



FORT ORD REUSE AUTHORITY

REGULAR MEETING

FORT ORD REUSE AUTHORITY (FORA) BOARD OF DIRECTORS

Friday, July 12, 2019 at 2:00 p.m. | 910 2nd Avenue, Marina, CA 93933 (Carpenters Union Hall)

AGENDA

ALL ARE ENCOURAGED TO SUBMIT QUESTIONS/CONCERNS BY NOON JULY 11, 2019.

1. CALL TO ORDER

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

3. CLOSED SESSION

- a. Conference with Legal Counsel – Gov. Code §54956.9(a), (d)(1): Marina Community Partners, LLC v. Fort Ord Reuse Authority, Monterey County Superior Court Case No.: 18CV000871, Pending Litigation.
- b. Conference with Legal Counsel – One item of Potential Litigation, Gov. Code §54956.9(d).
- c. Conference with Labor Negotiators - Government Code section 54957.6.
Agency designated representatives: Michael A. Houlemard, Jr, Eduardo Ochoa, Jane Parker.

4. ANNOUNCEMENT OF ACTION TAKEN IN CLOSED SESSION

5. ACKNOWLEDGEMENTS, ANNOUNCEMENTS, AND CORRESPONDENCE

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 May 10, 2019 Meeting Minutes [\(p. 1\)](#)
Recommendation: Approve May 10, 2019 meeting minutes.
- b. Approve June 14, 2019 Meeting Minutes [\(p.7\)](#)
Recommendation: Approve June 14, 2019 meeting minutes.
- c. Administrative Committee [\(p.12\)](#)
Recommendation: Receive a report from the Administrative Committee.
- d. Veterans Issues Advisory Committee [\(p.17\)](#)
Recommendation: Receive a report from the Veterans Issues Advisory Committee.
- e. Environmental Services Cooperative Agreement Quarterly Report [\(p.20\)](#)
Recommendation: Receive an Environmental Services Cooperative Agreement (ESCA) Status Report.

- f. Public Correspondence to the Board (p.23)
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. Del Rey Oaks Pollution Legal Liability Loan Retirement – **2nd Vote** (p.24)
Recommendation: Authorize the Executive Officer to enter into a memorandum of understanding with the City of Del Rey Oaks (“DRO”) that establishes a payment schedule in order for DRO to retire \$552,961 in principal debt to FORA prior to June 30, 2020.
- b. Executive Officer Contract Amendment (p.27)
Recommendation: Approve the Amendments to Executive Officer’s Contract.
- c. Building Removal Financing Update (p.28)
Recommendation: Receive a Building Removal Financing Update.
- d. 2018 Transition Plan and Implementing Agreement Progress Report (p.37)
Recommendation: Receive Fort Ord Reuse Authority (“FORA”) 2018 Transition Plan and Implementing Agreement Progress Report
- e. Special District Risk Management Authority Board of Directors Election (p.70)
Recommendation:
 - i. Consider Special District Risk Management Authority (SDRMA) Board of Directors Election.
 - ii. Provide direction to staff on how to support the Boards participation.

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: August 9, 2019 AT 2:00 P.M.

Persons seeking disability related accommodations should contact FORA 48 hours prior to the meeting. This meeting is recorded by Access Monterey Peninsula and televised Sundays at 9 a.m. and 1 p.m. on Marina/Peninsula Channel 25. The video and meeting materials are available online at www.fora.org



FORT ORD REUSE AUTHORITY
BOARD OF DIRECTORS REGULAR MEETING MINUTES
2:00 p.m., Friday, May 10, 2019 | Carpenters Union Hall
910 2nd Avenue, Marina, CA 93933

1. CALL TO ORDER

Chair Supervisor Jane Parker called the meeting to order at 2:02 p.m.

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Colonel Gregory Ford.

3. 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).
- d. Conference with Labor Negotiators - Government Code section 54957.6.
Agency designated representatives: Michael A. Houlemard, Jr, Mi Ra Park, Sofia Selivanoff.

Time Entered: 2:05 p.m.

Time Exited: 3:21 p.m.

4. ANNOUNCEMENT OF ACTION TAKEN IN CLOSED SESSION

Authority Counsel Jon Giffen announced there was no action to report on items 3a, 3b and 3c. On item 3d, direction was provided to the designated representatives.

5. ROLL CALL

Voting Members Present:

Supervisor Jane Parker (County of Monterey) Supervisor Mary Adams (County of Monterey), Supervisor John Phillips (County of Monterey), Councilmember John Gaglioti (City of Del Rey Oaks), Councilmember Frank O'Connell (City of Marina), Mayor Pro-Tem Gail Morton (City of Marina), Councilmember Alan Haffa (City of Monterey), Mayor Ian Oglesby (City of Seaside), Councilmember Jon Wizard (City of Seaside), Mayor Mary Ann Carbone (City of Sand City), Mayor Joe Gunter (City of Salinas), Councilmember Jan Reimers (City of Carmel-by-the-Sea)

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

Kathleen Lee (20th Congressional District), 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), Lisa Rheinheimer (Monterey-Salinas Transit), Dr. Matt Zefferman (Marina Coast Water District)

6. ACKNOWLEDGEMENTS, ANNOUNCEMENTS, AND CORRESPONDENCE

Executive Officer Michael Houlemard, Jr. announced the following:

- Sheri Damon has taken a position as Assistant City Counsel at the City of Seaside.
- US Open - Lexus will be utilizing Eucalyptus Road (FORA Property) for parking and shuttle services, and there is still a need for volunteers.
- The Certificates of Completion of Environmental Clean Up have now been received on all the ESCA parcels.
- Correction to Item 8c on page 78 of the packet: “M” is missing after the \$1 under Other/Accounting Entries/Fund Designations.
- Surplus II work has been substantially completed.
- 2019 Memorial Day Ceremony – Monday, May 27, 2019 at the Central Coast Veterans Cemetery from 8:00 a.m. to 12:00 p.m.
- 2019 Military Retiree Appreciation Day – Saturday, June 9, 2019 at the Stillwell Hall from 8:00 a.m. to 12:30 p.m.

7. CONSENT AGENDA

- a. Approve April 12, 2019 Meeting Minutes
- b. Administrative Committee
- c. Veterans Issues Advisory Committee
- d. Water/Wastewater Oversight Committee
- e. Public Correspondence to the Board

Chair Parker read the consent agenda items and asked if members had any comments or items to pull for discussion.

Motion: On motion by Board member Phillips and seconded by Board member Oglesby and carried by the following vote, the Board moved to approve the consent agenda.

MOTION PASSED UNANIMOUSLY

8. BUSINESS ITEMS

- a. **2018 Transition Plan Actions**
 - i. **Transition Plan Transportation Study, 2nd Vote**

Principal Planner Jonathan Brinkman reviewed the recommendation with the Board prior to the second vote. After discussion, Chair Parker called for a role call vote. The motion passed with a majority vote.

Roll Call Vote: (7 Ayes; 5 No) Motion Passed by Majority

Item 8a: Motion			
Director Parker	NO	Director Reimers	AYE
Director Gunter	AYE	Director Haffa	NO
Director O’Connell	NO	Director Gaglioti	AYE
Director Morton	NO	Director Wizard	AYE
Director Adams	NO	Director Oglesby	AYE
Director Phillips	AYE	Director Garfield	ABSENT
Director Carbone	AYE		

- ii. **May 8, 2019 Special Workshop Update (oral report)**

Mr. Houlemard stated that the Special Board Workshop held was well engaged and he felt it was a great exchange of information and communication by the Administrative Committee, the Board of Directors, and FORA staff members. He commented to the fact that the Board was very directive about having limited resources and budget that would ultimately affect the Boards decision to approve the CIP. Mr. Houlemard also stated that Kendall Flint of Regional Government Services, who has been facilitating the 2018 Transition Plan implementation, did a good job providing the Transition Plan implementing agreements status and that there should be a format for those agreements by the June Board meeting.

b. FY 2019-2020 Capital Improvement Program

Mr. Houlemard introduced the item and Principal Planner Jonathan Brinkmann provided a brief presentation and responded to questions and comments from the Board.

MOTION: On motion by Board member Haffa and second by Board member Gaglioti and carried by the following vote, the Board moved to 1) Receive a report on the Fort Ord Reuse Authority Year 2019-2020 CIP; 2) Consider Fiscal Year (FY) 2019-2020 CIP Adoption, the motion is to adopt; 3) Authorize the Executive Officer to fund two escrow accounts with escrow holding company National Builders Control to fund construction of projects FO14 South Boundary Road Upgrade (\$5,000,000) and FO9C General Jim Moore Boulevard/South Boundary Road Intersection (\$1,056,168) post June 30, 2020 according to the Term Sheet, and adjust tables 2 and 4 to reflect the reality of a three-year maximum of the Community Facilities District (“CFD”) collections.

Roll Call Vote: (11 AYES; 0 N) Motion Passed

Item 8b: Motion			
Director Parker	AYE	Director Reimers	AYE
Director Gunter	AYE	Director Haffa	AYE
Director O’Connell	AYE	Director Gaglioti	AYE
Director Morton	AYE	Director Wizard	AYE
Director Adams	AYE	Director Oglesby	ABSENT
Director Phillips	AYE	Director Garfield	ABSENT
Director Carbone	AYE		

MOTION PASSED UNANIMOUSLY

c. Consider Adoption of FORA FY 2019-2020 Annual Budget

Mr. Houlemard presented the item and responded to questions from the Board and Public with Ms. Rodriguez.

MOTION 1: On motion by Board member Phillips and seconded by Board member Carbone, and carried by the following vote, the Board moved to accept the staff recommendations:

- i. Adopt fiscal year 2019-2020 (FY19-20) Annual Budget
- ii. Consider approval of staff proposed compensation and benefit adjustments.

SUBMOTION #1: On motion by Board member Morton and seconded by Board member Wizard to defer the Budget vote until the June meeting with the totality of the information.

SUBMOTION #2: On motion by Board member Gaglioti and seconded by Board member Adams and carried by the following vote, the Board moved to approve the current budget as is, with the proviso at the next meeting when additional information is available to the Board it can consider it prior to the 2nd vote.

**The maker the original motion withdrew his motion and will support the 2nd substitute motion.*

Roll Call Vote:(7 Ayes; 3 NO) Motion Passed by Majority 2nd Vote (June 14, 2019) Required

Item 8c: Motion			
Director Parker	NO	Director Reimers	AYE
Director Gunter	ABSENT	Director Haffa	AYE
Director O’Connell	NO	Director Gaglioti	AYE
Director Morton	NO	Director Wizard	AYE
Director Adams	AYE	Director Oglesby	ABSENT
Director Phillips	AYE	Director Garfield	ABSENT
Director Carbone	AYE		

d. Environmental Services Cooperative Agreement (ESCA) Long Term Obligation Support Services Resolution

Program Manager Stan Cook introduced the item and provided background information, stating the three (3) contractors who have been working on the ESCA project are Arcadis, Weston Solutions, and Westcliffe Engineers, and that American Insurance Services (AIG) no longer pays for, or provides funding for, the ESCA. The cost cap on funding from AIG terminated on March 30, 2019. However, the Army has now committed to reimbursing for funds needed to continue pertinent work under the ESCA contract until 2028, including funding for the services of the 3 consultants. Mr. Cook explained that the City of Seaside staff, which has taken on some of the duties as the successor agency to FORA of the ESCA, has reviewed the resolution and provided input and feedback to the necessity for use of the consulting services as needed by the successor agency. There were no comments or questions from the Board or the public.

