



# CITY OF DEL REY OAKS

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

**DATE:** September 23, 2025

**TO:** Honorable Mayor and City Council

**FROM:** John Guertin, City Manager

**SUBJECT:** Budget Amendments to Appropriate Regional Surface Transportation Program (RSTP) Funds and Adjust SB1 Allocation for the Work Avenue Drainage Improvements Project

**CEQA:** Staff has determined this project to be Class 1 categorically exempt per Section 15301 of the CEQA Guidelines.

## Discussion

In March 2023, the Transportation Agency for Monterey County (TAMC) approved the allocation of Regional Surface Transportation Program (RSTP) fair-share funding for the City of Del Rey Oaks. The City executed the TAMC Master Funding Agreement, which provides for \$67,601.20 in RSTP funds.

Separately, the City Council previously approved the Work Avenue Drainage Improvements Project to address storm water drainage concerns at the intersection of Saucito Road and Work Avenue. This project includes the installation of a new drainage inlet, pipes, curb, and gutter, and ties into the drainage infrastructure being constructed as part of the adjacent Fort Ord Regional Trail and Greenway (FORTAG) project.

When the contract was awarded to Graniterock, the adopted FY 2025-26 budget included \$40,000 from SB1 (Fund 211) for this project. With the confirmed availability of RSTP funds, staff recommends amending the budget to appropriate the RSTP allocation and reduce the use of SB1 funding, leaving only \$13,548.80 from Fund 211 for this project. This adjustment ensures that SB1 funds remain available for other future transportation and roadway priorities while still fully funding the Work Avenue Drainage Improvements Project.

## Fiscal Impacts

- **RSTP Funds (new appropriation):** \$67,601.20
- **SB1 Funds (Fund 211, adjusted):** \$13,548.80 (reduced from \$40,000)

- **Total Project Funding:** \$81,150

### **Recommendation**

It is recommended that the City Council:

1. Authorize a budget amendment to appropriate \$67,601.20 in Regional Surface Transportation Program (RSTP) funds for the Work Avenue Drainage Improvements Project.
2. Approve a budget reduction of \$26,451.20 from the \$40,000 previously budgeted in SB1 (Fund 211), leaving \$13,548.80 in SB1 funds allocated to the project.

### **Attachments**

- Agenda Item for Agreement with Graniterock
- Agenda Item for TAMC RSTP Funding Agreement

Respectfully submitted,

---

John Guertin  
City Manager



# CITY OF DEL REY OAKS

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

**DATE:** June 24, 2025

**TO:** Honorable Mayor and City Council

**FROM:** John Guertin, City Manager

**SUBJECT:** Award Contract and Authorize the City Manager to Sign Agreement with Graniterock in the amount of \$81,150 for the Work Ave Drainage Improvements Project

**CEQA:** Staff has determined this project to be Class 1 categorically exempt per Section 15301 of the CEQA Guidelines.

## Discussion

Graniterock, under contract with the Transportation Agency of Monterey County (TAMC), is currently constructing the Fort Ord Regional Trail and Greenway(FORTAG) project throughout the city. A section of the project, along Carlton Way at the intersection of Work Avenue, includes significant drainage improvements that include the installation of new storm drains and pipes. This work is currently underway.

The City Public Works department, in consultation with the City's contract Civil Engineer, have identified a storm water drainage concern at the intersection of Saucito Road and Work Avenue. Staff has identified the need to install a new drainage inlet and pipes as well as curb and gutter. The project is adjacent to the FORTAG project and would tie into the drainage infrastructure currently being installed.

As the Work Avenue project is outside of the grant-approved project boundaries of the FORTAG project, the City was unable to utilize the TAMC contract for the additional work. To take advantage of the timing and economies of scale for our small project, staff is recommending approval of the proposed contract on a sole-source basis.

## Fiscal Impacts

The not-to-exceed amount of the contract is \$81,150. The FY 2024-25 adopted budget included \$40,000 in SB1 funds for the Saucito/Work Gutter and Curb project. Staff recommend utilizing additional SB1 Fund Balance to cover the additional \$41,150 needed for the project. This will reduce the FY 25-26 estimated fund balance from \$53,831 to \$12,681.

