



FORT ORD REUSE AUTHORITY

BOARD OF DIRECTORS REGULAR MEETING MINUTES

Friday, June 12, 2015 at 2:00 p.m.

910 2nd Avenue, Marina, CA 93933 (Carpenters Union Hall)

1. CALL TO ORDER

Mayor Edelen called the meeting to order at 2:00 p.m.

2. PLEDGE OF ALLEGIANCE

Mayor Pendergrass led the Pledge of Allegiance.

3. ROLL CALL

Voting Members Present: (**alternates*)(AR: entered after roll call)

Mayor Edelen (City of Del Rey Oaks)	Councilmember Pacheco (City of Seaside)
Councilmember Lutes (City of Salinas)	Supervisor Parker (County of Monterey)
Councilmember Haffa (City of Monterey)	Mayor Pendergrass (City of Sand City)
Councilmember Lucius (City of Pacific Grove)	Supervisor Potter (County of Monterey) AR
Councilmember Morton (City of Marina)	Mayor Rubio (City of Seaside) AR

Absent: Chair/Mayor Pro-Tem O'Connell (City of Marina), Mayor Pro-Tem Beach (City of Carmel-by-the-Sea), Supervisor Phillips (County of Monterey)

Ex-officio (Non-Voting) Board Members Present: Eduardo Ochoa (California State University, Monterey Bay), Vicki Nakamura AR (Monterey Peninsula College), PK Diffenbaugh AR (Monterey Peninsula Unified School District), Lisa Rheinheimer* (Monterey-Salinas Transit), COL Fellingner AR (US Army), Lyle Shurtleff (Fort Ord BRAC Office), and Director Le (Marina Coast Water District).

4. ACKNOWLEDGEMENTS, ANNOUNCEMENTS, AND CORRESPONDENCE

a. **Staff Recruitment Updates**

Executive Officer Houlemard announced that Senior Planner Josh Metz had been selected to serve in a new role as FORA Economic Development Coordinator. Mr. Houlemard provided a brief status report on the recruitment efforts to seek a Transportation Planner and Senior/Associate Planner to replace Mr. Metz, as well as the effort to replace outgoing Deputy Clerk/Executive Assistant Lena Spilman. Mr. Houlemard thanked the County of Monterey, CSU Monterey Bay, and others for assisting in the recruitment efforts.

5. CONSENT AGENDA

Mayor Edelen announced that, per staff's request, agenda items 5b and 5c be removed from the consent agenda and placed under business items to permit all Preston Park related items to be considered together. No objections were received.

- a. Approve May 8, 2015 Board Meeting Minutes
- b. ~~Approve Preston Park Settlement Agreement Amendment~~
- c. ~~Authorize Preston Park Loan Extension~~
- d. Special District Risk Management Authority Board of Directors Election

MOTION: Supervisor Parker moved, seconded by Councilmember Lucius, to approve the remaining consent agenda items (items 5a and 5d), as presented.

MOTION APPROVED UNANIMOUSLY

Vice-Chair Rubio entered at 2:04 pm and assumed chairmanship of the meeting.

6. BUSINESS ITEMS

a. Marina Coast Water District (MCWD) FY 2015-16 Ord Community Budget

i. Review Legal Analysis

ii. New Motion Consistent with FORA-MCWD Facilities Agreement *and/or*

iii. 2nd Vote: Adopt Revised MCWD FY 2015/16 Ord Community Budget

iv. Review FORA Water Augmentation Project Planning Authority

Mr. Houlemard introduced the item and reviewed direction received from the Board in May. He reported that FORA had attended meetings with the Monterey Regional Water Pollution Control Agency and MCWD, with another schedule for the following week. Assistant Executive Officer Steve Endsley reviewed the recommendations/options included in the staff report and discussed the Board's obligations under the FOR A-MCWD Facilities Agreement. Mr. Endsley responded to questions from the Board and the Board received comments from members of the public.

Supervisor Potter entered at 2:18 pm.

MOTION: Mayor Edelen moved, seconded by Councilmember Haffa, to:

Consistent with section 7.2.1 of the Fort Ord Reuse Authority (FORA)-Marina Coast Water District (MCWD) Water/Wastewater Facilities Agreement (Facilities Agreement), disagree with MCWD FY 2015/16 Ord Community Budget based on the following findings:

1. **identify disputed elements** as: \$470,000 Capital Reserve line item (25b-2) for 10% design of the Regional Urban Water Augmentation Project (RUWAP) desalination project and the 9% rate increase for FY 2015/16;
2. **state reasons for the dispute** as: RUWAP desalination project planning needs to include all water augmentation options (recycled, conservation, other) and a portion of the 9% rate increase appears to provide Ord Community funding for litigation related to the failed regional desalination project and/or further desalination planning outside of current FORA Board direction; and
3. **specify the dispute resolution** as: MCWD to resubmit budget to FORA that excludes desalination specific project line item 25b-2, re-programs RUWAP implementation to include conservation, recycled and other augmented options, and lowers 9% rate increase commensurate to MCWD regional desalination project/litigation expenses, which also are directed to be removed from the revised budget; **and/or**

Supervisor Potter stated that he would like to see MCWD abandon efforts to recover costs of the failed regional plan. Supervisor Parker asked clarifying questions about the motion. Councilmember Lucius stated that the proposed 9% rate increase was too burdensome to rate payers and suggested that MCWD could rebalance their budget budget through adjusted increases to capital improvement projects. Councilmember Morton stated that the proposed \$470,000 for desalination project design work was also unduly burdensome to current rate payers. Vice-Chair Rubio stated that Councilmember Lucius' and Morton's comments would be taken as additional staff direction.

