



FORT ORD REUSE AUTHORITY

REGULAR MEETING

FORT ORD REUSE AUTHORITY (FORA) BOARD OF DIRECTORS

Friday, November 9, 2018 at 2:00 p.m. | 910 2nd Avenue, Marina, CA 93933 (Carpenters Union Hall)

AGENDA

ALL ARE ENCOURAGED TO SUBMIT QUESTIONS/CONCERNS BY NOON NOVEMBER 8, 2018.

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE *(If able, please stand)*

3. ACKNOWLEDGEMENTS, ANNOUNCEMENTS, AND CORRESPONDENCE

4. CLOSED SESSION

- a. Conference with Legal Counsel – Gov. Code §54956.9(a), (d)(1): Keep Fort Ord Wild v. Fort Ord Reuse Authority. Monterey County Superior Court Case No.: 17CV004540, Pending Litigation.
- b. 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.
- c. Conference with Legal Counsel - Potential Litigation, Gov. Code §54956.9(d)(4)

5. ANNOUNCEMENT OF ACTION TAKEN IN CLOSED SESSION

6. ROLL CALL

FORA is governed by 13 voting members: (a) 1 member appointed by the City of Carmel; (b) 1 member appointed by the City of Del Rey Oaks; (c) 2 members appointed by the City of Marina; (d) 1 member appointed by Sand City; (e) 1 member appointed by the City of Monterey; (f) 1 member appointed by the City of Pacific Grove; (g) 1 member appointed by the City of Salinas; (h) 2 members appointed by the City of Seaside; and (i) 3 members appointed by Monterey County. The Board also includes 12 ex-officio non-voting members.

7. CONSENT AGENDA

INFORMATION/ACTION

CONSENT AGENDA consists of routine information or action items accompanied by staff recommendation. Information has been provided to the FORA Board on all Consent Agenda matters. The Consent Agenda items are normally approved by one motion unless a Board member or the public request discussion or a separate vote. Prior to a motion, any member of the public or the Board may ask a question or make comment about an agenda item and staff will provide a response. If discussion is requested, that item will be removed from the Consent Agenda and be considered separately at the end of the Consent Agenda.

- a. Approve October 12, 2018 Meeting Minutes [\(p.1\)](#)
Recommendation: Approve October 12, 2018 meeting minutes.
- b. Administrative Committee [\(p.5\)](#)
Recommendation: Receive a report from the Administrative Committee.
- c. Veterans Issues Advisory [\(p.10\)](#)
Recommendation: Receive an update from the Veterans Issues Advisory Committee.
- d. Water/Wastewater Oversight Committee [\(p.13\)](#)
Recommendation: Receive a report from the Water/Wastewater Oversight Committee.
- e. Prevailing Wage Status Report [\(p.16\)](#)
Recommendation: Receive a Prevailing Wage status report.
- f. Building Removal Financing Update [\(p.17\)](#)
Recommendation: Receive an update on recent activities for building removal financing.
- g. Public Correspondence to the Board [\(p.19\)](#)
Recommendation: Receive Public Correspondence to the Board.

8. BUSINESS ITEMS

INFORMATION/ACTION

*BUSINESS ITEMS are for Board discussion, debate, direction to staff, and/or action. Comments from the public are **not to exceed 3 minutes** or as otherwise determined by the Chair.*

- a. Presentation on the Marina Coast Water District Annexation Application Status (no report)
Recommendation: Receive a presentation on the Marina Coast Water District Annexation Application Status from General Manager Keith Van Der Maaten. **INFORMATION ONLY ITEM.**
- b. Transition Planning Process Update (p. 20)
Recommendation:
 1. Consider approval of the Transition Plan Resolution (DRAFT), without prejudice to later make revisions as necessary or appropriate.
 2. Find that approval of the Transition Plan is not a project and is exempt from CEQA as a mere organizational change.
 3. Authorize staff to take appropriate action(s) to comply with state law requiring submittal of an approved Transition Plan to the Local Area Formation Commission (“LAFCO”) by December 2018.

9. PUBLIC COMMENT PERIOD

INFORMATION

*Members of the public wishing to address the Board on matters within its jurisdiction, but **not on this agenda**, may do so for up to 3 minutes or as otherwise determined by the Chair and will not receive Board action. Whenever possible, written correspondence should be submitted to the Board in advance of the meeting, to provide adequate time for its consideration.*

10. ITEMS FROM MEMBERS

INFORMATION

Receive communication from Board members as it pertains to future agenda items.

11. ADJOURNMENT

NEXT REGULAR MEETING: December 14, 2018 AT 2:00 P.M.



FORT ORD REUSE AUTHORITY
BOARD OF DIRECTORS REGULAR MEETING MINUTES
2:00 p.m., Friday, October 12, 2018 | Carpenters Union Hall
910 2nd Avenue, Marina, CA 93933

1. CALL TO ORDER

Vice-Chair Jane Parker called the meeting to order at 2:00 p.m.

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by County of Monterey Supervisor Jane Parker.

3. ACKNOWLEDGEMENTS, ANNOUNCEMENTS, AND CORRESPONDENCE

Executive Officer Michael Houlemard announced the following:

- Due to Marina Coast Water District General Manager Keith Van Der Maaten's absence; item 8b has been postponed to the November 9, 2018 Regular Board Meeting.
- **SAT, OCT 20 | HONOR OUR FALLEN RUN**
6th Annual 5k/10k Run to Remember, Fort Ord Dunes State Park, Marina.
- **TUES, OCT 23 | AMERICAS COMPETITIVENESS EXCHANGE**
The Americas Competitiveness Exchange on Innovation and Entrepreneurship (ACE) brings together 50 senior-level government, business, policy, and economic decision makers from across the Americas and beyond to experience first-hand the diverse range of projects, strategic investments, public-private partnerships, and best practices from a particular region's innovation and entrepreneurship ecosystem.
- **SAT, OCT 27 | 9th ANNUAL HEROES' OPEN | Black Horse Golf Course**
This annual benefit golf tournament helps toward the cemetery expansion.
- **SAT, OCT 27 | Volunteer Opportunity - Fort Ord National Public Lands Day**
SAVE THE DATE: National Public Lands Day celebration at the Fort Ord National Monument.

These announcement details and more can be found at www.fora.org

4. CLOSED SESSION

- a. Conference with Legal Counsel – Gov. Code §54956.9(a), (d)(1): Keep Fort Ord Wild v. Fort Ord Reuse Authority. Monterey County Superior Court Case No.: 17CV004540, Pending Litigation.

- b. 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.
- c. Conference with Legal Counsel - Potential Litigation, Gov. Code §54956.9(d)(4)

No comments from the public on the closed session items.

Time Entered: 2:05 p.m.

Time Exited: 2:26 p.m.

5. ANNOUNCEMENT OF ACTION TAKEN IN CLOSED SESSION

Authority Counsel Jon Giffen announced there was no action to report.

6. ROLL CALL

Voting Members Present:

Supervisor Mary Adams (Monterey County), Supervisor Jane Parker (Monterey County), Supervisor Luis Alejo (Monterey County), Councilmember Dave Pacheco (City of Seaside), Mayor Mary Ann Carbone (City of Sand City), Mayor Jerry Edelen (City of Del Rey Oaks), Councilmember Frank O'Connell (City of Marina), Mayor Joe Gunter (City of Salinas), Councilmember Cynthia Garfield (City of Pacific Grove), Councilmember Gail Morton (City of Marina), Councilmember Jan Reimers (City of Carmel-by-the-Sea), Councilmember Alan Haffa (City of Monterey)

Ex-officio (Non-Voting) Board Members Present:

Nicole Hollingsworth (17th State Senate), Erica Parker (29th State Assembly), Todd Muck (TAMC), Steve Matarazzo (UCSC), Andre Lewis (CSUMB), Col. Gregory Ford (US Army), Bill Collins (BRAC), Dr. Walter Tribley (MPC), Lisa Rheinheimer (MST), Dr. Thomas Moore (MCWD), Kathleen Lee (20th Congressional District) *arrived at 3:04 p.m.*

7. CONSENT AGENDA

- a. Approve September 28, 2018 Meeting Minutes
- b. Administrative Committee
- c. Veterans Issues Advisory Committee
- d. Environmental Services Cooperative Agreement Quarterly Report
- e. Building Removal Quarterly Update
- f. Transition Planning Process Update
- g. Public Correspondence to the Board

Vice-Chair Parker introduced the consent agenda items and asked Board members to make their request for any items to be pulled. Board member Morton requested to ask a question regarding item 7d – Environmental Services Cooperative Agreement Quarterly Report. Mr. Houlemard and Senior ESCA Programs Manager Stan Cook responded to the questions from the Board. Board member Adams requested to pull item 7f – Transition Planning Process Update for discussion and questions. Vice-Chair Parker advised that item 7f would be moved to the end of the Business Items. There was no public comment received on the consent agenda items.

Motion: On motion by Board member Alejo second by Board member Adams and carried by the following vote, the Board moved to approve the consent agenda item 7a-7e; and 7g. Item 7f was moved to end of the Business Items.

MOTION PASSED UNANIMOUSLY

8. BUSINESS ITEM

a. Habitat Conservation Plan Update

Principal Planner Jonathan Brinkmann presented the item which provided an update to the Special workshop meeting held on September 24, 2018. At the Special workshop meeting, the Board chose to defer action and requested additional information be provided as part of the presentation. The presentation responded to the comments and requests from the September 24, 2018 workshop by providing certain options and alternatives for the Board to entertain. There were no comments from the public. Staff responded to questions and comments from the Board.

MOTION: On motion by Board member Reimers and second by Board member Haffa and carried by the following vote, the Board moved to form a JPA Cooperative according to the current HCP schedule (March/April 2019) understanding that the HCP would be adopted prior to a JPA formation, which may be a longer process, while continuing to build the HCP Endowments.

The Board discussed the motion and the Director Parker suggested splitting the funding items discussed into two separate motions. Director Haffa made the following amendment to add to Director Reimers motion: and "Including an analysis of all potential mechanisms."

MOTION PASSED UNANIMOUSLY

b. Presentation on the Marina Coast Water District Annexation Application Status
Item postponed until November 9, 2018 regular Board meeting.

c. Transition Planning Process Update (formerly 7f)

Board member Adams expressed concerns with the language in the report and requested staff to amend the draft resolution in response to the comments, questions and concerns that have been brought up by the Board.

Board member Garfield asked that staff coordinate a meeting between the Jurisdictions attorneys.

Board member Morton requested a red line version of the amendments made to the Transition Plan draft resolution be included for increased transparency regarding what changes occur from meeting to meeting.

Further comments from the Board were received; including but not limited to requests specific suggestions on amendments to be made to the draft documents.

The Board also directed staff to reach out to each jurisdiction and arrange meetings to review the resolution contents.

Staff advised the Board a Request for Proposals/Qualifications is being drafted to obtain a facilitator to assist FORA and jurisdictions with the transition planning process.

There was no public comment. The Board deemed the item received.

9. PUBLIC COMMENT

There were no comments from the public.

10. ITEMS FROM MEMBERS

Board member Haffa announced that the City of Monterey will be submitting a resolution regarding Transition. Board member Garfield asked that decisions, meetings and study sessions hosted by other jurisdictions be shared by FORA.

This information can be found at www.fora.org at the following link: <https://fora.org/TransitionProcess>

11. ADJOURNMENT at 4:02 p.m.

Minutes Prepared by:
Dominique L. Jones
Deputy Clerk

Approved by:

Michael A. Houlemard, Jr.
Executive Officer

FORT ORD REUSE AUTHORITY BOARD REPORT

CONSENT AGENDA

Subject: Administrative Committee

Meeting Date: November 9, 2018

Agenda Number: 7b

INFORMATION/ACTION

RECOMMENDATION:

Receive a report from the Administrative Committee.

BACKGROUND/DISCUSSION:

The Administrative Committee held a meeting on October 3 and October 17, 2018. The approved minutes for these meetings are provided as **Attachment A** and **B**.

FISCAL IMPACT:

Reviewed by the FORA Controller 

Staff time for the Administrative Committee is included in the approved annual budget.

COORDINATION:

Administrative Committee

Prepared by 
Dominique L. Davis

Approved by 
Michael A. Houlemard, Jr.



APPROVED

FORT ORD REUSE AUTHORITY
ADMINISTRATIVE COMMITTEE REGULAR MEETING MINUTES
8:30 a.m., Wednesday, October 3, 2018 | FORA Conference Room
920nd Avenue, Suite A, Marina, CA 93933

1. CALL TO ORDER

Co-Chair Executive Officer Michael Houlemard called the meeting to order at 8:30 a.m.

The following members were present:

- | | |
|--------------------------------------|---|
| Craig Malin* (City of Seaside) | Melanie Beretti* (County of Monterey) |
| Hans Uslar* (City of Monterey) | Vicki Nakamura (Monterey Peninsula College) |
| Dino Pick* (City of Del Rey Oaks) | Anya Spear (CSUMB) |
| Layne Long* (City of Marina) | Steve Matarazzo (UCMBEST) |
| Elizabeth Caraker (City of Monterey) | Lisa Rheinheimer (Monterey Salinas Transit) |
| *Voting Member | Mike Zeller (TAMC) |

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Deputy Clerk Dominique Davis.

3. ACKNOWLEDGEMENTS, ANNOUNCEMENTS AND CORRESPONDENCE

Economic Development Manager Josh Metz announced the Americas Competitive Exchange tour visit to Monterey on October 23, 2018. Mr. Houlemard announced that a Special Meeting on Transition Planning has been tentatively set for October 19, 2018 at 2:00 p.m. and would be confirmed after the Executive Committee meeting at 3:30 p.m.

4. PUBLIC COMMENT PERIOD

Members of the public wishing to address the Administrative Committee on matters within its jurisdiction, but not on this agenda, may do so for up to 3 minutes.

There were no public comments received.

5. APPROVAL OF MEETING MINUTES

ACTION

- a. September 19, 2018 Meeting Minutes

MOTION: On motion by Committee member Malin and second by Committee member Pick and carried by the following vote, the Administrative Committee moved to approve the September 19, 2018 meeting minutes.

MOTION PASSED UNANIMOUSLY

6. SEPTEMBER 28, 2018 BOARD MEETING FOLLOW-UP

INFORMATION

Mr. Houlemard reviewed the Transition Planning Process item that was discussed by the Board and reiterated that a Special Meeting has been tentatively scheduled and would be confirmed after the Executive Committee meeting. Principal Planner Jonathan Brinkmann reviewed the action taken by the Board on September 28, 2018 including the second votes on Building Removal and the City of Seaside Zoning Code Consistency Determination items, and the unanimous vote on the Regional Urban Water Augmentation Plan item.

7. OCTOBER 12, 2018 DRAFT BOARD MEETING AGENDA REVIEW **INFORMATION/ACTION**

Mr. Houlemard reviewed items on the draft agenda and advised the Committee that the recommendation for the Transition Planning Process Update for the October 12, 2018 Board meeting would be limited to receive the report and confirm the proposed Special Meeting date. Mr. Brinkmann reviewed the Habitat Conservation Plan (HCP) item and the recommendation that is returning to the Board since no action was taken at the HCP workshop on September 24, 2018. Staff responded to questions and comments from the Committee and received direction/suggestions regarding the presentation of the HCP item on October 12, 2018.

8. BUSINESS ITEMS **INFORMATION/ACTION**

a. Building Removal Update

Mr. Houlemard reviewed the item and advised the Committee that the Board made a recommendation to pursue an Advisory/Consulting Contract that would explore options regarding building removal at East Garrison, Surplus II, Cypress Knolls, and Dunes on Monterey Bay properties. Staff was also directed to continue working with the Administrative Committee in refining the scope of work. Staff responded to questions and comments from the Committee. Staff explained that a part of the scope of work of the proposed building removal consulting contract should look into the ability to finance future tax revenue and that research is crucial to the analysis. Staff also indicated that retaining independent counsel with experience in the scope description will help to determine FORA's authority and ability to bond against future tax revenue before proceeding through the rest of the process.

Information only item – no vote was taken.

b. Marina Coast Water District Annexation Application Status

MCWD General Manager Keith Van Der Maaten provided the status of the item and informed the Committee that the Local Agency Formation Commission (LAFCO) public hearing process begins in December – and MCWD is currently in the “pre-application phase”. The public hearing process is about 3 months and MCWD is hopeful the annexation (including the current service area) will be completed by June of 2019. MCWD attorneys are still in the process of establishing final details of a settlement agreement with Keep Fort Ord Wild and LandWatch (lawsuits based on CEQA process). MCWD reported continued work with Seaside County Sanitation District, and LAFCO is finishing its Municipal Service Review/Sphere of Influence studies. Mr. Van Der Maaten responded to questions and comments from the Committee and public. Mr. Houlemard provided information on the application status and how it relates to FORA contracts/agreements.

Information only item – no vote was taken.

9. ITEMS FROM MEMBERS

There were no items from members

10. ADJOURNMENT at 9:34 a.m.

Minutes Prepared By:
Dominique Davis
Deputy Clerk



APPROVED

FORT ORD REUSE AUTHORITY
ADMINISTRATIVE COMMITTEE REGULAR MEETING MINUTES
8:30 a.m., Wednesday, October 17, 2018 | FORA Conference Room
920nd Avenue, Suite A, Marina, CA 93933

1. CALL TO ORDER

Co-Chair City of Seaside City Manager Craig Malin called the meeting to order at 8:34 a.m.

The following members were present:

Craig Malin* (City of Seaside)	Patrick Breen (MCWD)
Hans Uslar* (City of Monterey)	Vicki Nakamura (Monterey Peninsula College)
Dino Pick* (City of Del Rey Oaks)	Anya Spear (CSUMB)
Layne Long* (City of Marina)	Steve Matarazzo (UCMBEST)
Melanie Beretti* (County of Monterey)	Lisa Rheinheimer (Monterey Salinas Transit)
*Voting Member	Mike Zeller (TAMC)
	Bill Collins (US Army)

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mr. Malin.

3. ACKNOWLEDGEMENTS, ANNOUNCEMENTS AND CORRESPONDENCE

Mr. Malin provided the following announcements:

a) **SAT, OCT 20 | HONOR OUR FALLEN RUN**

6th Annual 5k/10k Run to Remember, Fort Ord Dunes State Park, Marina.

b) **SAT, OCT 27 | 9th ANNUAL HEROES' OPEN | Black Horse Golf Course**

This annual benefit golf tournament helps toward the cemetery expansion.

c) **SAT, OCT 27 | Volunteer Opportunity - Fort Ord National Public Lands Day**

SAVE THE DATE: National Public Lands Day celebration at the Fort Ord National Monument.

d) **FRI, NOV 30 | 4TH Annual State of the Region Conference**

Mark your calendars for November 30, 2018. **Monterey Bay Economic Partnerships'** State of the Region Conference will take place at the Embassy Suites in Seaside.

CSUMB Associate Director of Campus Planning & Development Anya Spear announced that CSUMB has partnered with Lime-S: a scooter-share program run by Lime. Electric scooters are available to unlock and ride across or off campus. More information can be found here: <https://csumb.edu/transportation/lime-s>

Executive Officer Michael Houlemard announced that Joby Aviation is opening a new production facility at the Marina Municipal Airport early in 2019. Mr. Houlemard also announced the Records of Decisions on the ESCA has been signed off by the Army and the notice of availability has been published. The Land Use Covenant Implementation Plans still need to be completed.

4. PUBLIC COMMENT PERIOD

Members of the public wishing to address the Administrative Committee on matters within its jurisdiction, but not on this agenda, may do so for up to 3 minutes.

There were no public comments received.

5. APPROVAL OF MEETING MINUTES

ACTION

- a. October 3, 2018 Meeting Minutes

MOTION: On motion by Committee member Pick and second by Committee member Uslar and carried by the following vote, the Administrative Committee moved to approve the October 3, 2018 meeting minutes.

MOTION PASSED UNANIMOUSLY

6. OCTOBER 12, 2018 BOARD MEETING FOLLOW-UP

INFORMATION

Principal Planner Jonathan Brinkmann reviewed the actions of the Board at the October 12, 2018, including the unanimous vote of the Habitat Conservation Plan. Staff responded to the questions and comments from the Committee.

Staff distributed the redline version of the draft Transition Plan Resolution that incorporated comments since the previous Board meeting.

7. BUSINESS ITEMS

INFORMATION/ACTION

- a. Transition Planning Process Update

Recommendation: Receive an update on the Transition Planning Process including review of the Transition Plan Resolution, LAFCO jurisdiction issue, Capital Improvement Program financing issue, and Environmental Services Cooperative Agreement (ESCA) contract successor issue.

Mr. Houlemard reviewed each of the section of the resolution and received comments, questions and edits from the Committee. Staff compiled a list of topics that the Committee asked for further information, clarification and discussion. The following are the transition plan resolution topics the Committee sought to further explore or resolve:

- | | |
|--|---|
| 1. Costs required? | 8. TPIAs negotiations not dependent on facilitator hiring |
| 2. Definitions/Exhibits to Resolution | 9. Date for TPIAs finalization |
| 3. ESCA successor – include all options | 10. Include an acronyms list |
| 4. ESCA successor approved by Army and EPA | 11. Reframe lead agency responsibilities |
| 5. How to address building removal? | 12. Clarify underlying assumptions <i>i.e. County 10%</i> |
| 6. Legal questions | 13. FORAs ability to assign liabilities |
| 7. LAFCO's authority to enforce? | |

Motion was made by Committee member Beretti to recommend removing specific dollar amount from the Transition Plan resolution. There was no second and the motion did not move forward. Committee member Uslar indicated that he was unable to support the motion because there was no clear alternative.