## **Recommendation**

Approve award of a sole-source agreement with Graniterock for \$81,150 for the Work Ave Drainage Improvements Project. Authorize the additional allocation of \$41,150 from Fund 211 – SB1.

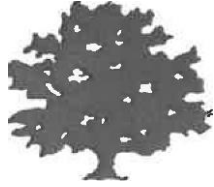
## **Attachments**

- Agreement with Graniterock

Respectfully submitted,

---

John Guertin  
City Manager



# CITY OF DEL REY OAKS

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

**DATE:** April 25, 2023

**TO:** Honorable Mayor and City Council

**FROM:** John Guertin, City Manager

**SUBJECT:** Approve Master Funding Agreement Between Transportation Agency for Monterey County (TAMC) and City for Allocation of Funding Approved by TAMC Board

**CEQA:** Not a Project under CEQA per Article 20, Section 15378 and General Rule Article 5 Section 15061.

## **Recommendation**

Adopt a resolution of the City of Del Rey Oaks (enclosure 1) approving the TAMC Master State & Federal Funding Agreement and authorize the City Manager to sign it.

## **Discussion**

In March, the TAMC Board of Directors approved a fund estimate for the Regional Surface Transportation Program (RSTP) that included funding for both fair-share and competitive grants. In order to claim reimbursement for this funding (and other State and Federal sources that pass through TAMC), the attached Master State & Federal Funding Agreement must be executed. This agreement replaces the previous master funding agreement, which has expired, and includes a three-year term.

An agreement with TAMC is required to receive RSTP and other State and Federal funds that pass through TAMC.

## **Fiscal Impacts**

Approval of this agreement will allow the City to receive \$67,601.20 in fare share RSTP funds, apply for competitive RSTP funds and potentially receive other State and Federal funds that pass through TAMC.

## **Attachments**

- Resolution No.2023-05
- Master Funding Agreement

Respectfully submitted,

---

John Guertin  
City Manager

**RESOLUTION NO. 2023-05**

**A RESOLUTION APPROVING AGREEMENT BETWEEN THE  
TRANSPORTATION AGENCY FOR MONTEREY COUNTY AND THE  
CITY OF DEL REY OAKS FOR THE ALLOCATION OF FUNDING  
APPROVED BY THE TRANSPORTATION AGENCY BOARD OF  
DIRECTORS**

**WHEREAS**, the Transportation Agency for Monterey County (TAM()) is the state-designated Regional Transportation Planning Agency for Monterey County; and

**WHEREAS**, as authorized by section 182.G(g) of the Streets and Highways Code, the TAMC has entered into a separate agreement with the State of California, through the Department of Transportation (Caltrans), to assign a defined portion of its annual Regional Surface Transportation Program (RSTP) apportionment to Caltrans in exchange for state funds for specified fiscal year(s); and

**WHEREAS**, TAMC is authorized to use these exchanged funds (hereinafter RSTP Exchange Funds) to assist local agencies to promote projects which otherwise qualify for RSTP funds; and

**WHEREAS**, as authorized by Chapter 2, Title 21, Rule 6640 of the Transportation Development Act, one of the duties of the TAMC is to administer the provisions of the Transportation Development Act in apportioning Local Transportation Funds (LTF) for the Transportation Development Act 2% (TDA 2%) program for bicycle and pedestrian projects pursuant to Article 3 of that law, and to the Cities, County, and Monterey-Salinas Transit; and

**WHEREAS**, as authorized by the Joint Powers Agreement for the Monterey County Regional Development Impact Fee Agency, TAMC is designated to administer and allocate regional development impact fee revenues (RDIF) to projects identified in the approved Strategic Expenditure Plan; and

**WHEREAS**, the TAMC Board has approved the allocation of funds as listed in Exhibit A of the agreement at Attachment 1; and

**WHEREAS**, it is contemplated by TAMC and the City of Del Rey Oaks that the amount of funding may change from time to time; and

**WHEREAS**, approval of this agreement will allow the City to receive fair share RSTP funds, apply for competitive RSTP funds and potentially receive other State and Federal funds that pass through TAMC.

