



APPROVED

**FORT ORD REUSE AUTHORITY  
BOARD OF DIRECTORS REGULAR MEETING MINUTES  
2:00 p.m., Friday, July 12, 2019 | Carpenters Union Hall  
910 2<sup>nd</sup> Avenue, Marina, CA 93933**

**1. CALL TO ORDER**

Chair Supervisor Jane Parker called the meeting to order at 2:03 p.m.

**2. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Council member Jeff Baron.

**3. CLOSED SESSION**

a. Conference with Legal Counsel – Gov. Code §54956.9(a), (d)(1): Marina Community Partners, LLC v. Fort Ord Reuse Authority, Monterey County Superior Court Case No.: 18CV000871, Pending Litigation.

b. Conference with Legal Counsel - Potential Litigation, Gov. Code §54956.9(d).

c. Conference with Labor Negotiators - Government Code section 54957.6.

Agency designated representatives: Michael A. Houlemard, Jr, Eduardo Ochoa, Jane Parker.

Time Entered: 2:05 p.m.

Time Exited: 3:37p.m.

**4. ANNOUNCEMENT OF ACTION TAKEN IN CLOSED SESSION**

Authority Counsel Jon Giffen announced the following:

**Item 3a;** The Board heard from Counsel on the status of the litigation. Nothing to report.

**Item 3b;** The Board heard from Counsel concerning the item of potential litigation, Counsel advised the Board on the status and there was nothing to report.

**Item 3c;** The Board heard from the designated representatives of the agency Ad-Hoc Committee to review the Executive Officer's Employment Contract. Action may be taken during open session.

**5. ROLL CALL**

**Voting Members Present:**

Supervisor Jane Parker (County of Monterey), Supervisor John Phillips (County of Monterey), Councilmember John Gaglioti (City of Del Rey Oaks), Councilmember Lisa Berkley (City of Marina), Mayor Pro-Tem Gail Morton (City of Marina), Councilmember Alan Haffa (City of Monterey), Mayor Ian Oglesby (City of Seaside), Councilmember Jon Wizard (City of Seaside), Mayor Mary Ann Carbone (City of Sand City), Mayor Joe Gunter (City of Salinas), Councilmember Jeff Baron (City of Carmel-by-the-Sea), , Councilmember Cynthia Garfield (City of Pacific Grove)

**Ex-officio (Non-Voting) Board Members Present:** Marina Perepelyuk (20<sup>th</sup> Congressional District), Nicole Hollingsworth (17<sup>th</sup> State Senate District), Steve Matarazzo (University of California, Santa Cruz), Colonel Gregory Ford (United States Army), Lisa Rheinheimer (Monterey-Salinas Transit),

Dr. Matt Zefferman (Marina Coast Water District), Dr. Eduardo Ochoa (California State University Monterey Bay)

## 6. ACKNOWLEDGEMENTS, ANNOUNCEMENTS, AND CORRESPONDENCE

Executive Officer Michael A. Houlemard, Jr. announced the following:

- Fort Ord Cleanup Community Outreach Events: Impact Area Bus Tours on Saturday, July 13, 2019. Two tours are available: 10:00 a.m. & 11:45 a.m.
- Senate Bill 189 passed the Local Government Committee (Ayes 8, Noes 0) and has been referred to the Appropriations Committee.

### CONSENT AGENDA

- a. Approve May 10, 2019 Meeting Minutes
- b. Approve June 14, 2019 Meeting Minutes
- c. Administrative Committee
- d. Veterans Issues Advisory Committee
- e. Environmental Services Cooperative Agreement Quarterly Report
- f. Public Correspondence to the Board

Chair Parker introduced the agenda items and asked if Board members had any comments or items to pull for discussion. Director Morton requested item 7b be pulled for correction.

**Motion:** On motion by Board member Morton and seconded by Board member Gunter and carried by the following vote, the Board moved to approve the consent agenda with the proposed correction to item 7b June 14, 2019 Meeting Minutes.

### MOTION PASSED UNANIMOUSLY

## 7. BUSINESS ITEMS

### a. Del Rey Oaks Pollution Legal Liability Loan Retirement – 2<sup>nd</sup> Vote

Chair Supervisor Jane Parker introduced the item. Director Gaglioti requested to recuse himself. Staff had no further information to provide regarding the 2<sup>nd</sup> vote. There were no comments from the public.

**MOTION:** On motion by Board member Oglesby and second by Board member Phillips and carried by the following vote, the Board moved to accept a monthly payment schedule for the payment in full of \$522,961.58 in principal owed to FORA as an entity, that the payments will be made timely pursuant to the schedule and amounts attached in the amortization schedule. The obligation needs to be paid in full by June 1, 2020. Providing all those terms and payments are timely made, there would be a forgiveness of additional sum of interest of approximately \$56,000. If payments are not timely received or not paid in full by June 1, 2020, the obligation accrues interest at 5% on the unpaid balance and is due forthwith.