The Committee requested that staff provide the topics of discussion to the Board and to add a clear and intent purpose to the Transition Plan resolution.

8. ITEMS FROM MEMBERS

There were no items from members.

9. ADJOURNMENT at 10:14 a.m.

Minutes Prepared By:
Dominique Davis
Deputy Clerk

FORT ORD REUSE AUTHORITY BOARD REPORT

CONSENT AGENDA

Subject: Veterans Issues Advisory Committee	
Meeting Date: November 9, 2018	INFORMATION/ACTION
Agenda Number: 7c	

RECOMMENDATION:

Receive a report from the Veterans Issues Advisory Committee (VIAC).

BACKGROUND/DISCUSSION:

The Veterans Issues Advisory Committee met on September 27, 2018. The approved minutes for this meeting are provided as **Attachment A**.

FISCAL IMPACT:

Reviewed by FORA Controller 

Staff time for this item is included in the approved annual budget.

COORDINATION:

VIAC

Prepared by 
Heidi L. Lizarbe

Approved by 
Michael A. Houlemard, Jr.



APPROVED

**FORT ORD REUSE AUTHORITY
VETERANS ISSUES ADVISORY COMMITTEE (VIAC) MEETING MINUTES
3:00 P.M. September 27, 2018 | FORA Conference Room
920 2nd Avenue, Suite A, Marina CA 93933**

1. CALL TO ORDER

Chair Mayor Jerry Edelen called the meeting to order at 3:00 P.M.

Committee Members Present:

Jerry Edelen, Mayor of City of Del Rey Oaks
Edith Johnsen, Veterans Families/Fund Raising
Mary Estrada, United Veterans Council (UVC)
Jason Cameron, Monterey County Office of Military & Veterans Affairs
Command Sgt. Major Roberto Marshall, US Army
Richard Garza, CCVC Foundation

2. PLEDGE OF ALLEGIANCE led by Edith Johnsen

3. ACKNOWLEDGEMENTS, ANNOUNCEMENTS AND CORRESPONDENCE

Command Sgt. Major Marshall announced the 6th Annual 5K/10K Honor Our Fallen Run will take place on, Saturday, October 20, 2018

The National Wreaths across America Day ceremony will be held on Saturday, December 15, 2018.

4. PUBLIC COMMENT PERIOD

There were no comments from the public.

5. APPROVAL OF MEETING MINUTES

a. July 26, 2018 Regular Meeting Minutes

MOTION: On motion by Committee member Johnsen and seconded by Committee member Estrada the VIAC approved the July 26, 2018 meeting minutes as amended by unanimous vote.

6. BUSINESS ITEMS

a. **California Central Coast Veterans Cemetery (CCCVC) Status Report**

i. *Cemetery Administrator's Status*

Principal Analyst Robert Norris updated the committee as there was no update since the last meeting.

ii. *Veterans Cemetery Land Use Status*

No Report

iii. *Fort Ord Committee Verbal Report: Oak Woodlands Mitigation & Endowment MOU*

Principal Analyst Robert Norris announced that there have been several conversations and

communication with Mike Mcgee with the California Department of Veterans Affairs. They're following up on mitigation issue, along with the status of when the formalized contract to begin the EIR for the in ground burials at the cemetery.

b. Fundraising Status

i. CCVCF Status Report

No Report

c. Veterans Transition Center (VTC) Housing Construction

Jack Murphy announced since the last VIAC meeting the VTC has officially opened the 10 bed expanded residential services shelter, which supports veterans who need immediate shelter. The VTC is also in the process of obtaining funding to start another 6-8 bedroom duplex project, on which they hope to break ground on December 1, 2018.

Mr. Murphy provided an update on the Lightfighter Village project which is a 71 unit permanent supportive housing for veterans. The project will go before the Marina planning commission on October 11, 2018.

d. VA-DOD Clinic

Principal Analyst Robert Norris updated the committee regarding a community meeting held at the VA-DOD Clinic. They are working through concerns about the gaps in what they were promised vs what services are available.

e. Historical Preservation Project

No Report.

f. Calendar of Events

- | | |
|---------------------|--|
| • October 27, 2018 | 9 th Annual Heroes' Open Golf Tournament |
| • November 10, 2018 | Veteran of the Year Awards Dinner @ Bayonet |
| • November 11, 2018 | 1 st Annual Gala @ Monterey Conference Center |

7. ITEMS FROM MEMBERS

MST bus stop at VA-DOD Clinic

8. ADJOURNMENT at 3:43pm

Minutes Prepared by:
Heidi Lizarbe
Administrative Coordinator

FORT ORD REUSE AUTHORITY BOARD REPORT

CONSENT AGENDA

Subject: Water/Wastewater Oversight Committee

Meeting Date: November 9, 2018

Agenda Number: 7d

INFORMATION/ACTION

RECOMMENDATION:

Receive a report from the Water/Wastewater Oversight Committee (WWOC).

BACKGROUND/DISCUSSION:

The Water/Wastewater Oversight Committee met on August 15, 2018. The approved minutes for this meeting are provided as **Attachment A**.

FISCAL IMPACT:


Reviewed by FORA Controller 

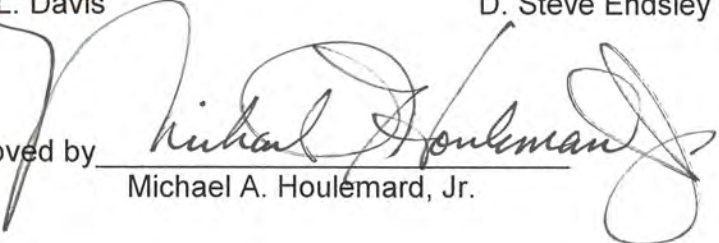
Staff time for this item is included in the approved FORA budget.

COORDINATION:

WWOC, Marina Coast Water District

Prepared by 
Dominique L. Davis

Reviewed by 
D. Steve Endsley

Approved by 
Michael A. Houlemard, Jr.



APPROVED

**FORT ORD REUSE AUTHORITY
WATER/WASTEWATER OVERSIGHT COMMITTEE
MEETING MINUTES**

920 2nd Avenue, Suite A, Marina CA 93933 | FORA CIC
9:30 A.M., Wednesday, August 15, 2018

1. CALL TO ORDER

Chair Riedl called the meeting to order at 9:37 A.M.

The following were present:

Committee Members:

Rick Riedl, City of Seaside
Steve Matarazzo, University of California Santa Cruz
Mike Lerch, California State University Monterey Bay
Dino Pick, City of Del Rey Oaks

Other Attendees:

Mike Wegley, Marina Coast Water District
Doug Yount, Shea Homes

FORA Staff:

Michael Houlemard
Steve Endsley
Jonathan Brinkmann
Peter Said

2. PLEDGE OF ALLEGIANCE led by Dino Pick

3. ACKNOWLEDGEMENTS, ANNOUNCEMENTS, AND CORRESPONDENCE

4. PUBLIC COMMENT PERIOD

5. APPROVAL OF MEETING MINUTES

Member of the public, Mr. Ken Nishii requested language referencing his procedural comments at the April 25, 2018 meeting be added to the minutes. Mr. Said informed Mr. Nishii that current policy is to record action minutes (summary minutes describing actions taken by the Committee during meetings); however, the WWOC recommended the April 25, 2018 minutes be amended to reflect Mr. Nishii's comment and be considered for approval at the next regular meeting.

6. BUSINESS ITEMS

MCWD Masterplan progress presentation provided by Akel Engineering Group. The Committee discussed the underlying assumptions pertaining to the demand analysis, and the calculation for the capacity fee (Adjusted value of the existing system + the Net Present Value of the future Capital Improvement Program / number existing + future customers). The WWOC concluded that further discussion was necessary to address following items:

- a. Review of land use assumptions by FORA used as the basis for water demand analysis
- b. Methodology utilized to calculate capacity charges
- c. How the standards are set (i.e. EDU and non-EDU value)
- d. The amount of existing and future customers projected

7. ITEMS FROM MCWD

None.

8. ITEMS FROM MEMBERS

9. ADJOURNMENT

Chair Riedl adjourned the meeting at 11:05 A.M.

NEXT MEETING: October 17, 2018

FORT ORD REUSE AUTHORITY BOARD REPORT

CONSENT AGENDA

Subject:	Prevailing Wage Status Report	
Meeting Date:	November 9, 2018	INFORMATION/ACTION
Agenda Number:	7e	

RECOMMENDATION(S):

Receive Prevailing Wage Status Report

DISCUSSION:

From July 1, 2018 – September 30, 2018, multiple construction workers were employed on Fort Ord projects. From reported information (California State University (CSU)/Fort Ord Reuse Authority/Marina Coast Water District), approximately 28,276 worker hours were utilized and more than 180 workers employed. An average of 35% of those workers were from the tri-County. (Santa Cruz, Monterey and San Benito Counties). These numbers do not include County of Monterey or City of Marina projects (Seahaven-Layia/Villosa/Larkspur/Shops at Dunes).

Staff continues to field calls from potential developers on projects located on former Fort Ord property as to the requirements for paying prevailing wages. With respect to enforcement issues, it was reported in August that the Building Trades had requested information which had not been produced. The most recent report is that the documents have now been produced. The Building Trades reports continued violations. CSU reported one prevailing wage complaint which was resolved through the Department of Industrial Relations. The draft Transition Plan recommends recording the Master Resolution to provide notice of prevailing policies. (See 8b under Business Items)

FISCAL IMPACT:

Reviewed by FORA Controller 

Staff time for this item is included in the approved annual budget.

Prepared by 
Sheri Damon

Approved by 
Michael A. Houlemard, Jr.

FORT ORD REUSE AUTHORITY BOARD REPORT

CONSENT AGENDA

Subject:	Building Removal Financing Update	
Meeting Date:	November 9, 2018	INFORMATION
Agenda Number:	7f	

RECOMMENDATION:

Receive an update on the recent activities for building removal financing.

BACKGROUND/DISCUSSION:

At its September 28, 2018 meeting, the FORA Board approved a motion to seek information on the feasibility of bonding FORA property tax revenues and to authorize the Executive Officer to solicit and execute service contracts for a financial advisor and bond counsel to explore a financing program to help the FORA jurisdictions with their remaining base-wide building removal obligations, not to exceed \$75,000. A Request for Qualifications (RFQ) for this purpose has been prepared and includes a scope of work that is divided into sub-tasks that begin with:

1. Legal authority and financial feasibility of using FORA funds for this effort;
2. Using financial advisor/bond counsel services, prepare a building removal financing plan;
3. Present financing plan to FORA Board for consideration; and
4. Implement financing plan if approved.

In previous meetings, the Administrative Committee analyzed and discussed a potential program to remove the remaining abandoned Army buildings left after FORA completes its own CIP building removal obligations. Staff presented information, including a preliminary cost estimate for building removal, a potential financing plan, and a draft cost-benefit analysis. Below is a table showing the preliminary building removal cost estimate.

Preliminary Building Removal Cost Estimate:

DESCRIPTION	PRELIMINARY COST ESTIMATE
Seaside Surplus II (10 Buildings)	(\$10 M)
Marina Cypress Knolls	(\$14 M)
TAMC, MST	(\$6 M)
Marina City Park in Dunes Specific Plan	(\$10 M)
County Ammo Supply Point (bunkers remain)	(\$2 M)
Overhead (operations, oversight) (5 years)	(\$4.8 M)
TOTAL COST ESTIMATE	(\$46.8 M)

Potential Financing Plan:

DESCRIPTION	COSTS & REVENUE SOURCES
Building Removal Cost Estimate	(\$46.8 M)
FORA Property Tax Bond FY 18/19	\$31 M
Remaining Building Removal Cost Estimate	(\$15.8 M)
FORA Land Sales Proceeds in FY 19/20	\$21.2 M
LAND SALES REMAINING TO FUND CIP	\$5.4 M

Discussions with the FORA Administrative Committee have enhanced general understanding of the building removal issue and generated ideas for creating financing solutions. The abandoned

buildings have been an eye-sore to residents, students, workers, and visitors in our community since the early 1990's. The buildings have slowed economic development of the urbanized Army footprint because of the high costs and hazardous materials liabilities to remove the structures. They also pose a public health risk and require continued maintenance to bar entry. As the Administrative Committee explored a potential financing plan, it became clear that certain questions have to be answered that require special expertise.

FORA's property tax is a potential revenue source that could jump start action to take down buildings and protect jurisdictional General Funds as has been discussed during the transition plan process. Staff needs financial and legal expertise to explore whether FORA can issue debt on its existing property tax revenue stream. That was the rationale for the Board authorization of the RFQ issuance. The Executive Officer is now empowered to solicit and execute contracts for a financial advisor and bond counsel to explore the feasibility of bonding/applying FORA's share of the property tax to contribute to remaining base-wide building removal, not to exceed \$75,000. Every effort will be made to limit the first feasibility ascertainment phase to \$25,000.


FISCAL IMPACT:

Reviewed by the FORA Controller 

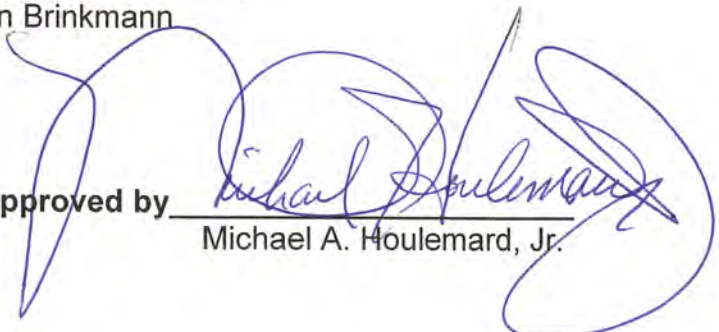
Staff time is included in the approved annual budget. This action could result in an increase in consultant services by \$75,000, which would be incorporated into the FORA mid-year budget.

COORDINATION:

Administrative Committee

Prepared by 
Jonathan Brinkmann

Reviewed by 
Steve Endsley

Approved by 
Michael A. Houlemard, Jr.

FORT ORD REUSE AUTHORITY BOARD REPORT	
CONSENT AGENDA	
Subject:	Public Correspondence to the Board
Meeting Date:	November 9, 2018
Agenda Number:	7g
	INFORMATION/ACTION

Public correspondence submitted to the Board is posted to FORA’s website on a monthly basis and is available to view at <http://www.fora.org/board.html>

Correspondence may be submitted to the Board via email to board@fora.org or mailed to the address below:

FORA Board of Directors
 920 2nd Avenue, Suite A
 Marina, CA 93933

FORT ORD REUSE AUTHORITY BOARD REPORT

BUSINESS ITEMS

Subject:	Transition Planning Process Update	
Meeting Date:	November 9, 2018	INFORMATION/ACTION
Agenda Number:	8b	

RECOMMENDATION:

1. Consider approval of the Transition Plan Resolution (DRAFT), without prejudice to later make revisions as necessary or appropriate.
2. Find that approval of the Transition Plan is not a project and is exempt from CEQA as a mere organizational change.
3. Authorize staff to take appropriate action(s) to comply with state law requiring submittal of an approved Transition Plan to the Local Area Formation Commission ("LAFCO") by December 2018.

BACKGROUND/DISCUSSION:

At the special meeting of the Fort Ord Reuse Authority ("FORA") Board held on October 29, 2018, the Board was presented with a Transition Plan Resolution that had been transmitted for review on October 26, 2018. The Board reports prepared for October 19, 2018 and October 29, 2018 (and associated attachments) can be accessed through the following links.

<https://www.fora.org/Board/2018/Packet/101918BrdPacket.pdf>

<https://www.fora.org/Board/2018/Packet/102918BrdPacket.pdf>

On October 31, 2018, the FORA Administrative Committee received a report concerning the draft Transition Plan Resolution. Additionally, FORA staff have been requested to attend City Council meetings at the City of Monterey, Sand City and the City of Del Rey Oaks.

Since October 29, 2018, staff and Authority Counsel have made revisions and clarifications to the Plan and the Contract Matrix, to reflect that any excess administrative funds will be applied to the Capital Improvement Program, litigation management post FORA, the additional evidence compiled on the Transition Task Force web pages and filing appropriate CEQA notices. Both a clean copy and redline copy are attached for the Board's perusal.

The most prominent question raised at and after the October 29 meeting is whether any environmental review must be conducted pursuant to the California Environmental Quality Act ("CEQA") before the Board may take action with respect to the Transition Plan Resolution. As explained in the Transition Plan Resolution, the transition plan provides for: "the allocation of FORA's assets, liabilities and obligations in advance of FORA's ultimate dissolution without (a) amending any contemplated or approved land uses within the former Fort Ord, (b) abandoning or altering any Base-wide Mitigation Measures or any other mitigations that were required as a part of the adoption of the Reuse Plan, [or] (c) changing the Reuse Plan itself . . ." Since no such changes are being made in the Transition Plan Resolution, it will not result in a direct or indirect physical change in the environment. Accordingly, as defined in CEQA and the CEQA Guidelines, the approval of the Transition Plan Resolution is not a "project" triggering additional CEQA review. CEQA Section 21065, CEQA Guidelines Section 15378.

In this regard, CEQA Guidelines Section 15378(b) specifically excludes from CEQA review: “(4) The creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment. [and] (5) Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment.”

Authority Counsel is in the process of obtaining a legal opinion addressing this question.

Additionally, FORA staff prepared a Request for Proposals for a facilitator consistent with the Board’s authority on October 29, 2018. The draft RFP was reviewed by the Administrative Committee on October 31, 2018 and the tentative goal is to review proposals and conduct interviews the last week of November.

As currently drafted, the Transition Plan addresses assets, liabilities, pledges and obligations and a schedule. The Transition Plan provides the framework for regional Transition Plan Implementing Agreements and is not simply “an agreement to agree” as it contains direction as to how to implement in the absence of agreements. LAFCO staff and FORA staff have consulted and it is anticipated continued consultation will occur as the Transition Plan is reviewed by LAFCO to ensure orderly implementation, including without limitation, contract provisions or other requirements that LAFCO may need to ensure orderly implementation..

FORA staff has fielded numerous phone calls from consultants and staff from the jurisdictions. A table which compiles jurisdictional Transition reports and materials provided to FORA can be found at: <https://www.fora.org/Transitiontaskforce.html>.

FISCAL IMPACT:

Reviewed by FORA Controller 

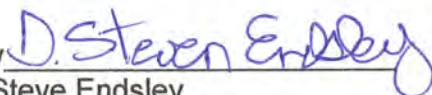
COORDINATION:

County of Monterey, LAFCO, TAMC, MCWD, Cities of Seaside, Monterey, Del Rey Oaks, Pacific Grove, Marina and Salinas.

ATTACHMENTS:

- Attachment A: Transition Plan Resolution
- Exhibit A: Contract Assignment Matrix
- Exhibit B: Reference Documents
- Attachment B: Transition Plan Resolution Redline

Prepared by 
Sheri L. Damon

Reviewed by 
Steve Endsley

Approved by  for
Michael A. Houlemard, Jr.

FORT ORD REUSE AUTHORITY RESOLUTION NO. 18-xx

A RESOLUTION OF THE GOVERNING BODY OF THE FORT ORD REUSE AUTHORITY
Approving a Transition Plan for Submission to the Monterey County Local Agency Formation Commission

THIS RESOLUTION is adopted with reference to the following facts and circumstances:

- A.** In 1991, the Secretary of Defense announced the proposed downsizing of the United States Army Fort Ord Military Reservation (“Fort Ord”) under the Base Realignment and Closure Act. The United States Army (the “Army”) moved the 7th Infantry Division - Light to Fort Lewis Washington over the following two years, resulting in the loss to the communities and populace of the Monterey Peninsula and adjoining greater Monterey Bay region of the significant economic, social, and cultural contributions that had been associated with the military presence.
- B.** After the announcement but prior to the implementation of the base downsizing/closure, political leaders from within the affected region formed the Fort Ord Community Task Force (the “Task Force”) in order to develop recommendations for moving forward with a recovery effort. These recommendations were embodied in a 760-page June 1992 Strategy Report prepared by the Task Force (the “Strategy Report”). The Strategy Report may be accessed on Exhibit B – Reference Documents attached hereto and incorporated by this reference.
- C.** Predicated upon the Strategy Report, in October 1992 the Fort Ord Reuse Group (“FORG”) was organized by local governments and potential property recipients to initiate recovery planning regarding the impending downsizing/closure of Fort Ord. After preparing an initial plan and subsequently refining it, the revised plan was considered and adopted by FORG in 1993. Those early planning efforts recognized the significant costs associated with the implementation of any plan to convert Fort Ord into civilian use and reinforced the validity of the regional and base-wide approaches that were inherent in the conclusions reached by the Task Force in its Strategy Report.
- D.** The Fort Ord Reuse Authority (“FORA”) was established in 1994 by state legislation (Government Code sections 67650 and following, the “FORA Act”) and when the member jurisdictions adopted resolutions favoring the establishment of the authority in accordance with Government Code section 67656. The FORA Act may be accessed on Exhibit B – Reference Documents attached hereto and incorporated by this reference. The Legislature found that the reuse of Fort Ord is a matter of statewide importance and declared in Government Code section 67657(c) that FORA’s powers and duties prevail over those of any other local entity, including any city, county, or joint powers authority. Government Code section 67658 identifies FORA’s purpose as planning for, financing, and managing the transition of the property known as Fort Ord from military to civilian use. In Government Code section 67651, the Legislature tasked FORA with the following primary directives (1) plan, facilitate, and manage the transfer of former Fort Ord property from the Army to local jurisdictions or their designee(s), (2) minimize the economic disruption caused by the base’s closure, (3) provide for reuse and redevelopment in ways that enhance the economy and quality of life of the Monterey Bay community, and (4) maintain and protect the unique environmental resources of the area.
- E.** In order to carry out the directives of the FORA Act, FORA hired staff and entered into a contract with the California Public Employees’ Retirement System (“CalPERS”) to provide

for retirement benefits for FORA employees. A copy of the contract with CalPERS as amended to date is referenced as Contract #1, 2 and 3 in Exhibit A attached hereto and incorporated by this reference. As is the situation facing many local public entities today, FORA's liability for pension obligations under the CalPERS contract is not at present fully funded and any potential shortfall must be addressed in the transition planning process.

