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Spreckels Community Services District
REGULAR MEETING OF THE BOARD OF DIRECTORS
Wednesday May 20, 2026 5:30 pm
Spreckels Veterans Memorial Building, 5th & Llano, Spreckels, CA 93962

AGENDA

Agenda order may be adjusted by Chair for purposes of meeting flow and to be respectful of the time concerns of guests present.

1. CALL TO ORDER:

2. PLEDGE OF ALLEGIANCE:

3. ROLL CALL & ESTABLISHMENT OF QUORUM:

Mike McTighe, President
Amanda Lane, Vice-President
Otto Kramm, Director
Phil Balestreri, Director

4. CORRESPONDENCE:

5. PUBLIC COMMENTS: *At this time any person may comment on any item which is not on the agenda. Please state your name and address for the record. Action will not be taken on any item that is not on the agenda. If it requires action, it will be referred to staff and/or placed on the next agenda. Board members may briefly respond to statements made or questions posed as permitted by Government Code Section 54954.2. In order that all interested parties have an opportunity to speak, please limit comments to a maximum of five (5) minutes. Any member of the public may comment on any matter listed on this agenda at the time the matter is being considered by the Board of Directors.*

6. APPROVAL OF MINUTES:

a. SCSD Regular Board Meeting 4/15/2026.

7. GENERAL MANAGER'S REPORT:

- a. Financial Reports.
1. Fund Balance as of 4/30/2026
 2. Budget FYTD to 4/30/2026

3. Review of County Fund 634 Trial Balance Report: FY 2026 Period 10.

8. UNFINISHED BUSINESS NON-ACTION ITEMS:

- a. Board Vacancy
- b. FEMA Outfall Pipe Repairs.
- c. Sidewalk Repairs
- d. Audit Progress

9. UNFINISHED BUSINESS ACTION ITEMS:

10. NEW BUSINESS ACTION ITEMS:

a. Review and Approval of Accounts Payable:

- 1. Spreckels Memorial District: Management, Audit, Fund 634 Reconciliation, Landscape Maintenance, Power, Water:

TOTAL	\$ 4,832.64
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- b. Assertive Industries: Proposal to Engage in Fixed Asset Inventory.
- c. Approve Updated Contract for As Needed Counsel Services with Monterey County Counsel’s Office.
- d. Resolution 2026-01: Preparation of ER for FY 2026-07.
- e. Resolution 2026-02: Approving Zone 1 ER for 2026-07.

11. NEW BUSINESS NON-ACTION ITEMS:

12. ZONES 1 AND 2 SYSTEMS REPORT:

13. FUTURE AGENDA ITEMS:

14. ADJOURN REGULAR MEETING:

Next meeting Wednesday June 17, 2026 5:30 PM.

2026 Meeting dates: January 28, February 18, March 18, April 15, May 20, June 17, July 15, August 19, September 16, October 21, November 18.

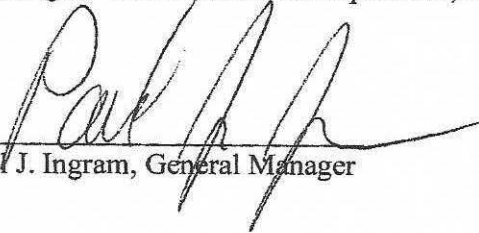
ADA COMPLIANCE

In compliance with the American Disabilities Act (ADA), disabled individuals requiring special accommodations to access, attend, or participate in District Board meetings, should contact the District Administrative Office, [831] 455-7855. To ensure that your request is granted please notify this office at least one business day prior to the scheduled public meeting.

In Compliance with Government Code section 54957.5, non-exempt writings that are distributed to a majority or all of the Board in advance of a meeting, may be viewed on the District website www.scsd.specialdistrict.org.

Certification

I, Paul J. Ingram, General Manager/Board Clerk for Spreckels Community Services District, do hereby declare that the foregoing agenda was posted at least (72) hours prior to the May 20, 2026 Regular Meeting of the District Board of Directors scheduled for 5:30 pm at Spreckels Veterans Memorial Building, 5th and Llano Streets Spreckels, CA 93962

 Date 5/15/2026
Paul J. Ingram, General Manager

To download the full agenda packet, please go to www.scsd.specialdistrict.org and click on the meeting date. Click on the link to the agenda.

Spreckels Community Services District
 Adopted Budget FYE 6/30/2026
 FYTD to 5/29/2026