### MOTION PASSED BY MAJORITY (12 AYES, 1 NO)

### b. Executive Officer Contract Amendment

Chair Parker introduced the item. Authority Counsel Jon Giffen noted as the transition to dissolution of FORA continues, there have been discussions regarding the Executive Officer's Employment Contract. Specifically, how the Executive Officer will carry on the duties throughout the remainder of the FORA organization. Mr. Giffen advised the Board that there have been several staff members who have retired or taken positions outside of FORA. In addition, there

have been discussions pertaining to the Executive Officer’s retirement. However, there is nothing specific to announce regarding retirement but there have been considerable amounts of discussion on how to compensate for Mr. Houlemard’s continued service until the current scheduled June 30, 2020 sunset of FORA. The Executive Committee has appointed an ad-hoc committee consisting of Chair Supervisor Jane Parker and Director Dr. Eduardo Ochoa, to meet with Mr. Houlemard in order to outline certain terms proposed by Mr. Houlemard, for continuing employment through June 30, 2020. Chair Parker requested Director Ochoa outline the terms requested by Mr. Houlemard to the Board. In addition to the current contract, the terms requested are: 1) 20 additional days of management leave; 2) A flexible work schedule to allow for 2 days per week onsite at the FORA office and the remaining 3 days per week from a remote location; and 3) Reimbursement of Medicare Part B premiums through June 30, 2021.

*\*Director Morton requested clarification for the public and the record to verify that the request is based on Mr. Houlemard anticipating retiring effective Sept 1, 2019. Mr. Houlemard responded clarifying his original letter to the FORA Board 9-10 weeks ago suggested retiring prior to September 1, 2019. Ms. Morton reiterated the request is for some additional terms or compensate for Mr. Houlemard to continue serving as the Executive Officer from September 1, 2019 through December 31, 2019 and the terms are as expressed by Director Ochoa.*

*\*Director Oglesby noted for the record, and clarification, Authority Counsel had announced the names of several FORA staff members who have retired or separated pointing out that the public does not associate the names with anything. He requested that a clear delineation of the amount of institutional knowledge that has been reduced by staff separation and/or retirement be on record and the Executive Officer responded to the request in more detail.*

**MOTION:** On motion by Board member Ochoa and second by Board member Oglesby and carried by the following vote, the Board moved to approve: 1) 20 additional days of management leave be provided for this extension; 2) A flexible work schedule to allow the Executive Officer to reduce the commute time and work remotely. The flexible schedule would consist of 2 days a week physically present in the FORA office and the remaining to work from a remote location; 3) Reimbursement of Medicare Part B Premium until June 30, 2021, which are amendments to the existing contract and include a contract performance evaluation next month.

Roll Call Vote: (8 AYES; 4 NO) Motion Passed by Majority  
**2<sup>nd</sup> Vote (August 9, 2019) Required**

Item 8b: Motion			
Director Parker	NO	Director Baron	NO
Director Gunter	AYE	Director Haffa	AYE
Director Berkley	NO	Director Gaglioti	AYE
Director Morton	NO	Director Wizard	AYE
Director Adams	ABSENT	Director Oglesby	AYE
Director Phillips	AYE	Director Garfield	AYE
Director Carbone	AYE		

**c. Building Removal Financing Update**

Executive Officer Michael A. Houlemard, Jr. introduced the item. Planning and Economic Development Manager Josh Metz provided an update. He noted that in October of 2018 the Board provided direction to FORA Staff to investigate the feasibility of bonding the Community Facilities District (“CFD”) property Tax Revenues in order to remove the remaining former Fort Ord blighted buildings. FORA issued a Request for Proposal and NHA Advisors was the selected consultant as a result. NHA Advisors Principle Mark Northcross has been actively engaged with the Administrative Committee and the stakeholder jurisdictions to develop a detailed cost and

feasibility analysis. In the spring of 2019, NHA completed phases 1 and 2 of the study, confirming the financing legality and feasibility if the CFD property tax revenues were to be bonded. Mr. Metz reviewed the proposed next steps and estimated timeline. Staff responded to questions from the Board.

**This item was for information only.**

**d. 2018 Transition Plan and Implementing Agreement Progress Report**

Mr. Houlemard introduced the item. Regional Government Services (“RGS”) Consultant Kendall Flint, provided an update on the progress of the implementing agreement drafting process, highlighting the current position of drafting those agreements. Mrs. Flint summarized that they are memorializing the aspects of the agreements that will transition from FORA to other agencies and/or the successor agency. Mrs. Flint advised that there are currently two scenarios to consider, either the current FORA sunset date of June 30, 2020 or the proposed extension of FORA through June 30, 2022, under Senate Bill (“SB”) 189, currently under the legislative review process. Mrs. Flint reviewed the sections of the master/global implementing agreement which are contingent upon the outcome of SB 189 and stated that those sections will be updated accordingly. Mrs. Flint advised the Board that the Marina Coast Water District and the ESCA implementing agreements should become available within the next few weeks. Mrs. Flint and staff responded to questions and comments from the Board.

**This Item was for information only.**

*\*Chair Parker noted that time had expired for the scheduled Board meeting and a motion to extend past 5:00 p.m. is needed.*

**MOTION:** On motion by Board member Morton and second by Board member Garfield and carried by the following vote, the Board moved to hear public comment, and adjourn the meeting.

**e. Special District Risk Management Authority Board of Directors Election**

This item was not heard due to time constraints and will be brought back to the next regular scheduled Board meeting on August 9, 2019.

**8. PUBLIC COMMENT**

None.

**9. ITEMS FROM MEMBERS**

None.

**10. ADJORNMENT at 5:09 p.m.**

Minutes Prepared by:

Heidi L. Lizarbe  
Deputy Clerk

Approved by:



Michael A. Houlemard, Jr. Executive Officer