F. Pursuant to the requirements of Government Code section 67675, FORA adopted a Fort Ord Reuse Plan (the "Reuse Plan") on June 13, 1997, which identified (1) environmental actions required to mitigate development and reuse of the former Fort Ord (the "Base-wide Mitigation Measures") and (2) infrastructure and related costs necessary to accommodate development and reuse of the former Fort Ord (the "Base-wide Costs"), each consistent with the fulfillment of FORA's primary directives. The Reuse Plan and its attendant environmental report is available on the FORA website at www.fora.org or may be accessed on Exhibit B - Reference Documents attached hereto and incorporated by this reference. As part of that approval, FORA's Board of Directors (the "Board") certified an Environmental Impact Report and adopted a Statement of Overriding Considerations after making the following findings:

- The Reuse Plan will provide for an improved and diversified retail and industrial economy and market that will generate employment and create financial stability;
- The Reuse Plan will provide moderate and upscale housing which will provide more affluent residents to the Cities of Seaside and Marina, thereby creating a housing stock with higher income families in these communities with larger disposable incomes;
- The Reuse Plan will provide additional tourist support facilities in Seaside and Marina, thereby contributing additional employment opportunities;
- The Reuse Plan will encourage and prioritize the development of projects that are regional in scale, thereby creating additional destination points on the Monterey Peninsula, and thereby enhancing the local economy;
- The Reuse Plan provides for the creation of various additional recreational facilities and open space that will enhance the quality of life for not only the residents of Seaside and Marina but all of the residents of the Peninsula;
- The Reuse Plan will attract and assist in retaining a pool of professional workers for the Peninsula;
- The Reuse Plan will assist in ensuring that the overall economic recovery of the Peninsula benefits the Cities of Del Rey Oaks, Monterey, Seaside, Marina, and the unincorporated areas of the County of Monterey in the vicinity of Fort Ord;
- The Reuse Plan will provide for additional and needed senior housing opportunities;
- The Reuse Plan will assist the communities of Seaside and Marina in the transition of their respective community images from dependent, military base extensions with transient military personnel to vital, independent, and self-actuated communities populated with permanent residents with long-term interests in the well-being of their respective communities; and
- The Reuse Plan will encourage development that will enhance the continued viability of California State University at Monterey Bay and the open space areas retained by the federal government through the Bureau of Land Management and conveyed to the California Department of Parks and Recreation.

- G.** FORA has committed and is obligated by the FORA Act, the Reuse Plan, and/or the California Environmental Quality Act (“CEQA”) to implement the Base-wide Mitigation Measures and incur the Base-wide Costs.
- H.** In the Reuse Plan, FORA identified revenues generated from sales and leases of real property within the former Fort Ord, FORA’s share of taxes on real property located within the former Fort Ord, and base-wide assessments or development fees, as the primary property-related sources of funding with which to implement the Base-wide Mitigation Measures and to pay the Base-wide Costs.
- I.** As is more fully described below, in connection with funding implementation of the Reuse Plan, FORA entered into multiple agreements with local, state, and federal entities, established a public financing mechanism, and prepared a Capital Improvement Program (“CIP”). The Reuse Plan carries a series of mitigative project obligations which were defined in Appendix B of the Public Facilities Implementation Plan (“PFIP”) adopted in 2001. The PFIP is available on the FORA website at www.fora.org or may be accessed on Exhibit B - Reference Documents attached hereto and incorporated by this reference. The PFIP served as the baseline CIP for the Reuse Plan. The CIP is reviewed on an annual basis and it is estimated that, of the expenses identified in the 2018-19 CIP, approximately \$194,500,000 will remain as obligations to be satisfied or otherwise appropriately addressed after FORA’s currently anticipated sunset in mid-2020. The most current CIP is available on the FORA website at www.fora.org or may be accessed on Exhibit B - Reference Documents attached hereto and incorporated by this reference.
- J.** As part of funding implementation of the Reuse Plan, FORA established in 2001 a Community Facilities District (“CFD”), through which special taxes on properties to be developed are collected. These special taxes (the “CFD Special Taxes”) are due and payable with respect to each parcel on issuance of a building permit relating to the property. The CFD Special Taxes are subject to annual adjustment, but when FORA ceases to exist the CFD Special Taxes may no longer be collected (unless as a result of legislative changes the authority to collect the existing CFD Special Taxes is extended). If (a) FORA’s sunset date is not extended or (b) the ability to extend collection of the CFD Special Taxes by one or more successor(s) to FORA is not provided (in each instance through the adoption of appropriate legislative changes) one of the costs to the region will be the inability to collect an estimated approximately \$72,000,000 that would otherwise be generated through continuation of the CFD Special Taxes imposed on already entitled development. A variety of replacement funding mechanisms are available, including but not limited to the potential for each of the underlying land use jurisdictions to create its own Community Facilities District through which special taxes on future development may be collected.
- K.** FORA entered into a Memorandum of Agreement for the No-Cost Economic Development Conveyance of former Fort Ord Lands (the “EDC MOA”), which was recorded on June 23, 2000 at Series No. 2000040124 in the Official Records of the Monterey County Recorder. The EDC MOA and its attendant amendments are referenced as items 78, 97 and 99 in Exhibit A attached hereto and incorporated by this reference. The EDC MOA provided the vehicle for the Army to transfer property to FORA without monetary consideration. The land transfer was conditioned on a requirement that any proceeds from the subsequent sale or leasing of the transferred real property must be applied to the economic development of the former Fort Ord. The real property transferred pursuant to the EDC

MOA may be referred to herein as the “EDC Property.” The Army also required that water available on the former Fort Ord be allocated in a fair and equitable manner among all of the various recipients of portions of the EDC Property.

- L.** In 2001, agreements were entered into between FORA on the one hand and the County of Monterey and each city receiving or anticipated to receive a portion of the EDC Property on the other hand, which agreements provided the basis for the orderly transfer of the EDC Property to the respective jurisdictions, the allocation of a fair and equitable share of the Base-wide Costs and the Base-wide Mitigation Measures to each of the recipients, and the allocation of available water to the recipients in a fair and equitable manner. These agreements, as they may have been amended to date and irrespective of whether they may be so captioned, may collectively be referred to herein as the “Implementation Agreements.” The Implementation Agreements are referenced as items 10 through 15 in Exhibit A attached hereto and incorporated by this reference. The Implementation Agreements form the starting point from which the Transition Plan Implementing Agreements contemplated to be entered into with the recipients of the EDC Property and discussed more fully below (the “Transition Plan Implementing Agreements”) shall be negotiated and developed for the mutual benefit of all recipients of the EDC Property and FORA’s successor(s), if any.
- M.** The Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”) applies to the closure of Fort Ord. The Army is obligated under CERCLA and other applicable federal and state law to remediate certain conditions at the former Fort Ord, including but not limited to by the removal of munitions and explosives. It was anticipated that an extensive amount of time would be needed for the Army to complete its cleanup of the former Fort Ord, based in part upon the contingent nature of Department of Defense funding and due to competing priorities for the use of available funds. Accordingly, in order for FORA to be able to receive the EDC Property early and facilitate an orderly and timely remediation of former Fort Ord lands, the Army and FORA entered into an early transfer agreement (referenced as item 36 in Exhibit A attached hereto and incorporated by this reference). Through a series of subsequent agreements between the Army, FORA, the U.S. Environmental Protection Agency, and the California Department of Toxic Substance Control remediation of munitions and explosives on the former Fort Ord proceeded. These agreements are referenced generally in Exhibit A as environmental services and more specifically at items 27, 36, 38, 41, 45 and 46 in Exhibit A attached hereto and incorporated by this reference. Although substantial progress has been made in the base cleanup, the remediation obligations will not be completed before the currently anticipated dissolution of FORA and all property transfers will not have occurred.
- N.** In 2016, the FORA Board chair convened a Transition Task Force to work on transition issues. On December 7, 2016, a majority of FORA’s Board members voted in support of seeking legislative extension of FORA’s sunset date as the best way to carry out the transfer and reuse of the base in a cooperative, coordinated, balanced, and decisive manner, as called for by Government Code section 67652. Again in 2017, the FORA Board chair convened a Transition Task Force to continue work on a transition plan. On November 17, 2017, a majority of FORA’s Board members voted that (in the event that legislative extension of FORA’s sunset date could not be obtained) the next best way to satisfy and fulfill the Base-wide Mitigation Measures and other obligations and commitments of FORA would be to provide for a single entity successor (such as a joint powers authority exercising regional oversight) to complete the Reuse Plan. The Board

noted that in order for such a successor entity to be able to continue collection of the CFD Special Taxes that are a significant element of the financing necessary to complete the Reuse Plan, legislative changes would be necessary and that in the absence of such legislation, ongoing contributions would need to be made in accordance with the approach embodied in the Implementation Agreements. In 2017, the FORA Board chair convened a Transition Ad Hoc Committee to continue working on a transition plan. All of the materials and presentations related to those meetings can be accessed on the FORA web page at <https://www.fora.org/TransitionProcess.html>, including without limitation, attorney opinions and memoranda, financial consultant analyses and staff analysis.

- O. Government Code section 67700(a) requires that FORA dissolve when eighty percent (80%) of the base has been developed or reused in a manner consistent with the Reuse Plan or on June 30, 2020, whichever first occurs. Government Code section 67700(b)(2) mandates as follows:

The board shall approve and submit a transition plan to the Monterey County Local Agency Formation Commission on or before December 30, 2018, or 18 months before the anticipated inoperability of this title pursuant to subdivision (a), whichever occurs first. **The transition plan shall assign assets and liabilities, designate responsible successor agencies, and provide a schedule of remaining obligations.** The transition plan shall be approved only by a majority vote of the board. (*Emphasis added*)

- P. Government Code section 67700(b)(1) provides as follows:

The Monterey County Local Agency Formation Commission shall provide for the orderly dissolution of the authority including ensuring that all contracts, agreements, and pledges to pay or repay money entered into by the authority are honored and properly administered, and that all assets of the authority are appropriately transferred. (*Emphasis added*)

BASED ON THE FOREGOING RECITALS AND FINDINGS AND DETERMINATIONS MADE HEREIN, the Board hereby approves the following Transition Plan for submission to the Monterey County Local Agency Formation Commission (“LAFCO”) on or before December 30, 2018:

Section 1 Preliminary Findings and Determinations:

1.1 Base-wide Costs and Base-wide Mitigation Measures:

The Board hereby finds and determines that the agreements, contracts and other items referred to in Exhibit A attached hereto and incorporated by this reference, together with each and all of the projects identified in the Reuse Plan and contained in the CIP, constitute Base-wide Costs and/or Base-wide Mitigation Measures and are required to be addressed by this Transition Plan as assets, liabilities, or obligations pursuant to Government Code section 67700.

1.2 California Environmental Quality Act:

The Board hereby finds and determines that in adopting this Transition Plan as required by Government Code section 67700 FORA is addressing the allocation of FORA’s assets, liabilities and obligations in advance of FORA’s ultimate dissolution without (a) amending any contemplated or approved land uses within the former Fort Ord, (b) abandoning or altering any Base-wide Mitigation Measures or any other mitigations that were required as a part of the adoption of the

Reuse Plan, (c) changing the Reuse Plan itself, (d) eliminating any Base-wide Costs or elements of the CIP, or (d) avoiding the satisfaction and fulfillment of any of FORA's other commitments, pledges, or promises (all of which may be collectively referred to herein as the "FORA Program"). Nothing in this Transition Plan is intended to change any part of the FORA Program that would have any impact on the environment. To the contrary and to the extent not already so contained, this Transition Plan requires each jurisdiction to include all mitigations in its Capital Improvement Program (subject to Constitutional or other limitations imposed by applicable law on such jurisdiction's funding obligations). Following FORA's ultimate dissolution, any changes to the FORA Program or any part thereof will be made by the respective land use jurisdiction(s) and any successor(s) to FORA only after full compliance with all applicable laws, including but not limited to CEQA. Accordingly, the Board hereby finds and determines that this Transition Plan is not a project under CEQA and/or is exempt as a mere change in the organization of governmental agencies which does not change the geographical area in which previously existing powers were exercised.

1.3 Revenue Sharing and Financial Contribution:

The Board hereby finds and determines that the Implementation Agreements with the Cities of Marina, Seaside, Monterey, and Del Rey Oaks and the County of Monterey require that each of such entities continue to pay its fair and equitable share of the cost of the FORA Program (in accordance with the formulas expressed therein and subject to Constitutional or other limitations imposed by applicable law on such jurisdiction's funding obligations) until all Base-wide Costs and Base-wide Mitigation Measures have been fully paid and satisfied.

1.4 Reuse Plan and Master Resolution:

The Board hereby finds and determines that all the underlying land use jurisdictions have or will have general plans which have been found consistent with the Reuse Plan and therefore there is no need to record the Reuse Plan or its policies. The Board further finds and determines that the policies contained in the Master Resolution should be continued and enforced following FORA's dissolution and, in order to preserve a permanent record of those policies, directs staff to record the Master Resolution in its entirety not less than one (1) month prior to the anticipated dissolution of FORA. The Master Resolution may be accessed on Exhibit B - Reference Documents attached thereto and incorporated by this reference. In particular, the Board finds that the prevailing wage policy established in 1996 to promote equitability and fairness to all workers on the former Fort Ord should be sustained in the completion of the former Fort Ord recovery program.

1.5 Funding of Habitat Protection:

The Board hereby finds and determines that regional, integrated base-wide habitat protection is best funded by the CFD Special Taxes or substantially similar base-wide replacement funding mechanisms. The Board has identified and set aside approximately 30.2% of collected CFD Special Taxes to be applied toward base-wide habitat management and finds that any replacement funding mechanism should be designed to generate similar levels of revenue for such purposes.

1.6 Environmental Services Cooperative Agreement:

The Board hereby finds and determines that the long term stewardship obligations and related monitoring identified by the Army for its munitions removal activities are crucial to the future success of the recovery program. The Board further finds that following the dissolution of FORA the current full time staffing of the Environmental Services Cooperative Agreement ("ESCA")

should be continued and sustained through the anticipated termination of the ESCA in 2028 either by the County of Monterey or the City of Seaside as single successor to FORA for the purposes of the ESCA or by assignment of the ESCA to a joint powers authority formed by both of them.

1.7 Building Removal:

The Board hereby finds and determines that former Fort Ord remnant, non-historic, and abandoned Army structures, not obligated to be removed under the CIP, are a barrier to the success of the overall recovery and reuse program and a nuisance to quiet enjoyment of the region's assets. The Board further finds that an extension of the FORA Act to sustain resources such as land sales revenue and property tax revenues that can be applied to this significant barrier to recovery is an important transition component. The Board, therefore, recommends consideration by the Legislature of an extension of the FORA Act to meet this blight eradication need.

1.8 Transportation and Transit:

The Board hereby finds and determines that completion of the on-base Fort Ord Transportation Network and Transit projects that have been identified in the CIP are essential to the long term success of the economic recovery of the reuse. The Board further finds that extension of the CFD Special Taxes or the implementation of substantially similar replacement funding mechanisms for the purpose of revenue generation and revenue sharing would be the best long term way to collect and share revenues to fund the transportation network for the on-site, off-site and regional projects because a replacement regional transportation fee may not be imposed on already approved development projects in the absence of written consent by the developers to do so.

1.9 Water and Wastewater:

The Board hereby finds and determines that it has made water allocations in accordance with its obligation under the EDC MOA to ensure a fair and equitable water supply to all property recipients and imposed those requirements in the Implementation Agreements. The Board further finds that the Implementation Agreements may need to be enforced if any jurisdiction's approved developments exceed the jurisdiction's approved water allocation. In addition, the Board finds that transferring the obligation to finance water augmentation, water, and wastewater infrastructure to Marina Coast Water District ("MCWD") to implement the Reuse Plan is appropriate at FORA's dissolution. To the extent that MCWD is unable to impose and/or collect revenues to replace the revenues generated by the CFD Special Taxes, the Board finds that continuation of the CFD Special Taxes (or implementation of a substantially similar replacement source of revenue) allows for funds to reduce connection and other costs imposed by MCWD.

Section 2 Assignment of Assets, Liabilities, and Obligations:

2.1 Assets and Disposition Thereof:

FORA's principal assets are comprised of the following:

2.1.1 Section 115 Trust: In April 2018, the Board authorized the establishment of a Section 115 trust and funded the trust with \$5,700,000 (which is currently earning returns at an average annualized rate in excess of 2%). Funds held in the trust may be used only for retirement purposes. At or before FORA's dissolution, all funds held in the trust will be applied to the satisfaction or reduction of the unfunded pension liability under the CalPERS contract. To the extent that funds held in the trust are insufficient to fully satisfy the unfunded pension liability under the CalPERS contract, FORA's reserve funds and/or other

funds available to FORA shall be applied so as to fully satisfy the unfunded pension liability under the CalPERS contract (and thereby assure that FORA's member jurisdictions and any successor(s) to FORA are not exposed to liability for any unfunded pension liability relating to the CalPERS contract following FORA's dissolution).

2.1.2 Retirement Reserve Funds: Although not irrevocably committed to use for retirement purposes and available to meet FORA's other needs, FORA holds funds identified for retirement reserves in the current approximate aggregate amount of \$1,000,000. Those funds shall be reviewed in 2020, allocations shall be made, and the funds shall be applied or distributed at or before FORA's dissolution in accordance with the approved FORA budget for that year.

2.1.3 Litigation Reserve Funds: Although not irrevocably committed to use for litigation or indemnification purposes and available to meet FORA's other needs, FORA holds funds identified for indemnification of LAFCO in the current approximate aggregate amount of \$300,000. Those funds are intended to cover the cost of any litigation or indemnification obligation now or still pending immediately before FORA's dissolution. Section 3, herein below directs that FORA staff bring back information on acquisition of insurance policies to cover Transition Plan litigation costs, among other costs, and funds set aside may be used to acquire such policy (ies). In the event that as of immediately prior to FORA's dissolution no such litigation or indemnity obligation is pending, the unexpended balance of such reserves shall be applied to capital improvement program projects in accordance with the Final 2020 Capital Improvement Program and/or distributed in accordance with Transition Plan Implementing Agreements. If as of immediately prior to FORA's dissolution any litigation or indemnity obligation is pending against FORA but the County of Monterey is not an adverse party to FORA thereunder, then the unexpended balance of such reserves shall be distributed to the County of Monterey in trust for the satisfaction of expenses or indemnity obligations relating to such pending litigation and any unexpended balance of such reserves remaining after the conclusion of such litigation and satisfaction of such obligation shall be applied to capital improvement program projects in accordance with the final 2020 Capital Improvement Program priorities. If as of immediately prior to FORA's dissolution any litigation or indemnity obligation is pending against FORA but the County of Monterey is an adverse party to FORA thereunder, then the unexpended balance of such reserves shall be distributed as directed by the Presiding Judge of the Superior Court of the County of Monterey to be held in trust for the satisfaction of expenses or indemnity obligations relating to such pending litigation and any unexpended balance of such reserves remaining after the conclusion of such litigation and satisfaction of such obligation shall be returned to the County to apply to capital improvement program projects in accordance with the final 2020 Capital Improvement Program priorities.

2.1.4 Habitat Funds: It is estimated based on the current rate of collections and earnings that by June 30, 2020 FORA will hold approximately \$21,000,000 in funds dedicated to habitat conservation. All such funds accumulated before FORA's dissolution shall be transferred in the following order of priority. If before FORA's dissolution a Habitat Conservation Plan Cooperative joint powers authority (the "HCP Cooperative") has been established, all of the habitat conservation funds held by FORA immediately prior to FORA's dissolution shall be transferred in their entirety to the HCP Cooperative for use in connection with the base-wide Habitat Conservation Plan for Fort Ord being administered by the HCP Cooperative. If no HCP Cooperative is then in existence, but a joint powers authority has been formed for the management of Habitat Management Areas within the

former Fort Ord, then a portion of the habitat conservation funds held by FORA immediately prior to FORA's dissolution shall be transferred to the joint powers authority for use in connection with the management of Habitat Management Areas within the former Fort Ord and the remainder in a program for incidental take permits for future development. If no HCP Cooperative or other joint powers authority for the regional management of Habitat Management Areas within the former Fort Ord is in existence prior to September 2019, then FORA shall prepare a program to distribute funds as between long term management of the habitat management areas (HMA) on the one hand and incidental take permits for future development.

2.1.5 Capital Improvement Funds: All CFD Special Taxes collected and remaining unexpended immediately prior to FORA's dissolution shall first be directed to completing in progress construction projects (such as South Boundary Road) as identified in FORA's final year CIP. Any CFD Special Taxes collected and remaining unexpended immediately prior to FORA's dissolution shall next be directed to completing other projects as identified in FORA's final year CIP. These capital improvement funds shall be transferred to the jurisdiction assigned responsibility for completing construction of the respective project, which shall be the jurisdiction in which the majority of the project is located if that jurisdiction has an executed Transition Plan Implementing Agreement. If there is no Transition Plan Implementing Agreement, those funds shall be redistributed to those jurisdictions with Transition Plan Implementing Agreements in proportion to the priorities of each project in the final year CIP unless provided otherwise in a Transition Plan Implementing Agreement.