**NOW THEREFORE, BE IT RESOLVED** that the City Council of the City of Del Rey Oaks does hereby agree to enter into the Agreement between the Transportation Agency for Monterey County and the City of Del Rey Oaks for the Allocation of Funding Approved by the Transportation Agency Board of Directors and authorizes the City Manager to sign said agreement.

**PASSED AND ADOPTED** by the City Council of the City of Del Rey Oaks at a regular meeting duly held on April 25, 2023, by the following vote:

AYES: Council Members Shirley, Hallock, Uy, Ragsdale-Cronin and Mayor Donaldson  
NOES: None

ABSENT: None  
ABSTAIN: None

APPROVED:

---

Scott Donaldson, Mayor

ATTEST:

---

John Guertin, City Clerk

**AGREEMENT BETWEEN THE  
TRANSPORTATION AGENCY FOR MONTEREY COUNTY  
AND THE CITY OF DEL REY OAKS  
FOR THE ALLOCATION OF FUNDING APPROVED BY  
THE TRANSPORTATION AGENCY BOARD OF DIRECTORS**

This agreement is made on \_\_\_\_\_ by and between the City of Del Rey Oaks, a public body, hereinafter referred to as "Recipient," and the Transportation Agency for Monterey County, hereinafter referred to as "TAMC."

**WHEREAS**, TAMC is the state-designated Regional Transportation Planning Agency for Monterey County; and

**WHEREAS**, as authorized by section 182.6(g) of the Streets and Highways Code, TAMC has entered into a separate agreement with the State of California, through the Department of Transportation (Caltrans), to assign a defined portion of its annual federal Surface Transportation Block Grant Program (STBGP) apportionment to Caltrans in exchange for state funds for specified fiscal year(s); and

**WHEREAS**, TAMC is authorized to use these exchanged funds (hereinafter referred to as "RSTP Exchange Funds") to assist local agencies to promote projects which otherwise qualify for STBGP funds; and

**WHEREAS**, as authorized by Chapter 2, Title 21, Rule 6640 of the Transportation Development Act, one of the duties of TAMC is to administer the provisions of the Transportation Development Act in apportioning Local Transportation Funds (LTF) for the Transportation Development Act 2% (TDA 2%) program for bicycle and pedestrian projects pursuant to Article 3 of that law, and to the Cities, County, and Monterey-Salinas Transit;

**WHEREAS**, as authorized by the Joint Powers Agreement for the Monterey County Regional Development Impact Fee Agency, TAMC is designated to administer and allocate regional development impact fee revenues (RDIF) to projects identified in the approved Strategic Expenditure Plan; and

**WHEREAS**, the TAMC Board of Directors has approved the allocation of funds toward the projects listed in Exhibit A; and

**WHEREAS**, it is contemplated by TAMC and the Recipient that the amount of funding and the projects designated in Exhibit A may change from time to time as set forth below; and

**WHEREAS**, TAMC has requested the Monterey County Auditor-Controller to establish a separate fund for the Federal Apportionment Exchange Program and such a separate fund has been established.

**NOW, THEREFORE**, in consideration of the mutual covenants contained herein, **THE PARTIES** HERETO AGREE AS FOLLOWS:

**1. RULES FOR RSTP EXCHANGE FUNDS**

- A. TAMC agrees to allocate RSTP Exchange Funds paid by Caltrans under the Federal Apportionment Exchange Program only for projects as authorized under sections 133(b) and 133 (c) of Title 23, United States Code and Article XIX of the California State Constitution.
- B. The Recipient agrees to use RSTP Exchange Funds only for the RSTP Exchange eligible project(s) described in Exhibit A, as approved by the TAMC Board of Directors, for the amounts awarded for each project.

**2. RULES FOR TDA 2%**

- A. TAMC agrees to allocate TOA 2% funds under the Transportation Development Act only for projects as authorized under the Transportation Development Act Section 99234 Claims for Pedestrian and Bicycle Facilities.
- B. The Recipient agrees to use TDA 2% funds only for TDA 2% eligible project(s) described in Exhibit A, as approved by the TAMC Board of Directors, for the amounts awarded for each project.