Income	Budget	FYTD	BALANCE	%
Special Assessments:				
Zone 1 Assessment 52.3%	\$ 57,132.92	\$ 33,076.31	\$ 24,056.61	57.89%
Zone 2 Assessment 47.7%	\$ 52,183.32	\$ 28,768.13	\$ 23,415.19	55.13%
Spreckels Town Improvement Fund	\$ 40,764.20	\$ 45,684.21	\$ (4,920.01)	112.07%
County Revenue:				
Interest on Pooled Investments	\$ 2,378.76	\$ 16,011.83	\$ (13,633.07)	673.12%
Non-Assessment Prop Taxes	\$ 37,549.01	\$ 44,263.97	\$ (6,714.96)	117.88%
* Homeowners Prop Tax Relief		\$ 70.59		
* Prior Supplemental		\$ 53.25		
* Current Supplemental		\$ 674.22		
* Prior Secured		\$ 331.28		
* Current Unsecured		\$ 2,007.42		
* Current Secured		\$ 41,127.21		
	\$ 190,008.21	\$ 167,804.45	\$ 22,203.76	88.31%
Special State Funding:				
Storm Drain Maintenance, Zone 1	\$ -	\$ 141,065.26	\$ 141,065.26	
Storm Drain Maintenance, Zone 2	\$ -	\$ 69,479.91	\$ 69,479.91	
Total Income	\$ 190,008.21	\$ 378,349.62	\$ 232,748.93	199.12%
Expenses				
Administrative Fees Zone 1 52.3%	\$ 422.10	\$ 1,873.24	\$ (1,451.14)	443.79%
Administrative Fees Zone 2 47.7%	\$ 277.90	\$ 1,708.48	\$ (1,430.58)	614.78%
Audit Expense Zone 1 52.3%	\$ 2,110.50	\$ 384.93	\$ 1,725.57	18.24%
Audit Expense Zone 2 47.7%	\$ 1,359.50	\$ 351.07	\$ 1,008.43	25.82%
Board/Staff Education Zone 1 52.3%	\$ 241.70	\$ -	\$ 241.70	0.00%
Board/Staff Education Zone 2 47.7%	\$ 158.80	\$ -	\$ 158.80	0.00%
Capital Improvements Zone 1	\$ -	\$ -	\$ -	0.00%
Capital Improvements Zone 2	\$ -	\$ 19,858.00	\$ (19,858.00)	100.00%
Equipment Repair/Maint. Zone 1 67%	\$ 5,360.00	\$ 11,630.38	\$ (6,270.38)	216.98%
Equipment Repair/Maint. Zone 2 33%	\$ 2,640.00	\$ 5,728.39	\$ (3,088.39)	216.98%
General Liability/Property Zone 1 52.3%	\$ 1,190.50	\$ 1,910.58	\$ (720.08)	160.49%
General Liability/Property Zone 2 47.7%	\$ 1,150.00	\$ 1,742.54	\$ (592.54)	151.53%
Landscape Maint. Zone 2	\$ 8,000.00	\$ 6,205.00	\$ 1,795.00	77.56%
Legal Services Zone 1 52.3%	\$ 603.00	\$ 534.92	\$ 68.08	88.71%
Legal Services Zone 2 47.7%	\$ 397.00	\$ 487.88	\$ (90.88)	122.89%
Management Services Zone 1 52.3%	\$ 5,427.00	\$ 4,018.73	\$ 1,408.27	74.05%
Management Services Zone 2 47.7%	\$ 3,573.00	\$ 3,665.25	\$ (92.25)	102.58%
Membership Fees Zone 1 52.3%	\$ 422.10	\$ 452.92	\$ (30.82)	107.30%
Membership Fees Zone 2 47.7%	\$ 277.90	\$ 413.08	\$ (135.18)	148.64%
Misc Expense	\$ -	\$ 54.08	\$ (54.08)	100.00%
Office Rent Zone 1 52.3%	\$ 723.60	\$ -	\$ 723.60	0.00%
Office Rent Zone 2 47.7%	\$ 476.40	\$ -	\$ 476.40	0.00%
Parcel Management Zone 1 52.3%	\$ 7,788.60	\$ 1,621.30	\$ 6,167.30	20.82%
Parcel Management Zone 2 47.7%	\$ 2,461.40	\$ 1,478.70	\$ 982.70	60.08%
Power Zone 1	\$ 6,000.00	\$ 6,753.53	\$ (753.53)	112.56%
Power Zone 2	\$ 7,000.00	\$ 6,342.23	\$ 657.77	90.60%
Professional Services	\$ -	\$ 1,359.00	\$ (1,359.00)	100.00%
Property Taxes Zone 1	\$ 20.00	\$ 22.06	\$ (2.06)	110.30%
Property Taxes Zone 2	\$ 710.00	\$ 202.30	\$ 507.70	28.49%
Streetlight Repairs Zone 2	\$ 500.00	\$ -	\$ 500.00	0.00%
Sidewalk/ADA Zone 1	\$ -	\$ -	\$ -	0.00%
Storm Drain Maintenance, Zone 1	\$ -	\$ 13,930.37	\$ (13,930.37)	100.00%
Storm Drain Maintenance, Zone 2	\$ -	\$ 12,705.14	\$ (12,705.14)	100.00%
Tree Maintenance - Zone 1	\$ -	\$ 391.14	\$ (391.14)	100.00%
Tree Maintenance - Zone 3	\$ -	\$ 428.86	\$ (428.86)	100.00%
Water Zone 1	\$ 1,200.00	\$ 1,799.31	\$ (599.31)	149.94%
Water Zone 2	\$ 3,600.00	\$ 1,180.19	\$ 2,419.81	32.78%
Website Zone 1 52.3%	\$ 180.90	\$ 502.07	\$ (321.17)	277.54%
Website Zone 2 47.7%	\$ 119.10	\$ 457.91	\$ (338.81)	384.48%
Emergency Reserve	\$ 125,617.21	\$ -	\$ 125,617.21	0.00%
Total Expense	\$ 190,008.21	\$ 110,193.58	\$ 79,814.63	57.99%

Profit & Loss

July 1, 2025 through May 19, 2026

	<u>Jul 1, '25 - May 19, 26</u>
Income	
4005.00 · County Revenue	
Non Assesment Revenue	
5040.00 · Interest in Pooled Investments	16,011.83
5030.00 · Homeowners Prop Tax Relief	70.59
4040.00 · Prior Supplemental	53.25
4035.00 · Current Supplemental	674.22
4025.05 · Prior Secured	331.28
4015.05 · Current Unsecured	2,007.42
4010.05 · Current Secured	41,127.21
Total Non Assesment Revenue	60,275.80
5415.00 · Special Assessments	
5415.20 · Zone 1 Old Town	33,076.31
5415.25 · Zone 2 New Town	28,768.13
5415.00 · Special Assessments - Other	45,684.21
Total 5415.00 · Special Assessments	107,528.65
Total 4005.00 · County Revenue	167,804.45
Total Income	167,804.45
Expense	
9101.00 · Storm Drain Maintenance	
9102.25 · Storm Drain Maintenance Zone 2	-60,690.19
9102.20 · Storm Drain Maintenance Zone 1	-123,219.47
Total 9101.00 · Storm Drain Maintenance	-183,909.66
6083.00 · Misc Exp	
6086.05 · Property Taxes	54.08
6089.25 · Property Taxes Zone 2	202.30
6088.20 · Property Taxes Zone 1	22.06
Total 6086.05 · Property Taxes	224.36
6010.05 · Administrative Fees	
6012.25 · Adminstrative Fees Zone 2	1,708.48
6011.20 · Adminstrative Fees Zone 1	1,873.24
Total 6010.05 · Administrative Fees	3,581.72
6015.05 · Audit Expense	
6017.25 · Audit Expense Zone 2	351.07
6016.20 · Audit Expense Zone 1	384.93
Total 6015.05 · Audit Expense	736.00
6030.05 · Equipment Maintenance	
6030.25 · Equipment Maint. Zone 2 33%	5,728.39
6030.20 · Equipment Maint. Zone1 67%	11,630.38
Total 6030.05 · Equipment Maintenance	17,358.77
6065.05 · General Liability/Property Ins.	
6067.21 · Gen Liability Zone 2	1,742.54
6066.20 · Gen Liability Zone 1	1,910.58
Total 6065.05 · General Liability/Property Ins.	3,653.12
6075.05 · Legal Services	
6077.25 · Legal Services Zone 2	487.88
6076.20 · Legal Services Zone 1	534.92
Total 6075.05 · Legal Services	1,022.80
6078.25 · Landscape Maintenance Contract	6,205.00

