



REVISED

**FORT ORD REUSE AUTHORITY
BOARD OF DIRECTORS REGULAR MEETING MINUTES
2:00 p.m., Friday, December 13, 2019 | Carpenters Union Hall
910 2nd Avenue, Marina, CA 93933**

1. CALL TO ORDER

Chair Supervisor Jane Parker called the meeting to order at 2:01 p.m.

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Councilmember Jon Wizard.

3. CLOSED SESSION

- a. Conference with Legal Counsel—Gov. Code §54956.9(a), (d)(1): Resource Environmental, Inc. v. Fort Ord Reuse Authority. Monterey County Superior Court Case No.: 19CV004499, Pending Litigation
- b. Conference with Legal Counsel—Anticipated Litigation—Initiation of litigation pursuant to ¶ (4) of subdivision (d) of CA Gov't Code §54956.9—one potential case
- c. Public Employment, Government Code section 54959.7(b) — Personnel — Executive Officer Succession Planning Report

Time Entered: 2:03 p.m.

Time Exited: 3:00 p.m.

4. ANNOUNCEMENT OF ACTION TAKEN IN CLOSED SESSION

Authority Counsel Jon Giffen reported the following actions taken in closed session:

Item 3a: The Board heard from counsel. Nothing to report.

Item 3b: Counsel was given direction. There is nothing to report.

Item 3c: Counsel announced the Board had approved Joshua Metz as to be Executive Officer effective January 1, 2020.

5. ACKNOWLEDGMENTS, ANNOUNCEMENTS, AND CORRESPONDENCE

a. Fiscal Year 2018-19 Audit

Executive Officer Michael A. Houlemard, Jr. advised the Board that the 2018-19 Fiscal Year audit will be presented to the Finance Committee for consideration at the January 2020 Board of Directors meeting.

b. Adopt Resolution 19-14 Acknowledging Executive Officer Michael A. Houlemard, Jr.

Chair Parker introduced the item noting this would be the last FORA Board of Directors meeting for Executive Officer Houlemard. Chair Parker, along with the FORA Board of Directors, read the Resolution of Acknowledgment and Appreciation.

MOTION: On motion by Board member Phillips, seconded by Board member Wizard and carried by the following vote, the Board moved to adopt Resolution 19-14, Acknowledging Executive Officer Michael A. Houlemard, Jr.

MOTION PASSED UNANIMOUSLY

- The Fort Ord Multi-Species Habitat Conservation Plan (“HCP”) was published along with the Environmental Impact Study (“EIS”)/Environmental Impact Report (“EIR”) documents on November 1, 2019. The Army, Land Watch, and Bureau of Land Management submitted comments. Comments must be submitted to the no later than 5:00 p.m. on December 16, 2019.
- 17th State Senate District Senator Bill Monning presented a certificate of recognition on behalf of the United States Senate to Michael A. Houlemard Jr. and read it into the record.
- 20th District Congressman Jimmy Panetta presented a mounted record on behalf of Michael A. Houlemard Jr. which has been read into the record before he U.S. House of Representatives.

6. ROLL CALL

Voting Members Present:

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

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

Congressman Jimmy Panetta (20th Congressional District), Senator Bill Monning (17th State Senate District), Todd Muck (TAMC), Dr. P.K. Diffenbaugh (Monterey Peninsula Unified School District), Steve Matarazzo (University of California, Santa Cruz), Dr. Eduardo Ochoa (California State University Monterey Bay), Colonel Gregory Ford (United States Army), Bill Collins (BRAC), Lisa Rheinheimer (Monterey-Salinas Transit)

7. CONSENT AGENDA

- a. Approve November 8, 2019 Meeting Minutes
- b. Administrative Committee
- c. Water/Wastewater Oversight Committee
- d. Habitat Conservation Plan Update
- e. Environmental Services Cooperative Agreement/Base Realignment and Closure Headquarters Meeting Report
- f. Economic Development Report
- g. Local Agency Formation Commission of Monterey County Indemnification Agreement
- h. 2020 Fort Ord Reuse Authority Board Meeting Calendar
- i. Public Correspondence to the Board

Chair Parker introduced the consent agenda items and asked if any Board member had an item to pull for discussion. Director Morton and Director Adams requested to pull item 7g for clarification.

MOTION: On motion by Board member Gunter, seconded by Board member Phillips and carried by the following vote, the Board moved to approve the consent agenda items 7a -7i.