**3. RULES FOR RDIF**

- A. TAMC agrees to allocate RDIF funds under the Joint Powers Agreement only for projects as authorized by the TAMC Board of Directors in the approved Strategic Expenditure Plan.
- B. The Recipient agrees to use RDIF funds only for RDIF eligible project(s) described in Exhibit A, as approved by the TAMC Board of Directors, for the amounts awarded for each project.

#### 4. ADMINISTRATIVE POLICIES

- A. The projects described in Exhibit A, and the amounts allocated therefore, may be amended from time to time without changing the rest of this Master Agreement, by means of approval by the TAMC Board of Directors of a revised Exhibit A, which shall be designated by a date and number (e.g., "Exhibit A-1 (DATE)").
- B. The Recipient agrees to submit an annual report to TAMC by April 30 describing the progress towards completion for all projects listed in Exhibit A.
- C. The Recipient agrees to mention TAMC's role in funding the project in any press releases or media events held by the Recipient to promote a funded project.
- D. TAMC agrees to reimburse the Recipient within 30 days of receipt of a completed claim form (Exhibit B) from the Recipient.
- E. The Recipient agrees to cause the completion of the project(s) within three years from the date funds were awarded by the TAMC Board of Directors, as recorded in Exhibit A. Failure to complete the project(s) in a timely basis shall allow TAMC to refuse reimbursement and to reprogram such funds for other purposes.

#### 5. COST PRINCIPLES

- A. Recipient agrees to comply with Office of Management and Budget Circular A-87, Cost Principles for State and Local Government, and 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements.
- B. Recipient agrees to:
  - (a) use Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., to determine the allowability of individual project cost items; and
  - (b) comply with Federal administrative procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements, Costs Principles and Audit Requirements.

Every sub-recipient receiving funds as a contractor or sub-contractor under this AGREEMENT shall comply with Federal administrative procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements, Costs Principles and Audit Requirements.

## 6. THIRD PARTY CONTRACTING

- A. Recipient shall not award a construction contract over \$10,000 or other contracts over \$25,000 on the basis of a noncompetitive negotiation for work to be performed using Funds without the prior written approval of Caltrans. This provision shall not apply to professional service contracts of the type which are required to be procured in accordance with Government Code Sections 4525 (d), (e), and (f).
- B. Recipient agrees that travel and per diem reimbursements and third-party contract reimbursements to subcontractors will be allowable as project costs only after those costs are incurred and paid for by the subcontractors and only if consistent with Paragraph 10, below.
- C. In addition to the above, the pre-award requirements of third party contractor/consultants with Recipient shall be consistent with Local Program Procedures as published by Caltrans.

## 7. ACCOUNTING SYSTEM

Recipient, its contractors and subcontractors, shall establish and maintain an accounting system and records that properly accumulate and segregate expenditures by line item. The accounting system of Recipient, its contractors and all subcontractors shall conform to Generally Accepted Accounting Principles (GAAP), enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment claims.

## 8. RIGHT TO AUDIT

For the purpose of determining compliance with Public Contract Code 10115, et seq. and Title 21, California Code of Regulations, Chapter 21, Section 2500 et seq., when applicable and other matters connected with the performance of the Agreement pursuant to Government Code 8546.7, Recipient shall maintain and make available for inspection all books, documents, papers, accounting records, and other evidence pertaining to the performance of the Agreement, including but not limited to, the costs of administering the Agreement. All parties shall make such materials available at their respective offices at all reasonable times during the Agreement period and for three years from the date of final payment under the Agreement. The state, State Auditor, TAMC, FHWA, or any duly authorized representative of the Federal Government shall have access to any books, records, and documents of Consultant and its certified public accountants (CPA) work papers that are pertinent to the Agreement and indirect cost rates (ICR) for audit, examinations, excerpts, and transactions, and copies thereof shall be furnished if requested. Subcontracts in excess of \$25,000 shall contain this provision.