VOTE: unanimous

b. Approval of FY 2015-16 Preston Park Operating and Capital Improvement Program Budgets
Approve Preston Park Settlement Agreement Amendment

Authorize Preston Park Loan Extension

Mr. Houlemard presented the items, noting that items 9c and 9d had been moved from the consent agenda. He provided background for the item and explained that this water intrusion work, that had been planned for some time, would need to be completed before Marina could move forward with financing for the Preston Park complex. He discussed the relationship between the agenda items, but noted that three separate actions would be required.

Staff explained that receipt of bids for the water intrusion work required a recalculation of the budget, which did not permit the entire budget to be distributed with the packet.

MOTION: Mayor Edelen moved, seconded by Supervisor Potter, to approve the FY 2015-16 Preston Park Operating and Capital Improvement Budgets, as presented.

MOTION PASSED UNANIMOUSLY

Mr. Houlemard explained that the Preston Park Settlement Agreement amendment had been unavailable for inclusion in the Board packet because the necessity of a settlement agreement amendment was dependent upon the outcome of meetings between the City of Marina and its potential lender late that week. He directed the Board and public to a brief staff report that was provided at the meeting.

MOTION: Mayor Edelen moved, seconded by Councilmember Morton, to Authorize Authority Counsel to prepare and the Executive Officer to execute an amendment to the Preston Park Settlement Agreement and the Purchase and Sale Agreement to reflect escrow closing on or before September 15, 2015.

MOTION PASSED UNANIMOUSLY

Mr. Houlemard stated that Rabobank had requested the Board approve the Preston Park loan extension by resolution, a draft of which had been distributed at the meeting.

MOTION: Mayor Edelen moved, seconded by Supervisor Parker, to Adopt a Resolution Authorizing the Executive Officer to Negotiate and Enter into an Extension of the Existing \$19,000,000 Loan with Rabobank for the Preston Park Housing complex.

MOTION PASSED UNANIMOUSLY

c. Approval of FORA FY 2015-16 Capital Improvement Program Revisions

Principal Planner Jonathan Garcia provided a brief presentation on the item.

MOTION: Supervisor Potter moved, seconded by Mayor Edelen, to approve the FORA FY 2015/16 Capital Improvement Program revisions, as presented in attachment A to staff report for agenda item 6c.

MOTION RECEIVED MAJORITY APPROVAL (MUST RETURN FOR A 2ND VOTE): Ayes: Edelen, Haffa, Lucius, Lutes, Pacheco, Parker, Pendergrass, Potter, Rubio. Noes: Morton. Absent: Beach, O'Connell, Phillips. Abstentions: None.

d. California State University Monterey Bay (CSUMB) Master Planning Process Presentation

Mr. Houlemard made brief comments and introduced CSUMB President Eduardo Ochoa. Dr. Ochoa provided CSUMB updates and introduced Chris Placco, Associate Vice President of Campus Planning and Development. Mr. Placco reviewed the Master Plan update process and introduced CSUMB consultant Barbara Maloney, Page/BMS Design Group, who discussed the need for the update, the work plan and schedule, and the University's primary objectives moving forward. Ms. Maloney stated that CSUMB planned to report the results of the process to the FORA Board in late summer/early fall. Ms. Mahoney responded to questions from the Board and the Board received comments from members of the public. Vice-Mayor Rubio deemed the report received.

7. PUBLIC COMMENT PERIOD

The Board received comments from members of the public.

8. EXECUTIVE OFFICER'S REPORT

a. Outstanding Receivables

No report was provided on this item.

b. Habitat Conservation Plan Update

No report was provided on this item.

c. Administrative Committee

No report was provided on this item.

d. Finance Committee

No report was provided on this item.

e. Regional Urban Design Guidelines Task Force

Mr. Houlemard stated that staff anticipated providing the "where do the guidelines apply" map to the Board at their next meeting.

f. Travel Report

Mr. Houlemard stated that the Mayor Edelen planned to join several FORA staff members on the annual State Legislative Mission to Sacramento June 15th-16th to hold meetings with the California Departments of Toxic Substances Control, Fish and Wildlife, Veterans Affairs, and Industrial Relations. Will also check in with Assembly members Stone and Alejo and Secretary Caballero. Meeting topics would include the Veterans Cemetery, the Habitat Conservation Plan, prevailing wage enforcement and affordable housing. Mr. Houlemard also noted that Councilmembers Morton and Lucius would join him in Washington DC June 21st- 24th for the Association of Defense Communities National Summit to explore topics relating to the future of defense communities and installations. He stated that he would be moderating a panel Sunday afternoon on the use of charrettes for public participation in planning, development, and installation management.

g. Public Correspondence to the Board

No report was provided on this item.

9. ITEMS FROM MEMBERS

None.

10. ADJOURNMENT

Vice-Chair Rubio presented Mr. Houlemard with a certificate of adjournment in memory of Gwendolyn Theresa Houlemard. A moment of silence was observed in her honor at the meeting adjourned at 3:30 pm in Mrs. Houlemard's memory.