Director Morton noted that this item was postponed last month to allow the City of Seaside time to review the resolution and it was discussed at the Special Workshop, Director Morton wanted to affirm, on the record today, that Seaside is in agreement with the terms of the contracts and extensions.

Director Wizard responded, noting he is not speaking on behalf of the entire City Council. However, he was providing background on what the City Council has discussed. The City of Seaside is excited about taking on a portion of the FORA program upon its dissolution.

MOTION: On motion by Board member Adams and second by Board member Gaglioti and carried by the following vote, the Board moved to accept the staff recommendation:

- i. Adopt Resolution 19-XX - Resolution of the Fort Ord Reuse Authority (“FORA”) finding that: 1) Contractors Arcadis, Westcliffe Engineers, Inc. and Weston Solutions, Inc. are Uniquely Qualified to Provide Long-Term Obligation Support Services Until 2028 Pursuant to an Amendment to the Environmental Services Cooperative Agreement (“ESCA”), between the U.S. Army (“Army”) and FORA; 2) the Issuance of a Request for Proposals to these Uniquely Qualified Firms to Propose Terms for the Provision of these

Support Services is Appropriate; and 3) the Executive Officer is Authorized to Enter into a Contract for Said Services on a Limited Competition Basis.

MOTION PASSED UNANIMOUSLY

e. Economic Development Report

Mr. Houlemard introduced the item. Economic Development Manager, Josh Metz provided a presentation with an overview of the Economic Development program, including the job survey, reuse progress, partnerships, opportunity zones, regional capacity, drone innovation and upcoming events. Mr. Metz also informed the Board and the public that the details regarding the presentation were also available online at www.OrdForward.org. Upcoming Economic Development related events were also announced, including the Monterey Bay DART Symposium on June 21, 2019 at the Monterey Hyatt and the Drone Camp occurring between June 18 - 20, 2019. Staff responded to questions and comments from the Board and the public.

This item was for information only.

**Chair Parker noted that time had expired for the scheduled Board meeting and a motion to extend past 5:00 p.m. for item 8f and public comment.*

MOTION: On motion by Board member Morton and second by Board Member Gaglioti and carried by the following vote, the Board moved to hear item 8f, public comment and adjourn the meeting.

f. Marina Coast Water District Annual Budget and Compensation Plan

Project Manager Peter Said presented the item and the Water/Wastewater Oversight Committee's recommendation regarding the MCWD FY 2019-20 budget. Staff responded to questions and comments from the Board.

MOTION: On motion by Board member Haffa and second by Board member Gaglioti and carried by the following vote, the Board moved to adopt resolutions for MCWD compensation plan for base-wide water and sewer services on former Fort Ord.

MOTION PASSED UNANIMOUSLY

9. PUBLIC COMMENT

None.

10. ITEMS FROM MEMBERS

There were no items from members.

11. ADJOURNMENT at 5:12 p.m.

Minutes Prepared by:
Heidi L. Lizarbe
Deputy Clerk

Approved by:

Michael A. Houlemard, Jr. Executive Officer

DRAFT



FORT ORD REUSE AUTHORITY
BOARD OF DIRECTORS REGULAR MEETING MINUTES
2:00 p.m., Friday, June 14, 2019 | Carpenters Union Hall
910 2nd Avenue, Marina, CA 93933

1. CALL TO ORDER

Chair Supervisor Jane Parker called the meeting to order at 2:02 p.m.

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Supervisor Chris Lopez.

3. 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).
- d. Conference with Labor Negotiators - Government Code section 54957.6.
Agency designated representatives: Michael A. Houlemard, Jr, Mi Ra Park, Sofia Selivanoff.

Time Entered: 2:05 p.m.

Time Exited: 3:21 p.m.

4. ANNOUNCEMENT OF ACTION TAKEN IN CLOSED SESSION

Authority Counsel Jon Giffen announced the following:

Item 3a; The Board authorization Authority Counsel to execute a settlement agreement with the primary terms that Keep Fort Ord Wild (“KFOW”) will release any and all claims known, and unknown, that arise from the lawsuit against FORA. KFOW will release their rights to appeal and FORA will relinquish its claim for cost and attorney’s fees against KFOW.

Item 3b; The Board heard from Counsel and gave directive to continue the course in attempting to resolve the litigation.

Item 3c; The Board heard from Counsel concerning the status of the claims being made that may evolve into a potential litigation. There was nothing to report.

Item 3d; The Board heard from the Labor Negotiators and counsel and gave direction for further negotiations.

5. ROLL CALL

Voting Members Present:

Supervisor Jane Parker (County of Monterey) Supervisor Mary Adams (County of Monterey), Supervisor Chris Lopez (County of Monterey), Councilmember John Gaglioti (City of Del Rey Oaks), Councilmember Frank O'Connell (City of Marina), Mayor Pro-Tem Gail Morton (City of Marina), Councilmember Alan Haffa (City of Monterey), Mayor Ian Oglesby (City of Seaside), Councilmember Dave Pacheco (City of Seaside), Mayor Mary Ann Carbone (City of Sand City), Mayor Joe Gunter (City of Salinas), Councilmember Jan Reimers (City of Carmel-by-the-Sea)

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

Marina Perepelyuk (20th Congressional District), Nicole Hollingsworth (17th State Senate District), Erica Parker (29th State Assembly District), Steve Matarazzo (University of California, Santa Cruz), Colonel Gregory Ford (United States Army), Bill Collins (Fort Ord Army Base Realignment & Closure Office), Lisa Rheinheimer (Monterey-Salinas Transit), Michael Wegley (Marina Coast Water District)

6. ACKNOWLEDGEMENTS, ANNOUNCEMENTS, AND CORRESPONDENCE

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

- U.S. Army Fort Ord Cleanup Community is seeking help refining their outreach program by participating in a survey. The survey takes about 10 minutes. Go to the News section of FortOrdCleanup.com to access the on-line survey. Please take the survey by August 30, 2019.
- DART Symposium will be held on June 21, 2019 at the Monterey Hyatt. All Board Members have a ticket in their name available.
- Ikyuo Yoneda-Lopez has accepted a new position as Monterey Salinas Transit Marketing Manager.
- Robert Norris and Steve Endsley announced their retirement effective June 30, 2019.
- Jonathan Brinkmann announced he has accepted a new position with the Monterey County Local Agency Formation Commission effective July 1, 2019.

Mr. Houlemard requested three items be added to the agenda: Resolutions of Appreciation for two FORA staff members who are retiring, one for senior staff who has accepted a new position outside of FORA.

MOTION: On motion by Board member Morton and seconded by Board member Oglesby and carried by the following vote, the Board moved to add three resolutions to the agenda.

Mr. Houlemard read into the record Resolutions of Appreciation for Jonathan Brinkmann, Steve Endsley, and Robert Norris.

MOTION: On motion by Board member Morton and seconded by Board member Carbone and carried by the following vote, the Board moved to approve three resolutions for Jonathan Brinkman, Steve Endsley, and Robert Norris.

MOTION PASSED UNANIMOUSLY

Chair Parker requested one additional item be added to the agenda: Resolution Honoring Michael A. Houlemard, Jr.

MOTION: On motion by Board member Reimers and seconded by Board member Lopez and carried by the following vote, the Board moved to add one resolution to the agenda honoring Michael A. Houlemard, Jr.

Director Gaglioti read into the record the Resolution honoring Michael A. Houlemard, Jr.

MOTION: On motion by Board member Adams and seconded by Board member Gaglioti and carried by the following vote, the Board moved to approve the Resolution honoring Michael A. Houlemard, Jr.

CONSENT AGENDA

- a. Approve May 10, 2019 Meeting Minutes
- b. Administrative Committee
- c. Veterans Issues Advisory Committee
- d. Building Removal Financing/Feasibility Update
- e. Public Correspondence to the Board

Chair Parker introduced the agenda items and asked if Board members had any comments or items to pull for discussion. Board Member Morton requested to pull 7a – May 10, 2019 Meeting Minutes for correction and 7d for clarifying questions.

Motion: On motion by Board member Gunter and seconded by Board member Carbone and carried by the following vote, the Board moved to continue item 7a – May 10, 2019 Meeting Minutes to the next FORA Board regular meeting and approve the remaining consent agenda items 7b – 7e.

MOTION PASSED UNANIMOUSLY

7. BUSINESS ITEMS

**Chair Parker requested to hear Item 8f – 2018 Transition Plan and Implementing Agreement Progress Report first.*

f. 2018 Transition Plan and Implementing Agreement Progress Report

Executive Officer Michael A. Houlemard, Jr. introduced the item stating that Regional Government Services (“RGS”) has made progress in the process of drafting the transition plan implementing agreements. He stated that an early draft of a global, comprehensive, implementing agreement has been circulated to the Administrative Committee. The Committee members and the jurisdictions, have responded with their comments. A second draft, with edits based on those comments, will be distributed at the June 19th Administrative Committee meeting. Mr. Houlemard advised the Board that Kendall Flint of RGS anticipates to present a final draft version of the Transition Plan Implementing Agreements at the July meeting.

Mr. Houlemard informed the Board that upon the distribution of the Board packets, more updates have been made to the status of Senate Bill (“SB”) 189. SB 189 was introduced to the Senate by Senator Monning’s office and if approved, will extend FORA and the Community Facilities District for two years. He stated that more edits are anticipated before it goes to the Local Government Committee in July and then moves onto the Assembly floor. Staff responded to comments from the Board.

a. Retention and Separation Package for Fiscal Year (“FY”) 2019-2020

Mr. Houlemard introduced the item and RGS Consultant Mi Ra Park provided a presentation on the Retention and Separation Package recommendations to sustain the existing FORA employees to carry out the mandated program and project functions. Ms. Park noted there are four components of the package and the fourth component has three options in which the Board must decide upon. The four components are as follows: 1) 5% stipend to compensate for additional duties assigned,

2) upon separation from employment a \$1,000 per month bonus will be provided for each month after July 1, 2019 that an employee remains in employment with FORA, 3) FORA will contribute up to 12 months of monthly premium cost for continuation of medical/dental and vision coverage. Ms. Park reviewed the fourth component of the package noting it was originally based off of longevity when it was first recommended, however since the original analysis earlier this year, the employee composition has changed. FORA has seen the departure of 6 staff members, therefore additional recommendations have been made. Ms. Park reviewed the three options under the fourth component. Staff and Mi Ra Park responded to questions and comments from the Board and public.

MOTION: On motion by Board member Carbone and second by Board member Garfield and carried by the following vote, the Board moved to approve the recommendation, and selecting option C of component number four; Four (4) weeks of base salary for any employee with less than five (5) years of continuous FORA service, and additional one (1) week of salary for each year of continuous service after five (5) years, up to a maximum of eight (8) weeks if salary (prorated for less than a full year of service), and updated language on the Resolution sections A and F as proposed.

