



# **AMENDED - SPECIAL BUDGET WORKSHOP CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY MEETING AGENDA**

**June 9, 2026  
5:30 PM**

***The Mission of the City of Coalinga is to provide for the preservation of the community character by delivering quality, responsive City services, in an efficient and cost-effective manner, and to develop, encourage, and promote a diversified economic base in order to ensure the future financial stability of the City for its citizens.***

**Notice is hereby given that the City Council will hold a Special Budget Workshop, on June 9, 2026 in the City Council Chambers located at 155 West Durian, Coalinga, CA.**

**Persons with disabilities who may need assistance should contact the City Clerk at least 24 hours prior to this meeting at 935-1533 x113. Anyone interested in translation services should contact the City Clerk at least 24 hours prior to the meeting at 935-1533 x113. The Meeting will begin at 5:30 p.m. and the agenda will be as follows:**

## **1. CALL TO ORDER**

1. Pledge of Allegiance
2. Changes to the Agenda
3. Council's Approval of Agenda

## **2. AWARDS, PRESENTATIONS, APPOINTMENTS AND PROCLAMATIONS (NONE)**

## **3. CITIZEN COMMENTS**

*This section of the agenda allows members of the public to address the City Council on any item within the jurisdiction of the Council. Members of the public, when recognized by the Mayor, should come forward to the lectern, identify themselves and use the microphone. Comments are normally limited to three (3) minutes. In accordance with State Open Meeting Laws, no action will be taken by the City Council this evening and all items will be referred to staff for follow up and a report.*

*Citizen Comments submitted in writing to the City Clerk by 5:00pm on the day of the City Council meeting shall be distributed to the City Council and included in the record,*

*however they will not be read.*

**4. PUBLIC HEARINGS (NONE)**

**5. CONSENT CALENDAR**

1. Waive the Second Reading and Adopt Ordinance No. 879 Amending Section 3-9.02 of the Municipal Code Related to Cannabis Tax
2. Authorization for the City Manager to Execute a Change Order to Construct a Block Wall at Ramsey Splash Pad

**6. ORDINANCE PRESENTATION, DISCUSSION AND POTENTIAL ACTION ITEMS**

1. Budget Discussion: FY 2026-2027

**7. ANNOUNCEMENTS**

1. City Manager's Announcements
2. Councilmembers' Announcements/Reports
3. City Treasurer's Announcements
4. Mayor's Announcements

**8. FUTURE AGENDA ITEMS**

**9. CLOSED SESSION (NONE)**

**10. CLOSED SESSION REPORT**

**Closed Session:** A "Closed" or "Executive" Session of the City Council, Successor Agency, or Public Finance Authority may be held as required for items as follows: personnel matters; labor negotiations; security matters; providing instructions to real property negotiators; legal counsel regarding pending litigation; and protection of records exempt from public disclosure. Closed session will be held in the Administration Building at 155 W. Durian Avenue and any announcements or discussion will be held at the same location following Closed Session.

**11. ADJOURNMENT**

**STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE  
AUTHORITY**

**Subject:** Waive the Second Reading and Adopt Ordinance No. 879 Amending Section 3-9.02 of the Municipal Code Related to Cannabis Tax  
**Meeting Date:** Wednesday, June 17, 2026  
**From:** Sean Brewer, City Manager  
**Prepared by:** Jesse Barron, Assistant City Manager

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**I. RECOMMENDATION:**

Waive the Second Reading and Adopt Ordinance No. 879 Amending Section 3-9.02 of the Municipal Code related to Cannabis Tax.

**II. BACKGROUND:**

Section 3-9.02 of Chapter 9 of Title 3 of the Coalinga Municipal Code establishes a "Gross receipts" tax for commercial cannabis operations. The City Council has requested to amend section 3-9.02 to allow the established tax for various cannabis operations to be reduced from 10% to 5%.

**III. DISCUSSION:**

City Council was provided with information at the February 19th City Council Meeting to evaluate whether the City's existing tax rate remains appropriate in relation to market conditions, regional competitiveness, and long-term revenue considerations.