Profit & Loss

July 1, 2025 through May 19, 2026

05/19/26

Cash Basis

	<u>Jul 1, '25 - May 19, 26</u>
6079.05 · Management Services	
6087.25 · Management Svcs. Zone 2	3,665.25
6086.20 · Management Svcs. Zone 1	4,018.73
Total 6079.05 · Management Services	7,683.98
6084.05 · Membership Fees/Dues	
Membership Fees Zone 2	413.08
Membership Fees Zone 1	452.92
Total 6084.05 · Membership Fees/Dues	866.00
6091.05 · Professional Services	1,359.00
6105.00 · Power	
6105.20 · Power Zone 1	6,342.23
6105.25 · Power Zone 2	6,753.53
Total 6105.00 · Power	13,095.76
6160.00 · Tree Maintenance	
6160.20 · Tree Maintenance Zone 1	428.86
6160.25 · Tree Maintenance Zone 2	391.14
Total 6160.00 · Tree Maintenance	820.00
6250.05 · Website Services	
6275.25 · Website Zone 2 37.7%	457.91
6275.20 · Website Zone 1 62.3%	502.07
Total 6250.05 · Website Services	959.98
6300.00 · Water	
6300.20 · Water Zone 1	1,180.19
6300.25 · Water Zone 2	1,799.31
Total 6300.00 · Water	2,979.50
8000.05 · Capital Improvements	
8020.25 · Zone 2 Streetlighting	19,858.00
Total 8000.05 · Capital Improvements	19,858.00
9091.05 · Parcel Management	
9093.25 · Parcel Management Zone 2	1,478.70
9092.20 · Parcel Management Zone 1	1,621.30
Total 9091.05 · Parcel Management	3,100.00
Total Expense	-100,351.59
Net Income	268,156.04

Deposit Summary

Spreckels Community Services District

Summary of Deposits to 1001.00 · County Fund 634 on 05/19/2026

Chk No.	PmtMethod	Rcd From	Memo	Amount
	E-Check	County of Monterey	Fiscal year 2026, Period 10 Cur Sec - Mar-Apr 16 2026	8,227.29
	E-Check	County of Monterey	Fiscal year 2026, Period 10 Cur Sec - Mar-Apr 16 2026	7,503.66
	E-Check	County of Monterey	Fiscal year 2026, Period 10 Current Sup, Dec 16-Apr 1...	157.64
	E-Check	County of Monterey	Fiscal year 2026, Period 10 Current Sup, Dec 16-Apr 1...	143.78
	E-Check	County of Monterey	Fiscal year 2026, Period 10 Curr Sec, Mar-Apr 16, 2026	20,866.75
	E-Check	County of Monterey	Fiscal year 2026, Period 10 Curr Sec, Mar-Apr 16, 2026	19,031.44
	E-Check	County of Monterey	Fiscal year 2026, Period 10 Interest/Allocation 3rd Qtr ...	6,436.53
Less Cash Back:				
Deposit Total:				62,367.09

Trial Balance By Accounting Distribution

Fiscal Year 2026 / 10 through 10

Fund 634 - Spreckels Community Services
Account Type Asset
BSA/Obj/Rev B-1001 - Cash
Sub BSA/Obj/Rev No Sub-BSA Specified

Transaction ID	Jrnl Doc Ref (Code,Dept,ID)	Transaction Date	Description	Beginning Balance	Debits	Credits	Ending Balance
JV,1110,0000047776		04/22/2026	ACH/EFT - ACH/EFT- Payment to Spreckels Memorial District for April Invoice		0.00	(7,974.89)	
JV,1110,PTAX34_26_PTAf		04/08/2026	Property Tax Admin Fees		0.00	(367.00)	
JV,1110,PTAX36_26_CS		04/21/2026	Curr Sec - Mar-Apr 16 2026		55,629.14	0.00	
JV,1110,PTAX37_26_SUPPL		04/21/2026	Current Sup - Dec 16-Apr15 2026		301.42	0.00	
JVA,1110,INTALLOcQ32026-06		04/30/2026	InterestAllocation 3rd Qtr2025-26		6,436.53	0.00	
Total for Sub-BSA No Sub-BSA Specified				656,704.50	62,367.09	(8,341.89)	710,729.70
Total for B-1001 - Cash				656,704.50	62,367.09	(8,341.89)	710,729.70

County of Monterey
Trial Balance By Accounting Distribution
Fiscal Year 2026 / 10 through 10

Run Date : 05/12/2026

Run Time : 10:28 AM

Fund 634 - Spreckels Community Services

Account Type Liability

BSA/Obj/Rev

Sub BSA/Obj/Rev No Sub-BSA Specified

Transaction ID	Jrnl Doc Ref (Code,Dept,ID)	Transaction Date	Description	Beginning Balance	Debits	Credits	Ending Balance
					0.00	0.00	
Total for Sub-BSA No Sub-BSA Specified				0.00	0.00	0.00	0.00

Total for B-2081 - State Dated Checks **0.00** **0.00** **0.00** **0.00**

BSA/Obj/Rev B-2530 - Assets Held as Agency for Others

Sub BSA/Obj/Rev 4010 - Current Secured

Transaction ID	Jrnl Doc Ref (Code,Dept,ID)	Transaction Date	Description	Beginning Balance	Debits	Credits	Ending Balance
JV,1110,PTAX36_26_CS		04/21/2026	Curr Sec - Mar-Apr 16 2026		0.00	(15,730.95)	
Total for Sub-BSA 4010 - Current Secured				(467,136.53)	0.00	(15,730.95)	(482,867.48)

Sub BSA/Obj/Rev 4015 - Current Unsecured

Transaction ID	Jrnl Doc Ref (Code,Dept,ID)	Transaction Date	Description	Beginning Balance	Debits	Credits	Ending Balance
					0.00	0.00	
Total for Sub-BSA 4015 - Current Unsecured				(20,209.62)	0.00	0.00	(20,209.62)

Sub BSA/Obj/Rev 4025 - Prior Secured

Transaction ID	Jrnl Doc Ref (Code,Dept,ID)	Transaction Date	Description	Beginning Balance	Debits	Credits	Ending Balance
					0.00	0.00	
Total for Sub-BSA 4025 - Prior Secured				(8,130.93)	0.00	0.00	(8,130.93)

Sub BSA/Obj/Rev 4030 - Prior Unsecured

Trial Balance By Accounting Distribution

Fiscal Year 2026 / 10 through 10

Fund 634 - Spreckels Community Services

Account Type Liability

BSA/Obj/Rev B-2530 - Assets Held as Agency for Others

Sub BSA/Obj/Rev 4030 - Prior Unsecured

Transaction ID	Jrnl Doc Ref (Code,Dept,ID)	Transaction Date	Description	Beginning Balance	Debits	Credits	Ending Balance
					0.00	0.00	
Total for Sub-BSA 4030 - Prior Unsecured				(185.96)	0.00	0.00	(185.96)

Sub BSA/Obj/Rev 4035 - Current Supplemental

Transaction ID	Jrnl Doc Ref (Code,Dept,ID)	Transaction Date	Description	Beginning Balance	Debits	Credits	Ending Balance
JV,1110,PTAX37_26_SUPPL		04/21/2026	Current Sup - Dec 16-Apr15 2026		0.00	(301.42)	
Total for Sub-BSA 4035 - Current Supplemental				(8,391.79)	0.00	(301.42)	(8,693.21)

Sub BSA/Obj/Rev 4040 - Prior Supplemental

Transaction ID	Jrnl Doc Ref (Code,Dept,ID)	Transaction Date	Description	Beginning Balance	Debits	Credits	Ending Balance
					0.00	0.00	
Total for Sub-BSA 4040 - Prior Supplemental				(546.35)	0.00	0.00	(546.35)