MOTION PASSED UNANIMOUSLY

b. Consider Adoption of FORA FY 2019-2020 Annual Budget 2nd Vote

Mr. Houlemard and staff had no further information to provide regarding the 2nd vote. There were no comments from the public.

MOTION: On motion by Board member Morton and second by Board member Haffa and carried by the following vote, the Board moved to adopt the fiscal year 2019-20 annual budget and the proposed staff compensation and benefits adjustment.

MOTION PASSED UNANIMOUSLY

c. Del Rey Oaks Pollution Legal Liability Loan Retirement

Chair Supervisor Jane Parker introduced the item. Director Gaglioti requested to recuse himself as he has an interest in the outcome. Mr. Houlemard provided background on the request noting it was initiated by FORA staff inquiring what Del Rey Oak's ("DRO") intent was to retire the debt that is outstanding for DRO's share of the Pollution Legal Liability Insurance Policy. In response, DRO sent a letter with a proposal which was reviewed by the Finance Committee in April 2019. The Finance Committee provided direction to the Executive Officer to respond outlining the Committee's willingness to consider a payment schedule and terms that pay off the loan before the sunset of FORA on June 30, 2020. DRO responded with an updated proposal to pay off the principal amount of the loan by making an initial payment of \$211,000 and monthly payments of \$28,000 with the last payment on June 1, 2020. Authority Counsel reviewed this matter and does not believe this would constitute a gift of public funds. The Board provided direction to Authority Counsel. Staff responded to questions and comments from the Board.

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

MOTION PASSED MY MAJORITY (12 AYES; 1 NO) 2D VOTE REQUIRED JULY 12, 2019.

**Chair Parker noted that time had expired for the scheduled Board meeting and a motion to extend past 5:00 p.m. for item 8d and public comment.*

MOTION: On motion by Board member Oglesby and second by Board member Carbone and carried by the following vote, the Board moved to hear item 8d, public comment, and adjourn the meeting.

d. Administrative Consistency Determination for Entitlement: Seaside Senior Living

Mr. Houlemard introduced the item and Principal Planner Jonathan Brinkmann reviewed the project noting this is a 144-bed residential care facility with different levels of care and advised the Board this does not require Board action unless there is an appeal. He noted this project received the approval of its Planning Commission and City Council. He added FORA staff has determined this project is consistent with FORA's Base Reuse Plan and Master Resolution. Mr. Brinkmann stated that no appeals have been received to date and any Board member can appeal this action. If no appeals are received on, or before, the June 14, 2019 Board meeting, this will be deemed consistent. Staff responded to questions and comments from the Board.

This Item was for information only.

e. Special District Risk Management Authority Board of Directors Election

This item was not heard due to time constraints and will be brought back to the next regular scheduled Board meeting on July 12, 2019.

8. PUBLIC COMMENT

None.

9. ITEMS FROM MEMBERS

None.

10. ADJORNMENT

Minutes Prepared by:
Heidi L. Lizarbe
Deputy Clerk

Approved by:

Michael A. Houlemard, Jr. Executive Officer

FORT ORD REUSE AUTHORITY BOARD REPORT

CONSENT AGENDA

Subject: Administrative Committee	
Meeting Date: July 12, 2019	INFORMATION/ACTION
Agenda Number: 7c	


RECOMMENDATION:

Receive a report from the Administrative Committee.

BACKGROUND/DISCUSSION:

The Administrative Committee held a meeting on June 5, 2019 and June 19, 2019. The approved minutes for these meetings are provided as **Attachment A, and B.**

FISCAL IMPACT:

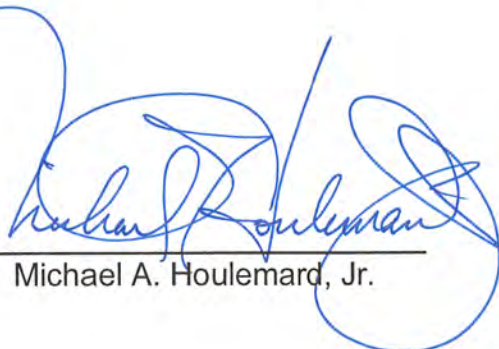
Reviewed by the FORA Controller  *signed by for Heidi Rodriguez*

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

COORDINATION:

Administrative Committee

Prepared by 
Heidi L. Lizarbe

Approved by 
Michael A. Houlemard, Jr.



APPROVED

FORT ORD REUSE AUTHORITY
ADMINISTRATIVE COMMITTEE REGULAR MEETING MINUTES
8:30 a.m., Wednesday, June 5, 2019 | FORA Conference Room
920nd Avenue, Suite A, Marina, CA 93933

1. CALL TO ORDER

Chair Michael A. Houlemard, Jr. called the meeting to order at 8:30 a.m.

The following members were present:

- | | |
|-----------------------------------|---|
| Dino Pick* (City of Del Rey Oaks) | Lisa Rheinheimer (Monterey-Salinas Transit) |
| Matt Morgensen * (City of Marina) | Melanie Beretti* (County of Monterey) |
| Patrick Breen (MCWD) | Steve Matarazzo (UCMBEST) |
| Hans Uslar* (City of Monterey) | Vicki Nakamura (MPC) |
| Layne Long* (City of Marina) | Craig Malin* (City of Seaside) |
| Mike Zeller (TAMC) | Anya Spear (CSUMB) |
| Bill Collins (ARMY) | *Voting member |

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Matt Morgensen.

3. ACKNOWLEDGEMENTS, ANNOUNCEMENTS AND CORRESPONDENCE

- Executive Officer Michael A. Houlemard, Jr. has been recognized as the recipient of the Association of Defense Communities John Lynch Base Redevelopment Leadership Award.
- The County Chief Administrative Officer Lew Bauman has announced his retirement effective September 2019.
- Principal Analyst Robert Norris announced his retirement effective June 30, 2019.
- Principal Planner Jonathan Brinkmann has accepted a new position of Senior Analyst with Local Agency Formation Commission of Monterey County.
- Ikyuo Yoneda-Lopez has accepted a new position as Monterey Salinas Transit Marketing Manager.
- Assistant Executive Officer Steve Endsley announced his retirement effective June 30, 2019.

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. May 15, 2019 Meeting Minutes

MOTION: On motion by Committee member Malin second by Committee member Beretti and carried by the following vote, the Administrative Committee moved to approve the May 15, 2019 regular meeting minutes as amended.

MOTION PASSED UNANIMOUSLY

- 6. JUNE 14, 2019 DRAFT BAORD MEETING AGENDA REVIEW** **INFORMATION/ACTION**
Principal Planner Jonathan Brinkmann reviewed items on the draft Board agenda for the June 14, 2019 meeting. Mr. Houlemard noted that there may be one or two agenda items added by the Executive Committee. Staff responded to questions and comments from the Committee.

7. BUSINESS ITEMS **INFORMATION**

- a. 2018 Transition Plan
- i. Initial review of Draft Implementing Agreements
Regional Governmental Services consultant Kendall Flint led the Committee members through a section-by-section review of the draft implementing agreements between the Fort Ord Reuse Authority, and the 5 land use jurisdictions: The City of Del Rey Oaks, the City of Marina, the City of Monterey, the City of Seaside, and the County of Monterey. The Committee provided feedback and direction. Mrs. Flint will update the draft implementing agreements with the committee's recommendations and distribute the updated draft version on Monday June 11, 2019 for further review. Mrs. Flint and staff responded to questions from the Committee and the Public.
- b. Transportation Study Status
Mr. Brinkmann reminded the Committee members that at the May 10, 2019 Board of Directors meeting, the Board took a 2nd vote on the 2018 Transition Plan Transportation Study Service Work Order with Whitson Engineers approving the study. Whitson Engineers will be using the new Association of Monterey Bay Area Governments 20/40 Transportation Demand Model, along with other metrics. The initial work has begun on the study and is anticipated to be available for review by the Administrative Committee in August, prior to going to the Board. Staff responded to questions and comments from the Committee.
- c. Building Removal/Financing Update
Mr. Brinkmann provided an update noting that the Administrative Committee members received an email on 5/31/2019, which included a spreadsheet providing three color-coded scenarios which tie directly to the Feasibility Memorandum issued on April 4, 2019. The scenarios identify a win-win for all stakeholders, with the exception of one scenario—a high residual allocation towards the County of Monterey. NHA Advisors will be following up with the County to narrow down those assumptions prior to the next Committee meeting in order to provide the best fiscal analysis for all jurisdictions. Staff responded to questions and comments from the Committee.

8. ITEMS FROM MEMBERS

None.

9. ADJOURNMENT at: 10:00 a.m.

Minutes Prepared By:
Heidi Lizarbe
Deputy Clerk



APPROVED

FORT ORD REUSE AUTHORITY
ADMINISTRATIVE COMMITTEE REGULAR MEETING MINUTES
8:30 a.m., Wednesday, June 19, 2019 | FORA Conference Room
920nd Avenue, Suite A, Marina, CA 93933

1. CALL TO ORDER

Chair Michael A. Houlemard, Jr. called the meeting to order at 8:30 a.m.

The following members were present:

John Gaglioti* (City of Del Rey Oaks)
Layne Long* (City of Marina)
Patrick Breen (MCWD)
Hans Uslar* (City of Monterey)
Elizabeth Caraker (City of Monterey)
Mike Lerch (CSUMB)

Lisa Rheinheimer (Monterey-Salinas Transit)
Melanie Beretti* (County of Monterey)
Craig Malin* (City of Seaside)
Vicki Nakamura (MPC)

*Voting member

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Lisa Rheinheimer.

3. ACKNOWLEDGEMENTS, ANNOUNCEMENTS AND CORRESPONDENCE

- The State Assembly has published amendments to Senate Bill 189 on June 17, 2019, the adjustments include adding Marina Coast Water District, California State University Monterey Bay and the United States Army to the post June 30, 2020 FORA Board membership, and including an amendment to allow the Tax Increment distribution split to continue past the dissolution of FORA.

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. June 5, 2019 Meeting Minutes

MOTION: On motion by Committee member Malin second by Committee member Uslar and carried by the following vote, the Administrative Committee moved to approve the June 5, 2019 regular meeting minutes.

MOTION PASSED UNANIMOUSLY

6. JUNE 14, 2019 DRAFT BOARD MEETING FOLLOW-UP

INFORMATION

Mr. Houlemard reviewed the actions taken by the Board at the June 14, 2019 Regular Board Meeting, highlighting a unanimous decision by the Board to approve the Retention and Separation Package, and the Fiscal Year 2019-2020 Annual Budget. Staff responded to Committee questions and comments.