The City of Coalinga currently imposes a local retail cannabis sales tax of 10 percent on gross receipts. The City Council has directed Staff to reduce the 10 percent tax rate on gross receipts to 5 percent to keep in line with other jurisdictions.

**IV. ALTERNATIVES:**

None.

**V. FISCAL IMPACT:**

The average quarterly amount currently coming in from "gross" receipts is approximately \$36,500. The 5 percent reduction will decrease the "gross" receipt revenue by half.

**ATTACHMENTS:**

File Name	Description
 ORDINANCE_NO_879_(1).pdf	Ordinance No. 879

**ORDINANCE NO. 879**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COALINGA AMENDING SECTION 3-9.02 OF CHAPTER 9 TITLE 3 OF THE COALINGA MUNICIPAL CODE RELATING TO CANNABIS TAX**

The City Council of the City of Coalinga does hereby ordain as follows:

**Section 1.** Sec. 3-9.02. Dispensary gross receipts tax is amended to read:

The owner/operator of a cannabis dispensary located in the City of Coalinga shall pay a ~~ten (10)~~ **five (5)** percent gross receipts tax. "Gross receipts" is defined as: The total amount actually received or receivable from all cannabis dispensary sales; the total amount of compensation actually received or receivable for the performance of any act or service, of whatever nature it may be, for which a charge is made or credit allowed, whether or not such act or service is done as a part of or in connection with the sale of materials, goods, wares or merchandise; discounts, rents, royalties, fees, commissions, dividends, and gains realized. Included in "gross receipts" shall be all receipts, cash, credits and property of any kind or nature, without any deduction therefrom on account of the cost of the property sold, the cost of the material used, labor or service costs, interest paid or payable, or losses or other expenses whatsoever.

The foregoing Ordinance was introduced by the City Council of the City of Coalinga, California, at a regularly scheduled meeting held on April 16, 2026, and was passed and adopted by the City Council at a regular meeting held on May 7, 2026, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED:

\_\_\_\_\_  
Nathan Vosburg, Mayor

ATTEST:

\_\_\_\_\_  
Shannon Jensen, City Clerk

**STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE  
AUTHORITY**

**Subject:** Authorization for the City Manager to Execute a Change Order to Construct a Block Wall at Ramsey Splash Pad  
**Meeting Date:** Tuesday, June 9, 2026  
**From:** Sean Brewer, City Manager  
**Prepared by:** Jesse Barron, Assistant City Manager

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**I. RECOMMENDATION:**

Authorize the City Manager to execute a change order to the construction contract with HBC Enterprises in the amount of \$54,500 for the construction of a block wall along the southerly property line of the Ramsey Splash Park.

**II. BACKGROUND:**

The proposed block wall would replace the existing wooden fence separating the Splash Park property from the residential property immediately to the south. The block wall was included in the original plans prepared by the project design engineer; however, the engineer's original estimate for construction of the wall exceeded \$100,000. At the time of bid preparation, the overall project was projected to exceed available budget authority by approximately \$300,000 to \$400,000 based on the engineer's estimates.

In an effort to maintain the overall project within budget while preserving the City Council's direction and core project objectives, Splash Pad Project Management undertook value engineering measures and removed or deferred select project components, including the block wall.

**III. DISCUSSION:**

Following award of the construction contract and subsequent discussions with HBC Enterprises, Project Management determined that the contractor could construct the block wall for approximately half of the engineer's original estimate. Staff believes the proposed change order represents a favorable opportunity to restore an originally intended project feature while maintaining overall project budget objectives.

Project Management has determined that the overall project budget contains sufficient available capacity to absorb the proposed change order within the funds currently allocated for the project.

This item is before the City Council because the proposed \$54,500 change order to the construction contract with HBC Enterprises would increase the total contract amount previously authorized by the Council and therefore requires formal Council approval.