## 9. TRAVEL AND SUBSISTENCE

Payments to Recipient for travel and subsistence expenses of Recipient forces and/or its contractors or subcontractors, claimed for reimbursement or applied as local match credit, shall not exceed rates authorized to be paid exempt non-represented State employees under current State Department of Personnel Administration (DPA) rules. If the rates invoiced are in excess of those authorized DPA rates, then Recipient is responsible for the cost difference and any overpayments shall be reimbursed to the TAMC on demand.

## 10. PROJECT COMPLETION

Recipient agrees to provide to the TAMC a short report summarizing total project costs and milestones, including before and after photos of the project, for each project within sixty (60) days of completion.

## 11. GOVERNING LAWS

This Agreement shall be construed and enforced according to the laws of the State of California, and the parties hereby agree that the County of Monterey shall be the proper venue for any dispute arising hereunder.

## 12. CONFLICT OF INTEREST

Recipient warrants that it presently has no interest and shall not acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with its full and complete performance of all services under this Agreement.

## 13. CONSTRUCTION OF AGREEMENT

,The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any exhibit or amendment. To that end, it is understood and agreed that this Agreement has been arrived at through negotiation, and that neither party is to be deemed the party which prepared this Agreement within the meaning of Civil Code Section 1654. Section and paragraph headings appearing herein are for convenience only and shall not be used to interpret the terms of this Agreement.

## 14. WAIVER

Any waiver of any term or condition hereof must be in writing. No such waiver shall be construed as a waiver of any other term or condition herein.

#### **15. SUCCESSORS AND ASSIGNS**

This Agreement and all rights, privileges, duties and obligations hereunder, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns and heirs.

#### **16. TIME IS OF THE ESSENCE**

The parties mutually acknowledge and agree that time is of the essence with respect to every provision hereof in which time is an element. No extension of time for performance of any obligation or act shall be deemed an extension of time for performance of any other obligation or act, nor shall any such extension create a precedent for any further or future extension.

#### **17. EXECUTION OF AGREEMENT**

Any individual executing this Agreement on behalf of an entity represents and warrants that he or she has the requisite authority to enter into this Agreement on behalf of such entity and to bind the entity to the terms and conditions hereof. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

#### **18. ENTIRE AGREEMENT**

This document, including all exhibits hereto, constitutes the entire agreement between the parties, and supersedes any and all prior written or oral negotiations and representations between the parties concerning all matters relating to the subject of this Agreement.

#### **19. TERMINATION DATE**

This Agreement shall remain in effect for a period of three (3) years from the date of this Agreement.

**IN WITNESS WHEREOF**, TAMC and Recipient execute this Agreement as follows:

**TRANSPORTATION AGENCY FOR MONTEREY COUNTY**

\_\_\_\_\_  
Todd Muck  
Executive Director

\_\_\_\_\_  
Date

**Recipient:**  
**CITY OF DEL REY OAKS**

\_\_\_\_\_  
John Guertin, City Manager

\_\_\_\_\_  
Date

**Approved as to Form:**

\_\_\_\_\_  
Robert Brayer  
TAMC Counsel

\_\_\_\_\_  
Date


\_\_\_\_\_  
City Attorney  
City of Del Rey Oaks

\_\_\_\_\_  
Date

Transportation Agency for Monterey County  
 Master State and Federal Funding Agreement  
 Exhibit A

| Agency         | Board Approval Date | Fund | Expiration Date | Type            | Cf. of Del. Re Oaks | Active Projects      | Budget       | Paid | Balance | Outstanding |
|----------------|---------------------|------|-----------------|-----------------|---------------------|----------------------|--------------|------|---------|-------------|
| Del. Rev. Oaks | 3/22/2023           |      | 3/21/2026       | RSTP Fair Share |                     | Uncirculated balance | 67,601.20 \$ |      | \$      | 67,601.20   |
|                |                     |      |                 |                 |                     |                      | 67,601.20 \$ |      | \$      | 67,601.20   |

Last Revised: 3/22/2023

Approved by:   
 Todd Mud, Executive Director