7. BUSINESS ITEMS

INFORMATION

a. 2018 Transition Plan

i. Review of Draft Implementing Agreements

Executive Officer Michael Houlemard, Jr. gave a brief introduction of Kendall Flint of Regional Government Services. Mrs. Flint advised the Committee that there have been some language changes to some of the draft implementing agreements. She stated that they are still interested in receiving any comments from the jurisdictions and any other stakeholders and that the draft implementing agreements are on track to go before the FORA Board of Directors at the August 9, 2019 meeting. Mrs. Flint and staff responded to questions and comments from the Committee and the Public.

b. Building Removal/Financing Update

Principal Planner Jonathan Brinkmann introduced NHA Advisors consultant Mark Northcross who provided a brief background on the quantitative analysis of the net benefit for 4 (City of Monterey was not included in this analysis since it did not form a Redevelopment Agency on its former Fort Ord lands) of the FORA member jurisdictions. Mr. Northcross highlighted 3 different scenarios, covering both the dissolution and the extension of FORA, and which of those would or would not be beneficial, to each of the 5 jurisdictions. Mr. Northcross will bring back a recommendation at the next scheduled Administrative Committee Meeting. Staff and Mr. Northcross responded to questions and comments from the Committee and the Public.

8. ITEMS FROM MEMBERS

None.

9. ADJOURNMENT at: 9:56 a.m.

Minutes Prepared By:
Heidi Lizarbe
Deputy Clerk

FORT ORD REUSE AUTHORITY BOARD REPORT	
CONSENT AGENDA	
Subject:	Veterans Issues Advisory Committee
Meeting Date:	July 12, 2019
Agenda Number:	7d
	INFORMATION/ACTION

RECOMMENDATION:

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

BACKGROUND/DISCUSSION:

The Veterans Issues Advisory Committee met on June 27, 2019. The approved minutes for this meetings are provided as **Attachment A**.

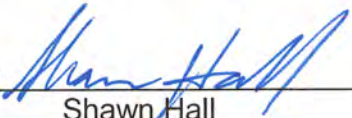
FISCAL IMPACT:

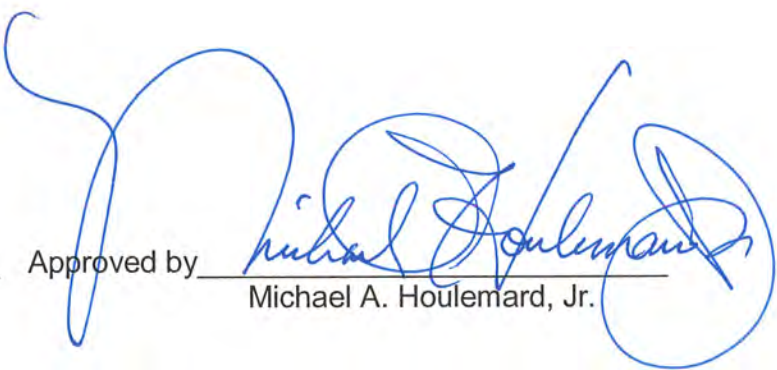
Reviewed by FORA Controller  signing for Helen Rodriguez

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

COORDINATION:

VIAC

Prepared by  Shawn Hall

Approved by  Michael A. Houlemard, Jr.



**FORT ORD REUSE AUTHORITY
VETERANS ISSUES ADVISORY COMMITTEE (VIAC) MEETING MINUTES
3:00 P.M. May 23, 2019 | FORA Conference Room
920 2nd Avenue, Suite A, Marina CA 93933**

1. CALL TO ORDER

Chair Ian Oglesby called the meeting to order at 3:00 P.M.

Committee Members Present:

Ian Oglesby, Mayor of Seaside
Edith Johnsen, Veterans Families/Fundraising
Jack Stewart, Monterey County California Central Coast Veterans Cemetery Advisory Committee
Sid Williams, Monterey County Military & Veterans Affairs
James Bogan, Disabled American Veterans

2. PLEDGE OF ALLEGIANCE led by Candy Ingram.

3. ACKNOWLEDGEMENTS, ANNOUNCEMENTS AND CORRESPONDENCE

Principal Analyst Robert Norris announced that there is a Memorial Day event at the Presidio today at 4:00pm. He also noted that weekend events were distributed in a handout to the group.

4. PUBLIC COMMENT PERIOD

There were no comments from the public.

5. APPROVAL OF MEETING MINUTES

a. March 28, 2018 Regular Meeting Minutes

MOTION: On motion by Committee member Williams and seconded by Committee member Stewart, the VIAC approved the April 25, 2019 meeting minutes, subject to corrections.

MOTION: PASSED UNANIMOUSLY

6. BUSINESS ITEMS

a. **Affordable Housing**

i. *Veterans Transition Center Housing Construction*

Mr. Norris reported that the large project has received consistency determination approval at FORA. They have a two-year window to pull permits and begin construction.

b. **Employment**

i. *Ron Cheshire – Helmets to Hardhats*

Mr. Norris reported the Ron Cheshire feels he needs to work with a group that is more interested in going into the building trades.

It was agreed to remove this agenda item until Mr. Cheshire requests another proposal.

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

i. *Cemetery Administrator's Status Report*

Principal Analyst Robert Norris informed the group that despite our early heads-up, the VA has been slow to respond to reports of an unauthorized off-road BMX track in an undeveloped area of the cemetery. Plans are being made by CDVA to post signs. Concerns about the possibility of Phase 2

submission being compromised were discussed.

ii. *Veteran's Cemetery Land Use Status*

Reported above.

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

Mr. Norris announced that the CDVA and the County have a proposal to handle the remaining mitigation issues. They are expecting to take that proposal to the Board of Supervisors, and CDVA has the money for the solution. They are working to review the EIR, and expect all comments to be done by June 3rd.

iv. *Legislative Report*

Robert Norris reported that at the last meeting the Committee voted that we should approach our elected officials to go see what relief we could get from the LAIRD requirements. The committee wants to send a letter to Senator Monning's office voicing our concerns. Senator Monning's office is working on combining our relief from LAIRD with issues that other cemeteries in the state are also having.

d. **Ord Military Community**

Nothing new to report.

e. **Fundraising Status**

i. *Central Coast Veterans Cemetery Foundation Status Report*

Candy Ingram informed the Committee that they are continuing to get donations.

There is a Memorial Day event on May 27th at 8:00am.

Ms. Ingram announced that they will be participating in a Retirees Appreciation on June 8th.

Planning for the Ride is going well. Congressman Panetta is contacting other representatives who represent other areas along the route, so they may participate at their local American Legion halls. Also, a new video is hitting Comcast in June, and they plan on working with KSBW for local coverage.

Ms. Ingram informed the group that the Foundation will be assisting with the Honor our Fallen Run. All permits are in place, but they are still looking for sponsors. Registration is posted, and 25 have registered so far. There is also an ad from the Foundation listed in the South County Fair insert of the Californian, the Herald, and also in South County and San Luis Obispo.

Candy also informed the group that the Riders are having a fundraising luncheon at Post 694 on June 9th. Tickets are \$15.

f. **VA-DOD Clinic**

Mr. James Bogan mentioned that he is trying to get the City of Monterey and the Defense Language Institute ("DLI") to have the area policed. Two golf cart batteries have recently been stolen.

g. **Calendar of Events**

Robert announced that he will be visiting Washington DC next week for the National Coalition for Homeless Veterans Conference. He will be moderating a panel on federal partnerships on veteran homelessness. He will also be introducing Secretary Wilkie and HUD Secretary Ben Carson to the conference.

James Bogan reminded the group that each community is having their own Memorial Day events. He noted that he will be passing out letters for signatures for the EIR at the Cemetery event.

Mr. Jack Stewart announced that the Marina American Legion will be hosting their annual Memorial Day ceremony at 11:00am, and this year's guest speaker will be Sid Williams.

7. ITEMS FROM MEMBERS

Nothing to report

ADJOURNMENT at 3:35 p.m.

Minutes Prepared by:
Shawn Hall

FORT ORD REUSE AUTHORITY BOARD REPORT

CONSENT AGENDA

Subject: Environmental Services Cooperative Agreement Quarterly Report

Meeting Date: July 12, 2019

Agenda Number: 7e

INFORMATION/ACTION

RECOMMENDATION:

Receive an Environmental Services Cooperative Agreement (ESCA) Status Report.

BACKGROUND:

In Spring 2005, the Army and the Fort Ord Reuse Authority (FORA) entered into negotiations toward an Army-funded Environmental Services Cooperative Agreement (ESCA) for removal of remnant Munitions and Explosives of Concern (MEC) on 3,340 acres of the former Fort Ord. FORA and Army signed the ESCA agreement in early 2007. Under the ESCA terms, the Army awarded FORA approximately \$98 million to perform Comprehensive Environmental Response Compensation and Liability Act (CERCLA) MEC cleanup on those parcels. FORA also entered into the Administrative Order on Consent (AOC) with U.S. Environmental Protection Agency (EPA) and California Department of Toxic Substance Control (DTSC) (collectively referred to as Regulators) defining FORA's contractual conditions to complete the Army remediation obligations for the "ESCA parcels." FORA received ESCA parcel ownership after EPA approval and gubernatorial concurrence under a Finding of Suitability for Early Transfer in 2009.

To complete the ESCA and AOC obligations, FORA entered into a Remediation Services Agreement (RSA) in 2007 by competitively selecting LFR Inc. (now Arcadis) to provide MEC remediation services. Arcadis remediation services are executed under a cost-cap insurance policy through American International Group (AIG) assuring financial resources to complete the work and offer other protections for FORA and the jurisdictions. Arcadis ESCA contracting team included Westcliffe Engineers and Weston Solutions to provide Engineering, MEC Remediation and Public/Regulatory Outreach services.

The ESCA requires FORA, acting as the Army's contractor, to address safety issues resulting from historic Fort Ord munitions training operations. Through the ESCA, FORA and the ESCA Remediation Program (RP) team have successfully addressed three (3) historic concerns: 1) yearly federal appropriation funding fluctuations that delayed Army cleanup and necessitated costly mobilization and demobilization expenses; 2) Regulator questions about protectiveness of previous actions for sensitive uses; and 3) the local jurisdiction, community and FORA's desire to reduce MEC property access risks.

Of the \$98 million that FORA ESCA RP received, FORA paid \$82.1 million upfront, to secure an AIG "cost-cap" insurance policy. AIG controlled the \$82.1 million in a "commutation" account and payed Arcadis directly as work was performed. AIG provided up to \$128 million assuring additional work (known and unknown) is completed to the Regulators satisfaction (see table below). Under those agreements, AIG paid Arcadis directly while FORA oversaw Arcadis compliance with the ESCA and AOC requirements. On January 25, 2017, Arcadis notified FORA that the ESCA commutation account was exhausted and that future Arcadis work would be paid under the terms of the AIG "cost-cap" insurance policy until March 30, 2019. Arcadis continues to provide FORA with quarterly AIG cost-cap insurance invoicing estimates provided in the ESCA Quarterly Board Report under and ESCA amendment (2019) mentioned later in this report.