MOTION PASSED UNANIMOUSLY

8. BUSINESS ITEMS

a. Review Building Removal Bond Legal Status

Mr. Houlemard introduced the item and noted FORA staff have moved ahead with the direction that was given by the FORA Board. Senior Project Manager Peter Said provided the background as to where FORA started in the process in October 2018, investigating the legality and feasibility of bond issuance to receiving Department of Finance (“DOF”) response from dissolution law perspective in December 2019. There have been several questions as to what the DOF response letter is saying. DOF is not clear whether the money

is secure or not, and specifically DOF provided an opinion on dissolution law, the dissolution law did not list FORA as having statutory passthrough payments, and community redevelopment law does not allow funds to flow as an enforceable obligation. However, the DOF opinion does not consider the authorizing act nor other legislative actions. Since the FORA Board authorized the Executive Officer and Authority counsel to take action as necessary to enable a bond issuance the course of action is as follows; 1) Hold a public hearing and start the Mello-Roos clock which was completed on 12/10/2019, 2) Approve legal documents and bond issuance, 3) Consider validating action, and 4) Issue bonds upon successful verification/validation. Mr. Said reviewed the remaining work to be completed as follows: December 2019 – Complete Fiscal Consultants Report (Legal Document 3), January 2020 – The County of Monterey to pass a Resolution to assign pass-through to Successor Entity, Successor Entity needs to resolve to administer the Bond and assign pass-through from the County to the trustee, and the Credit review process with Standard and Poor’s begins. In February 2020 an agreement will be sought on how to address the Monterey County Regional Fire District revenue loss, and bond sale. Mr. Said noted minor changes needed on the Resolution including: TAMC 7% / MST 1% allocation adjustment; inclusion of Public Benefit Conveyance Parcel (PBC) – L5.5.1; and grammatical refinements to the Indenture of Trust. Mr. Said responded to questions and comments from the public.

MOTION: On motion by Board member Morton and seconded by Board member Phillips and carried by the following vote, the Board moved to adopt resolution **19-13** Authorizing the Issuance and Sale of Bonds in a Principal amount not to exceed \$55,000,000 to Finance Building Removal and Related Costs, Approving the Form and Authorizing the execution of an Indenture of Trust, Authorizing Judicial Validation Proceeding Relating to the Issuance of Such Bonds and Authorizing Actions Related Thereto, including the TAMC/MST allocation adjustment and other minor changes noted by staff.

MOTION PASSED UNANIMOUSLY

b. 2018 Transition Plan and Draft Implementing Agreements Status Report

Regional Government Services (“RGS”) consultant Kendall Flint gave a brief 2018 Transition Plan and draft Implementing Agreements progress report. Ms. Flint reported a draft Multi-Agency Transition Plan Implementing Agreement (“TPIA”) has been provided to member agencies for review and comments collected will be reflected in the updated document. She noted Marina Coast Water District (“MCWD”) has sent Implementing Agreements pertaining to water supply/allocation rights to member agencies. Ms. Flint reviewed the Finalization Timeline and estimated adoption of the Implementing Agreements following execution of the Army-Seaside Environmental Services Cooperative Agreement (“ESCA”) contract in March 2020. Ms. Flint reviewed the proposed neutral approach to Joint Powers Authority (“JPA”)/Cooperative formation and HCP/Habitat Management Plan implementation, suggesting establishment of an ad-hoc Committee or “working group” where permittees may meet weekly beginning January 2020 to determine whether to move forward with JPA formation. RGS is working to create a website for public access to all habitat-related materials, reports and documents, which will be available at www.FortOrdHabitatWorkingGroup.org. Ms. Flint and staff responded to questions from Board members and public.

MOTION: On motion by Board member Morton and seconded by Board member Berkley and carried by the following vote, the Board moved to create a Habitat Management Working Group in the form of an ad-hoc Committee.

MOTION PASSED UNANIMOUSLY

c. Eucalyptus Road Storm Drain Infiltrator Repair

Mr. Said provided background regarding the Eucalyptus Road storm water infiltrator repair noting in 2014 FORA was notified of slope failures along Eucalyptus Road and General Jim Moore Boulevard. Mr. Said explained in 2015 C+D Engineers lost engineers familiar with the project, and FORA also had a turn-over

in engineering staff in 2016. New engineers were brought on to the project and a Root Cause Analysis was performed to identify why it was failing. Mr. Said reported the engineering consultants decreased the project's scope by developing a solution to replace the five failing storm water infiltrators with three storm water basins saving \$750K. FORA decreased long term maintenance costs with a sustainable bio-retention system, and created a programmatic construction support plan, facilitating future digging for maintenance on adjacent munitions response areas. In November 2019 FORA received from the Department of Toxic Substances Control, Environmental Protection Agency, and Army sign-off on Construction Support Plan. Mr. Said stated the project is ready for Public Bid and Construction. Mr. Said reviewed what would happen should the project run past the FORA dissolution date of June 30, 2020. Harris and Associates is the construction manager for FORA and the City of Seaside and will ensure continuity. The contract identifies the City of Seaside as the FORA successor, and assigned the project to Seaside. Additionally, the project has a 25% contingency to decrease the risk of overruns. Mr. Said responded to questions from the Board and the public.

MOTION: On motion by Board member Gaglioti and seconded by Board member Wizard and carried by the following vote, the Board moved to authorize the Executive Officer to execute all bidding requirements and associated contracts for the completion of Eucalyptus Road infiltrator repairs not to exceed a project budget of \$1,102,500.

MOTION PASSED UNANIMOUSLY

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

MOTION PASSED UNANIMOUSLY

9. PUBLIC COMMENT

Public comment was received.

10. ITEMS FROM MEMBERS

None.

11. ADJOURNMENT at 5:13 p.m.

Minutes Prepared by:
Heidi L. Gaddy
Deputy Clerk

Approved by:

Joshua Metz Executive Officer