Sub BSA/Obj/Rev 5030 - HOPTR

Transaction ID	Jrnl Doc Ref (Code,Dept,ID)	Transaction Date	Description	Beginning Balance	Debits	Credits	Ending Balance
					0.00	0.00	
Total for Sub-BSA 5030 - HOPTR				(2,249.61)	0.00	0.00	(2,249.61)

Sub BSA/Obj/Rev 5415 - Special Assessments

Transaction ID	Jrnl Doc Ref (Code,Dept,ID)	Transaction Date	Description	Beginning Balance	Debits	Credits	Ending Balance
JV,1110,PTAX36_26_CS		04/21/2026	Curr Sec - Mar-Apr 16 2026		0.00	(39,898.19)	

Run Date : 05/12/2026

Trial Balance By Accounting Distribution

Run Time : 10:28 AM

Fiscal Year 2026 / 10 through 10

Fund 634 - Spreckels Community Services
Account Type Liability
BSA/Obj/Rev B-2530 - Assets Held as Agency for Others
Sub BSA/Obj/Rev 5415 - Special Assessments

Total for Sub-BSA 5415 - Special Assessments (951,049.64) 0.00 (39,898.19) (990,947.83)

Sub BSA/Obj/Rev No Sub-BSA Specified

Transaction ID	Jrnl Doc Ref (Code,Dept, D)	Transaction Date	Description	Beginning Balance	Debits	Credits	Ending Balance
JV,1110,0000047776		04/22/2026	ACH/EFT- Payment to Spreckels Memorial District for April Invoice		7,974.89	0.00	
JV,1110,PTAX34_26_PTAF		04/08/2026	Property Tax Admin Fees		367.00	0.00	
JVA,1110,INTALLOCCQ32026-06		04/30/2026	InterestAllocation 3rd Qtr2025-26		0.00	(6,436.53)	
Total for Sub-BSA No Sub-BSA Specified				801,195.93	8,341.89	(6,436.53)	803,101.29
Total for B-2530 - Assets Held as Agency for Others				(656,704.50)	8,341.89	(62,367.09)	(710,729.70)
Total for Fund 634 - Spreckels Community Services				(0.00)	70,708.98	(70,708.98)	(0.00)
Grand Total				(0.00)	70,708.98	(70,708.98)	(0.00)

Asset Audit Proposal



May 19, 2026

Presented by:



453 S Spring St, Suite 400

Los Angeles, CA 90013

213-459-5461 ext 612

www.assertiveindustries.com

May 19, 2026

Paul J. Ingram
General Manager
Spreckels Community Services District
P.O. Box 7432
Spreckels, CA 93962

Dear Paul,
Thank you for your interest in Assertive Industries' Asset Management Division (AI). We look forward to conducting a complete Physical Inventory Audit for Spreckels Community Service District. Our inventory audit process will determine the assets you now possess and their condition, the on-hand inventory quantities for specific inventory items and provide visibility into potential inventory variance discrepancies.

We propose providing a certified asset management team led by one (1) Senior Project Engineers and 2 inventory technicians dedicated to the Spreckels Community Services District project. Our team's services will establish a clean, detailed, and certified inventory ledger by verifying assets Location, Description, and when applicable, Serial Number, and Asset Bar Code Tag Number. For the audit, we will identify Location, Product Part Number ID/UPC/SKU, Description, On-Hand Quantity in the district. Our proposal presents a turnkey solution where certified Assertive staff works to verify the physical inventory, record asset details, report reconciliation variances, provide an update file for your asset management system, and present signed Certified Asset Catalog Reports to ensure your accounting department has an accurate account of assets.

Project Location

Spreckels Community Service District
P.O. Box 7432
Spreckels, CA 93962

Inventory Composition

Assets and Inventory are housed within the 8 sq miles. Assertive Industries will perform a comprehensive physical inventory and asset assessment for the Spreckels Community Service District. The objective of this project is to accurately identify, quantify, and document all capital assets within designated zones, while capturing key metrics and supporting data necessary for reporting, valuation, and future asset management. Assets and Inventory within scope have been identified through facility photos.

Physical Inventory Audit

- Conduct a full physical count of all assets, ensuring accuracy and completeness
- Report of assets and provide report data in Excel file format
- Provide a signed Certified Asset Catalog Report upon completion

Scope

Assertive Industries will conduct a detailed physical inventory across two designated zones, including the identification, measurement, and documentation of all applicable infrastructure and capital assets.

Zone 1 – Asset Inventory & Measurement

The following assets and infrastructure will be inventoried and documented within **Zone 1**:

- **Sidewalks**
 - Measurement and documentation of total **linear miles**
 - Condition observations (if applicable)
- **Stormwater Drainage System**
 - Identification and mapping of all drainage components
 - **Part-level breakdown**, including:
 - Catch basins
 - Pipes
 - Culverts
 - Inlets and outlets
 - Quantity counts and location verification
- **Light Poles**
 - Asset identification and count
 - Location tracking
 - Basic condition notes (if applicable)

Zone 2 – Asset Inventory & Measurement

The following assets and infrastructure will be inventoried and documented within **Zone 2**:

- **Sidewalks**
 - Measurement and documentation of total **linear miles**
- **Alleyways**
 - Identification and measurement of alleyway coverage
 - Documentation of location and access points
- **Street Lights**
 - Asset identification and count
 - Location tracking
- **Radar Signals**
 - Identification and verification of installed radar/speed detection units
 - Quantity and location documentation
- **Agricultural Buffer**
 - Identification and mapping of designated buffer areas
 - Measurement and documentation of total coverage

We offer a turn-key proposal where certified Assertive management staff conduct the asset audit, verify the accuracy of the inventory, and provide an asset inventory file. Assertive will provide the Certified Asset Audit Data in electronic file format in the PEER Inventory Management System and in Excel file format to enable Spreckels Community Service District to update their asset system data with accurate records. Assertive provides the staff and management, dedicates the inventory audit team staff, and provides technology to achieve these goals. We anticipate completing this project over a two-day period.

Project Setup

- Identify and orient our asset management team
- Schedule project and team travel
- Establish project methodology- areas of special concern, focal points, and schedule
- Verify data collection program is valid, inventory file is accurate, and process is sound

Deliverables

Upon completion, Assertive Industries will provide:

- Comprehensive asset inventory database
- Zone-specific asset reports
- Sidewalk measurements (square footage and linear miles as applicable)
- Stormwater system component breakdown report
- Asset counts by category and location
- Capital asset valuation summary
- Final report in **Excel and/or PDF format**

Reporting and Documentation

- Assertive provides a PEER dashboard that provides client with the ability to see progress as it occurs in real time
- Assertive provides detailed reports of the inventory audit results on a daily basis
- Assertive's process and the PEER System documents any inventory variance discrepancies found during the inventory audit process, including recommended actions to resolve these issues
- Assertive's process and the PEER System presents a final report summarizing asset equipment results and provides a written report of the entire project identifying areas for future improvement in inventory management
- Upon completion of physical inventory Assertive provides an inventory file to update Spreckels Community Service District's Inventory Management System with accurate clean data

Proposed Dates	Targeted Goal
Project Approval and Mobilization Retainer Deposit Paid	June 1, 2026
Physical Asset Inventory Audit Commences	July 27, 2026*
Certified Asset Audit Report	August 17, 2026*

*Dates are dependent upon timing of approval from client and submission of mobilization fee.