Post-ESCA Amendment ESCA Fund Status as of March 2019:

Item	2017 & 2019 Amendment Allocations	Accrued through March 2019	Invoiced to AIG Cost Cap-Policy
Line Item 0001 Environmental Services			
FORA Self-Insurance or Policy	\$916,056	\$916,056	N/A
State of California Surplus Lines Tax, Risk Transfer, Mobilization	6,100,000	6,100,000	N/A
Contractor's Pollution Liability Insurance	477,344	477,344	N/A
ARCADIS/AIG Commutation Account -plus-AIG insurance	82,117,553	82,117,553	\$5,817,277
Original FORA Administrative Fees	4,562,001	4,562,001	N/A
Line Item 0001: Subtotal	\$94,172,954	\$94,172,954	N/A
Line Item 0001A: Environmental Services Post-Cost-Cap Insurance - Hourly	192,201	0	N/A
Line Item 0001B: Environmental Services Post-Cost-Cap Insurance - Lump Sum	134,899	0	N/A
Line Item 0002: thru 31 Dec 2019 DTSC and EPA Technical Oversight Services	4,301,568	4,047,168	N/A
Line Item 0003: thru 30 June 2020 FORA ESCA Adm. Funds	1,865,848	517,072	N/A
Line Item 0003A: FORA ESCA Admin. Oversight Post-Cost-Cap Insurance	16,355	0	N/A
Line Item 0004: thru 30 June 2028 Post-Closure MEC Find Assessments	528,651	0	N/A
Line Item 0005: thru 30 June 2028 Long Term/LUC Management	3,705,792	0	N/A
Total	\$104,918,268	\$94,737,194	\$5,817,277
	ESCA Remainder	\$ 6,181,074	N/A

The ESCA properties have received Records of Decision (RODs) documenting the cleanup and controls required to protect public health and safety and Land Use Control Implementation Plan/Operation and Maintenance Plans (LUCIP/OMP) implementing, operating and maintaining ROD controls tailored to individual site conditions and historic MEC use. The Final ESCA LUCIP/OMP documents were accepted by the Army and Regulators in February 2019. The future property owner staff (California State University Monterey Bay, City of Del Rey Oaks, Monterey County, City of Monterey and Monterey Peninsula College) have received LUCIP/OMP site-specific training workshops. The ESCA properties received the last EPA Remedial Action Completion letter February 2019. ESCA property cannot be transferred to the jurisdictions and remain closed for public access until DTSC Covenants Restricting Use of Property amendments, Army deed modifications and issuance of the Army CERCLA Warrantees are completed.

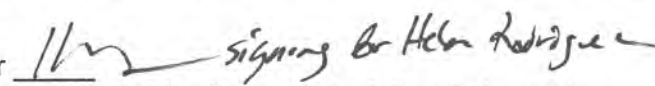
Please note that Regulatory approval of remedial completion does not determine land use. FORA will transfer land title to the appropriate jurisdiction for reuse programming. Underlying jurisdictions are authorized to impose or limit zoning, decide property density or make related land use decisions in compliance with the FORA Base Reuse Plan.

ESCA Amendments Update:

ESCA Amendment 2017: ESCA Remedial Action Completion has initiated Army Long-Term Obligations (LTO) on ESCA property (see table above, Line Item 0004, Post-Closure MEC Find Assessments and Line Item 0005, Long-Term/LUC Management). Under the ESCA, FORA contracted for \$4,234,443, to take on the Army LTO until 2028. FORA (and its Successor) will need continued qualified ESCA LTO support services through 2028. The contracting firms of Arcadis, Weston Solutions, Inc. and Westcliffe Engineers, Inc. have provided ESCA-specific Engineering, MEC Remediation and Public/Regulatory Outreach services for over a decade and are uniquely knowledgeable/qualified to provide FORA with ESCA property LTO support services. May 2019 the FORA Board adopted Resolution 19-05 authorizing the FORA Executive Officer to retain the current ESCA team of Arcadis, Westcliffe Engineers and Weston Solutions to assist FORA by providing LTO support services at a cost not to exceed \$1,328,741. In June, FORA received and accepted proposals from Arcadis, Weston Solutions, Inc., Westcliffe Engineers, Inc., resulting in three (3) ESCA LTO Support Service contracts until 2028.

ESCA Amendment 2019: In 2018, Army BRAC Headquarters (HQ) in Washington D.C. changed their document review and approval process resulting in extended Army review of ESCA documents, driving ESCA work/costs beyond the March 30, 2019 AIG cost-cap insurance termination date. On August 2018, the FORA Board authorized the FORA Executive Officer and FORA Special Counsel, with FORA Executive Committee direction, to enter into Army negotiations for additional funds covering ESCA costs beyond the AIG cost-cap insurance policy expiration date. FORA staff met with Army BRAC HQ staff in Washington, D.C in December 2018. On February 20, 2019, Army BRAC HQ and U.S. Army Corps of Engineers contract support team visited/inspected the ESCA properties to finalize the Scope of Work and Estimate, which the Army accepted. On March 31, 2019, FORA received \$343,455 of Army funds covering ESCA costs beyond the AIG cost-cap insurance policy expiration date. In May 2019, the FORA Board authorized the Executive Officer to enter into an agreement with Arcadis to continue providing ESCA services using the Army Contingent Funds. In June 2019 that contract was executed.

FISCAL IMPACT:

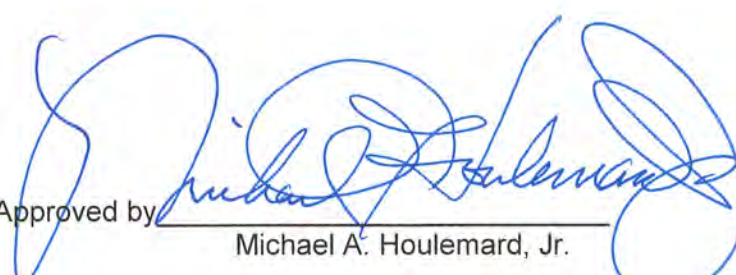
Reviewed by FORA Controller  signing for Helen Rodriguez

The actual cost to FORA of these Army obligations will be fully reimbursed.

COORDINATION:

Administrative Committee; Executive Committee; Authority Counsel; Special Counsel, Arcadis; Westcliffe Engineering, Weston Solutions, U.S. Army EPA; and DTSC.

Prepared by 
Stan Cook

Approved by 
Michael A. Houlemard, Jr.

FORT ORD REUSE AUTHORITY BOARD REPORT	
CONSENT AGENDA	
Subject:	Public Correspondence to the Board
Meeting Date:	July 12,2019
Agenda Number:	7f
	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
CONSENT AGENDA

Subject:	Del Rey Oaks Pollution Legal Liability Loan Retirement – 2 nd Vote	
Meeting Date:	July 12, 2019	ACTION
Agenda Number:	8a	

RECOMMENDATION:

Authorize the Executive Officer to enter into a memorandum of understanding with the City of Del Rey Oaks (“DRO”) that establishes a payment schedule in order for DRO to retire \$552,961 in principal debt to FORA prior to June 30, 2020.

BACKGROUND:

In March 2019, Executive Officer Michael A. Houlemard, Jr. sent a letter to the City of Del Rey Oaks (“DRO”) requesting repayment of an outstanding loan from FORA for DRO’s share of the Pollution Legal Liability Insurance Policy in the amount of \$597,697.41. In response, DRO sent a letter with a proposal to make an initial payment of \$211,000 and monthly payments of \$15,000 until the loan is fully paid. DRO also requested that FORA adjust the interest rate of the loan to 2%.

At their April 30, 2019 meeting, the Finance Committee reviewed the initial request from DRO and provided direction to the Executive Officer to respond to the request outlining the Committee’s willingness to consider a payment schedule and terms that pays off the loan before the sunset of FORA on June 30, 2020. The Finance Committee felt that any adjustments in interest would need to demonstrate a benefit to FORA. The Committee also expressed concern about if the proposed might be a gift of public funds. DRO responded with an updated proposal to pay off the principal amount of the loan of \$552,961 by making an initial payment of \$211,000 and monthly payments of \$28,500 beginning July 1, 2019, with the last payment being made on June 1, 2020.

DISCUSSION:

Since 2014, FORA and DRO have been relying on sale of DRO’s former Fort Ord lands to retire this debt. Since it is unlikely that DRO will sell a significant portion of its lands before June 30, 2020, it is critical that FORA and DRO negotiate a repayment schedule that retires this debt.

Authority Counsel has reviewed this matter and does not believe that a bargained for reduction of the interest rate in exchange for an acceleration of the payment schedule constitutes a gift of public funds.

Staff finds that the benefit of receiving these funds, and using them in the near-term to meet FORA liabilities, could be substantial. DRO has also indicated that they will need to access NON-FORA Fort Ord funds to repay the loan.

FISCAL IMPACT:

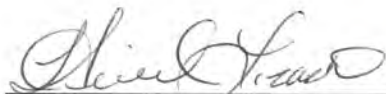
Reviewed by FORA Controller  *signing for Heidi Rodriguez*

Repayment of \$552,961 in principal will positively impact FORA's fund balances. The loss of some potential interest earnings (approximately \$56,000 if the 5% interest rate were maintained) would be offset by the assurance of receiving full repayment of principal prior to FORA's June 30, 2020 dissolution. Staff time for this is included in the approved FORA budget.

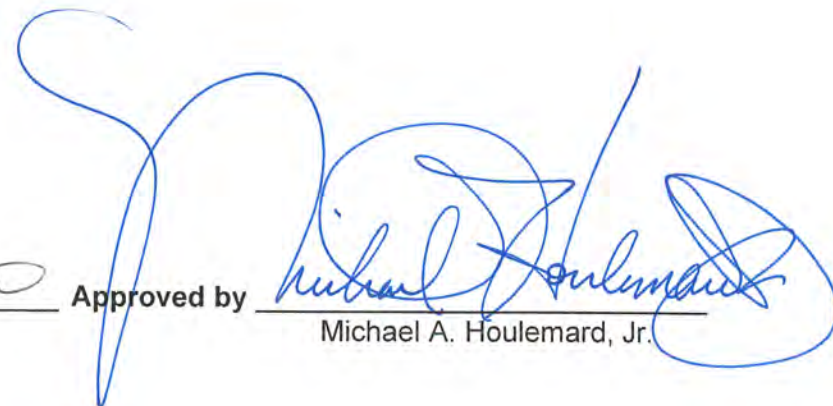
COORDINATION:

Executive Officer, Finance Committee, and Del Rey Oaks Staff.

Prepared by


Heidi Lizarbe

Approved by


Michael A. Houlemard, Jr.

Fort Ord Reuse Authority
920 2nd Avenue, Suite A
Marina, CA 93933

COL Danial Pick, US Army, Ret.
City Manager
City of Del Rey Oaks
11111 Canyon Del Rey
Del Rey Oaks, CA 93944

Re: Repayment of Fort Ord Reuse Authority Loan to the City of Del Rey Oaks

Dear City Manager Pick:

I am writing to you to set forth terms for the repayment of the outstanding balance of the Fort Ord Reuse Authority (“FORA”) Loan to the City of Del Rey Oaks (“DRO”).