2.1.6 Other Funds: All funds in FORA's other accounts, petty cash, un-deposited checks, and other cash equivalents held by FORA immediately prior to FORA's dissolution shall be applied and distributed according to Section 2.1.5 for funds generated by the CFD Special Taxes, land sales revenues and/or property tax revenues. Funds related to the general administration of FORA, such as insurance refunds or other general fund revenues remaining unexpended or unallocated immediately prior to FORA's dissolution, shall be used first to address any unfunded administrative liabilities and only after the full satisfaction of such administrative liabilities shall any remaining balance of such funds be applied and distributed according to Section 2.1.5.

2.1.7 ESCA Reimbursement: An estimated approximately \$6,800,000 in potential reimbursement is available for work conducted under the ESCA. Unless otherwise provided in Transition Plan Implementing Agreements entered into by the County of Monterey and the City of Seaside and approved by FORA, all rights under the ESCA shall be assigned to the County, which shall be deemed the successor to FORA for the purposes of the ESCA; provided, however, that the assignment shall be subject to approval by the Army. In the event that the assignment is not approved by the Army, then whichever jurisdiction(s) is/are acceptable to the Army shall become the successor(s) to FORA for the purposes of the ESCA and all rights under the ESCA shall be deemed assigned to such jurisdiction(s).

2.1.8 Miscellaneous Personal Property: Any of FORA's office furniture and equipment, supplies, and other personal property remaining as of FORA's dissolution shall be transferred to the County of Monterey in trust for prompt sale or disposition in accordance with any applicable rules or requirements for the transfer of surplus property by a California public entity. Any proceeds from such transfer shall first be directed to any shortfall in funds available to satisfy liabilities or obligations unrelated to projects described in FORA's

final year CIP. After the full satisfaction of all such liabilities and obligations any remaining proceeds shall next be directed toward projects described in FORA’s final year CIP for which FORA was serving as the lead. Any proceeds remaining thereafter shall next be directed to other projects described in FORA’s final year CIP. If any proceeds remain after the completion of all projects described in FORA’s final year CIP, such proceeds shall be distributed to all the member jurisdictions in proportion to their voting percentages in FORA as set forth in Section 2.1.9 below.

2.1.9 Proportional Distributions: Where this Transition Plan provides that assets or proceeds shall be distributed to all the member jurisdictions in proportion to their voting percentages in FORA, such distributions shall be made in the following percentages.

City of Carmel-by-the-Sea	7.69%
City of Del Rey Oaks	7.69%
City of Marina	15.38%
City of Monterey	7.69%
City of Pacific Grove	7.69%
City of Salinas	7.69%
City of Sand City	7.69%
City of Seaside	15.38%
County of Monterey	23.1%
	100%

2.1.10 Condition to Entitlement to Proportional Distributions: Notwithstanding any provisions of this Transition Plan calling for any distribution of assets or proceeds to all the member jurisdictions in proportion to their voting percentages in FORA, no jurisdiction having land use jurisdiction over or holding property within any portion of the former Fort Ord shall be entitled to receive any portion of any proportional distribution of assets or proceeds unless such jurisdiction has entered into a Transition Plan Implementing Agreement approved by FORA.

2.1.11 Real Property: FORA is obligated to cause certain former Fort Ord property to be transferred to the underlying land use jurisdictions in accordance with the federal “Pryor Amendment” and as authorized by Section 67678(a) of the FORA Act. Additionally, FORA is entitled to receive certain easements to enable implementation of the Reuse Plan. See item 97 in Exhibit A attached hereto and incorporated by this reference. As of the anticipated date of dissolution of FORA, not all real property interests will have transferred. Upon FORA’s dissolution and the repeal of the FORA Act, the principal local public agent for acquisition, disposition and sale of real property transferred from the Army will need to be re-established through state legislation and/or federal designation and assignment of contractual rights. In particular, the landfill parcel currently located within the unincorporated portion of the County of Monterey but within the sphere of influence of the City of Marina will not transfer until sometime after 2022. Currently, the County is obligated to take the landfill parcel. See item 10 in Exhibit A attached hereto and incorporated by this reference. FORA staff shall seek all necessary legislation and approvals from the state and federal governments to enable the landfill parcel to be directly transferred to the County of Monterey or its designee. Except as may be provided in a Transition Plan Implementing Agreement approved by FORA, the County shall make such designation not less than twelve (12) months prior to the anticipated date of FORA’s dissolution, in order to allow sufficient time for all necessary legislation and approvals from the state and federal

governments to be obtained before FORA's dissolution. If the County fails to timely specify a designee to receive the landfill parcel, the Army shall transfer the landfill parcel directly to the County of Monterey.

2.1.12 Insurance Policies: FORA is insured under those policies of insurance referenced in Exhibit A attached hereto and incorporated by this reference. Except to the extent specifically provided to the contrary in this Transition Plan, FORA shall not keep any of such policies of insurance in force beyond the date of FORA's dissolution.

2.2 Liabilities and Obligations and Assignment Thereof:

FORA's principal liabilities and obligations include the following:

2.2.1 Unfunded Pension Liability under CalPERS Contract: Based on the latest available communication from CalPERS, FORA's unfunded terminated agency liability is anticipated to range from \$7,793,230 to \$9,333,172.¹ FORA staff shall take such action as is necessary to cause CalPERS to issue an actuarial analysis of FORA's unfunded terminated agency liability not less than six (6) months prior to the anticipated dissolution of FORA. By this Transition Plan FORA commits that if there is a shortfall between the amount of the actuarial analysis and the amounts in the Section 115 Trust to retire all the liability FORA shall expend and encumber such additional funds as are necessary to fully discharge this liability, including without limitation by applying monies on hand in the FORA accounts and/or encumbering future property tax revenues pursuant to Health and Safety Code section 33492.71. The County shall continue to accrue such property tax revenues in FORA's account until all of its recognized debts have been retired. CalPERS is able to enter into a payment plan not to exceed five (5) years to satisfy such liability.

2.2.2 Habitat Funds: See Section 2.1.4 hereinabove.

2.2.3 Capital Improvement Funds: See discussion in Section 2.1.5 hereinabove.

2.2.4 ESCA Reimbursement: In order to obtain reimbursement under the ESCA, the work described therein must be performed. Unless otherwise provided in Transition Plan Implementing Agreements entered into by the County of Monterey and the City of Seaside and approved by FORA, all liabilities and obligations under the ESCA shall be assigned to the County, which shall be deemed the successor to FORA for the purposes of the ESCA; provided, however, that the assignment shall be subject to approval by the Army. In the event that the assignment is not approved by the Army, then whichever jurisdiction(s) is/are acceptable to the Army shall become the successor(s) to FORA for the purposes of the ESCA and all liabilities and obligations under the ESCA shall be deemed assigned to such jurisdiction(s).

2.2.5 Building Removal: In the absence of a consolidated building removal program and/or legislative solution to the issue of blight, any building removal not required under the CIP shall after FORA's dissolution be addressed, if at all, by the jurisdictions in which the offending buildings are located after compliance with all applicable laws. To the extent that jurisdictions wish to jointly address regional blight, revenue sharing may be addressed in Transition Plan Implementing Agreements but no jurisdiction shall be compelled to participate in such revenue sharing without its consent.

¹ Note, these amounts do not include approximately \$1.6M in payments not yet posted to the CalPERS numbers and will be refined upon receiving the CalPERS final actuarial analysis.

2.2.6 Transportation and Transit: For all of those Fort Ord Transportation Network and Transit projects in which FORA is not the designated lead agency and that have not been completed by the date of FORA's dissolution, the responsibility to generate and/or collect revenues from the other member agencies and complete construction will rest with the lead agency. For those projects in which FORA is the lead agency and that have not been completed by the date of FORA's dissolution, responsibility to generate and/or collect revenues and to complete construction is assigned by this Transition Plan to the underlying jurisdiction in which the majority of the project is situated, unless otherwise provided in a Transition Plan Implementing Agreement approved by FORA. FORA's 2018-19 CIP projects that \$132,346,818 will remain to be funded for FORA's share of the transportation network for on-site, off-site, regional, and transit improvements after June 30, 2020. This Transition Plan assigns funding responsibility in the following manner based on projected CFD Special Taxes to be collected on the former Fort Ord: \$59,026,681 (44.6% of the cost) to the City of Marina, \$28,983,953 (21.9%) to City of Seaside, \$22,234,265 (16.8%) to City of Del Rey Oaks, \$13,234,682 (10%) to County of Monterey, \$8,602,543 (6.5%) to University of California, and \$264,694 (0.2%) to City of Monterey. Funding responsibilities may be adjusted or offset based upon a jurisdiction's actual construction of a transportation project, participation in a regional traffic impact fee funding program, contribution agreements with other jurisdictions, receipt of inter-governmental grant funding and/or implementation of other funding mechanisms that fully replace the funding responsibility as outlined above. The schedule for implementing these obligations shall be as outlined in the jurisdiction's Capital Improvement Program or as otherwise provided in a Transition Plan Implementing Agreement approved by FORA, or if not so addressed, then as provided in FORA's final year CIP. All future projects will be subject to compliance with all applicable law as it exists at the time of project approval and implementation. Any required project-specific CEQA review or compliance shall be the responsibility of the designated lead agency.

2.2.7 Water/Wastewater: This Transition Plan hereby assigns to MCWD, effective as of the dissolution of FORA, FORA's rights of enforcement under the Implementation Agreements regarding water allocations. In the event that any jurisdiction's approved developments exceed the jurisdiction's approved water allocation, MCWD may decline to issue any further water connection permits until the offending jurisdiction brings its water allocation into compliance or MCWD develops or obtains access to an augmented water supply sufficient to cover any excess. FORA's 2018-19 CIP projects that \$17,098,686 will remain to be funded for base-wide water augmentation improvements after June 30, 2020. This Transition Plan assigns the funding responsibility for such improvements in the following manner based on projected CFD Special Taxes to be collected on former Fort Ord property: \$7,626,014 (44.6% of the cost) to the City of Marina, \$3,744,612 (21.9%) to City of Seaside, \$2,872,579 (16.8%) to City of Del Rey Oaks, \$1,709,869 (10%) to County of Monterey, \$1,111,415 (6.5%) to University of California, and \$34,197 (0.2%) to City of Monterey. The above funding responsibility shall be equitably reallocated in the event that MCWD is unable to serve augmented water in the amounts necessary to implement the any jurisdiction's planned development due to pumping or other limitations. Except as set forth in the preceding sentence or in a Transition Plan Implementing Agreement approved by FORA, jurisdictions may alter their water allocations as identified in the Implementation Agreements only by written agreement with other jurisdictions. Upon its receipt of such an agreement altering the water allocations as between two or more jurisdictions, MCWD shall

honor the agreement as though it was the allocation set forth in the Implementation Agreements.

2.2.8 Other Contracts and Agreements: Attached as Exhibit A to this Transition Plan are references to a compilation of contracts and other documents and/or commitments relevant to the FORA program and the dissolution of FORA. Some of these contracts, documents or commitments may be completed, revised, replaced, or superseded prior to the dissolution of FORA and additional contracts, documents or commitments may be entered into before FORA dissolves. FORA staff shall endeavor to keep Exhibit A current and shall provide quarterly updates to the Board regarding any changes. FORA's outstanding contractual obligations reflected on Exhibit A are hereby assigned as set forth in Exhibit A.

2.2.9 Late Discovered Items: To the extent that any contractual obligation is discovered during the LAFCO review and/or implementation of this Transition Plan or a Transition Plan Implementing Agreement, those contractual obligations shall be assigned as follows: If the obligation is related to the use of real property, it shall be assigned to the underlying land use jurisdiction unless otherwise provided in a Transition Plan Implementing Agreement approved by FORA. If the liability or obligation is unrelated to the use of real property, either FORA or LAFCO shall notify the appropriate insuring entity or the County, and/or shall expend and encumber such additional funds as are necessary to fully discharge any liability, including without limitation by applying monies on hand in the FORA accounts and/or encumbering future property tax revenues pursuant to Health and Safety Code section 33492.71. The County shall continue to accrue such property tax revenues in FORA's account until all of its recognized debts have been retired.

Section 3 Insurance:

3.1 Transition Plan Insurance:

FORA staff is directed to explore the availability and cost of a policy of insurance providing coverage for litigation that may arise against FORA, FORA's member jurisdictions, and/or LAFCO in connection with this Transition Plan, the assignments made pursuant hereto, the dissolution of FORA, or the designation of one or more entities as successor(s) to FORA and to report the results of such investigation to the Board no later than March 2019. The Board reserves the right to obtain such an insurance policy if it provides appropriate coverage and is not cost prohibitive in the judgment of the Board.

3.2 Tail Coverage:

FORA staff is directed to explore the availability and cost of an endorsement, rider, or policy of general liability insurance extending the reporting period and coverage of such insurance for the benefit of FORA's member jurisdictions and any successor(s) to FORA and to report the results of such investigation to the Board no later than March 2019. The Board reserves the right to obtain such an insurance policy if it provides appropriate coverage and is not cost prohibitive in the judgment of the Board.

Section 4 Implementation Agreements and Transition Plan Agreements:

4.1 Projects in the CIP:

Pursuant to the authority granted by the Legislature in Government Code 67700(b)(2), the Board hereby designates all projects identified in the CIP as obligations required to be assigned by this Transition Plan in accordance with the formulas set forth in the Implementation Agreements as

they may be modified by Transition Plan Implementing Agreements. The preferred method of evidencing such assignment is by the entry into Transition Plan Implementing Agreements, which can allow the jurisdictions choice and flexibility in exactly how the assigned obligations will be funded and carried out.

4.2 Transition Plan Implementing Agreements:

In order to continue to foster regional cooperation and completion of the FORA program, the Board requests that each affected entity and/or land holding member jurisdiction enter into a Transition Plan Implementing Agreement addressing how the respective jurisdiction will generate revenues to meet its obligations as assigned by this Transition Plan, revenue sharing provisions between those that will generate revenues and those implementing CIP projects, and such other matters as may be required to implement this Transition Plan, together with a schedule of when the jurisdiction will complete said actions. Notwithstanding that this Transition Plan requests that each member jurisdiction establish, adopt or participate in one or more replacement funding mechanism(s) and revenue sharing agreements that address all parts of FORA's final year CIP, this Transition Plan does not specify any specific mechanism. Rather, it only recommends that any replacement mechanism be collected on a pay as you go basis and that all FORA CIP projects located within a jurisdiction be included in the jurisdiction's Capital Improvement Program. If any jurisdiction chooses not to perform, include, or address any such project, such jurisdiction shall comply with the requirements of all applicable laws, including but not limited to by making such analysis and taking such action as CEQA may require in connection with such change. The Board strongly encourages all underlying jurisdictions with future prospective development to form Community Facilities Districts (or adopt substantially similar replacement funding mechanisms) to replace the revenues which would have been raised by the CFD Special Taxes. Additionally, the Board encourages member jurisdictions to include in documents about future projects language which will obligate future development projects to pay a CFD Special Tax (or substantially equivalent replacement fees).

4.3 Escrow:

In the absence of a FORA approved Transition Plan Implementing Agreement, all revenues required to be contributed by a jurisdiction pursuant to its Implementation Agreement shall be paid into an escrow account established for the purpose of sharing revenues and managed by a majority vote of a panel of representatives appointed by the land holding jurisdictions, with each land holding jurisdiction appointing a single member to serve until a successor is appointed by the respective appointing jurisdiction.

4.4 Litigation Management:

In the absence of either (a) FORA approved Transition Plan Implementing Agreements entered into with each of the land holding jurisdictions identifying a successor or successors in interest to FORA relative to post FORA litigation or (b) an agreement entered into by all of the land holding jurisdictions that post FORA litigation may be managed by any one or more, but less than all, of the land holding jurisdictions, any post FORA litigation shall be managed by a majority vote of a panel of representatives appointed by the land holding jurisdictions, with each land holding jurisdiction appointing a single member to serve until a successor is appointed by the respective appointing jurisdiction.

4.5 Power to Assign:

If by the time of FORA's dissolution Transition Plan Implementing Agreements have not been entered into by all of the relevant jurisdictions or have not been approved by FORA, the assignments of assets, liabilities and obligations described in this Transition Plan shall be imposed pursuant to Government Code 67700 and LAFCO shall handle such assignments as though they were conditions of special district dissolution imposed pursuant to Government Code section 56886 and use all of LAFCO's powers to enforce such assignments, including but not limited to by using enforcement powers under Government Code sections 56122 or 67700 as to the member jurisdictions. If a final judgment of a court having jurisdiction over the matter results in a determination that the FORA Act, including but not limited to Government Code 67700(b)(2), does not provide FORA with the requisite authority to make the assignments set forth in this Transition Plan, then LAFCO "shall provide for the orderly dissolution of the authority including ensuring that all contracts, agreements, and pledges to pay or repay money entered into by the authority are honored and properly administered, and that all assets of the authority are appropriately transferred" as required by Government Code 67700(b)(1) through the exercise of LAFCO's powers under the FORA Act, the Cortese-Knox-Herzberg Local Government Reorganization Act of 2000, and LAFCO's other relevant powers. If LAFCO refuses to agree impose such assignments as conditions to the dissolution of FORA and the transfer of its assets in accordance with this Transition Plan, then FORA shall seek such judicial clarification and/or legislative amendments as may be necessary to (a) clarify or establish FORA's and/or LAFCO's ability and/or duty to impose such assignments in connection with the dissolution of FORA or (b) extend the date of FORA's sunset so as to allow fulfillment of the mitigations, satisfaction of the obligations, and the completion of the elements of FORA Program which have not effectively been assigned to or accepted by the objecting jurisdictions.

4.6 LAFCO Review:

If LAFCO finds that this Transition Plan does not provide adequate guidance to LAFCO regarding assignment of FORA's assets and liabilities, designation of responsible successor agencies, or identification of remaining obligations in keeping with the requirements of Government Code section 67700, the Board requests that LAFCO return the Transition Plan with LAFCO's identified deficiencies at the earliest possible time (to enable possible further consideration and action by the Board).

4.7 Reserved Right of Modification:

This Transition Plan includes the opportunity for continued regional cooperation by all affected jurisdictions to enter into a Transition Plan Implementing Agreement subject to FORA approval to implement this Transition Plan. This Transition Plan may be modified by the Board upon the receipt of an executed Transition Plan Implementing Agreement approved by FORA, if the Board finds a revision to this Transition Plan necessary and appropriate. The Board also reserves the right to make modifications based upon receipt of regional agreements which address matters such as future financing mechanisms to support completion of the FORA Program, additional factual information or refinements provided by FORA staff during quarterly updates, regional revenue sharing arrangements, or plans for coordinated completion of CIP elements or projects, in each instance approved by FORA. Such modifications of this Transition Plan shall be transmitted forthwith to LAFCO for its processing.

NOW THEREFOR, THE BOARD HEREBY RESOLVES AS FOLLOWS:

1. As outlined above, this Resolution and its provisions constitute the Transition Plan required by Government Code section 67700(b); and
2. The Board hereby makes all assignments in accordance with Government Code section 67700(b) by approving this Transition Plan and intends that those assignments be implemented preferably through Transition Plan Implementing Agreements but in the absence of executed Transition Plan Implementing Agreements approved by FORA then as assignments and conditions of dissolution, as though they were imposed pursuant to Government Code sections 56886 and 67700(b); and
3. The Board hereby finds that as adopted herein, the Transition Plan is not a project subject to CEQA and/or is exempt and directs staff to prepare and file the appropriate notice(s) required by CEQA.
4. The Board further directs staff to provide regular and quarterly updates on the implementation of this Transition Plan, including without limitation, bringing forth future implementing actions, status of Transition Plan Implementing Agreements, any LAFCO information or requests, and any subsequent information that might affect this Transition Plan.

Upon motion by Board member ---- seconded by Board member ---- the foregoing Resolution was passed on this _____ day of November, 2018, by the following vote:

AYES:
NOES:
ABSTENTIONS:
ABSENT:

Mayor Ralph Rubio, Chair

ATTEST:

Michael A. Houlemard, Jr., Clerk

GLOSSARY

“Army” means the United States Army.

“Base-wide Costs” means the estimated costs identified in the Base Reuse Plan for the following: FORA Reuse Operations, Net Jurisdictional Fiscal Shortfalls, Caretaker Costs, and Demolition. The Basewide Costs are more particularly described in the Fort Ord Comprehensive Business Plan and the Findings attached to the Base Reuse Plan and included in the current FOR A Capital Improvement Program.

“Base-wide Mitigation Measures” means the mitigation measures identified in the Base Reuse Plan. Basewide Mitigation Measures include: basewide transportation costs; habitat management capital and operating costs; water line and storm drainage costs; FORA public capital costs; and fire protection costs. The Basewide Mitigation Measures are more particularly described in the Fort Ord Comprehensive Business Plan, described in Section 1 (f), the Development and Resource Management Plan, and the Findings attached to the Base Reuse Plan.

“Base Reuse Plan” means the Fort Ord Base Reuse Plan and its accompanying environmental impact report adopted and certified by the FORA Board in June 1997 to guide the reuse of the former Fort Ord, all as amended from time to time.

“Board” means the governing board of the Fort Ord Reuse Authority, as specified in Government Code section 67660.

“CalPERS” means the California Public Employees’ Retirement System.

“CEQA” means the California Environmental Quality Act, as amended to date (Public Resources Code section 21000 and following).

“CERCLA” means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, commonly known as Superfund, as amended to date (42 U.S. Code Chapter 103 and following).