Estimated Project Cost based on anticipated resource allocation

Project Setup	\$2,850
<ul style="list-style-type: none"> • Project team orientation • PEER System setup • Travel and logistics • Analysis of facilities and asset inventory records 	
Certified Asset Inventory	\$19,270
<ul style="list-style-type: none"> • Asset Equipment Inventory Audit with Condition Assessment • Consumable Inventory Audit of approximately 70k items 	
Certified Asset Audit Reporting	\$3,890
<ul style="list-style-type: none"> • Asset Report in Excel format • 	
Estimated Travel Expenses	\$3,860
Total Costs	\$29,870

Other Costs

Bar Code Labels are an additional cost estimated at \$635. Ongoing inventory management services available at hourly rates. Assertive offers variance and reconciliation investigation assistance and support at a cost of \$75/hour per person. Cost may vary based on allocation of resources. Additional fees may result based upon unforeseen factors.

Note:

Mobilization retainer of 50% of total estimated project cost (\$14,935) payable to AI Holdings Group, Inc. is required to commence the project. Report data to be provided in PEER Dashboard and can be downloaded into Excel following payment in full of balance due.

Assertive reserves the right to cure any and all work in a timely manner.

Additional terms and conditions are outlined in the Service Agreement.

Authorization

If this document correctly reflects your understanding of our agreement, we ask that you confirm by signing below. Commencement of the project setup and services requires receipt of the signed agreement and mobilization retainer payment payable to:

Payable to:

AI Holdings Group, Inc.

245 N Highland Ave, Ste 230-186

Atlanta, GA 30307

Please remit check or make wire payment to:

AI Holdings Group, Inc.

Branch Banking and Trust Company/Truist

BIC/Swift Code: BRBTUSS33

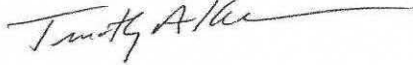
ABA/Routing Number: 061113415

Account Number: 0005242333782

EIN: 47-2261899

**Spreckels Community Services
District**

AI Holdings Group, Inc.

Signature: _____ Signature:  _____

Name: _____ Name: Timothy A. Kephart

Title: _____ Title: Division Vice President

Date: _____ Date: May 19, 2026

Conclusion

We appreciate the opportunity to work with you on this engagement, and we trust you will be pleased with the quality of work and the professionalism of our team.

Please feel free to call me at 678-447-0028 ext 612 with any questions or comments.

Sincerely,



Timothy A. Kephart

Division Vice President

OPTIONAL Enhancements

Inventory Management Application – PEER Asset Inventory Program (PEER)

Assertive utilizes our PEER application to efficiently conduct physical inventory by leveraging mobile data collection and bar code scanning via SmartPhone. Assertive will furnish our reports in electronic Excel file format and upon request, can provide you with access to utilize the fully populated PEER application to track and manage inventory into the future.

The PEER Application offers the following:

- Web based application requiring zero investment into server hardware
- Physical inventory data fully populated within PEER application
- PEER offers Inventory Receiving, Picking, and Replenishment via desktop or SmartPhone
- Receive new inventory items, record them to a specific location and update quantities on
- Pick inventory items, update quantities on hand
- Set inventory par levels to trigger replenishment reports to ensure on hand inventory stock
- Reporting with ease with data exports to Excel
- Bar Code integration more accurately and efficiently manages inventory
- Option to include digital image of each inventory asset type within the PEER Application for an additional cost**

PEER Web Application Costs: \$1,850 initial setup and training and \$485/quarter subscription up to four SmartPhone users for Mobile Data Collection App Setup and Support

Audit Oversight

AI provides an independent third-party oversight to ensure your inventory is maintained properly, and your inventory management policies and procedures are followed. Key management works to audit your inventory management system by checking the integrity and accuracy of your on-hand inventory. These periodic audit checks are used to measure and reflect that your inventory is accurate. Our team audits your daily receipts, issuance of inventory and conducts a random sampling to ensure floor to book integrity. Special emphasis is placed upon high value and quick turning inventory.

Audit Oversight Budget \$1,800 – Up/quarter

Inventory Management Policy and Procedure Review and Recommendations

AI has reviewed hundreds of organizations' inventory management, processes, techniques, infrastructure, systems, technology, and personnel allocation. Over the past 30+ years, AI has had the opportunity to spend countless hours, days, and even weeks within the inventory management environment of hundreds of organizations. These experiences have given us the unique opportunity to see first-hand what works, what doesn't work, and what works best based on the realities of an organization's facilities, physical setup, technology setup, personnel allocation, inventory activities, turns etc. Our Inventory Management Policy and Procedure Review analyzes your receiving, put away, pick, return, cycle count and reporting processes to provide you with recommended process enhancements. Our review is a hands-on, collaborative process that requires input from you and your team. Leverage this invaluable experience to improve your inventory management, reduce time, costs, errors, and inaccuracies.

Inventory Management Policy & Procedure Review Estimated Budget: \$6,000-\$8,000

INTRODUCTION AND SUMMARY

ASSERTIVE INDUSTRIES, INC.

Assertive Industries, Inc., (AI) based in Atlanta, GA, specializes in providing complete asset inventory management solutions for America's largest corporations and organizations. AI provides complete asset audit services, fixed asset physical inventory services, asset bar-coding, asset appraisals, reconciliation services, policy and procedure reviews, and the PEER FA fixed asset management system with ERP financial system links. As a leader in the asset management marketplace since 1994, AI's systems and services address clients' audit compliance concerns, capital asset data, asset inventory controls systems, and inventory management policies and procedures.

AI provides cost-effective asset management solutions by integrating bar-code technology to allow clients to maximize their return on inventory, fixed assets and equipment. AI's systems and services yield cost-effective results for Denver Health & Hospital Authority, EMS Technologies, Whirlpool, General Dynamics, NVIDIA, Equifax, International Aero Engine, Electromagnetic Sciences, IBM, Yamaha, Komatsu, and many others. AI's asset audit services and the PEER FA system yielded Equifax over \$1.5 million in personal property tax and help desk support savings.