The current loan amount is \$553,000 when applying the interest accrued on the outstanding balance – deferred for the past several years. You have written to FORA requesting that the FORA Board of Directors consider your proposal to repay the \$553,000 prior to FORA’s June 30, 2020 legislative sunset/transition. You submitted a payment schedule with your request. In exchange for DRO’s repayment of the principal amount by June 25, 2020, you requested that the FORA Board waive the accrued interest.

The Board has considered your request, and has now approved that proposal subject to the following modifications:

- DRO agrees to pay \$210,900 upon execution of this letter agreement.
- DRO agrees to pay the remaining \$342,100 balance in 11 equal monthly payments of \$31,100 from August 2019 through June 2020. Payments are to be received by FORA not later than the first of each of each month from August 2019 through June 2020.
- If a payment is not received on time or the full payment is not timely made, then the full amount and the interest becomes due and payable immediately upon either failure to timely make payments or to retire the debt.

If you agree with the modifications set forth above for the repayment and can comply with these terms, please execute the letter as noted below.

Thank you for your cooperation and agreement to retire this debt to FORA.

Sincerely,

Michael A. Houlemard, Jr.
Executive Officer C: FORA Board

AGREED: _____

City of Del Rey Oaks

By: _____

FORT ORD REUSE AUTHORITY BOARD REPORT	
BUSINESS ITEMS	
Subject:	Executive Officer Contract Amendment
Meeting Date:	July 12, 2019
Agenda Number:	8b
	ACTION

RECOMMENDATION:

Approve the Amendments to the Executive Officer's Contract.

BACKGROUND/DISCUSSION:

The Fort Ord Reuse Authority ("FORA") Executive Committee has received and considered proposed amendments to the Executive Officer's employment contract as FORA contemplates and implements significant staff reductions upon FORA's impending sunset on June 30, 2020. Those staff reductions include the retirement of the Assistant Executive Officer and the Principal Analyst (including all Human Resources functions), and the loss of the Deputy Clerk/Executive Assistant, the Controller/Finance Manager, the Risk Manager/Prevailing Wage Coordinator, the Principal Planner and the Administrative Coordinator II. The Executive Committee has received a proposal from the Executive Officer to ensure appropriate and consistent performance of the considerable work remaining to be conducted by FORA until it's sunset on June 30, 2020. The proposed amendments to the Executive Officer's employment contract, which include but are not limited to additional medical benefits, additional management leave time and certain post-FORA termination benefits, will be addressed by the Board in closed session at the July 12, 2019 FORA Board meeting. The results of the Board's consideration of the amendments to the employment contract will be reported to the full Board and public following closed session, and the proposed amendments will be considered during the regular Board meeting under this item. Once the amendments are appropriately considered by the Board, FORA staff, it's consultants and Authority Counsel recommend approval of the proposed amendments to the Executive Officer's contract.

FISCAL IMPACT:

The cost of the amendments to the Executive Officer's contract will be relatively minor in relation to the benefits realized by FORA for the Executive Officer's services during FORA's continued transition as it approaches the sunset date of June 30, 2020.

Reviewed by the FORA Controller HS. for Helen Rodriguez

COORDINATION:

Members of the Executive Committee, FORA Authority Counsel

Prepared by Heidi Lizarbe Heidi Lizarbe Review by Jon Giffen Jon Giffen, Authority Counsel

FORT ORD REUSE AUTHORITY BOARD REPORT

BUSINESS ITEM

Subject: Building Removal Financing Update

Meeting Date: July 12, 2019

Agenda Number: 8c

INFORMATION

RECOMMENDATION:

Receive a Building Removal Financing Update.

BACKGROUND/DISCUSSION:

At its October 2018 Meeting, the Fort Ord Reuse Authority ("FORA") Board asked staff to investigate the legality and feasibility of issuing debt against FORA's statutory share of the Property Tax Revenue stream provided to FORA by the State Legislature as codified in the State of California Health and Safety Code. This funding source gives authority to FORA to encumber the revenue stream necessary to issue bonds. This becomes critical given that a significant portion of the property tax revenue stream will default back to other agencies after FORA dissolution and will accrue to the former FORA jurisdictions to a lesser extent, a significant loss to the military base reuse financial resources. This desire to accomplish 'more bang for the buck' is at the crux of the Board decision to authorize further analysis by obtaining specialized financial expertise with NHA Advisors to answer basic questions about legality and feasibility of a Financial Plan to complete remaining building removal on former Fort Ord.

This effort came from a City of Seaside City Manager request to the Administrative Committee that it explore the idea of FORA jurisdictions cooperating to remove as much of the remaining blighted buildings as possible in an effort to attain economic development targets of FORA jurisdictions and establish a financially resilient community in the long run. FORA staff designed a conceptual plan, showing how to accomplish this by targeting its share of the property tax revenue stream and bringing in the financial expertise necessary to complete the remaining building removal, one of the remaining major impediments to reuse.

FORA and NHA have negotiated a scope of work and contract. Phase 1 of the scope was to confirm that the financing would be legal under current state law and FORA's statutory authority. Phase 2 is to prepare a Financial Plan for FORA Board review and approval. Phase 3 would be the Implementation phase, the actual financing itself, if that phase is authorized by the Board in the future. At its June 19, 2019 meeting, the Administrative Committee received a detailed quantitative analysis presentation from Principal Mark Northcross with NHA.

NHA completed its first milestone, a legal and financial feasibility memorandum (**Attachment A**) regarding FORA's statutory property tax authority. NHA's preliminary finding is that FORA would be able to issue bonds in a range of \$36.6 to \$25.5 million for building removal.

NHA's work has also resulted in a preliminary quantitative analysis, considering the net benefit to jurisdictions (**Attachment B**). Using the current market conditions scenario from the feasibility memorandum (\$36M in bond proceeds), NHA considered the net benefit to Cities of Marina, Seaside, and Del Rey Oaks and County of Monterey under 3 scenarios. City of Monterey was not included in this analysis because they did not form an RDA over their Fort Ord lands.

Scenario 1 assumed FORA took out a \$36.6 million bond and then dissolved on June 30, 2020. Scenario 2 assumed FORA dissolved on June 30, 2020 without taking out any bond. Scenario 3 assumed FORA took out a \$36.6 million bond and then dissolved on June 30, 2022. Scenarios 1 and 2 (bond issuance) showed that all three cities received a higher net benefit than Scenario 3 (no FORA bond issuance).

For the County of Monterey, NHA ran an additional assumption on residual allocation of property taxes for them. In addition to a 20% residual allocation for the County General Fund, NHA looked at what would happen if the County transferred 65.5% of its residual allocation to the Monterey County Regional Fire District. Looking at these two conditions within the 3 scenarios, the County received the highest net benefit under Scenario 1 with the 20% residual allocation and highest net benefit under Scenario 2 with the 65.5% revenue pays through to the fire district. The preliminary result is that bond issuance would likely be a net benefit to all three cities and a net benefit to the County under a lower residual allocation of 20%, scenario 1 or 3. This preliminary analysis underscores the importance of having accurate assumptions on what is each jurisdiction's residual allocation of property taxes.

The Administrative Committee met on July 3, 2019 and discussed the potential of bonding to cover the remaining building removal related obligations, which is the Administrative Committee's first priority for use of bond proceeds. The Administrative Committee also discussed other options for future evaluation of underlying contaminated, non-conforming structures. It's the Administrative Committee's intent to bring a recommendation to the Board in August.

FISCAL IMPACT:

Reviewed by FORA Controller 

Staff time to support the Administrative Committee is included in the approved annual budget. The Board's September 28, 2018 action resulted in an increase in consultant services by up to \$75,000, which was incorporated into the FORA mid-year budget update.

COORDINATION:

NHA, County of Monterey, Cities of Seaside, Monterey, Del Rey Oaks, and Marina, Administrative Committee

Prepared by  FORA
Jonathan Brinkmann

Reviewed by  FORA
Michael A. Houlemard, Jr.

FEASIBILITY MEMORANDUM

July 3, 2019

To: Michael A. Houlemard, Jr., Executive Officer, Fort Ord Reuse Authority

From: Mark Northcross, Principal, NHA Advisors

RE: FORA - Feasibility Memorandum for Remediation Bond Issuance

LEGAL AUTHORITY FOR FORA BOND ISSUANCE

The law firm of Stradling Yocca Carlson & Rauth, retained as counsel to NHA Advisors has concluded that Fort Ord Reuse Authority (“FORA”) has the authority to issue bonds with terms that extend beyond its June 30, 2020, dissolution, subject to the following conditions:

- ✓ Bonds must be issued under the authority of the Mark-Roos Act
- ✓ Tax increment revenues pledged to the bonds are subject to the limitation of the project areas from which the tax increment revenue originates

The Marks-Roos Act poses some special requirements on the issuance of FORA remediation bonds. For issuers that are not JPA’s, such as FORA, the Marks-Roos Act can be interpreted as requiring the local agencies where bond proceeds will be spent to hold a noticed public hearing and make a finding that the proposed financing will create a “significant public benefit” within the meaning of Government Code Section 6586.

Table 1 below shows the time limits on the ability of the originating project areas for FORA’s tax increment to use that tax increment to pay debt service. With the exception of the Marina Airport project area, we believe that tax increment from FORA project areas can be used to pay debt service through 2048.

Table 1: FORA Component Redevelopment Project Area Plan Limits

Project Area	Successor Agency	Year Project Area Formed	Final Year to Receive Tax Increment to Repay Debt
Marina Airport	City of Marina	1997	2045
Marina Project 3	City of Marina	1999	2048
Seaside Fort Ord	City of Seaside	2002	2048
Del Rey Oaks Fort Ord	City of Del Rey Oaks	2003	2048*
Fort Ord East Garrison	County of Monterey	2002	2048*

**We have not received Redevelopment Plans for these project areas to date, final year is estimated*

PLEGGED REVENUES FOR DEBT SERVICE

Table 2 details actual tax increment received by FORA from the five source project areas for FY 2018-19. FORA is expected to receive over \$2.6 million in tax increment revenues, as provided for in its authorizing statute, in FY 2018-19. The Marina 3 project area, the Seaside Fort Ord project area, and the County of Monterey East Garrison project comprise nearly all of the tax increment revenue.

Table 2: Recognized Obligation Payment Schedule (ROPS)-Based Revenues for FORA (FYE 2018-19)

Project Area	Marina Airport	Marina Project 3	Seaside Fort Ord	Del Rey Oaks Fort Ord	Fort Ord East Garrison	Total
ROPS A	\$14,437	\$334,699	\$347,983	\$3,317	\$226,640	\$927,076
ROPS B	\$21,707	\$678,582	\$520,457	\$4,820	\$475,337	\$1,700,903
Total	\$36,144	\$1,013,281	\$868,440	\$8,137	\$701,977	\$2,627,979
Revenues as % of Total	1.38%	38.56%	33.05%	0.31%	26.71%	100.00%

CREDIT CONCERNS WITH FORA BOND ISSUE

The credit rating for a bond issue secured by tax increment is determined by three basic factors:

- ❖ Diversity and quality of tax base
- ❖ Coverage ratio given annual revenues and annual debt service
- ❖ Volatility, incremental assessed valuation as a per cent of total valuation.