“CFD” means a Community Facilities District within the former Fort Ord formed pursuant to the Mello-Roos Community Facilities Act of 1982, as amended to date (Government Code section 53321 and following).

“CFD Special Taxes” means the special taxes collected through the Community Facilities District on properties to be developed within the former Fort Ord.

“CIP” means a Capital Improvement Program adopted by the Fort Ord Reuse Authority.

“EDC MOA” means the Memorandum of Agreement for the No-Cost Economic Development Conveyance of former Fort Ord Lands, which was recorded on June 23, 2000 at Series No. 2000040124 in the Official Records of the Monterey County Recorder.

“EDC Property” means the real property transferred pursuant to the Memorandum of Agreement for the No-Cost Economic Development Conveyance of former Fort Ord Lands, which was recorded on June 23, 2000 at Series No. 2000040124 in the Official Records of the Monterey County Recorder.

“ESCA” means the Environmental Services Cooperative Agreement entered into between the United States Army and the Fort Ord Reuse Authority, as amended to date.

“FORA Act” means, collectively, SB 899 and AB 1600 adopted in 1994 and amended in 2012, as codified at (i) Government Code Title 7.85, Chapters 1 through 7, commencing with Section 67650, and (ii) selected provisions of the California Redevelopment Law, including Health and Safety Code Sections 33492 et seq. and 33492.70 et seq.

“LAFCO” means the Monterey County Local Agency Formation Commission.

“FORA” means the Fort Ord Reuse Authority.

“FORA Act” means the Fort Ord Reuse Authority Act, as amended to date (Government Code section 67650 and following).

“FORA Program” has the meaning given in Section 1.2.

“FORG” means the Fort Ord Reuse Group organized by local governments and potential property recipients to initiate recovery planning regarding the impending downsizing/closure of the former Fort Ord.

“Fort Ord,” including references to the territory or area of Fort Ord or the former Fort Ord, means the geographical area described in the document entitled “Description of the Fort Ord Military Reservation Including Portion of the Monterey City Lands Tract No. 1, the Saucito, Laguna Seca, El Chamisal, El Toro and Noche Buena Ranchos, the James Bardin Partition of 1880 and Townships 14 South, Ranges 1 and 2 East and Townships 15 South, Ranges 2 and 3 East, M.D.B. and M. Monterey County, California,” prepared by Bestor Engineers, Inc., and delivered to the Sacramento District Corps of Engineers on April 11, 1994 or the military base formerly located on such land, as the context requires.

“HCP Cooperative” means a joint powers authority contemplated to be established to administer a habitat conservation program at the former Fort Ord.

“Implementation Agreements” means agreements entered into beginning in 2001 between the Fort Ord Reuse Authority on the one hand and the County of Monterey and each city receiving or anticipated to receive a portion of the EDC Property on the other hand, as such agreements may have been amended to date.

“Master Resolution” means the collection of administrative rules and regulations adopted by FORA under the Authority Act, as amended. For your convenience link 5 on Exhibit B, is the most recent Master Resolution.

“MCWD” means the Marina Cost Water District.

“PFIP” means the Public Facilities Implementation Plan adopted by the Fort Ord Reuse Authority in 2001.

“Reuse Plan” means the plan for the future use of the former Fort Ord adopted pursuant to Government Code section 67675, as amended to date.

“Strategy Report” means the June 1992 report prepared by the Fort Ord Community Task Force in order to develop recommendations for moving forward with a recovery effort relating to the closure of the former Fort Ord.

“Task Force” means the Fort Ord Community Task Force formed in order to develop recommendations for moving forward with a recovery effort relating to the closure of the former Fort Ord.

“Transition Plan Implementing Agreements” means the agreements contemplated to be entered into with the land use jurisdictions to implement the provisions of the Transition Plan.

Administrative

	CONTRACTS	YEAR	AGREEMENT LINK	ASSET/LIABILITY PLEDGE/OBLIGATION	MULTI-AGENCY	MULTI-AGENCY NOTES
1	CalPERS Contract	1997	http://b77.402.myftpupload.com/wp-content/uploads/1-CalPERS-Contract.pdf	Liability	All Voting Members	*FORA has set aside approximately \$7M in assets to address terminated agency unfunded Liability
2	CalPERS Contract Amendment 1	1999	http://b77.402.myftpupload.com/wp-content/uploads/2-CalPERS-Contract-Amendment-1.pdf	Liability	All Voting Members	*FORA has set aside approximately \$7M in assets to address terminated agency unfunded Liability
3	CalPERS Contract Amendment 2	2003	http://b77.402.myftpupload.com/wp-content/uploads/3-Cal-PERS-Contract-Amendment-2.pdf	Liability	All Voting Members	*FORA has set aside approximately \$7M in assets to address terminated agency unfunded Liability
4	LAFCO Indemnification Agreement	2018	http://b77.402.myftpupload.com/wp-content/uploads/4-Indemnification-Agreement-LAFCO-and-FORA-DRAFT-02-28-18.pdf	Liability	All Voting Members	May require a substantial contribution should LAFCO be sued on transition plan
5	General Umbrella Policy	Annual		Liability/Asset	All Members*	May want to extend policy to provide coverage during any possible Statute of limitations time period
6	Commercial Property/Premises Liability	Annual	http://b77.402.myftpupload.com/wp-content/uploads/6-Commercial-Property-Premises-Liability.pdf	Liability/Asset	All Members*	May want to extend policy to provide coverage during any possible Statute of limitations time period
7	Worker's Compensation Policy	Annual	http://b77.402.myftpupload.com/wp-content/uploads/7-Workers-Compensation-Policy.pdf	Liability/Asset	All Members*	May want to extend policy to provide coverage during any possible Statute of limitations time period
8	Director's Liability Policy	Annual	http://b77.402.myftpupload.com/wp-content/uploads/8-Directors-Liability-Policy.pdf	Liability/Asset	All Members*	May want to extend policy to provide coverage during any possible Statute of limitations time period
9	Crime Bond Policy	2006	http://b77.402.myftpupload.com/wp-content/uploads/9-Crime-bond-Policy.pdf	Liability/Asset	All Members*	May want to extend policy to provide coverage during any possible Statute of limitations time period

Financial Assets

	CONTRACTS	YEAR	AGREEMENT LINK	ASSET/LIABILITY PLEDGE/OBLIGATION	MULTI-AGENCY	MULTI-AGENCY NOTES
10	County of Monterey Implementation Agreement	2001	http://fora.org/Reports/ImplementAgreements/mttycty_ia.pdf	Asset	County of Monterey/MCWD/Habitat Cooperative/TAMC	1
11	Del Rey Oaks Implementation Agreement	2001	http://fora.org/Reports/ImplementAgreements/dro_ia.pdf	Asset	MCWD/Habitat Cooperative/TAMC	1
12	City of Marina Implementation Agreement	2001	http://fora.org/Reports/ImplementAgreements/marina_ia.pdf	Asset	MCWD/Habitat Cooperative/TAMC/County of Monterey/DRO/City of Monterey/Seaside	1
13	City of Marina IA - Amendment #1: Establishing Development Fee Policy Formula	2013	http://fora.org/Reports/ImplementAgreements/marina_ia_amend-9-14-13.pdf	Asset	MCWD/Habitat Cooperative/TAMC/County of Monterey/DRO/City of Monterey/Seaside	1
14	City of Monterey Implementation Agreement	2001	http://fora.org/Reports/ImplementAgreements/monterey_ia.pdf	Asset	MCWD/Habitat Cooperative/TAMC	1
15	City of Seaside Implementation Agreement	2001	http://fora.org/Reports/ImplementAgreements/seaside-ia.pdf	Asset	MCWD/Habitat Cooperative/TAMC/County of Monterey/Seaside	1
16	CFD-Notice of Tax Lien	2002	http://b77.402.myftpupload.com/wp-content/uploads/Notice-of-CFD.pdf	Asset	Terminates on FORA sunset unless vote and/or extension	2
17	CFD-First Amended Notice of Tax Lien	2005	http://b77.402.myftpupload.com/wp-content/uploads/First Amended Notice of Tax Lien.pdf	Asset	Terminates on FORA sunset unless vote and/or extension	
18	Development Fee Resolution	1999	http://b77.402.myftpupload.com/wp-content/uploads/99-01.pdf	Asset	Seaside? Some areas on Base still covered by Development Fee Resolution	3
19	FORA-UCSC Agreement Concerning Funding of Habitat Management Related Expenses on the Fort Ord Natural Reserve	2005	http://fora.org/Reports/TTF/101405_agreement_Habitat_UMBEST.PDF	Liability	Continues until replaced by HCP	

20	Pollution Legal Liability Reimbursement Agreement (DRO)	2015	http://b77.402.myftpupload.com/wp-content/uploads/DRO-Reimbursement-Agreement.pdf	Asset	DRO	3
21	Pollution Legal Liability Insurance Agreement (MST)	2014	http://b77.402.myftpupload.com/wp-content/uploads/FORA-MST-PLL-Insurance-Agreement.pdf			
22	Pollution Legal Liability Insurance Agreement (TAMC)	2014	http://b77.402.myftpupload.com/wp-content/uploads/FORA-TAMC-PLL-Insurance-Agreement.pdf			
23	Pollution Legal Liability Insurance (PLL) CHUBB	2015	http://fora.org/Reports/TTF/PLL-Chubb-Policy-transmittal-summary-policy010215.pdf		County of Monterey/Seaside/Monterey/Marina	4
1.	<p>2. Implementation Agreements require ongoing completion of Base Reuse Plan obligations. Land sales revenues, development fees/CFD fees/ and Property tax revenues committed until CIP fully implemented. See attached legal memorandum on these issues.</p> <p>3. CFD only assignable if extended by vote and changes to state Mello Roos Act allowing transfer to JPA/Successor. If no CFD, then Jurisdictions required to replace pursuant to Implementation Agreement formula</p> <p>4. DRO owes FORA for their proportional share of the PLL Insurance Contract and some costs on the prior South boundary Road Improvement project.</p> <p>5. Pollution Legal Liability Insurance Contract provides that upon FORA sunset, jurisdictions become successor beneficiaries.</p>					

Environmental Services

	CONTRACTS	YEAR	AGREEMENT LINK	ASSET/LIABILITY PLEDGE/OBLIGATION	MULTI-AGENCY	MULTI-AGENCY NOTES
24	FORA-City of Monterey ESCA Property Management MOA	2007	http://fora.org/Reports/TTF/121107_MOA_FORA-ESCA_City%20of%20Monterey.PDF	Asset/Obligation	Dependent upon Property transfer	N/A
25	FORA-City of Monterey ESCA Property Management MOA-Amendment #1	2018	http://b77.402.myftpupload.com/wp-content/uploads/05092018_Executed_2007_MOA_FORA_Monterey.pdf			
26	FORA-COUNTY MOA Regarding Property Ownership and Responsibilities	2018	https://www.fora.org/Reports/TTF/2018-09-13_LO_%20MOA_amendmt_MoCo_ESCA_Cleanup.pdf			
27	US EPA-Army-State of CA Federal Facility Agreement	1990	http://fora.org/Reports/TTF/111990_Federal_Facilites_Agreement_Amendment.pdf	Obligation/Liability		County
28	Pollution Legal Liability Insurance (PLL) - ESCA Insurance Policy Coverages A, B & C	2007	http://fora.org/Reports/TTF/ESCA_Insurance_Policy-PLL-5-15-07.pdf	Asset		
29	FORA-County ESCA Property Management MOA	2007	http://fora.org/Reports/TTF/121807_MOA_FORA-ESCA_Monterey%20County.PDF	Asset/Obligation	Dependent upon Property transfer	
30	FORA-CSUMB ESCA Property Management MOA	2007	http://fora.org/Reports/TTF/101507_MOA_FORA-ESCA_CSUMB.PDF	Asset/Obligation	Dependent upon Property transfer	
31	FORA-CSUMB ESCA Property Management MOA-Amendment #1	2018	https://www.fora.org/Reports/TTF/CSUMB_Amendment_No-1_to_MOA_property_hold_ESCA_cleanup_fully_executd.pdf			
32	FORA-DRO ESCA Property Management MOA	2007	http://fora.org/Reports/TTF/112607_MOA_FORA-ESCA_Del%20Rey%20Oaks.PDF	Asset/Obligation	Dependent upon Property transfer	
33	FORA-DRO ESCA Property Management MOA-Amendment #1	2018	https://www.fora.org/Reports/TTF/2018-05-30_MOA_property_hold_ESCA_cleanup_DRO_fully_executd.pdf			
34	FORA-Seaside ESCA Property Management MOA	2007	http://fora.org/Reports/TTF/092007_MOA_FORA-ESCA_Seaside.PDF	Asset/Obligation	Dependent upon Property transfer	
35	FORA-Seaside ESCA Property Management MOA-Amendment #1	2018	https://www.fora.org/Reports/TTF/2018-05-30_MOA_property_hold_ESCA_cleanup_SEA_fully_executd.pdf			

36	ESCA Cooperative Agreement Award (End date amended 2017)	2007	http://fora.org/Reports/TTF/033007_Coop_Agreement_Award_ESCA.pdf	Asset/Liability	2037	County***
37	FORA-LFR Fort Ord Remediation Services Agreement	2007	http://fora.org/Reports/TTF/033007_RSA_ESCA.pdf	Asset/Liability	?2019/2020?	County***
38	US EPA Administrative Order on Consent	2007	http://fora.org/Reports/TTF/ESCA-0099_AOC.pdf	Liability/Obligation		County/Seaside/Monterey/ Del Rey Oaks Marina/CSUMB/UC/MPC/MCWD
39	FORA-MPC ESCA Property Management MOA	2008	http://fora.org/Reports/TTF/121708_MOA_FORA-ESCA_MPC.PDF	Asset/Obligation	Dependent upon Property transfer	
40	FORA-MPC ESCA Property Management MOA - Amendment #1	2018	http://b77.402.myftpupload.com/wp-content/uploads/2018-07-02_MOA_hold_property_during_ESCA_cleanup_MPC_fully-executed.pdf			
41	MOA Jurisdictions and DTSC Concerning Monitoring and Reporting on Environmental Restrictions on the Former Fort Ord	2008	http://b77.402.myftpupload.com/wp-content/uploads/16_022708moaEnviroRestricts.pdf		No End Date	County/Seaside/Monterey/Del Rey Oaks/Marina, CSUMB/UC/MPC
42	MOU Regarding Development of the Central Coast Veterans Cemetery	2009	http://b77.402.myftpupload.com/wp-content/uploads/18_050509mouVetCem.pdf	Liability/Obligation		County/Seaside
43	Remedial Design/Remedial Action, Land Use Controls Implementation, Operations and Maintenance Plan, Parker Flats MRA Phase I*	2009	http://b77.402.myftpupload.com/wp-content/uploads/21_080409PFflatsPh1LUCIPOMP.pdf		No End Date	County of Monterey
44	Pollution Legal Liability Insurance (PLL) CHUBB	2015	http://fora.org/Reports/TTF/PLL-Chubb-Policy-transmittal-summary-policy010215.pdf	Asset/Liability/Obligation		
45	ESCA Cooperative Agreement Award-Amendment 1	2017	tan	Asset/Liability	2028	County***
46	ESCA Cooperative Agreement Award-Amendment 2	2017	http://b77.402.myftpupload.com/wp-content/uploads/Fully_signed_ESCA_Grant_Amendment_12-20-17.pdf			
47	G1 Land Use Covenant Implementation Plan and Operations Maintenance Plan (LUCIP/OMP)	2018**	"Not available. Under Regulatory review. Estimated issue date 2018/early 2019."	Obligation	No End Date	Enforcement by Successor
48	G2 LUCIP/OMP	2018**	"Not available. Under Regulatory review. Estimated issue date 2018/early 2019."	Obligation	No End Date	Enforcement by Successor
49	G3 LUCIP/OMP	2018**	"Not available. Under Regulatory review. Estimated issue date 2018/early 2019."	Obligation	No End Date	Enforcement by Successor
50	G4 LUCIP/OMP	2018**	"Not available. Under Regulatory review. Estimated issue date 2018/early 2019."	Obligation	No End Date	Enforcement by Successor
51	FORA-Seaside ESCA Property Management MOA	2007	http://fora.org/Reports/TTF/092007_MOA_FORA-ESCA_Seaside.PDF	Asset/Obligation	Dependent upon Property transfer	
52	FORA-Seaside ESCA Property Management MOA-Amendment #1	2018	https://www.fora.org/Reports/TTF/2018-05-30_MOA_property_hold_ESCA_cleanup_SEA_fully_executed.pdf			
53	ESCA Cooperative Agreement Award (End date amended 2017)	2007	http://fora.org/Reports/TTF/033007_Coop_Agreement_Award_ESCA.pdf	Asset/Liability	2037	County***
54	FORA-LFR Fort Ord Remediation Services Agreement	2007	http://fora.org/Reports/TTF/033007_RSA_ESCA.pdf	Asset/Liability	?2019/2020?	County***
55	US EPA Administrative Order on Consent	2007	http://fora.org/Reports/TTF/ESCA-0099_AOC.pdf	Liability/Obligation		County/Seaside/Monterey/ Del Rey Oaks Marina/CSUMB/UC/MPC/MCWD

56	FORA-MPC ESCA Property Management MOA	2008	http://fora.org/Reports/TTF/121708_MOA_FORA-ESCA_MPC.PDF	Asset/Obligation	Dependent upon Property transfer	
57	FORA-MPC ESCA Property Management MOA - Amendment #1	2018	http://b77.402.myftpupload.com/wp-content/uploads/2018-07-02_MOA_hold_property_during_ESCA_cleanup_MPC_fully-executed.pdf			
58	MOA Jurisdictions and DTSC Concerning Monitoring and Reporting on Environmental Restrictions on the Former Fort Ord	2008	http://b77.402.myftpupload.com/wp-content/uploads/16_022708moaEnviroRestricts.pdf		No End Date	County/Seaside/Monterey/Del Rey Oaks/Marina, CSUMB/UC/MPC
59	MOU Regarding Development of the Central Coast Veterans Cemetery	2009	http://b77.402.myftpupload.com/wp-content/uploads/18_050509mouVetCem.pdf	Liability/Obligation		County/Seaside
60	Remedial Design/Remedial Action, Land Use Controls Implementation, Operations and Maintenance Plan, Parker Flats MRA Phase I*	2009	http://b77.402.myftpupload.com/wp-content/uploads/21_080409PFlatsPh1LUCIPOMP.pdf		No End Date	County of Monterey
61	Pollution Legal Liability Insurance (PLL) CHUBB	2015	http://fora.org/Reports/TTF/PLL-Chubb-Policy-transmital-summary-policy010215.pdf	Asset/Liability/Obligation		
62	ESCA Cooperative Agreement Award-Amendment 1	2017	tan	Asset/Liability	2028	County***
63	ESCA Cooperative Agreement Award-Amendment 2	2017	http://b77.402.myftpupload.com/wp-content/uploads/Fully_signed_ESCA_Grant_Amendment_12-20-17.pdf			
<p>REFERENCE MATERIALS/WEBSITES Kutak Rock letter dated [] Army Base Realignment And Closure Administrative Record website http://www.fortordcleanup.com/</p> <p>Notes: * Agreement will be replaced with new LUCIP Agreement/Restriction ** LUCIP/OMP agreements are expected to be finalized in 2018</p>						

Habitat

	CONTRACTS	YEAR	AGREEMENT LINK	ASSET/LIABILITY PLEDGE/OBLIGATION	MULTI-AGENCY	MULTI-AGENCY NOTES
64	Habitat Management Plan	1997	http://docs.fortordcleanup.com/ar_pdfs/AR-BW-1787/bw-1787.pdf	Obligation/Liability	Marina/Seaside/County/City of Monterey/MPC/CSUMB/All property recipients	
65	USFWS EG-PF Biological Assessment Concurrence Letter	2002	http://fora.org/Reports/TTF/USFWS_EG-PF_LandUseModificationAssessment_ConcurrenceLetter_2002.pdf			
66	Del Rey Oaks-FORA-Developer Endangered Species MOA	2005	http://fora.org/Reports/TTF/092705_MOA_Endangered_Species_DRO.PDF	Obligation/Liability	County/Habitat Cooperative	
67	FORA-UCSC Agreement Concerning Funding of Habitat Management Related Expenses on the Fort Ord Natural Reserve	2005	http://fora.org/Reports/TTF/101405_agreement_Habitat_UMBEST.PDF	Obligation/Liability/Asset	Habitat Cooperative/County?	This Agreement may be replaced by the basewide HCP when adopted.
68	FORA-UCSC FONR-Extension of Funding	2007	http://b77.402.myftpupload.com/wp-content/uploads/FORA-UC-FONR-Extend-Funding-signed072707.pdf	Obligation/Liability	Habitat Cooperative/County?	In effect until basewide HCP
69	Parker Flats - East Garrison biological assessment	2002	http://fora.org/Reports/TTF/EG-PF_BiologicalAssessment_BW-2180_2005.pdf			
70	County-FORA-Developer Endangered Species MOA	2005	http://fora.org/Reports/TTF/100605_MOA_Endangered_Species_East-Garrison-County.PDF	Obligation/Liability	County/Habitat Cooperative	
71	Proposed East Garrison-Parker Flats Land Use Modification MOU	2005	http://fora.org/Reports/TTF/EG-PF_LandUse_Modification_MOU_BW-2180A-1_2005.pdf			
72	County-FORA-EG Partners LLC Funding Obligations	2006	http://b77.402.myftpupload.com/wp-content/uploads/MOA_MoCo-FORA-EG-Partners-LLC_Basewide-Funding-Obligations-signed2.28.06.pdf			
73	FORA-MPC Reimbursement Agreement		http://b77.402.myftpupload.com/wp-content/uploads/FORA-MCP-LLC-Reimbursement-Agmt_signed-01-26-2006.pdf			