PROJECT TEAMS

Talented consultant team members with varied backgrounds and expertise including accountants, architects, engineers, property managers, risk managers, and software developers lead AI's projects. Key asset audit and reconciliation projects include Whirlpool, ADVO, Axy's Pharmaceuticals, Knight Ridder, Morris Communications, and many others. Audit project teams consist of Senior Project Executive, Senior Project Manager, Data Manager, Account Executive, and Asset Inventory Specialists. All project team members are employees of AI, college educated graduates of AI's "Center of Excellence" Data Collection Certification Program and Asset Reconciliation Certification Program. Training topics at the "Center of Excellence" include utilizing PEER FA Portable Data Collection Program (PDCP) scanners, asset collection procedures, detecting and eliminating potential data discrepancies, workplace etiquette- safety, security, and personal space issues, investigating mass assets, un-bundling assets, identifying parent-child assets, researching requisition and capital budget documents and findings documentation.

In addition, Project Management attends the "Center of Excellence" Quality Control Certification Program. Certification training includes data review techniques, data verification requirements, data collection statistics, and project management policies and procedures. All project team members must update their certification every six months. The "Center of Excellence" strives for 99% accuracy, timely results, and continued development of cost-effective mutually beneficial solutions to the marketplace.

PROJECT CAPABILITIES

AI Industries, Inc. has the experience and expertise to successfully provide complete inventory management solutions to help you to manage and report inventory, cut future physical inventory duration, reduce customer fulfillment time, increase profitability, accurately report financials, and better serve customers through expediting order fulfillment. Assertive consistently meets the challenges of urgent client project schedule timelines while remaining fiscally responsible. We look forward to supporting you to accurately audit your assets and inventory to support ongoing efficient operations.

Keys to Successful Inventory Management

AI Industries works with clients to provide consulting services and solutions to address each of the keys to successful inventory management.

First Key to Asset Inventory Management- Policies & Procedures

- Policies and Procedures
- Communication and Understanding of Process
- Policies and Procedures that incorporate Best Practices and Fit Your Reality

Second Key to Asset Inventory Management- Accurate Asset Inventory Data

- Clean & Accurate Benchmark of Asset Inventory Data
- What do you have, where is it located, how is it identified?
- Physical Inventory Audit with Bar Code Tagging

Third Key to Asset Inventory Management- Asset Inventory Systems and Technology

- Straightforward systems and technology tools that fit your physical process, human resource allocation and budget
- Systems that fit or can adapt to your actual workflow and process
- Systems that leverage bar code technology and mobile data collection applications
- Population of systems with complete and accurate data
- Systems that integrate with your ERP systems

Fourth Key to Asset Inventory Management- New Additions, Surplus and Obsolete Assets

- Efficiently and accurately receiving, tagging, recording, and deploying new capital assets
- Management of end of asset life- donation, scrap, recycle
- Reporting and recording retirements
- Updating Asset Inventory Database with Retirement Activity

Our Process for Implementing Best Practices

- Request baseline information about your facilities, capitalization threshold, current asset inventory ledger; identify inclusions, exclusions, and unique nuances
- Understand your current process, goals and needs through collaborative discussion
- Restate our understanding of your needs and goals in writing
- Receive feedback and confirmation we are on same page
- Presentation of solutions that will efficiently achieve stated goals and meet stated needs
- Approval of proposed solution
- Implementation of solution in step-by-step process

Sampling of Satisfied Clients

Equifax
Whirlpool
General Dynamics
Baltimore City Public School System
EMS Technologies
Blue Cross Blue Shield
Komatsu
Knight Ridder
Denver Health and Hospital Authority
Morris Communications
California Communications Access Foundation
Yamaha
North Georgia Health Systems
Tenet Healthcare
Nestle USA
Activision
City of Roswell, GA
Gwinnett County
Atlanta Fire Department
Bergen Community College
Lakeland Bancorp
Sun Microsystems
IFS System
Allianz
Heraeus Tenevo
Pan Am Sat
General Motors
IBM
The Weather Channel
Miami Herald
DeKalb County
Philadelphia Inquirer
Detroit Free Press
International Aero Engine
Pratt Whitney
GE Aircraft Engines
KRAFT Foods
Vezer Industrial Engineering
Vezer Family Vineyards
Choice Point
Hundreds of others...

References available upon request

AI's Dedicated Project Resources

AI Industries (AI) will assign (with your approval) our senior project executive who will oversee and manage the successful completion of this project. AI's project manager will select, train and test AI staff who work on this project ensuring that all the client's requirements are met. Upon award of the contract, AI is prepared to immediately commence project setup, asset data analysis and project logistics/scheduling. Within one week of the contract award, AI will be prepared to commence project planning.

Large Scale Projects

AI provides fixed asset management services for many of our nation's largest corporations and organizations- Equifax, Whirlpool, Knight Ridder, Sun Microsystems, Blue Cross Blue Shield, Morris Communications, ADVO, IBM, Gwinnett County, Baltimore City Public Schools, Medical University of SC, and others. Many of these projects have required large resource commitments on a nationwide basis for periods of up to three years. We have successfully completed many full-scale projects of this size. We are confident in our tried and proven expertise and proficiency in the implementation of cost effective and efficient asset management systems and services.

Large-scale projects we have successfully completed include:

IBM, Information Technology Systems Inventory. AI was contracted by IBM to inventory and bar code all computer/network based fixed assets in 350 of its sites throughout The United States in 30 days and implement the PEER FA system to keep track of all assets within those sites moving forward. We successfully completed all 350 sites and collected over 70,000 assets. We provided exception reports and fully implemented PEER FA within thirty days.

Client: Mr. Winston Gregg, Property Services Manager

Equifax, National Asset Management Contract. AI has conducted inventory and reconciliation of over 190,000 assets within 46 major sites totaling approximately 8,000,000 square feet of facility space throughout the United States. AI has inventoried and reconciled all Equifax sites five times over the last twelve years. Our contract has been renewed for an additional three years as of 2021. To date, our system and services have saved Equifax approximately 3 million dollars.

Client: Mr. Joshua Larimer, IT Assets Finance Manager

Knight Ridder, Inc., National Asset Management Service Contract. Knight Ridder is one of the nation's largest News Media corporations. Knight Ridder has over 85 facilities throughout the United States, and AI has been contracted to inventory, bar code, audit and reconcile 90,000 fixed assets located within 7,000,000 square feet of space.

Client: Monica Garcia, National Contracts Administrator

For more information visit: www.assertiveindustries.com

Michael Mirza, CPA

Mr. Mirza is a graduate of the University of Michigan and earned his MBA from Eastern Michigan University. As a practicing CPA since 1985, Mr. Mirza's experience has included Staff and Senior Accountant responsibilities with Grant Thornton and Ernst & Whinney and Financial Controller responsibilities with Gazal Development Corporation. In addition, Mr. Mirza served in various capacities with Electronic Data Systems as Operational Internal Auditor, Financial Analyst, and Lead Manager for Activity Based Costing implementation. Mr. Mirza successfully led the Whirlpool fixed asset management reconciliation project and carries the ongoing responsibility providing GAAP and FASB guidance. Mr. Mirza's extensive experience provides strong leadership for AI's fixed asset reconciliation teams.