FORA's credit quality is strongest in the volatility category, since assessed valuation was very small in each of the three main project areas at the time of project area formation. Coverage ratio is something that FORA itself can determine through how it sizes the proposed bond issue. The diversity and quality of the tax base then becomes the key credit concern for a FORA bond issue.

The biggest concern is concentration of taxpayers in a project area, indicating that a high percentage of the revenues to pay debt service come from a small number of taxpayers. Table 3 below shows concentration information available for two of the three main project areas. The Marina Project 3 project area has a very high concentration of taxpayers by standards of credit rating agencies, largely because of the great success of the "Dunes on Monterey Bay" shopping center in securing large retail anchors for the shopping center. Over 40% of tax increment revenue from this project area would be lost if the top three taxpayers simultaneously became delinquent in their property tax payments for a year or more. While this scenario is unlikely, it is the metric that bond investors use in evaluating credit. The concentration for the top 3 taxpayers in Seaside Fort Ord Project Area is below 15% and not a major concern. We believe that East Garrison project area should not be a credit concern since it is primarily single family residential.

Table 3: Concentration of Taxpayer Sensitivity for FORA

Project Area	FY for Most Recent Data	Incremental Assessed Valuation	Combined Assessed Valuation of Top 3 Taxpayers	Top 3 Taxpayers as % of Incremental Valuation
Marina Project 3	2017-18	322,398,824	130,213,459	40.4%
Seaside Fort Ord	2014-15	371,584,046	53,746,536	14.5%

Bond investors typically want to know how much money would be available to pay debt service in the event the largest taxpayers in a redevelopment project area all became delinquent. Table 4 below provides analysis of the total available tax increment revenues excluding revenue from the top three taxpayers in both the Marina Project 3 and Seaside Fort Ord project areas. If the top three taxpayers in both project areas became delinquent at the same time for one year or more, FORA tax increment revenues would decrease from about \$2.6 million per year to about \$2.1 million per year.

Table 4: Maximum Annual Debt Service Excluding Revenue from Top 3 Taxpayers for Marina Project 3 and Seaside Fort Ord Project Area

% Loss from Top 3 Marina Project 3 Taxpayers	40.4%
Net Marina Project 3 Tax Increment Revenues	\$604,028
% Loss from Top 3 Seaside Fort Ord Taxpayers	14.5%
Net Seaside Fort Ord Tax Increment Revenues	\$742,827
Tax Increment Revenues from Other Project Areas	\$746,258
Total Adjusted Tax Increment Revenues	2,093,113

PROBABILITY OF TAXABLE INTEREST RATES

The intended use of the proceeds of any FORA bond issue is for removal of buildings within the FORA jurisdiction. While the bulk of such buildings are now located on land owned by public entities, it is very likely that after removal of the buildings, such land will be sold to private entities for development. Under Federal tax law, **any bonds issued for remediation of land that is subsequently sold to private entities must be sold with taxable interest rates.** The intent to ultimately sell the land to private entities is the key determining factor regarding tax categorization of the bonds. To the extent that bond proceeds are used for building removal on land intended for long term public use, such as a roadway or a park, that portion of the bond issue can be sold with tax exempt interest rates. At present, taxable interest rates are between 1% and 1.5% higher than tax exempt interest rates.

BONDING CAPACITY SCENARIOS

As noted above, FORA can control the coverage ratio for its bond issue through a legal covenant made at the time of bond issuance. Table 5 below shows maximum annual debt service ("MADS") for three different coverage ratios. The scenarios take into consideration the FY 2018-19 tax increment revenues as shown on Table 2 and an estimated \$150,000 per year reduction on tax increment revenues as a result of the 2012 amendments to the Implementation Agreements. In addition, this analysis includes no explicit set aside of tax increment revenue for funding the continued FORA operations.

Table 5: Maximum Annual Debt Service Scenarios

FY 2018-19 Combined FORA Tax Increment	\$2,627,979
Estimated Implementation Plan Amendments set-aside	\$150,000
Net FY 2018-19 combined FORA Tax Increment	\$2,477,979
MADS at 1.10x coverage	\$2,252,708
MADS at 1.15x coverage	\$2,154,764
MADS at 1.25x coverage	\$1,982,383

Table 5 shows that, depending on the coverage ratio (calculated as net revenues available for debt service divided by debt service), MADS for a FORA bond issuance ranges from \$1.98 million up to \$2.25 million

per year. Fiscal Year 2019-20 estimates a combined FORA tax increment of approximately \$3 million, which was used in the Most Optimistic scenario discussed below.

With respect to the credit concern about taxpayer concentration, the coverage ratio is the most effective way of mitigating this risk. A higher the coverage ratio places lower limits on debt service to account for the concentration risk. As can be seen, use of a 1.25x coverage ratio results in MADS of \$1.98 million, which is lower than the \$2.1 million per year figure that would result if the top three taxpayers in both Marina Project 3 and Seaside Fort Ord projects areas became delinquent.

As single-family residential development takes place in these two project areas, taxpayer concentration will decline. In addition, a baseline 2% annual growth in assessed valuation will increase the amount of potential tax increment revenues that are “immune” to a loss of major taxpayers. **Consequently, we believe that the 1.15x coverage ratio, resulting in maximum annual debt service of \$2.15 million per year, is a reasonable assumption.** Should FORA issue bonds in FYE 2020, an optimal case scenario would be for the preliminary estimates for FY 2019-2020 to show that \$2.15 million annual debt service figure is sustainable for a 1.15x coverage ratio.

Table 6 below shows bonding capacity for FORA under three different scenarios. As noted above, we believe that Scenario 2 is moderately conservative and a reasonable assumption at this point in our analysis. All three scenarios assume final maturity of the bonds in September 1, 2047 (FYE 2048). The September 1, 2047 final maturity date in all scenarios is a conservative assumption. In theory, a September 1, 2048 final maturity date could be used, but the 2047 date gives one more year to receive tax increment to address in shortfalls or delinquencies in prior years. The scenarios are summarized below:

1. **Scenario 1 – Most Optimistic:** Assumes a coverage ratio of 1.5x on assumed \$3 million in tax increment in combined FORA tax increment for FY 2019-20, and an all-in interest rate of 3.60% assuming current market rates, with about 80% of the bond issue sold on a taxable basis, and 20% sold on a tax-exempt basis. Net bond proceeds available for project funding are \$36.6 million. This scenario assumes an A- underlying rating, bond insurance, and a surety bond on the bonds.
2. **Scenario 2 – Moderately Conservative:** Assumes 1.15x coverage ratio and an interest rate of 5.0% assuming 100% of the bonds are sold on a taxable basis at conservative market rates. Net bond proceeds available for project funding total \$29.5 million.
3. **Scenario 3 – Conservative:** Assumes 1.25x coverage ratio and an interest rate of 5.5%. All bonds are assumed to be sold on a taxable basis at an interest rate 0.5% over conservative market. Net bond proceeds available for project funding total \$25.5 million.

Table 6: Bonding Capacity by Scenario

Scenario	Coverage Ratio	Estimated Interest Rate	Tax Status	Likely Rating	Net Bond Proceeds for Projects
1 – Current Market Conditions with Bond Insurance and a Surety Bond	1.5x	3.60%	80% Taxable and 20% Tax Exempt	A- (AA after Insurance)	\$36,607,000
2 - Moderately Conservative	1.15x	5.00%	Fully Taxable (Current Market)	BBB	\$29,463,000
3 - Conservative	1.25x	5.50%	Fully Taxable (Current Market + 0.5%)	BBB/A-	\$25,455,000

All scenarios assume 9/1/2047 final principal payment

Table 7 below allocates bond proceeds based on each project area's share of the total FORA tax increment (TI) revenue. Under this assumption, Marina would receive between \$10 and \$12.5 million in net bond proceeds, Seaside would receive between \$8.4 and \$10.4 million in net proceeds, Monterey County would receive between \$6.8 and \$8.4 million in net proceeds, and Del Rey Oaks would receive less than \$100,000 in all three scenarios.

Table 7: Allocation of Net Proceeds for Projects Based on Source of Tax Increment

Scenario	Marina Airport	Marina Project 3	Seaside Fort Ord	Del Rey Oaks Fort Ord	Fort Ord East Garrison	Total
1 - Most Optimistic	\$503,475	\$14,114,716	\$12,097,122	\$113,346	\$9,778,339	\$36,607,000
2 - Moderately Conservative	\$405,220	\$11,360,174	\$9,736,321	\$91,226	\$7,870,058	\$29,463,000
3 - Conservative	\$350,096	\$9,814,792	\$8,411,841	\$78,816	\$6,799,455	\$25,455,000

Based on our analysis, the proceeds in Table 7 above represents funding that would not be available to the cities of Marina, Seaside, Del Rey Oaks, and Monterey County if FORA dissolved without issuing bonds. After dissolution of redevelopment agencies, it is very uncommon that a successor agency has the ability to issue new debt. Based on our analysis, none of the successor agencies for FORA jurisdictions can issue debt secured by FORA's tax increment revenue stream. Upon dissolution, the FORA tax increment revenue stream becomes subject to residual allocation under the redevelopment dissolution statute. Consequently, funding from a potential FORA bond issue is very likely an irreplaceable opportunity.

SUMMARY OF KEY ASSUMPTIONS AND TAKE-AWAYS

In conclusion, **we believe that FORA has very significant bonding capacity, capacity that is lost to FORA member jurisdictions if the bonds are not issued prior to FORA dissolution.** The biggest constraint on the ability of FORA to issue bonds, however, is not the credit concerns outlined in this memo, but the current reliance of FORA on tax increment revenue to fund operations. Should FORA receive legislative authority to extend its sunset, it appears likely that an allocation of a portion of tax increment to fund operations would be necessary and will need to be included in future bonding scenarios.

Key Assumptions of Our Analysis	Conclusions, Takeaways, and Next Steps
Financing will Require Taxable Bond Issue	• Remediation/infrastructure on property for long-term public ownership can be financed with tax-exempt status, reducing borrowing costs
Rating Agencies Require Coverage Ratio that Mitigates Concentration Risk	• If concentration risk in Marina Project 3 Project Area decreases in FYE 2020 estimates, bonding capacity increases
Maximizes Revenue Capacity, Adjusting for Credit Concerns	• Future analysis needs to include explicit set aside for future operating revenue in the event of FORA extension
Proceeds Allocated Based on Project Areas' Portion of Total TI Revenue	• Marina, Seaside, and Monterey County get significant funding for projects that would not otherwise be available

NHA Advisors, LLC is registered as a Municipal Advisor with the SEC and Municipal Securities Rulemaking Board (“MSRB”). As such, NHA Advisors, LLC has a Fiduciary duty to the public agency and must provide both a Duty of Care and a Duty of Loyalty that entails the following.