Miscellaneous

	CONTRACTS	YEAR	AGREEMENT LINK	ASSET/LIABILITY PLEDGE/OBLIGATION	MULTI-AGENCY	MULTI-AGENCY NOTES
74	Marina Redevelopment Agency, Marina Community Partners and FORA MOA on University Villages Building Removal	2005	http://fora.org/Reports/TTF/FORA-MRDA-MCP-building-removal-MOA-082905.pdf	Asset/Liability	Marina Successor Agency	
75	Marina Community Partners and FORA Reimbursement Agreement on University Villages Building Removal	2006	http://b77.402.myftpupload.com/wp-content/uploads/FORA-MCP-LLC-Reimbursement-Agmt_signed-01-26-2006.pdf	Liability	Marina	
76	County-FORA-EG Partners LLC Funding Obligations	2006	http://b77.402.myftpupload.com/wp-content/uploads/MOA_MoCo-FORA-EG-Partners-LLC_Basewide-Funding-Obligations-signed2.28.06.pdf	Liability/Asset	County/Marina	Security Parcel for any debt obligation
77	FORA-Seaside-County-Cemetery Foundation	2012	http://b77.402.myftpupload.com/wp-content/uploads/012812-MOU-VetsCem-signed.pdf	Liability	County/Seaside/Foundation	
78	Army-FORA Memorandum of Agreement - Amendment #6	2014	http://b77.402.myftpupload.com/wp-content/uploads/072914_MOA_Army_FORA_Amend_6.pdf			
79	Army-FORA Water Quitclaim Deed- Veteran's Cemetery		http://b77.402.myftpupload.com/wp-content/uploads/Army-FORA_VTC_Water_Agreement-Recorded.pdf			
80	FORA-City of Marina Quitclaim Deed		http://b77.402.myftpupload.com/wp-content/uploads/FORA-Marina_Water_Agreement022318.pdf			
81	Stipulation to Discharge Peremptory Writ of Mandate (CSUMB)	2009	http://fora.org/Reports/TTF/091409_Report_Stipulation-to-Discharge.pdf	Asset	All voting members/MCWD/TAMC/HCP Cooperative	Enforcement obligations as to ongoing habitat and contributions toward road and other infrastructure
82	Settlement Agreement and Mutual Release (Sierra Club)	1998	http://www.fora.org/Planning/113098_SierraClub_Agreement.PDF	Liability	Marina/Seaside/County/City of Monterey/Del Rey Oaks	Deed Restrictions/Resource Constraints
83	PENDING LAWSUITS					
84	MCP v. FORA, Monterey County Superior Court	2017	N/A	Asset/Liability		
85	KFOV v. FORA, Monterey Superior Court	2017	N/A	Asset/Liability		

Transportation

	CONTRACTS	YEAR	AGREEMENT LINK	ASSET/LIABILITY PLEDGE/OBLIGATION	MULTI-AGENCY	MULTI-AGENCY NOTES
86	FORA-City of Marina reimbursement agreement for Abrams, Crescent, 8th Street, and Salinas Roads	2007	http://fora.org/Reports/TTF/040307_Reimbursement_Agreement_FORA-Marina.pdf	Liability/Obligation:	City of Marina: Obligation Other Cities Liability:	[1]
87	FORA-County of Monterey reimbursement agreement for Davis Road Improvements	2005	http://fora.org/Reports/TTF/101905_Agreement_Reimbursment_FORA_MoCo.PDF	Liability/Obligation:	County	[3]
88	FORA-TAMC Reimbursement Agreement Concerning Hwy 68 Operational Improvements	2014	http://fora.org/Reports/TTF/051614_FORA-TAMC_Hwy68_operational_improvements.pdf	Liability/Obligation:		
89	FORA-Monterey Bay Charter School Traffic MOU	2015	http://fora.org/Reports/TTF/FORA_MBCS_Traffic_MOU_signed_111315.pdf	Asset		
90	MST - TAMC-Marina-FORA MOU	2007	http://fora.org/Reports/TTF/FORA-MST-TAMC-Marina_MOU_050107.pdf			
91	Whitson Engineers (Master Services)	2017	https://www.fora.org/Reports/2017_Contract_FC-2017117-Executed-Whitson.pdf	Asset		
92	Capital Improvement Program Transportation Assignments	TBD	ATTACHED	Liability/Obligation	As Assigned.	
<p>NOTES: [1] Contract deals with Four Streets: 8th Street: 4,871,433; Crescent: 1,018,004 (Already completed pd. Approx. \$400,000 remainder reallocated to other projects); Abrams Drive: 852,578; Salinas Road: \$3,410,313 [2] Contract is City of Marina assigning a portion of the above reimbursement Agreement to Dunes for building a portion of 8th Street.</p>						

Water/Wastewater

	CONTRACTS	YEAR	AGREEMENT LINK	ASSET/LIABILITY PLEDGE/OBLIGATION	MULTI-AGENCY	MULTI-AGENCY NOTES	Notes
93	US-MCWRA Agreement	1993	http://fora.org/Reports/1993-Agrmt-US_MCWRA.pdf	Asset	County of Monterey/City of Monterey/City of Seaside/City of Del Rey Oaks/CSUMB/MPC/UC/MCWD		1
94	FORA-MCWD Water/Waste Water Facilities Agreement	1998	http://fora.org/Reports/CIP/031398%20 Water Wastewater Facilities Agreement.pdf		MCWD	A. Agreement Terminates. MCWD/unse rved areas on Fort Ord only served by new contracts; subsequent annexation by MCWD/LAFC O issues	1
95	FORA-MCWD Water/Waste Water Facilities Agreement- Amendment 1	2001	http://www.fora.org/Reports/CIP/Water-Wastewater-FAamend1.pdf		MCWD		
96	FORA-MCWD Water/Waste Water Facilities Agreement - Amendment 2	2007	http://www.fora.org/Reports/CIP/Water-Wastewater-FAamend2.pdf		MCWD		
97	Army-FORA MOA for Sale of Portions of the Former Fort Ord	2000	http://fora.org/Reports/TTF/062000 MOA Army-FORA EDC-Agreement.PDF	Asset/Liability/Obligatio n	City of Seaside/City of Del Rey Oaks/County of Monterey/MPC/CSUMB/ City of Monterey/County of Monterey/MCWD?	B. Each entity must be designated as a Local Reuse Authority by OEA in Federal Govt. and State Government to receive water/waste water rights;	2, 3

						Issue as to prioritization and access;	
98	FORA, MCWD Quitclaim Deed Ord infrastructure	2001	http://fora.org/Reports/TTF/110701_FORA-MCWD_Quitclaim_Deed_Ord_Infrastructure.pdf	Obligation	City of DRO/City of Monterey/City of Seaside/County of Monterey/MPC/CSUMB (as to Enforcement of Provisions only) NOTHING TO ASSIGN TO MCWD: TRANSFER COMPLETE	Enforcement of obligations contained in Quitclaim as to water/waste water service obligations	4
99	Army-FORA MOA for Sale of Portions of the Former Fort Ord: Amendment 1	2002	http://fora.org/Reports/TTF/102301_MOA_Army-FORA_Amend_1.PDF				5
100	MCWD-FORA Quitclaim deed L35.1 & L35.2	2004	http://fora.org/Reports/TTF/MCWD_FORA_Quitclaim_Deed090304.pdf				
101	Army- FORA, MRWPCA, and MCWD MOA	2005	http://fora.org/Reports/110205_MOA_Army_MRWPCA-FORA-MCWD.pdf	Asset	Seaside/DRO/City of Monterey		
102	MCWD-FORA Quitclaim deed L35.5	2006	http://fora.org/Reports/TTF/MCWD_FORA_Quitclaim_Deed020806.pdf	Enforcement	City of Seaside/City of Del Rey Oaks/County of Monterey/MPC/CSUMB/ City of Monterey/County of Monterey/MCWD		
103	FORA Recycled Water allocations to jurisdictions	2007	http://fora.org/Reports/TTF/RecycledWater_allocation_to_Jurisdictions--051107.PDF		City of Seaside/City of Del Rey Oaks/County of Monterey/MPC/CSUMB/ City of Monterey/County of Monterey/MCWD	Captured in Implementation Agreements (See Section 3)	6
104	FORA Potable Water allocation to jurisdictions	2007	http://fora.org/Reports/TTF/PotableWater_allocation_to_Jurisdictions-011207.pdf		City of Seaside/City of Del Rey Oaks/County of Monterey/MPC/CSUMB/ City of Monterey/County of Monterey/MCWD	Captured in Implementation Agreements (Section 3)	7
105	Army-Seaside AYH Water Deed	2008	http://fora.org/Reports/TTF/082808_AYH_Water_Deed.pdf		Seaside		8
106	MOU Water Augmentation and 3 Party Agreement	2015	http://fora.org/Reports/2015-MOU-Three-Party_Final.pdf	Liability/Obligation	City of Seaside/City of Del Rey Oaks/County of Monterey/City of Monterey/County of Monterey		9

107	FORA-MCWD Pipeline Reimbursement Agreement	2016	http://fora.org/Reports/2016-Rmbrs_Agrmt_FORA-MCWD_Pipeline_Executed_08-25-16.pdf	Liability	City of Seaside/City of Del Rey Oaks/County of Monterey/County of Monterey/County of Monterey	10
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Notes:

1. This Agreement was quitclaimed to MCWD. However, replacement supplies are to the benefit of all properties on Fort Ord.
1. Agreement terminates on FORA sunset. Annexation does not automatically terminate agreement. Oversight continues until agreement terminates.
2. Article 5, provides FORA first right of refusal to excess water and waste water Rights. Successor must be consented to by Army and designated as Local Reuse Authority (Federal and State Law)
3. Article 5 requires fair and equitable water allocation to enable the effective base reuse.
4. Quitclaim Deed requires compliance with underlying obligations including but not limited to a fair and equitable allocation of water to the jurisdictions; JPA/Successor to enforce
5. Changes MCWD Public Benefit Conveyance to an EDC conveyance
6. Allocates 1427 afy reclaimed water to jurisdictions (fair and Equitable share); MCWD/JPA/Successor to enforce
7. Potable water allocations to jurisdictions (Fair and Equitable share); MCWD/JPA/Successor to enforce
8. 109 AFY water to Seaside (Stillwell Kidney)
9. Planning agreement to analyze alternatives for augmented water supply options
10. Six Million dollar liability to build infrastructure pipeline for delivery of reclaimed/augmented water supply to Ord Community



Transition Planning Update
Exhibit B - Reference Documents

1	Authority Act	http://b77.402.myftpupload.com/wp-content/uploads/AuthorityAct.pdf
2	Base Reuse Plan	http://b77.402.myftpupload.com/library/reuse-plan/
3	Public Facilities Improvement Plan	https://www.fora.org/Reports/BRP/BRP_v3_AppendixB-Business-Operation-Plan.pdf
4	Capital Improvement Program	https://www.fora.org/Reports/CIP/CIPReports/CIP2018-19.pdf
5	Master Resolution	http://b77.402.myftpupload.com/wp-content/uploads/MasterResolution.pdf
6	Ft Ord Community Task Force – Strategy Report	https://www.fora.org/Reports/1992-06-19_Ft_Ord_Comm_TF_Strategy.pdf

**FORT ORD REUSE AUTHORITY
RESOLUTION NO. 18-xx**

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A RESOLUTION OF THE GOVERNING BODY OF THE FORT ORD REUSE AUTHORITY
*Approving a Transition Plan ~~For~~ Submission to the Monterey County Local Agency Formation
Commission*

THIS RESOLUTION is adopted with reference to the following facts and circumstances:

- A. In 1991, the Secretary of Defense announced the proposed downsizing of the United States Army Fort Ord Military Reservation ("Fort Ord") under the Base Realignment and Closure Act. The United States Army (the "Army") moved the 7th Infantry Division - Light to Fort Lewis Washington over the following two years, resulting in the loss to the communities and populace of the Monterey Peninsula and adjoining greater Monterey Bay region of the significant economic, social, and cultural contributions that had been associated with the military presence.
- B. After the announcement but prior to the implementation of the base downsizing/closure, political leaders from within the affected region formed the Fort Ord Community Task Force (the "Task Force") in order to develop recommendations for moving forward with a recovery effort. These recommendations were embodied in a 760-page June 1992 Strategy Report prepared by the Task Force (the "Strategy Report"). [The Strategy Report may be accessed on Exhibit B – Reference Documents attached hereto and incorporated by this reference.](#)
- C. Predicated upon the Strategy Report, in October 1992 the Fort Ord Reuse Group ("FORG") was organized by local governments and potential property recipients to initiate recovery planning regarding the impending downsizing/closure of Fort Ord. After preparing an initial plan and subsequently refining it, the revised plan was considered and adopted by FORG in 1993. Those early planning efforts recognized the significant costs associated with the implementation of any plan to convert Fort Ord into civilian use and reinforced the validity of the regional and base-wide approaches that were inherent in the conclusions reached by the Task Force in its Strategy Report.
- D. The Fort Ord Reuse Authority ("FORA") was established in 1994 by state legislation (Government Code sections 67650 and following, the "FORA Act") and when the member jurisdictions adopted resolutions favoring the establishment of the authority in accordance with Government Code section 67656. [The FORA Act may be accessed on Exhibit B – Reference Documents attached hereto and incorporated by this reference.](#) The Legislature found that the reuse of Fort Ord is a matter of statewide importance and declared in Government Code section 67657(c) that FORA's powers and duties prevail over those of any other local entity, including any city, county, or joint powers authority. Government Code section 67658 identifies FORA's purpose as planning for, financing, and managing the transition of the property known as Fort Ord from military to civilian use. In Government Code section 67651, the Legislature tasked FORA with the following primary directives (1) plan, facilitate, and manage the transfer of former Fort Ord property from the Army to local jurisdictions or their designee(s), (2) minimize the economic disruption caused by the base's closure, (3) provide for reuse and redevelopment in ways that enhance the economy and quality of life of the Monterey Bay community, and (4) maintain and protect the unique environmental resources of the area.

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- E. In order to carry out the directives of the FORA Act, FORA hired staff and entered into a contract with the California Public Employees' Retirement System ("CalPERS") to provide for retirement benefits for FORA employees. A copy of the contract with CalPERS as amended to date is referenced as Contract #1, 2 and 3 in Exhibit A attached hereto and incorporated by this reference. As is the situation facing many local public entities today, FORA's liability for pension obligations under the CalPERS contract is not at present fully funded and any potential shortfall must be addressed in the transition planning process.
- F. Pursuant to the requirements of Government Code section 67675, FORA adopted a Fort Ord Reuse Plan (the "Reuse Plan") on June 13, 1997, which identified (1) environmental actions required to mitigate development and reuse of the former Fort Ord (the "Base-wide Mitigation Measures") and (2) infrastructure and related costs necessary to accommodate development and reuse of the former Fort Ord (the "Base-wide Costs"), each consistent with the fulfillment of FORA's primary directives. ~~A copy of the~~The Reuse Plan and its attendant environmental report is available on the FORA website at www.fora.org or ~~for your convenience link 2 may be accessed~~ on Exhibit B - ~~Reference documents is~~Documents attached ~~to hereto and incorporated by this report.~~Reference. As part of that approval, FORA's Board of Directors (the "Board") certified an Environmental Impact Report and adopted a Statement of Overriding Considerations after making the following findings:
- The Reuse Plan will provide for an improved and diversified retail and industrial economy and market that will generate employment and create financial stability;
 - The Reuse Plan will provide moderate and upscale housing which will provide more affluent residents to the Cities of Seaside and Marina, thereby creating a housing stock with higher income families in these communities with larger disposable incomes;
 - The Reuse Plan will provide additional tourist support facilities in Seaside and Marina, thereby contributing additional employment opportunities;
 - The Reuse Plan will encourage and prioritize the development of projects that are regional in scale, thereby creating additional destination points on the Monterey Peninsula, and thereby enhancing the local economy;
 - The Reuse Plan provides for the creation of various additional recreational facilities and open space that will enhance the quality of life for not only the residents of Seaside and Marina but all of the residents of the Peninsula;
 - The Reuse Plan will attract and assist in retaining a pool of professional workers for the Peninsula;
 - The Reuse Plan will assist in ensuring that the overall economic recovery of the Peninsula benefits the Cities of Del Rey Oaks, Monterey, Seaside, Marina, and the unincorporated areas of the County of Monterey in the vicinity of Fort Ord;
 - The Reuse Plan will provide for additional and needed senior housing opportunities;
 - The Reuse Plan will assist the communities of Seaside and Marina in the transition of their respective community images from dependent, military base extensions with transient military personnel to vital, independent, and self-actuated communities populated with permanent residents with long-term interests in the well-being of their respective communities; and

- The Reuse Plan will encourage development that will enhance the continued viability of California State University at Monterey Bay and the open space areas retained by the federal government through the Bureau of Land Management and conveyed to the California Department of Parks and Recreation.
- G.** FORA has committed and is obligated by the FORA Act, the Reuse Plan, and/or the California Environmental Quality Act (“CEQA”) to implement the Base-wide Mitigation Measures and incur the Base-wide Costs.
- H.** In the Reuse Plan, FORA identified revenues generated from sales and leases of real property within the former Fort Ord, FORA’s share of taxes on real property located within the former Fort Ord, and base-wide assessments or development fees, as the primary property-related sources of funding with which to implement the Base-wide Mitigation Measures and to pay the Base-wide Costs.
- I.** As is more fully described below, in connection with funding implementation of the Reuse Plan, FORA entered into multiple agreements with local, state, and federal entities, established a public financing mechanism, and prepared a Capital Improvement Program (“CIP”). The Reuse Plan carries a series of mitigative project obligations which were defined in Appendix B of the Public Facilities Implementation Plan (“PFIP”) adopted in 2001. The PFIP ~~can be accessed~~ is available on the FORA ~~webpage~~ website at www.fora.org or ~~for your convenience link 3 may be accessed~~ on Exhibit B - ~~Reference documents is~~ Documents attached ~~to hereto and incorporated by this report~~ reference. The PFIP served as the baseline CIP for the Reuse Plan. The CIP is reviewed on an annual basis and it is estimated that, of the expenses identified in the 2018-19 CIP, approximately \$194,500,000 will remain as obligations to be satisfied or otherwise appropriately addressed after FORA’s currently anticipated sunset in mid-2020. The most current CIP is available on the ~~FORA webpage~~ FORA website at www.fora.org or ~~for your convenience link 4 may be accessed~~ on Exhibit B - ~~Reference documents is~~ Documents attached ~~to hereto and incorporated by this report~~ reference.
- J.** As part of funding implementation of the Reuse Plan, FORA established in 2001 a Community Facilities District (“CFD”), through which special taxes on properties to be developed are collected. These special taxes (the “CFD Special Taxes”) are due and payable with respect to each parcel on issuance of a building permit relating to the property. The CFD Special Taxes are subject to annual adjustment, but when FORA ceases to exist the CFD Special Taxes may no longer be collected (unless as a result of legislative changes the authority to collect the existing CFD Special Taxes is extended). If (a) FORA’s sunset date is not extended or (b) the ability to extend collection of the CFD Special Taxes by one or more successor(s) to FORA is not provided (in each instance through the adoption of appropriate legislative changes) one of the costs to the region will be the inability to collect an estimated approximately \$72,000,000 that would otherwise be generated through continuation of the CFD Special Taxes imposed on already entitled development. A variety of replacement funding mechanisms are available, including but not limited to the potential for each of the underlying land use jurisdictions to create its own Community Facilities District through which special taxes on future development may be collected.

- K.** FORA entered into a Memorandum of Agreement for the No-Cost Economic Development Conveyance of former Fort Ord Lands (the “EDC MOA”), which was recorded on June 23, 2000 at Series No. 2000040124 in the Official Records of the Monterey County Recorder. The EDC MOA and its attendant amendments are referenced as items 78, 97, 99 and 7899 in Exhibit A attached hereto and incorporated by this reference. The EDC MOA provided the vehicle for the Army to transfer property to FORA without monetary consideration. The land transfer was conditioned on a requirement that any proceeds from the subsequent sale or leasing of the transferred real property must be applied to the economic development of the former Fort Ord. The real property transferred pursuant to the EDC MOA may be referred to herein as the “EDC Property.” The Army also required that water available on the former Fort Ord be allocated in a fair and equitable manner among all of the various recipients of portions of the EDC Property.
- L.** In 2001, agreements were entered into between FORA on the one hand and the County of Monterey and each city receiving or anticipated to receive a portion of the EDC Property on the other hand, which agreements provided the basis for the orderly transfer of the EDC Property to the respective jurisdictions, the allocation of a fair and equitable share of the Base-wide Costs and the Base-wide Mitigation Measures to each of the recipients, and the allocation of available water to the recipients in a fair and equitable manner. These agreements, as they may have been amended to date and irrespective of whether they may be so captioned, may collectively be referred to herein as the “Implementation Agreements.” The Implementation Agreements are referenced as items 10 through 15 in Exhibit A attached hereto and incorporated by this reference. The Implementation Agreements form the starting point from which the Transition Plan Implementing Agreements contemplated to be entered into with the recipients of the EDC Property and discussed more fully below (the “Transition Plan Implementing Agreements”) shall be negotiated and developed for the mutual benefit of all recipients of the EDC Property and FORA’s successor(s), if any.
- M.** The Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”) applies to the closure of Fort Ord. The Army is obligated under CERCLA and other applicable federal and state law to remediate certain conditions at the former Fort Ord, including but not limited to by the removal of munitions and explosives. It was anticipated that an extensive amount of time would be needed for the Army to complete its cleanup of the former Fort Ord, based in part upon the contingent nature of Department of Defense funding and due to competing priorities for the use of available funds. Accordingly, in order for FORA to be able to receive the EDC Property early and facilitate an orderly and timely remediation of former Fort Ord lands, the Army and FORA entered into an early transfer agreement (referenced as item 36 in Exhibit A attached hereto and incorporated by this reference). Through a series of subsequent agreements between the Army, FORA, the U.S. Environmental Protection Agency, and the California Department of Toxic Substance Control, remediation of munitions and explosives on the former Fort Ord proceeded. These agreements are referenced generally in Exhibit A as environmental services and more specifically at items 27, 36, 38, 41, 45, and 46 in Exhibit A attached hereto and incorporated by this reference. Although substantial progress has been made in the base cleanup, the remediation obligations will not be completed before the currently anticipated dissolution of FORA and all property transfers will not have occurred.

