

**ACTION MINUTES
OF THE
FORT ORD REUSE AUTHORITY
BOARD OF DIRECTORS' MEETING
Fort Ord Reuse Authority Conference Facility/Bridge Center
June 13, 2008**

1. CALL TO ORDER AND ROLL CALL OF VOTING MEMBERS

Chair/ Mayor Joe Russell called the meeting to order at 3:35 p.m. and requested a roll call of the voting members:

Chair/Mayor Russell (City of Del Rey Oaks)	1 st Vice Chair/Mayor Rubio (City of Seaside)
Mayor Wilmot (City of Marina)	Councilmember Mancini (City of Seaside)
Mayor Della Sala (City of Monterey)	Councilmember Davis (City of Pacific Grove)
Jim Cook (County of Monterey)	Mayor Pendergrass (City of Sand City)
Mayor McCloud (City of Carmel-by-the-Sea)	Councilmember McCall (City of Marina)

Arriving after the roll call was Supervisor Calcagno (County of Monterey). The third representative from the County of Monterey and a representative from the City of Salinas were absent.

Mayor Russell immediately adjourned the meeting to Closed Session.

2. There was one item in the Closed Session: Item 2a – Conference with Legal Counsel – Potential litigation [§54956.9(b)], Number of Cases: 1

3. CALL TO ORDER AND ROLL CALL FOR ALL MEMBERS

All voting members, including Supervisor Calcagno, who were present during the Closed Session were still present, and the two absentees noted above were still absent.

Ex-Officio members present:

Hunter Harvath (Monterey-Salinas Transit)	Vicki Nakamura (Monterey Peninsula College)
COL Pamela Martis (U.S. Army)	Graham Bice (UC MBEST)
Gail Youngblood (BRAC)	Kenneth K. Nishi (Marina Coast Water District)
Debbie Hale (TAMC)	Colleen Freeman (27 th State Assembly District)
Dr. Marilyn Shepherd (MPUSD)	James Main (CSUMB)

Absent were representatives from the 17th Congressional District and the 15th State Senate District.

With a quorum present, Chair Russell opened the meeting.

4. REPORT OUT OF CLOSED SESSION BY AUTHORITY COUNSEL

In the temporary absence of Authority Counsel Jerry Bowden, Executive Officer Houlemard reported that the Board had discussed the potential litigation and given direction to counsel.

5. PLEDGE OF ALLEGIANCE

Chair Russell asked Mayor Pendergrass, who agreed, to lead the Pledge of Allegiance.

6. ACKNOWLEDGEMENTS

Executive Officer Houlemard gave special recognition to COL Pamela Martis, congratulating her on the U.S. Army's "extraordinary event" celebrating the beginning of Army's Community Covenant Housing Project, which was marked by the demolition of an old Army house in the Stilwell Kidney. He commended the Army's commitment to the region for providing more housing for not only military and government employees but also members of the community and noted that the exchange of properties had made this project possible. Mr. Houlemard also noted the significant contribution by Congressman Farr's office to the success of the property exchange. COL Martis thanked the community leaders for their participation and support.

7. PUBLIC COMMENT PERIOD - none

8. CONSENT AGENDA

There were three items on the Consent Agenda: Item 8a (May 9, 2008 board meeting minutes), Item 8b (Preston Park budget for FY 2008-09), and Item 8c (Executive Officer's contract extension). Executive Officer Houlemard recused himself from Item 8c. **Motion to approve Items 8a, 8b and 8c was made by Councilmember Mancini, seconded by several board members, and carried.**

9. OLD BUSINESS

Item 9a - Habitat Conservation Plan ("HCP") approval process: Director of Planning and Finance Steve Endsley reported that a conference call this week with U.S. Fish & Wildlife representatives to discuss the all-important funding chapter issues had occurred. He said considerable progress had been made, particularly on getting the assurances needed from the Bureau of Land Management for their contributions over time. There were no board or public comments regarding this informational item.