Senior Managing Partner Karl L. Moody

Mr. Moody is a graduate of Howard University earning a professional degree in Architecture. Mr. Moody's work experience includes the Internal Revenue Service, Airtight Data and Security, and Global Technologies Group. Key experience includes large project management, process review and design, and systems analysis. Mr. Moody has played a key role in the successful completion of the Gwinnett County GASB 34 compliance project, Activision's nationwide inventory audit, IBM's nationwide inventory audit and Celera Diagnostics' multi-site audit. Mr. Moody has the organizational and managerial experience to lead AI's Audit Department.

Regional Managing Partner Rhona Lopez

Ms. Lopez serves as Assertive Industries (AI) California Regional Managing Partner. Her expertise in project management, human resources, and international business development plays a vital role in AI's West Coast operations. Rhona's multidisciplinary approach to her career gives her a unique advantage when engaging in the vast array of industries and service-based organizations in Southern California. She has the keen observational skills necessary to identify potential material weaknesses in organizational inventory management controls. Ms. Lopez has provided critical business development consultancy for international NGO's as well as some our Nations and most demanding organizations and is a decorated ARMY Veteran who served with distinction throughout the Middle East. Her expertise in developing water supply systems to ensure the survival of U.S Troops in some of the most hostile environments has honed her skills as a "GET IT DONE" professional. She remains certified in IT-based best practice management, as well as an international communications specialist.

Senior Project Executives Akila Logan

Ms. Logan is a graduate of Syracuse University earning a BS degree in Chemical Engineering. Ms. Logan's work experience includes various engineering and project management positions within Fortune 500 companies. Key experience includes project management, auditing, process review and design, and systems analysis. Ms. Logan's experience with Assertive includes playing a key role in the acquisition due diligence worldwide audit of IT and network equipment for the AT&T acquisition of Warner Brothers and other international acquisitions. Ms. Logan is well versed and takes a systematic, organized approach to successfully manage worldwide projects with dozens of simultaneous audit sites, as many as 100 auditors, and hundreds of thousands of asset records.

Alex Potnick

Mr. Potnick is a graduate of Auburn University and provides senior leadership of Assertive's audit teams successfully leading the Easterseals audit throughout North America and Bungalow audit of the California market distribution center. Key responsibilities include large project logistics, client communications, audit process review, and continuous improvement responsibility. Prior to joining Assertive, Mr. Potnick served as a Senior Construction Manager for Pulte Homes within Southeast United States.

Andrew Tverdosi

Mr. Tverdosi is a graduate of the University of Pittsburgh and holds a BA in Economics and is working toward his JD. Mr. Tverdosi provides senior leadership of Assertive's audit teams and has successfully led the DHL Global Mail audit throughout North America. Key responsibilities include large project logistics, client communications, audit process review, and continuous improvement responsibility. Prior to joining Assertive, Mr. Tverdosi served as an auditor within Textron Financial and C Business Capital.

Donovan Moodie

Mr. Moodie's extensive experience with Assertive has included leading the physical inventory process for the Sun Microsystems nationwide inventory, Equifax audit, and Knight Ridder fixed asset audits. Mr. Moodie has been instrumental in leading his team to complete physical inventory projects on time and under budget. Key responsibilities include location identification, cost center allocation, asset identification & bar coding, and data verification.

Project Manager Amanda Rumney

Ms. Rumney is a Cum Laude graduate of Norfolk State University earning degrees in Mass communications & Journalism. Ms. Rumney's extensive project management experience includes successfully addressing the needs of Gannett, USA Today, Wal-Mart, Denver Health and Hospital Authority and the New York Mercantile Exchange. Key experience includes project management, process review and design, systems analysis, asset reconciliation, and appraisals. Ms. Rumney's experience with Assertive includes playing a key role in the successful completion of the Gwinnett County GASB 34 compliance project and Denver Health and Hospital Authority system wide asset audit.

Daniel Irizarry

Mr. Irizarry is a graduate of the University of Virginia, School of Engineering and Applied Science and holds a Bachelor of Science degree in mechanical engineering. Mr. Irizarry's experience includes valuation services, tax studies, orderly and forced liquidation, operational and technical due diligence, and fixed asset management. Mr. Irizarry's work experience includes tenures at Arthur Andersen, Siemens, and ABC Sports. As Project Executive, Mr. Irizarry's responsibilities include working directly with client Controllers, CFOs, and CIOs to identify goals, risks, and processes. In addition, Mr. Irizarry is responsible for managing project completion, team preparation, and final financial reporting.

Lead Asset Technician Jason Trueblood

Mr. Trueblood's vast experience includes working for The State of Florida Governor's Office, Mirant, and Southern Company. Mr. Trueblood's capabilities include asset inventory auditing, PEER asset inventory management system configuration for reconciliation procedures, software customization, and custom Crystal Report modification. In addition, Mr. Trueblood works with ERP systems to manage and manipulate databases and played a key role in the Celera Diagnostics, ITOCHU International, and YDC audit projects.

Data Manager Dung Nguyen

Mr. Nguyen holds a BS in Computer Information Systems with Honors from Georgia Institute of Technology. Mr. Nguyen experience includes development of Human Resource and Work Management Systems for Office Depot, database configuration, PC, and network support responsibilities. Key responsibilities at Assertive include PEER asset management system configuration for reconciliation procedures, software customization, and report modifications playing a key data management role in Axys Pharmaceuticals, William Blair & Co., Knight Ridder, Equifax, and many other projects.

Client References

Company Name:	Fox Factory Holdings, Inc.
First Contracted:	2018
Brief Description of the Project:	Assertive provided Fox Factory with a completely new facility with racking, labeling and the hierarchy optimization to absorb new inventory and optimize space configuration. We conducted cycle counts and year end physical inventory audit and developed a new PEER Inventory Issuing and Audit program. Assertive ran the facility 24/7 for a period of three months and turned it over, fully staffed and outfitted with technology, staffing, and racking to Ride Fox.
Contact Person:	Mr. Scott Burten, Director of Operations
Contact Telephone Number:	941-893-8521

Company Name:	Hidden Harbor Capital Partners
First Contracted:	2022
Brief Description of the Project:	Assertive provides Hidden Harbor Capital Partners with mergers and acquisition due diligence. Our services comprise conducting physical inventory and reconciliation to enable Hidden Harbor to manage inventory through bar code technology. We address the physical inventory of parts inventory within 5 sites and 30 service trucks. Our services allow for the future management of inventory accurately through bar code technology.
Contact Person:	Mr. Ryan Paskin, Operating Partner
Contact Telephone Number:	954-400-1140