N. In 2016, the FORA Board chair convened a Transition Task Force to work on transition issues. On December 7, 2016, a majority of FORA's Board members voted in support of seeking legislative extension of FORA's sunset date as the best way to carry out the transfer and reuse of the base in a cooperative, coordinated, balanced, and decisive manner, as called for by Government Code section 67652. Again in 2017, the FORA Board chair convened a Transition Task Force to continue work on a transition plan. On November 17, 2017, a majority of FORA's Board members voted that (in the event that legislative extension of FORA's sunset date could not be obtained) the next best way to satisfy and fulfill the Base-wide Mitigation Measures and other obligations and commitments of FORA would be to provide for a single entity successor (such as a joint powers authority exercising regional oversight) to complete the Reuse Plan. The Board noted that in order for such a successor entity to be able to continue collection of the CFD Special Taxes that are a significant element of the financing necessary to complete the Reuse Plan, legislative changes would be necessary and that in the absence of such legislation, ongoing contributions would need to be made in accordance with the approach embodied in the Implementation Agreements. In 2017, the FORA Board chair convened a Transition Ad Hoc Committee to continue working on a transition plan. All of the materials and presentations related to those meetings can be accessed on the FORA web page at <https://www.fora.org/TransitionProcess.html>, including without limitation, attorney opinions and memoranda, financial consultant analyses and staff analysis.

~~N.~~
O. Government Code section 67700(a) requires that FORA dissolve when eighty percent (80%) of the base has been developed or reused in a manner consistent with the Reuse Plan or on June 30, 2020, whichever first occurs. Government Code section 67700(b)(2) mandates as follows:

The board shall approve and submit a transition plan to the Monterey County Local Agency Formation Commission on or before December 30, 2018, or 18 months before the anticipated inoperability of this title pursuant to subdivision (a), whichever occurs first. **The transition plan shall assign assets and liabilities, designate responsible successor agencies, and provide a schedule of remaining obligations.** The transition plan shall be approved only by a majority vote of the board. *(Emphasis added)*

P. Government Code section 67700(b)(1) provides as follows:

The Monterey County Local Agency Formation Commission shall provide for the orderly dissolution of the authority including ensuring that all contracts, agreements, and pledges to pay or repay money entered into by the authority are honored and properly administered, and that all assets of the authority are appropriately transferred. *(Emphasis added)*

~~BASED ON THE FOREGOING RECITALS AND THE FINDINGS AND DETERMINATIONS MADE HEREIN,~~ the Board hereby approves the following Transition Plan for submission to the Monterey County Local Agency Formation Commission ("LAFCO") on or before December 30, 2018:

Section 1 Preliminary Findings and Determinations:

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1.1 Base-wide Costs and Base-wide Mitigation Measures:

The Board hereby finds and determines that the agreements, contracts and other items referred to in Exhibit A attached hereto and incorporated by this reference, together with each and all of the projects identified in the Reuse Plan and contained in the CIP, constitute Base-wide Costs and/or Base-wide Mitigation Measures and are required to be addressed by this Transition Plan as assets, liabilities, or obligations pursuant to Government Code section 67700.

1.2 California Environmental Quality Act:

The Board hereby finds and determines that in adopting this Transition Plan as required by Government Code section 67700 FORA is addressing the allocation of FORA's assets, liabilities and obligations in advance of FORA's ultimate dissolution without (a) amending any contemplated or approved land uses within the former Fort Ord, (b) abandoning or altering any Base-wide Mitigation Measures or any other mitigations that were required as a part of the adoption of the Reuse Plan, (c) changing the Reuse Plan itself, (d) eliminating any Base-wide Costs or elements of the CIP, or (e) avoiding the satisfaction and fulfillment of any of FORA's other commitments, pledges, or promises (all of which may be collectively referred to herein as the "FORA Program"). Nothing in this Transition Plan is intended to change any part of the FORA Program that would have any impact on the environment. To the contrary and to the extent not already so contained, this Transition Plan requires each jurisdiction to include all mitigations in its Capital Improvement Program (subject to Constitutional or other limitations imposed by applicable law on such jurisdiction's funding obligations). Following FORA's ultimate dissolution, any changes to the FORA Program or any part thereof will be made by the respective land use jurisdiction(s) and any successor(s) to FORA only after full compliance with all applicable laws, including but not limited to CEQA. Accordingly, the Board hereby finds and determines that this Transition Plan is not a project under CEQA and/or is exempt as a mere change in the organization of governmental agencies which does not change the geographical area in which previously existing powers were exercised.

1.3 Revenue Sharing and Financial Contribution:

The Board hereby finds and determines that the Implementation Agreements with the Cities of Marina, Seaside, Monterey, and Del Rey Oaks and the County of Monterey require that each of such entities continue to pay its fair and equitable share of the cost of the FORA Program (in accordance with the formulas expressed therein and subject to Constitutional or other limitations imposed by applicable law on such jurisdiction's funding obligations) until all Base-wide Costs and Base-wide Mitigation Measures have been fully paid and satisfied.

1.4 Reuse Plan and Master Resolution:

The Board hereby finds and determines that all the underlying land use jurisdictions have or will have general plans which have been found consistent with the Reuse Plan and therefore there is no need to record the Reuse Plan or its policies. The Board further finds and determines that the policies contained in the Master Resolution should be continued and enforced following FORA's dissolution and, in order to preserve a permanent record of those policies, directs staff to record the Master Resolution in its entirety not less than one (1) month prior to the anticipated dissolution of FORA. [The Master Resolution may be accessed on Exhibit B - Reference Documents attached thereto and incorporated by this reference.](#) In particular, the Board finds that the prevailing wage policy established in 1996 to promote ~~an~~ equitability and fairness to all workers on the former Fort Ord should be sustained in the completion of the former Fort Ord recovery program.

1.5 Funding of Habitat Protection:

The Board hereby finds and determines that ~~a~~ regional, integrated base-wide habitat protection is best funded by the CFD Special Taxes or substantially similar base-wide replacement funding mechanisms. The Board has identified and set aside approximately 30.2% of collected CFD Special Taxes to be applied toward base-wide habitat management and finds that any replacement funding mechanism should be designed to generate similar levels of revenue for such purposes.

1.6 Environmental Services Cooperative Agreement:

The Board hereby finds and determines that the long term stewardship obligations and related monitoring identified by the Army for its munitions removal activities are crucial to the future success of the recovery program. The Board further finds that following the dissolution of FORA the current full time staffing of the Environmental Services Cooperative Agreement ("ESCA") should be continued and sustained through the anticipated termination of the ESCA in 2028 either by the County of Monterey or the City of Seaside as single successor to FORA for the purposes of the ESCA or by assignment of the ESCA to a joint powers authority formed by both of them.

1.7 Building Removal:

The Board hereby finds and determines that former Fort Ord remnant, non-historic, and abandoned Army structures, not obligated to be removed under the CIP, are a barrier to the success of the overall recovery and reuse program and a nuisance to quiet enjoyment of the region's assets. The Board further finds that an extension of the FORA Act to sustain resources such as land sales revenue and property tax revenues that can be applied to this significant barrier to recovery is an important transition component. The Board, therefore, recommends consideration by the Legislature of an extension of the FORA Act to meet this blight eradication need.

1.8 Transportation and Transit:

The Board hereby finds and determines that completion of the on-base Fort Ord Transportation Network and Transit projects that have been identified in the CIP are essential to the long term success of the economic recovery of the reuse. The Board further finds that extension of the CFD Special Taxes or the implementation of substantially similar replacement funding mechanisms for the purpose of revenue generation and revenue sharing would be the best long term way to collect and share revenues to fund the transportation network for the on-site, off-site and regional projects

because a replacement regional transportation fee may not be imposed on already approved development projects in the absence of written consent by the developers to do so.

1.9 Water and Wastewater:

The Board hereby finds and determines that it has made water allocations in accordance with its obligation under the EDC MOA to ensure a fair and equitable water supply to all property recipients and imposed those requirements in the Implementation Agreements. The Board further finds that the Implementation Agreements may need to be enforced if any jurisdiction's approved developments exceed the jurisdiction's approved water allocation. In addition, the Board finds that transferring the obligation to finance water augmentation, water, and wastewater infrastructure to Marina Coast Water District ("MCWD") to implement the Reuse Plan is appropriate at FORA's dissolution. To the extent that MCWD is unable to impose and/or collect revenues to replace the revenues generated by the CFD Special Taxes, the Board finds that continuation of the CFD Special Taxes (or implementation of a substantially similar replacement source of revenue) allows for funds to reduce connection and other costs imposed by MCWD.

Section 2 Assignment of Assets, Liabilities, and Obligations:

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2.1 Assets and Disposition Thereof:

FORA's principal assets are comprised of the following:

2.1.1 Section 115 Trust: In April 2018, the Board authorized the establishment of a Section 115 trust and funded the trust with \$5,700,000 (which is currently earning returns at an average annualized rate in excess of 2%). Funds held in the trust may be used only for retirement purposes. At or before FORA's dissolution, all funds held in the trust will be applied to the satisfaction or reduction of the unfunded pension liability under the CalPERS contract. To the extent that funds held in the trust are insufficient to fully satisfy the unfunded pension liability under the CalPERS contract, FORA's reserve funds and/or other funds available to FORA shall be applied so as to fully satisfy the unfunded pension liability under the CalPERS contract (and thereby assure that FORA's member jurisdictions and any successor(s) to FORA are not exposed to liability for any unfunded pension liability relating to the CalPERS contract following FORA's dissolution).

2.1.2 Retirement Reserve Funds: Although not irrevocably committed to use for retirement purposes and available to meet FORA's other needs, FORA holds funds identified for retirement reserves in the current approximate aggregate amount of \$1,000,000. Those funds shall be reviewed in 2020, allocations shall be made, and the funds shall be applied or distributed at or before FORA's dissolution in accordance with the approved FORA budget for that year.

2.1.3 Litigation Reserve Funds: Although not irrevocably committed to use for litigation or indemnification purposes and available to meet FORA's other needs, FORA holds funds identified for indemnification of LAFCO in the current approximate aggregate amount of \$300,000. Those funds are intended to cover the cost of any litigation or indemnification obligation now or still pending immediately before FORA's dissolution. Section 3, herein below directs that FORA staff bring back information on acquisition of insurance policies to cover Transition Plan litigation costs, among other costs, and funds set aside may be used to acquire such policy (ies). In the event that as of immediately prior to FORA's dissolution no such litigation or indemnity obligation is pending, the unexpended balance of such

reserves shall be applied to capital improvement program projects in accordance with the Final 2020 Capital Improvement Program and/or distributed in accordance with Transition Plan Implementing Agreements. If as of immediately prior to FORA's dissolution any litigation or indemnity obligation is pending against FORA but the County of Monterey is not an adverse party to FORA thereunder, then the unexpended balance of such reserves shall be distributed to the County of Monterey in trust for the satisfaction of expenses or indemnity obligations relating to such pending litigation and any unexpended balance of such reserves remaining after the conclusion of such litigation and satisfaction of such obligation shall be applied to capital improvement program projects in accordance with the final 2020 Capital Improvement Program priorities. If as of immediately prior to FORA's dissolution any litigation or indemnity obligation is pending against FORA but the County of Monterey is an adverse party to FORA thereunder, then the unexpended balance of such reserves shall be distributed as directed by the Presiding Judge of the Superior Court of the County of Monterey to be held in trust for the satisfaction of expenses or indemnity obligations relating to such pending litigation and any unexpended balance of such reserves remaining after the conclusion of such litigation and satisfaction of such obligation shall be returned to the County to apply to capital improvement program projects in accordance with the final 2020 Capital Improvement Program priorities.

2.1.4 Habitat Funds: It is estimated based on the current rate of collections and earnings that by June 30, 2020 FORA will hold approximately \$21,000,000 in funds dedicated to habitat conservation. All such funds accumulated before FORA's dissolution shall be transferred in the following order of priority. If before FORA's dissolution a Habitat Conservation Plan Cooperative joint powers authority (the "HCP Cooperative") has been established, all of the habitat conservation funds held by FORA immediately prior to FORA's dissolution shall be transferred in their entirety to the HCP Cooperative for use in connection with the base-wide Habitat Conservation Plan for Fort Ord being administered by the HCP Cooperative. If no HCP Cooperative is then in existence, but a joint powers authority has been formed for the management of Habitat Management Areas within the former Fort Ord, then a portion of the habitat conservation funds held by FORA immediately prior to FORA's dissolution shall be transferred to the joint powers authority for use in connection with the management of Habitat Management Areas within the former Fort Ord and the remainder in a program for incidental take permits for future development. If no HCP Cooperative or other joint powers authority for the regional management of Habitat Management Areas within the former Fort Ord is in existence prior to September 2019, then FORA shall prepare a program to distribute funds as between long term management of the habitat management areas (HMA) on the one hand and incidental take permits for future development.

2.1.5 Capital Improvement Funds: All CFD Special Taxes collected and remaining unexpended immediately prior to FORA's dissolution shall first be directed to completing in progress construction projects (such as South Boundary Road) as identified in FORA's final year CIP. Any CFD Special Taxes collected and remaining unexpended immediately prior to FORA's dissolution shall next be directed to completing other projects as identified in FORA's final year CIP. These capital improvement funds shall be transferred to the jurisdiction assigned responsibility for completing construction of the respective project, which shall be the jurisdiction in which the majority of the project is located if that jurisdiction has an executed Transition Plan Implementing Agreement. If there is no Transition Plan

Implementing Agreement, those funds shall be redistributed to those jurisdictions with Transition Plan Implementing Agreements in proportion to the priorities of each project in the final year CIP unless provided otherwise in a Transition Plan Implementing Agreement.

2.1.6 Other Funds: All funds in FORA's other accounts, petty cash, un-deposited checks, and other cash equivalents held by FORA immediately prior to FORA's dissolution shall be applied and distributed according to Section 2.1.5 for funds ~~related to~~ generated by the CFD Special Taxes, land sales revenues and/or property tax revenues. ~~For receipt Funds related to the general administration of funds related FORA, such as insurance refunds or other general fund revenues remaining unexpended or unallocated immediately prior to FORA's dissolution, shall be used first to address any unfunded administrative liabilities and only after the full satisfaction of such administrative liabilities shall any remaining balance of such funds be applied and distributed to all the member jurisdictions in proportion according to their voting percentages in FORA as set forth in Section 2.1.9 below.~~

2.1.7 ESCA Reimbursement: An estimated approximately \$6,800,000 in potential reimbursement is available for work conducted under the ESCA. Unless otherwise provided in Transition Plan Implementing Agreements entered into by the County of Monterey and the City of Seaside and approved by FORA, all rights under the ESCA shall be assigned to the County, which shall be deemed the successor to FORA for the purposes of the ESCA; provided, however, that the assignment shall be subject to approval by the Army. In the event that the assignment is not approved by the Army, then whichever jurisdiction(s) is/are acceptable to the Army shall become the successor(s) to FORA for the purposes of the ESCA and all rights under the ESCA shall be deemed assigned to such jurisdiction(s).

2.1.8 Miscellaneous Personal Property: Any of FORA's office furniture and equipment, supplies, and other personal property remaining as of FORA's dissolution shall be transferred to the County of Monterey in trust for prompt sale or disposition in accordance with any applicable rules or requirements for the transfer of surplus property by a California public entity. Any proceeds from such transfer shall first be directed to any shortfall in funds available to satisfy liabilities or obligations unrelated to projects described in FORA's final year CIP. After the full satisfaction of all such liabilities and obligations any remaining proceeds shall next be directed toward projects described in FORA's final year CIP for which FORA was serving as the lead. Any proceeds remaining thereafter shall next be directed to other projects described in FORA's final year CIP. If any proceeds remain after the completion of all projects described in FORA's final year CIP, such proceeds shall be distributed to all the member jurisdictions in proportion to their voting percentages in FORA as set forth in Section 2.1.9 below.

2.1.9 Proportional Distributions: Where this Transition Plan provides that assets or proceeds shall be distributed to all the member jurisdictions in proportion to their voting percentages in FORA, such distributions shall be made in the following percentages.

City of Carmel-by-the-Sea	7.69%
City of Del Rey Oaks	7.69%
City of Marina	15.38%
City of Monterey	7.69%
City of Pacific Grove	7.69%
City of Salinas	7.69%
City of Sand City	7.69%
City of Seaside	15.38%
County of Monterey	23.1%
	100%

2.1.10 Condition to Entitlement to Proportional Distributions: Notwithstanding any provisions of this Transition Plan calling for any distribution of assets or proceeds to all the member jurisdictions in proportion to their voting percentages in FORA, no jurisdiction having land use jurisdiction over or holding property within any portion of the former Fort Ord shall be entitled to receive any portion of any proportional distribution of assets or proceeds unless such jurisdiction has entered into a Transition Plan Implementing Agreement approved by FORA.

2.1.11 Real Property: FORA is obligated to cause certain former Fort Ord property to be transferred to the underlying land use jurisdictions in accordance with the federal “Pryor Amendment” and as authorized by Section 67678(a) of the FORA Act. Additionally, FORA is entitled to receive certain easements to enable implementation of the Reuse Plan. See item 97 in Exhibit A attached hereto and incorporated by this reference. As of the anticipated date of dissolution of FORA, not all real property interests will have transferred. Upon FORA’s dissolution and the repeal of the FORA Act, the principal local public agent for acquisition, disposition and sale of real property transferred from the Army will need to be re-established through state legislation and/or federal designation and assignment of contractual rights. In particular, the landfill parcel currently located within the unincorporated portion of the County of Monterey but within the sphere of influence of the City of Marina will not transfer until sometime after 2022. Currently, the County is obligated to take the landfill parcel. See item 10 in Exhibit A attached hereto and incorporated by this reference. FORA staff shall seek all necessary legislation and approvals from the state and federal governments to enable the landfill parcel to be directly transferred to the County of Monterey or its designee. Except as may be provided in a Transition Plan Implementing Agreement approved by FORA, the County shall make such designation not less than twelve (12) months prior to the anticipated date of FORA’s dissolution, in order to allow sufficient time for all necessary legislation and approvals from the state and federal governments to be obtained before FORA’s dissolution. If the County fails to timely specify a designee to receive the landfill parcel, the Army shall transfer the landfill parcel directly to the County of Monterey.

2.1.12 Insurance Policies: FORA is insured under those policies of insurance referenced in Exhibit A attached hereto and incorporated by this reference. Except to the extent

specifically provided to the contrary in this Transition Plan, FORA shall not keep any of such policies of insurance in force beyond the date of FORA's dissolution.

2.2 Liabilities and Obligations and Assignment Thereof:

FORA's principal liabilities and obligations include the following:

2.2.1 Unfunded Pension Liability under CalPERS Contract: Based on the latest available communication from CalPERS, FORA's unfunded terminated agency liability is anticipated to range from \$7,793,230 to \$9,333,172.¹ FORA staff shall take such action as is necessary to cause CalPERS to issue an actuarial analysis of FORA's unfunded terminated agency liability not less than six (6) months prior to the anticipated dissolution of FORA. By this Transition Plan FORA commits that if there is a shortfall between the amount of the actuarial analysis and the amounts in the Section 115 Trust to retire all the liability FORA shall expend and encumber such additional funds as are necessary to fully discharge this liability, including without limitation by applying monies on hand in the FORA accounts and/or encumbering future property tax revenues pursuant to Health and Safety Code section 33492.71. The County shall continue to accrue such property tax revenues in FORA's account until all of its recognized debts have been retired. CalPERS is able to enter into a payment plan not to exceed five (5) years to satisfy such liability.

2.2.2 Habitat Funds: See Section 2.1.4 hereinabove.

2.2.3 Capital Improvement Funds: See discussion in Section 2.1.5 hereinabove.

2.2.4 ESCA Reimbursement: In order to obtain reimbursement under the ESCA, the work described therein must be performed. Unless otherwise provided in Transition Plan Implementing Agreements entered into by the County of Monterey and the City of Seaside and approved by FORA, all liabilities and obligations under the ESCA shall be assigned to the County, which shall be deemed the successor to FORA for the purposes of the ESCA; provided, however, that the assignment shall be subject to approval by the Army. In the event that the assignment is not approved by the Army, then whichever jurisdiction(s) is/are acceptable to the Army shall become the successor(s) to FORA for the purposes of the ESCA and all liabilities and obligations under the ESCA shall be deemed assigned to such jurisdiction(s).

2.2.5 Building Removal: In the absence of a consolidated building removal program and/or legislative solution to the issue of blight, any building removal not required under the CIP shall after FORA's dissolution be addressed, if at all, by the jurisdictions in which the offending buildings are located after compliance with all applicable laws. To the extent that jurisdictions wish to jointly address regional blight, revenue sharing may be addressed in Transition Plan Implementing Agreements but no jurisdiction shall be compelled to participate in such revenue sharing without its consent.