Item 9b – Central Coast Veterans Cemetery: status report and presentation: Executive Officer Houlemard introduced Monterey County Housing and Redevelopment Director Jim Cook, who gave a broad overview of this project, assisted by a PowerPoint which covered the early collaboration and consensus building, the goals and objectives, preliminary designs, the endowment fund, cleanup of the site, the environmental review process, construction and maintenance of the cemetery and several maps. Lou Alley, RHAA principal emeritus, discussed the key features of the Site Master Plan. Mr. Cook said if all goes according to the current expectations and schedule, the cemetery could be in operation as early as 2011. He recognized Eddie Pedrozo, an ex-officio representative of the Monterey County Military & Veterans Advisory Commission and president of a Salinas cemetery, which is collaborating with the Cemetery Advisory Committee ("CAC") to buy the endowment parcel. Public comments included the following: (1) Norm Channell, a retired Navy officer representing Board of Supervisors ("BOS") Region 5, who thanked FORA for funding the design study and urged moving forward with the cemetery; (2) Jack Stewart, representing the United Veterans Council and the CAC vice-chair, remarked that veterans are not giving up on this project. He said more progress has been made during the past year than during the 13 prior years and urged "getting it done." (3) James Bogan, representing BOS Region 4 and the current CAC chair, asked the FORA members to share their ideas about this cemetery with the CAC, since the government would not provide all the funding; he also urged keeping the project moving forward; (4) Richard Garza, Monterey County Veterans Affairs officer, stated that WW2 veterans are dying at the rate of 1,000 per day and urged that construction of the cemetery be started as soon as possible. [Also present were Ralph Villar, representing BOS Region 1, and Frank Aguillon, representing BOS Region 2.]

Chair Russell thanked the veterans for attending the FORA Board meeting today and opened the item to the Board. Mayor McCloud asked if the \$3.4 million endowment fund estimate were enough for the cemetery operations and maintenance, and Mr. Cook responded that it would probably be sufficient, all things being

the same as now projected. When Mayor Wilmot asked about a recommendation for action on the cemetery, Mr. Cook responded that the item had not been agendaized for action at this meeting but that meetings with the jurisdictions and regulators have been initiated and FORA's continuing support would be appreciated. Executive Officer Houlemard said that a process is needed first and perhaps a resolution. He suggested keeping in mind the Army's part in this project and suggested asking BRAC Director Gail Youngblood to become involved in the meetings. Mayor Rubio asked about the habitat conservation piece in the cemetery parcel. Mr. Houlemard responded that credits for future habitat won't be needed in the future, if the HCP continues to move along as guided by FORA staff. If not, the County is proposing this area as a habitat "bank" that may be helpful in the future.

Item 9c – Approval of interim water use policy: Authority Counsel Bowden reported that he had received a letter this morning from Attorney Richard Rosenthal, pointing to a number of alleged defects in the interim water use policy resolution, followed by three pages of legal arguments. He recommended that the Board remove Item 9c from the agenda, so he could review the issues and possibly return the item at a future meeting. **Motion to accept Authority Counsel's recommendation was made by Mayor McCloud, seconded by Councilmember Wilmot, and carried.**

Item 9d – FORA FY 08-09 Preliminary Budget

Item 9d(1) - Operating budget: Executive Officer Houlemard spoke from a PowerPoint, which summarized the revenues and expenditures, followed by figures in broad categories of each and adjustments recommended by staff and the Finance Committee. A year-end balance of \$2.6-2.7 million is anticipated on June 30, 2008, but Mr. Houlemard noted that borrowing from FORA's line of credit to complete projects during the 2008-09 fiscal year had been incorporated in this budget. There were no board or public comments. **Motion to approve the FORA fiscal year 2009 (2008-09) preliminary budget was made by Mayor Rubio, seconded by Councilmember Mancini, and carried.**