Company Name:	Allen Media Group/The Weather Company
First Contracted:	1997
Brief Description of the Project:	Assertive provides The Weather Company with fixed asset audit services and bar code technology to help manage their mission critical IT, server, broadcast and engineering assets. Assertive recently completed a merger and acquisition audit of tens of thousands of mission critical broadcast, network, and data network assets 24/7 within a four-day timeframe to meet due diligence requirements of IBM's multi-billion-dollar acquisition of The Weather Company's digital and data assets. In addition to being the vendor of choice for asset audits, Assertive also provides bar code technology on an ongoing basis.
Contact Person:	Mr. Clark McInnis, Senior IT Manager
Contact Telephone Number:	770-226-2293



RESOLUTION NO. 2026-01

A RESOLUTION OF THE SPRECKELS COMMUNITY SERVICES DISTRICT BOARD DIRECTING PREPARATION OF THE ENGINEER'S REPORT FOR THE CONTINUATION OF THE LANDSCAPING, LIGHTING, AND STORM DRAINAGE DISTRICT FOR FY 2026-27

WHEREAS, the District Board of the Spreckels Community Services District proposes to continue the annual assessments during 7/1/26-6/30/27 for the Landscaping, Lighting, and Storm Drainage District which was previously formed in accordance with the Landscaping and Lighting Act of 1972 (Streets and Highways Code Section 22500, et seq.); and

WHEREAS, the Streets and Highways Code Section 22622 requires the governing body of a local agency to adopt a resolution ordering the preparation of an engineer's report and to generally describe any proposed new improvements and/or substantial changes to an existing improvement prior to levying and collecting an annual assessment for an existing Landscaping and Lighting Assessment District.

NOW, THEREFORE, BE IT RESOLVED BY THE DISTRICT BOARD OF THE SPRECKELS COMMUNITY SERVICES DISTRICT AS FOLLOWS:

Section 1: The annual Engineer's Report for Landscaping, Lighting, and Storm Drainage District shall be prepared by SCI Consulting Group who is designated the Engineer of Work; thereafter the Report shall be filed with the Clerk for submission to the District Board:

Section 2: Any new improvements and/or substantial changes in existing improvements that are proposed to be paid for out of the 2026-27 annual assessments will be specified in the Engineer's Reports.

Section 3: This resolution is adopted pursuant to Section 22622 of the Streets and Highways Code.

DULY PASSED AND ADOPTED this 20th day of May, 2026 by the following vote:

AYES:

NOES:

ABSENT:

Paul J. Ingram, General Manager



RESOLUTION NO. 2026-02

A RESOLUTION OF THE SPRECKELS COMMUNITY SERVICES DISTRICT BOARD APPROVING THE PRELIMINARY ENGINEERS REPORT, DECLARING ITS INTENTION TO CONTINUE ASSESSMENTS FOR FY 2026-27 FOR THE LANDSCAPING, LIGHTING AND STORM DRAINAGE DISTRICT AND NOTICE OF PUBLIC HEARING

WHEREAS, on July 19, 2023, after receiving a weighted majority of 81.09% of returned ballots in support of the proposed assessment, this Board by its Resolution No. 23-04 ordered the formation of and levied the first assessment of the "The Landscaping, Lighting, and Storm Drainage District" (the "District"), pursuant to the provisions of Article XIID of the California Constitution, and the Landscaping and Lighting Act of 1972 (the "Act"), Part 2 of Division 15 of the California Streets and Highways Code (commencing with Section 22500 thereof); and

WHEREAS, by Resolution No. 25-01, the Board of the Spreckels Community Services District adopted its Resolution Initiating Proceedings for the preparation and filing of the annual Engineer's Report for Fiscal Year 2026-27, commencing on July 1, 2026 and ending June 30, 2027, pursuant to the Landscaping and Lighting Act of 1972; and

WHEREAS, pursuant to Resolution No. 26-01, the Engineer's Report was prepared by SCI Consulting Group, Engineer of Work, in accordance with Sections 22565, et seq., of the Streets and Highways Code (the "Report") and Article XIID of the California Constitution; and

WHEREAS, the Annual Engineer's Report has been filed as directed with the District Board, pursuant to the Landscaping and Lighting Act of 1972 for the above-identified Landscaping and Lighting Assessment District, all of which are located within the boundaries of the Spreckels Community Services District and are more specifically described in the Engineer's Reports on file;

WHEREAS, the improvements to be paid for by the funds collected during Fiscal Year 2026-27 generally consist of maintenance of the existing improvements.

NOW, THEREFORE, BE IT RESOLVED BY THE DISTRICT BOARD OF THE SPRECKELS COMMUNITY SERVICES DISTRICT AS FOLLOWS::

SECTION 1: The District Board hereby approves, as submitted, the preliminary Engineer's Report filed with this Board for the Landscaping, Lighting, and Storm Drainage District for Fiscal Year 2026-27.

SECTION 2: The District Board intends to continue to levy and collect assessments during Fiscal Year 2026-27 within the Landscaping, Lighting, and Storm Drainage District, to pay for and maintain the improvements.

SECTION 3: The authorized maximum assessment rate for the District includes an annual increase by an amount equal to the annual change in the Northern California area (San Francisco-Oakland-Hayward) Consumer Price Index-All Urban Consumers (the "CPI"), as of December of each succeeding year. The amount of the annual increase in the CPI-U from December 2024 to December 2026 is 3.0365%. Consequently, the maximum rate authorized under Resolution No. 23-04 is \$237.37 per single family equivalent benefit unit. The levy of the Assessment District at any rate of \$237.37 or less per single family equivalent benefit unit does not constitute an "increase" of the rate requiring notice, hearing, balloting, and protest proceedings pursuant to Article XIID, resulting in a proposed assessment rate for District No. 2 for FY 2026-27 of \$237.37 per EBU.

SECTION 4: That assessments for Fiscal Year 2026-27 shall be continued at the assessment rate of \$237.37 per single-family equivalent benefit unit.

SECTION 5: The District Board has scheduled a public hearing on the proposed assessments for June 17, 2026 at 6:00 p.m., at the Spreckels Veterans Memorial Building, located at 90 Fifth St., Spreckels, CA 93962, after which it will determine whether to continue and collect the proposed assessments and the amount of the assessments. Notice of the hearing shall be given by publishing a notice once, at least ten (10) days prior to June 17, 2026, in a public wayfare in the Town of Spreckels.

SECTION 6: Prior to the conclusion of the Hearing, any interested person may file a written protest with the Board, or, having previously filed a protest, may file a written withdrawal of that objection. A written objection shall state all grounds of objection. An objection by a property owner shall contain a description sufficient to identify the property owned by such owner. Such protest or withdrawal of objection should be mailed to the Board Clerk, Spreckels Community Services District, 90 Fifth St., Spreckels, CA 93962, or presented in writing at the Hearing.

SECTION 7: This Resolution is effective upon its adoption.

PASSED AND ADOPTED by the District Board of the Spreckels Community Services District, State of California this 20th day of May 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Paul J. Ingram, General Manager