
VICE CHAIR

GARY BALES
DAVID PENDERGRASS
LIBBY DOWNEY
JANE PARKER
IAN OGLESBY
BRUCE DELGADO
KRISTIN CLARK



MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

Home of the Last Chance Mercantile

MEMORANDUM

ITEM 10.B.

WILLIAM MERRY, P.E., BCEE
GENERAL MANAGER/
DISTRICT ENGINEER

TIMOTHY S. FLANAGAN
ASST. GENERAL MANAGER

RICHARD SHEDDEN, P.E.
SENIOR ENGINEER

RICHARD NORTON
ADMIN. SERVICES MGR.

ROBERT WELLINGTON
COUNSEL

DATE: September 21, 2009
TO: Del Rey Oaks City Council
FROM: Kristin Clark
SUBJECT: Highlights of the September 18, 2009 Board Meeting

RECEIVED

SEP 23 2009

DEL REY OAKS
CITY CLERK

The highlights of the meeting are as follows:

- 1) Chair Laska welcomed new District Boardmember, Vice Mayor Kristin Clark, representing the City of Del Rey Oaks.
- 2) A Resolution of Appreciation was adopted and presented to former Boardmember, Joseph Russell, who represented the City of Del Rey Oaks for five years on the District Board.
- 3) Under Consent, the Board authorized the issuance of a Request for Proposals for the purchase of a water truck, excavator, and an aerial lift.
- 4) The Board received a report from Chair Laska on the September 9, 2009 Finance Committee meeting. Staff was directed to prepare a multi-year funding plan to support District finances, in response to the significant loss in tonnages and revenues due to the economic downturn and also due to recycling efforts.
- 5) Authorization was given to the General Manager to solicit proposals and select a firm for the sale of Carbon Offset Credits resulting from combustion of landfill gas and generation of renewable power. The selected firm will complete the application and submit it to the Climate Action Reserve (CAR) by the November deadline. If the application is approved by CAR, it could provide the District with additional revenue of up to \$250,000 per year. An agreement will be presented at the October meeting for Board approval.
- 6) The Board authorized staff to prepare the necessary information in order to seek State Legislation allowing the District to adopt ordinances and to also modify the Public Resources Code with regard to Boardmember compensation for attendance at District meetings.
- 7) Staff provided the Board with a report on the status of stimulus funding. Staff continues to explore possibilities related to future programs and related funding alternatives.

September 18, 2009 Board Meeting Highlights

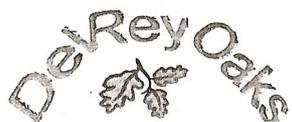
September 21, 2009

Page 2

- 8) A presentation was provided to the Board by District Materials Recovery (MRF) Manager on the MRF “unders”, which is inert material/dirt that is diverted from the sortline and used in the landfill operation as alternative daily cover. Approximately one-third of the total MRF diversion comes by way of the “unders” from the sortline.
- 9) The Board authorized General Manager to finalize and implement a Pandemic H1N1 Influenza Preparedness and Response Plan.

If you have any questions or need more information, please contact General Manager William Merry at 384-5313, or me.

Kristin Clark, Director
Monterey Regional Waste Management District



— Citizens Action Group —

DEAR RON AND YOUR POLICE OFFICERS
 THE PICNIC WAS A GREAT EVENT
 AND YOU ALL MADE IT POSSIBLE - THANKS
 FOR EVERYTHING - SPECIALLY SEEING YOU
 ALL AND FAMILIES JOINING US. THE
 WATERMELON BETTER THIS YEAR - 😊

ALSO, CHRIS THANK YOU FOR
 PICKING UP ELEANOR AND TAKING HER
 HOME - SHE LOVED THE SIKIN!!

WE ALSO ENJOYED MEETING THE
 NEWEST MEMBER - A BEAUTIFUL POLICE DOG
 AND "THE BOSS" - PICTURE ENCLOSED.
 IT WAS GREAT DAY.

DKO CAG

DMG