**IV. ALTERNATIVES:**

- Authorize the change order (recommended)
- Do not authorize the change order (not recommended)

**V. FISCAL IMPACT:**

The requested change order of \$54,500 will be absorbed into the previously authorized Splash Pad budget and there will not be an additional General Fund impact.

**ATTACHMENTS:**

File Name	Description
☐ Signed_-_HBC_Proposal_RamseyWall_PW25001.pdf	Block Wall Change Order Proposal



**CONTRACTOR’S PROPOSAL — ADDITIONAL WORK**  
**South Property Line CMU Block Wall - Construction**

<b>Date of Proposal:</b>	June 1, 2026	<b>Quote Valid Until:</b>	<b>July 1, 2026</b>
<b>Project:</b>	<b>Ramsey Splash Park</b>		
<b>Contract No.:</b>	3101   PW 25-001	<b>Owner / Agency:</b>	City of Coalinga
<b>Submitted To:</b>	Jesse Barron, Assistant City Manager — City of Coalinga Dan Jauregui / Erika Lansburgh — Tri City Engineering, Inc. (City Representative)		

**SCOPE OF WORK**

HBC proposes to furnish all labor, materials, and equipment necessary to construct approximately **150 linear feet (±) of 6-inch smooth-face grey CMU block wall**, uniform height of **6 feet maximum above top of footing**, along the south property line of the Ramsey Splash Park project site, per City of Coalinga **Standard Drawing A-3 — General Concrete Block Wall**. Work includes:

- Demolition and disposal of the existing in-place wooden fence along the wall alignment
- Excavation and construction of standard wall and pier footings per Std. Drawing A-3 (minimum 2,000 PSI concrete at 28 days; footings bearing into natural undisturbed soil or tested/approved compacted fill)
- 6-inch smooth-face grey CMU block, laid in running bond pattern
- Reinforcing steel per Std. Drawing A-3: #4 vertical bars at 48" O.C.; #4 horizontal bars in bond beam block, top and bottom; #4 matching dowels at 48" O.C.; 20-inch minimum lap
- Grout of all cells containing reinforcing steel (minimum 2,000 PSI at 28 days)
- Type S mortar (minimum 1,800 PSI at 28 days)
- Rounded cap at top of wall
- All masonry construction to comply with the latest adopted Uniform Building Code and subject to City of Coalinga masonry inspection per Std. Drawing A-3, Note 2

The Owner shall designate the precise start and stop points along the south property line prior to commencement of this work. This wall is designed and priced as a **free-standing, non-retaining structure only**, per Std. Drawing A-3, Note 8. Any retaining wall application would require separate engineering and pricing.

**EXCLUSIONS**

The following items are expressly excluded from this proposal and remain the responsibility of the Owner:

- All permits and inspection fees
- Underground utility conflicts, relocations, or removals

- Geotechnical or compaction testing of bearing soils
- Any work beyond the designated 150 LF (±) alignment
- Private party landscape repairs or restoration resulting from or adjacent to this work
- Any work required to address unforeseen utility or hardscape conflicts discovered within the proposed wall alignment (see Section 4, Assumptions)

## ASSUMPTIONS

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This proposal is submitted on the following basis: it is assumed that no existing underground utilities, surface hardscape, or other physical obstructions conflict with the proposed wall alignment and footing construction. Should any such conflicts be encountered during construction, the additional scope, cost, and time required to address those conditions will be submitted as a separate change order request.

## EFFECT ON CONTRACT TIME

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This proposal includes a request for a **10 Working Day extension** to the current Contract completion date.

## PRICING CONDITIONS

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The lump sum price of **\$54,500.00** is valid only while HBC is actively performing work under the base contract for PW 25-001. This pricing is predicated on concurrent mobilization with base contract operations. Should this work be directed after substantial completion of the base contract scope, a revised proposal accounting for a separate full mobilization will be required.

Respectfully submitted,

**Harris Dev Corp dba HBC Enterprises**

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**Rob Harris, President**

Harris Development Corp. dba HBC Enterprises  
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