Item 9d(2) - Capital Improvement Program ("CIP") for FY 2008-2009 through 2021/2022: Assistant Executive Officer Jim Feeney spoke from a PowerPoint presentation and provided highlights of the 2008-2009 CIP along with additional information regarding FORA's remaining CIP obligations under the Base Reuse Plan, which amount to \$198,819,678 (Table 3). He summarized the following: (1) program offsets [grants, local matches, bonds, Community Facilities District ("CFD") fees and land sales], which were detailed in Tables 1 and 2; (2) updates in the 2008/2009 draft CIP, which included the annual construction cost inflation index of 2.7%, the impacts of the timing of the ESCA cleanup work on the basewide and regional transportation/transit projects, and (3) the potable water augmentation program, if the regional plan (also known as the REPOG) replaces the current "hybrid alternative." Executive Officer Houlemard called attention to the Finance Committee's recommendation that the operating budget show half of the CIP figures projected for CFD and land sale revenues, because in past years the jurisdictional projections in the CIP have not matched the reality.

Board comments included the following: (1) Mayor Rubio asked that the General Jim Moore Blvd./Eucalyptus Road project remain a high priority, since it is already serving as a regional thoroughfare. He said that if the REPOG plan is approved and causes changes in the CIP priorities or target dates, the document should be revisited. (2) Jim Cook asked what is meant by the "approved" water augmentation project, as discussed on page 13, #4 (The Board approved the "hybrid alternative" on 6/10/05.) (3) Chair/Mayor Russell expressed support for keeping the General Jim Moore Blvd. improvement project a priority project and said that reference to the REPOG as possibly replacing the hybrid project as the "preferred" project is "pure speculation." He asked that the word "preferred" be deleted from the last paragraph under "b) – Water Augmentation" on page 6 (Mr. Feeney responded that the REPOG project is a standing item on the Administrative Committee agendas, so that members can

keep abreast of new developments); and (4) Councilmember McCall said that it appears that some of Marina's inner city streets have become "regional highways," which bears further consideration, because the large volume of traffic cannot be shoved through Marina. There were no public comments. **Motion to approve the draft FY 2008/2009 through 2021/2022 CIP document, along with the changes described in the previous comments, was made by Mayor Rubio, seconded by Councilmember Mancini, and carried.**

10. NEW BUSINESS - none

11. EXECUTIVE OFFICER'S REPORT

There were four items in this report: Item 11a (Administrative Committee report), Item 11b (Finance Committee report), Item 11c (Executive Officer's goals for fiscal year 2008-09) and Item 11d (Association of Defense Communities 2009 Annual Conference – update). All were informational, except Item 11c. **RE Item 11c** – Executive Officer Houlemard said that his goals had received the recommendation for approval by the Chair Russell and the Executive Committee. There were no board or public comments. **Motion to approve the Executive Officer's goals for fiscal year 2008-09, as presented, was made by Mayor Rubio, seconded by Mayor Della Sala, and carried.** **RE Item 11d** – Executive Officer Houlemard reported that staff had negotiated a 10% discount on the registration fee for FORA board members, alternates, and their jurisdictional/entity staff members. He said Linda Stiehl has information and a special form for those interested in taking advantage of this opportunity.

12. ANNOUNCEMENTS AND CORRESPONDENCE

Item 12a – Congratulatory resolution to George Blumenthal on his inauguration as chancellor or the University of California Santa Cruz: Executive Officer Houlemard reported that the Executive Committee had approved the text of the resolution at their June 4th meeting, due to the short time span until Chancellor Blumenthal's inauguration ceremony (June 6th), and it was presented to the full board today as an information item.

TAMC Executive Director Debbie Hale asked that flyers about TAMC's Carmel Hill & River Trail Project, which she provided, be distributed to the Board. Construction on this bike and walking trail from Hatton Canyon to across the Carmel River is expected to begin in late 2009.

13. ADJOURNMENT

Chair Russell adjourned the meeting at 4:45 p.m.

Minutes prepared by Linda Stiehl, Deputy Clerk.

Approved by _____
Michael A. Houlemard, Jr., Executive Officer/Clerk