2.2.6 Transportation and Transit: For all of those Fort Ord Transportation Network and Transit projects in which FORA is not the designated lead agency and that have not been completed by the date of FORA's dissolution, the responsibility to generate and/or collect revenues from the other member agencies and complete construction will rest with the lead

¹ Note, these amounts do not include approximately \$1.6M in payments not yet posted to the CalPERS numbers and will be refined upon receiving the CalPERS final actuarial analysis.

agency. For those projects in which FORA is the lead agency and that have not been completed by the date of FORA's dissolution, responsibility to generate and/or collect revenues and to complete construction is assigned by this Transition Plan to the underlying jurisdiction in which the majority of the project is situated, unless otherwise provided in a Transition Plan Implementing Agreement approved by FORA. FORA's 2018-19 CIP projects that \$132,346,818 will remain to be funded for FORA's share of the transportation network for on-site, off-site, regional, and transit improvements after June 30, 2020. This Transition Plan assigns funding responsibility in the following manner based on projected CFD Special Taxes to be collected on the former Fort Ord: \$59,026,681 (44.6% of the cost) to the City of Marina, \$28,983,953 (21.9%) to City of Seaside, \$22,234,265 (16.8%) to City of Del Rey Oaks, \$13,234,682 (10%) to County of Monterey, \$8,602,543 (6.5%) to University of California, and \$264,694 (0.2%) to City of Monterey. Funding responsibilities may be adjusted or offset based upon a jurisdiction's actual construction of a transportation project, participation in a regional traffic impact fee funding program, contribution agreements with other jurisdictions, receipt of inter-governmental grant funding and/or implementation of other funding mechanisms that fully replace the funding responsibility as outlined above. The schedule for implementing these obligations shall be as outlined in the jurisdiction's Capital Improvement Program or as otherwise provided in a Transition Plan Implementing Agreement approved by FORA, or if not so addressed, then as provided in FORA's final year CIP. All future projects will be subject to compliance with all applicable law as it exists at the time of project approval and implementation. Any required project-specific CEQA review or compliance shall be the responsibility of the designated lead agency.

2.2.7 Water/Wastewater: This Transition Plan hereby assigns to MCWD, effective as of the dissolution of FORA, FORA's rights of enforcement under the Implementation Agreements regarding water allocations. In the event that any jurisdiction's approved developments exceed the jurisdiction's approved water allocation, MCWD may decline to issue any further water connection permits until the offending jurisdiction brings its water allocation into compliance or MCWD develops or obtains access to an augmented water supply sufficient to cover any excess. FORA's 2018-19 CIP projects that \$17,098,686 will remain to be funded for base-wide water augmentation improvements after June 30, 2020. This Transition Plan assigns the funding responsibility for such improvements in the following manner based on projected CFD Special Taxes to be collected on former Fort Ord property: \$7,626,014 (44.6% of the cost) to the City of Marina, \$3,744,612 (21.9%) to City of Seaside, \$2,872,579 (16.8%) to City of Del Rey Oaks, \$1,709,869 (10%) to County of Monterey, \$1,111,415 (6.5%) to University of California, and \$34,197 (0.2%) to City of Monterey. The above funding responsibility shall be equitably reallocated in the event that MCWD is unable to serve augmented water in the amounts necessary to implement the any jurisdiction's planned development due to pumping or other limitations. Except as set forth in the preceding sentence or in a Transition Plan Implementing Agreement approved by FORA, jurisdictions may alter their water allocations as identified in the Implementation Agreements only by written agreement with other jurisdictions. Upon its receipt of such an agreement altering the water allocations as between two or more jurisdictions, MCWD shall honor the agreement as though it was the allocation set forth in the Implementation Agreements.

2.2.8 Other Contracts and Agreements: Attached as Exhibit A to this Transition Plan are references to a compilation of contracts and other documents and/or commitments relevant to the FORA program and the dissolution of FORA. Some of these contracts, documents or commitments may be completed, revised, replaced, or superseded prior to the dissolution of FORA and additional contracts, documents or commitments may be entered into before FORA dissolves. FORA staff shall endeavor to keep Exhibit A current and shall provide quarterly updates to the Board regarding any changes. FORA's outstanding contractual obligations reflected on Exhibit A are hereby assigned as set forth in Exhibit A.

2.2.9 Late Discovered Items: To the extent that any contractual obligation is discovered during the LAFCO review and/or implementation of this Transition Plan or a Transition Plan Implementing Agreement, those contractual obligations shall be assigned as follows: If the obligation is related to the use of real property, it shall be assigned to the underlying land use jurisdiction unless otherwise provided in a Transition Plan Implementing Agreement approved by FORA. ~~If the obligation is unrelated to the use of real property, it shall be proportionately assigned to the member jurisdictions in conformity with their voting percentages in FORA as set forth in Section 2.1.9 above.~~ If the liability or obligation is unrelated to the use of real property, either FORA or LAFCO shall notify the appropriate insuring entity or the County, and/or shall expend and encumber such additional funds as are necessary to fully discharge any liability, including without limitation by applying monies on hand in the FORA accounts and/or encumbering future property tax revenues pursuant to Health and Safety Code section 33492.71. The County shall continue to accrue such property tax revenues in FORA's account until all of its recognized debts have been retired.

Section 3 Insurance:

3.1 Transition Plan Insurance:

FORA staff is directed to explore the availability and cost of a policy of insurance providing coverage for litigation that may arise against FORA, FORA's member jurisdictions, and/or LAFCO in connection with this Transition Plan, the assignments made pursuant hereto, the dissolution of FORA, or the designation of one or more entities as successor(s) to FORA and to report the results of such investigation to the Board no later than March 2019. The Board reserves the right to obtain such an insurance policy if it provides appropriate coverage and is not cost prohibitive in the judgment of the Board.

3.2 Tail Coverage:

FORA staff is directed to explore the availability and cost of an endorsement, rider, or policy of general liability insurance extending the reporting period and coverage of such insurance for the benefit of FORA's member jurisdictions and any successor(s) to FORA and to report the results of such investigation to the Board no later than March 2019. The Board reserves the right to obtain such an insurance policy if it provides appropriate coverage and is not cost prohibitive in the judgment of the Board.

Section 4 Implementation Agreements and Transition Plan Agreements:

4.1 Projects in the CIP:

Pursuant to the authority granted by the Legislature in Government Code 67700(b)(2), the Board hereby designates all projects identified in the CIP as obligations required to be assigned by this

Transition Plan in accordance with the formulas set forth in the Implementation Agreements as they may be modified by Transition Plan Implementing Agreements. The preferred method of evidencing such assignment is by the entry into Transition Plan Implementing Agreements, which can allow the jurisdictions choice and flexibility in exactly how the assigned obligations will be funded and carried out.

4.2 Transition Plan Implementing Agreements:

In order to continue to foster regional cooperation and completion of the FORA program, the Board requests that each affected entity and/or land holding member jurisdiction enter into a Transition Plan Implementing Agreement addressing how the respective jurisdiction will generate revenues to meet its obligations as assigned by this Transition Plan, revenue sharing provisions between those that will generate revenues and those implementing CIP projects, and such other matters as may be required to implement this Transition Plan, together with a schedule of when the jurisdiction will complete said actions. Notwithstanding that this Transition Plan requests that each member jurisdiction establish, adopt or participate in one or more replacement funding mechanism(s) and revenue sharing agreements that address all parts of FORA's final year CIP, this Transition Plan does not specify any specific mechanism. Rather, it only recommends that any replacement mechanism be collected on a pay as you go basis and that all FORA CIP projects located within a jurisdiction be included in the jurisdiction's Capital Improvement Program. If any jurisdiction chooses not to perform, include, or address any such project, such jurisdiction shall comply with the requirements of all applicable laws, including but not limited to by making such analysis and taking such action as CEQA may require in connection with such change. The Board strongly encourages all underlying jurisdictions with future prospective development to form Community Facilities Districts (or adopt substantially similar replacement funding mechanisms) to replace the revenues which would have been raised by the CFD Special Taxes. Additionally, the Board encourages member jurisdictions to include in documents about future projects language which will obligate future development projects to pay a CFD Special Tax (or substantially equivalent replacement fees).

4.3 Escrow:

In the absence of a FORA approved Transition Plan Implementing Agreement, all revenues required to be contributed by a jurisdiction pursuant to its Implementation Agreement shall be paid into an escrow account established for the purpose of sharing revenues and managed by a majority vote of a panel of not less than five (5) representatives, one from appointed by the land holding jurisdictions, with each land holding jurisdiction, and all approved by a majority of the appointing a single member jurisdiction to serve until a successor is appointed by the respective appointing jurisdiction.

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4.44.4 Litigation Management:

In the absence of either (a) FORA approved Transition Plan Implementing Agreements entered into with each of the land holding jurisdictions identifying a successor or successors in interest to FORA relative to post FORA litigation or (b) an agreement entered into by all of the land holding jurisdictions that post FORA litigation may be managed by any one or more, but less than all, of the land holding jurisdictions, any post FORA litigation shall be managed by a majority vote of a panel of representatives appointed by the land holding jurisdictions, with each land holding jurisdiction appointing a single member to serve until a successor is appointed by the respective appointing jurisdiction.

4.5 Power to Assign:

If by the time of FORA's dissolution Transition Plan Implementing Agreements have not been entered into by all of the relevant jurisdictions or have not been approved by FORA, the assignments of assets, liabilities and obligations described in this Transition Plan shall be imposed pursuant to Government Code 67700 and LAFCO shall handle such assignments as though they were conditions of special district dissolution imposed pursuant to Government Code section 56886 and use all of LAFCO's powers to enforce such assignments, including but not limited to by using enforcement powers under Government Code sections 56122 or 67700 as to the member jurisdictions. If a final judgment of a court having jurisdiction over the matter results in a determination that the FORA Act, including but not limited to Government Code 67700(b)(2), does not provide FORA with the requisite authority to make the assignments set forth in this Transition Plan, then LAFCO "shall provide for the orderly dissolution of the authority including ensuring that all contracts, agreements, and pledges to pay or repay money entered into by the authority are honored and properly administered, and that all assets of the authority are appropriately transferred" as required by Government Code 67700(b)(1) through the exercise of LAFCO's powers under the FORA Act, the Cortese-Knox-Herzberg Local Government Reorganization Act of 2000, and LAFCO's other relevant powers. If LAFCO refuses to agree impose such assignments as conditions to the dissolution of FORA and the transfer of its assets in accordance with this Transition Plan, then FORA shall seek such judicial clarification and/or legislative amendments as may be necessary to (a) clarify or establish FORA's and/or LAFCO's ability and/or duty to impose such assignments in connection with the dissolution of FORA or (b) extend the date of FORA's sunset so as to allow fulfillment of the mitigations, satisfaction of the obligations, and the completion of the elements of FORA Program which have not effectively been assigned to or accepted by the objecting jurisdictions.

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4.56 LAFCO Review:

If LAFCO finds that this Transition Plan does not provide adequate guidance to LAFCO regarding assignment of FORA's assets and liabilities, designation of responsible successor agencies, or identification of remaining obligations in keeping with the requirements of Government Code section 67700, the Board requests that LAFCO return the Transition Plan with LAFCO's identified deficiencies at the earliest possible time (to enable possible further consideration and action by the Board).

4.67 Reserved Right of Modification:

This Transition Plan includes the opportunity for continued regional cooperation by all affected jurisdictions to enter into a Transition Plan Implementing Agreement, subject to FORA approval.

to implement this Transition Plan. This Transition Plan may be modified by the Board upon the receipt of an executed Transition Plan Implementing Agreement approved by FORA, if the Board finds a revision to this Transition Plan necessary and appropriate. The Board also reserves the right to make modifications based upon receipt of regional agreements which address matters such as future financing mechanisms to support completion of the FORA Program, additional factual information or refinements provided by FORA staff during quarterly updates, regional revenue sharing arrangements, or plans for coordinated completion of CIP elements or projects, in each instance approved by FORA. Such modifications of this Transition Plan shall be transmitted forthwith to LAFCO for its processing.

NOW THEREFOR, THE BOARD HEREBY RESOLVES AS FOLLOWS:

1. As outlined above, this Resolution and its provisions constitute the Transition Plan required by Government Code section 67700(b); and
2. The Board hereby makes all assignments in accordance with Government Code section 67700(b) by approving this Transition Plan and intends that those assignments be implemented preferably through Transition Plan Implementing Agreements but in the absence of executed Transition Plan Implementing Agreements approved by FORA then as assignments and conditions of dissolution, as though they were imposed pursuant to Government Code sections 56886 and 67700(b); and
3. The Board hereby ~~directs finds that as adopted herein, the Executive Officer to submit this Transition Plan to LAFCO and execute all LAFCO is not a project subject to CEQA and/or is exempt and directs staff to prepare and file the appropriate notice(s) required documents and pay all LAFCO required processing fees; and by CEQA.~~
4. ~~The Board further directs the Executive Officer, or his designee, to hire a facilitator consultant to assist the jurisdictions in creating and negotiating Transition Plan Agreements or other inter-agency regional agreements to implement the requirements of this Transition Plan. The facilitator consultant may also assist FORA in agreements for the disposition of its obligations to named entities or implementing the terms and conditions of this Transition Plan. The Executive Officer is directed to report progress on or before January 1, 2019 and to complete all negotiations and documents not later than March 2019. The Executive Officer shall compile a list of such additional actions necessary to implement this Transition Plan.~~
4. The Board further directs staff to provide regular and quarterly updates on the implementation of this Transition Plan, including without limitation, bringing forth future implementing actions, status of Transition Plan Implementing Agreements, any LAFCO information or requests, and any subsequent information that might affect this Transition Plan.

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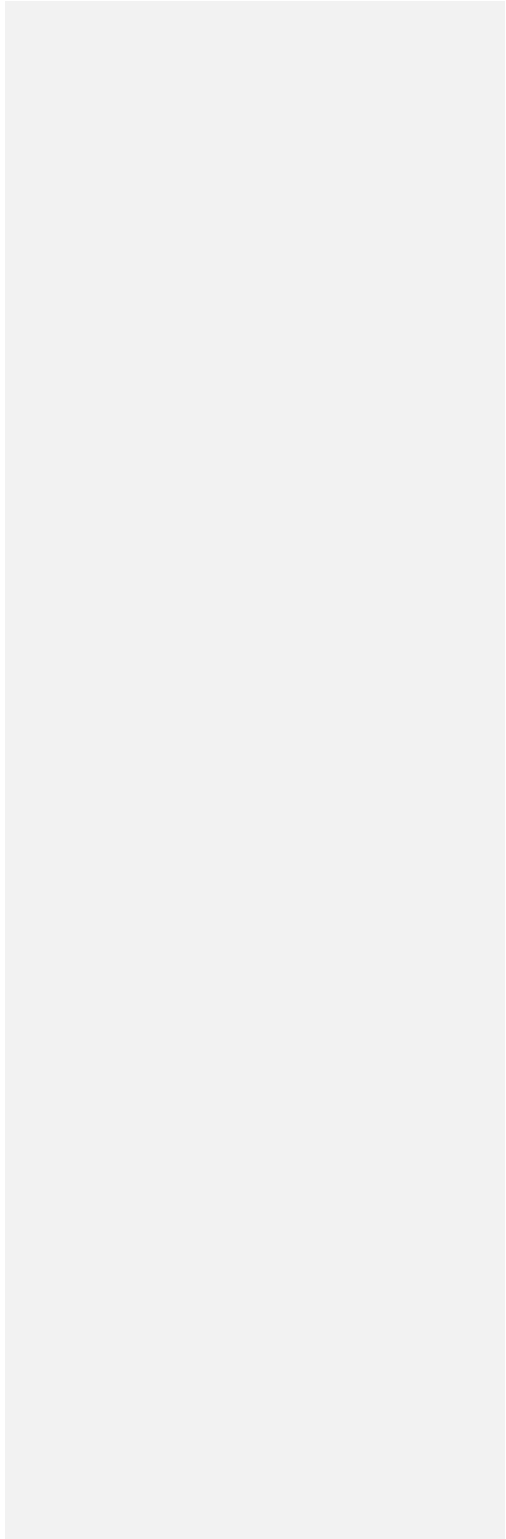
Upon motion by Board member ---- seconded by Board member ---- the foregoing Resolution was passed on this ____ day of ~~October~~November, 2018, by the following vote:

AYES:
NOES:
ABSTENTIONS:
ABSENT:

Mayor Ralph Rubio, Chair

ATTEST:

Michael A. Houlemard, Jr., Clerk



GLOSSARY

“Army” means the United States Army.

“Base-wide Costs” means the estimated costs identified in the Base Reuse Plan for the following: FORA Reuse Operations, Net Jurisdictional Fiscal Shortfalls, Caretaker Costs, and Demolition. The Basewide Costs are more particularly described in the Fort Ord Comprehensive Business Plan and the Findings attached to the Base Reuse Plan and included in the current FOR A Capital Improvement Program.

“Base-wide Mitigation Measures” means the mitigation measures identified in the Base Reuse Plan. Basewide Mitigation Measures include: basewide transportation costs; habitat management capital and operating costs; water line and storm drainage costs; FORA public capital costs; and fire protection costs. The Basewide Mitigation Measures are more particularly described in the Fort Ord Comprehensive Business Plan, described in Section 1 (f), the Development and Resource Management Plan, and the Findings attached to the Base Reuse Plan.

“Base Reuse Plan” means the Fort Ord Base Reuse Plan and its accompanying environmental impact report adopted and certified by the FORA Board in June 1997 to guide the reuse of the former Fort Ord, all as amended from time to time.

“Board” means the governing board of the Fort Ord Reuse Authority, as specified in Government Code section 67660.

“CalPERS” means the California Public Employees’ Retirement System.

“CEQA” means the California Environmental Quality Act, as amended to date (Public Resources Code section 21000 and following).

“CERCLA” means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, commonly known as Superfund, as amended to date (42 U.S. Code Chapter 103 and following).

“CFD” means a Community Facilities District within the former Fort Ord formed pursuant to the Mello-Roos Community Facilities Act of 1982, as amended to date (Government Code section 53321 and following).

“CFD Special Taxes” means the special taxes collected through the Community Facilities District on properties to be developed within the former Fort Ord.

“CIP” means a Capital Improvement Program adopted by the Fort Ord Reuse Authority.

“EDC MOA” means the Memorandum of Agreement for the No-Cost Economic Development Conveyance of former Fort Ord Lands, which was recorded on June 23, 2000 at Series No. 2000040124 in the Official Records of the Monterey County Recorder.

“EDC Property” means the real property transferred pursuant to the Memorandum of Agreement for the No-Cost Economic Development Conveyance of former Fort Ord Lands, which was recorded on June 23, 2000 at Series No. 2000040124 in the Official Records of the Monterey County Recorder.

“ESCA” means the Environmental Services Cooperative Agreement entered into between the United States Army and the Fort Ord Reuse Authority, as amended to date.

“FORA Act” means, collectively, SB 899 and AB 1600 adopted in 1994 and amended in 2012, as codified at (i) Government Code Title 7.85, Chapters 1 through 7, commencing with Section 67650, and (ii) selected provisions of the California Redevelopment Law, including Health and Safety Code Sections 33492 et seq. and 33492.70 et seq.

“LAFCO” means the Monterey County Local Agency Formation Commission.

“FORA” means the Fort Ord Reuse Authority.

“FORA Act” means the Fort Ord Reuse Authority Act, as amended to date (Government Code section 67650 and following).

“FORA Program” has the meaning given in Section 1.2.

“FORG” means the Fort Ord Reuse Group organized by local governments and potential property recipients to initiate recovery planning regarding the impending downsizing/closure of the former Fort Ord.

“Fort Ord,” including references to the territory or area of Fort Ord or the former Fort Ord, means the geographical area described in the document entitled “Description of the Fort Ord Military Reservation Including Portion of the Monterey City Lands Tract No. 1, the Saucito, Laguna Seca, El Chamisal, El Toro and Noche Buena Ranchos, the James Bardin Partition of 1880 and Townships 14 South, Ranges 1 and 2 East and Townships 15 South, Ranges 2 and 3 East, M.D.B. and M. Monterey County, California,” prepared by Bestor Engineers, Inc., and delivered to the Sacramento District Corps of Engineers on April 11, 1994 or the military base formerly located on such land, as the context requires.

“HCP Cooperative” means a joint powers authority contemplated to be established to administer a habitat conservation program at the former Fort Ord.

“Implementation Agreements” means agreements entered into beginning in 2001 between the Fort Ord Reuse Authority on the one hand and the County of Monterey and each city receiving or anticipated to receive a portion of the EDC Property on the other hand, as such agreements may have been amended to date.

“Master Resolution” means the collection of administrative rules and regulations adopted by FORA under the Authority Act, as amended. For your convenience link 5 on Exhibit B, is the most recent Master Resolution.

“MCWD” means the Marina Cost Water District.

“PFIP” means the Public Facilities Implementation Plan adopted by the Fort Ord Reuse Authority in 2001.

“Reuse Plan” means the plan for the future use of the former Fort Ord adopted pursuant to Government Code section 67675, as amended to date.

“Strategy Report” means the June 1992 report prepared by the Fort Ord Community Task Force in order to develop recommendations for moving forward with a recovery effort relating to the closure of the former Fort Ord.

“Task Force” means the Fort Ord Community Task Force formed in order to develop recommendations for moving forward with a recovery effort relating to the closure of the former Fort Ord.

“Transition Plan Implementing Agreements” means the agreements contemplated to be entered into with the land use jurisdictions to implement the provisions of the Transition Plan.