Duty of Care

- a) exercise due care in performing its municipal advisory activities;
- b) possess the degree of knowledge and expertise needed to provide the public agency with informed advice;
- c) make a reasonable inquiry as to the facts that are relevant to the public agency’s determination as to whether to proceed with a course of action or that form the basis for any advice provided to the public agency; and
- d) undertake a reasonable investigation to determine that NHA Advisors, LLC is not forming any recommendation on materially inaccurate or incomplete information; NHA Advisors, LLC must have a reasonable basis for:
 - i. any advice provided to or on behalf of the public agency;
 - ii. any representations made in a certificate that it signs that will be reasonably foreseeably relied upon by the public agency, any other party involved in the municipal securities transaction or municipal financial product, or investors in the public agency securities; and
 - iii. any information provided to the public agency or other parties involved in the municipal securities transaction in connection with the preparation of an official statement.

Duty of Loyalty

NHA Advisors, LLC must deal honestly and with the utmost good faith with the public agency and act in the public agency’s best interests without regard to the financial or other interests of NHA Advisors, LLC. NHA Advisors, LLC will eliminate or provide full and fair disclosure (included herein) to Issuer about each material conflict of interest (as applicable). NHA Advisors, LLC will not engage in municipal advisory activities with the public agency as a municipal entity, if it cannot manage or mitigate its conflicts in a manner that will permit it to act in the public agency’s best interests.

Development and Property Tax Revenue Projections
 Summary of Scenarios for FORA Member Jurisdiction RDAs

Highest present value scenario shown in red

	Marina	Seaside	Del Rey Oaks	Monterey County
SA Share of Residual Allocation	20.0%	20.0%	20.0%	20.0%

Scenario 1: 2020 Dissolution with Bond Issue					
	Marina	Seaside	Del Rey Oaks	Monterey County (General Fund)	Monterey County (MC Regional FD)*
Net bond proceeds	14,617,262	12,096,968	113,344	9,778,215	-
PV of increased revenues received by General Fund, after debt service	3,034,254	3,355,301	1,605,594	29,993,855	23,740,713
Total Benefit	17,651,515	15,452,269	1,718,938	39,772,069	23,740,713

Scenario 2: 2020 Dissolution with No Bond Issue					
	Marina	Seaside	Del Rey Oaks	Monterey County (General Fund)	Monterey County (MC Regional FD)*
Net bond proceeds	-	-	-	-	-
PV of increased revenues received by General Fund	4,348,662	4,443,080	1,615,786	39,289,001	31,326,753
Total Benefit	4,348,662	4,443,080	1,615,786	39,289,001	31,326,753

Scenario 3: Extension Through 2022 with Bond Issue					
	Marina	Seaside	Del Rey Oaks	Monterey County (General Fund)	Monterey County (MC Regional FD)*
Net bond proceeds	14,617,262	12,096,968	113,344	9,778,215	-
PV of increased revenues received by General Fund, after debt service	2,874,530	3,193,960	1,562,178	28,656,675	22,585,978
Total Benefit	17,491,791	15,290,928	1,675,523	38,434,890	22,585,978

Scenario 4: Extension Through 2022 with No Bond Issue					
	Marina	Seaside	Del Rey Oaks	Monterey County (General Fund)	Monterey County (MC Regional FD)*
Net bond proceeds	-	-	-	-	-
PV of increased revenues received by General Fund, after debt service	4,033,303	4,152,939	1,571,163	36,907,416	29,273,779
Total Benefit	4,033,303	4,152,939	1,571,163	36,907,416	29,273,779

*Pursuant to an agreement with East Garrison Fire Department whereby the County transfers 65.5% of all property taxes received to the fire department.

FORA Share of Allocation Available After Debt Service (available for budget)	FYE 2021	FYE 2022
	2,444,349	2,906,885

FORT ORD REUSE AUTHORITY BOARD REPORT

BUSINESS ITEM

Subject:	2018 Transition Plan and Implementing Agreement Progress Report	
Meeting Date:	July 12, 2019	INFORMATION
Agenda Number:	8d	

RECOMMENDATION:

- i. Receive a Fort Ord Reuse Authority ("FORA") 2018 Transition Plan and Implementing Agreement Progress Report.

BACKGROUND:

At the March 22, 2019 Board meeting and prior Board meetings the FORA Board requested that staff and consultants provide periodic updates regarding the status of the 2018 Transition Plan Implementation.

STATUS UPDATE- PENDING LEGISLATION:

Senator Monning introduced two bills related to the FORA Act. Senate Bill (SB) 189 and SB 533. SB 189, as currently drafted, among other things, extends FORA and the community facilities district ("CFD") by two (2) years, creates a re-comprised 5-member board of the underlying land use jurisdictions to oversee property tax, CFD, and other revenues, revision of the CFD boundaries and includes a California Environmental Quality Act ("CEQA") exemption. Attached please find copies of SB 189 in its current available form (**Attachment A**). A summary of key modifications from the introduced version is below:

- Adds three ex-officio members to the FORA Board;
- Assures Health and Safety Code tax split;
- Clarifies FORA Authority between 2020-2022;
- Restructures the limited purpose and jurisdiction form of Board;
- Precludes the addition of capital improvement program projects after June 30, 2020; and
- Includes a CEQA exemption for the reorganization, noting CEQA is still required to be performed by the jurisdictions for individual projects.

Senate Bill 189 passed the State Senate 38-0. SB 533 regarding prevailing wage will not be heard this session. SB 189 is now undertaken by the California Assembly and will be heard in Local Government Committee the week of July 10, 2019.

TRANSITION PLANNING PROGRESS REPORT:

Since the March 8, 2019 Board meeting report, FORA transition plan implementation consultants Regional Government Services ("RGS") have met with various stakeholders and compiled background information to support drafting Transition Plan Implementation Agreements ("TPIA"). The RGS workplan involves drafting the following set of TPIA for consideration by the Board:

1. **Multi-agency TPIA:** addressing issues relevant to each FORA land use jurisdiction (Del Rey Oaks, Marina, Monterey, Monterey County, Seaside) as well as:
 - a. Transferring FORA's regional transportation obligations and offsite transportation reimbursement agreements to the Transportation Agency for Monterey County ("TAMC") and the holdover jurisdictions;
 - b. Economic Development Conveyance ("EDC") Successor (property transfers);
 - c. Local Reuse Authority ("LRA") Successor; and

- d. Provisions to continue regional housing solutions cooperation.
2. **Water TPIA:** addressing transfer of certain FORA rights (as may be noted in EDC agreement noted above) and obligations to Marina Coast Water District ("MCWD") relative to water supply and allocation.
3. **Environmental Services Cooperative Agreement TPIA:** regarding post-FORA successor and obligations

RGS representatives met with the Administrative Committee on March 20, April 3, June 5, and June 19, 2019 to provide updates on TPIA progress (**Attachment B**).

RGS consultants provided an update regarding the Implementing Agreements on May 15 and distributed the draft MCWD Implementing Agreement for review. Several members submitted comments in May as requested. The consultants have prepared a draft Multi-Agency Implementing Agreement that was reviewed by the Administrative Committee June 19, and is up for additional review on July 3, 2019.

Staff anticipates these draft agreements will be provided to the Board in an overview fashion in August.

In addition, Staff is working to advance the following transition related items:

- a) Habitat Conservation Plan Joint Powers Authority formation;
- b) Local Agency Formation Commission of Monterey County-FORA Liability Agreement;
- c) Final FY 19/20 Capital Improvement Program;
- d) County acceptance of FORA/Department of Toxic Substances Control reporting requirements; and
- e) Public Employee Retirement obligations and FORA projected staffing.

COORDINATION:

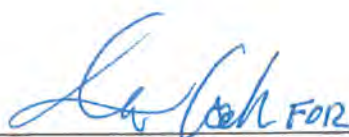
Executive Officer.

ATTACHMENTS:

Attachment A: Senate Bill 189

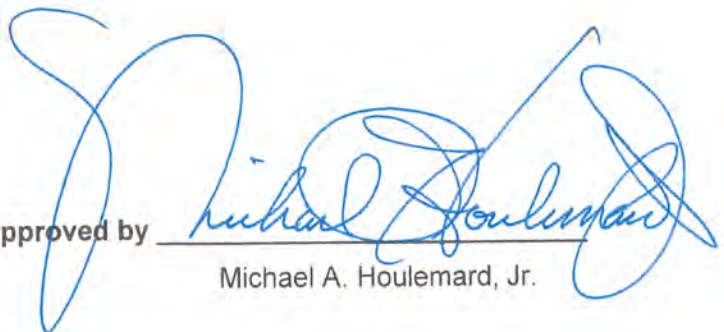
Attachment B: TPIA Status Chart

Prepared by



Josh Metz

Approved by



Michael A. Houlemard, Jr.

AMENDED IN ASSEMBLY JUNE 17, 2019

AMENDED IN SENATE MAY 17, 2019

AMENDED IN SENATE APRIL 11, 2019

AMENDED IN SENATE APRIL 1, 2019

SENATE BILL

No. 189

Introduced by Senator Monning

(Coauthors: Assembly Members Robert Rivas and Mark Stone)

January 30, 2019

An act to amend Section 67675 of, to amend and repeal Sections ~~67661, 67662, 67673, 67675.2, 67675.3, 67675.4, 67675.5, 67675.6, 67675.7, 67675.8, 67675.9, and 67690~~ of, to amend, repeal, and add Sections 67652, 67655, 67660, ~~67661, 67679, and 67700~~ of, and to add Section 67701 to, the Government Code, ~~and to add Section 33492.79 to the Health and Safety Code,~~ relating to military base reuse.

LEGISLATIVE COUNSEL'S DIGEST

SB 189, as amended, Monning. Fort Ord Reuse Authority: member agencies: land use and zoning: dissolution.

(1) Existing law, the Fort Ord Reuse Authority Act, establishes the Fort Ord Reuse Authority (the authority) to prepare, adopt, finance, and implement a plan for the use and development of the territory previously occupied by the Fort Ord military base in the County of Monterey. The act provides that the authority is governed by a board comprised of 13 members representing the County of Monterey and specified cities within the county, which the act designates as "member agencies." The act provides that any local agency that does not adopt a resolution favoring establishment of the authority is not required to appoint a voting member to the board.

This bill would reduce the size of the board from 13 members to 5 members and eliminate representation for certain cities. The bill would delete the provision regarding a local agency not being required to appoint a voting member to the board. The bill would require the vote of a majority of the total membership of the board to pass or act upon any matter properly before the board. The bill would make these provisions operative on July 1, 2020.

(2) Existing law requires the board to prepare, adopt, review, revise, and maintain a plan for the future use and development of the territory occupied by Fort Ord. Existing law requires the plan to include certain elements, including, among others, a 5-year capital improvement program, as provided.

This bill, on and after July 1, 2020, would prohibit any additions to the plan, including the capital improvement program.

(3) Existing law authorizes representatives of certain entities to serve as ex officio, nonvoting members of the ~~board and~~ board.

This bill, on July 1, 2020, would reduce the number of representatives authorized to serve as ex officio, nonvoting members, as provided, and would additionally authorize a representative designated by the Marina Coast Water District to serve as an ex officio, nonvoting member.

(4) Existing law authorizes the board to appoint or remove additional ex officio members at its pleasure. Existing law authorizes the board to appoint advisory committees to provide it with options, critique, analysis, and other information as it finds useful.

After adoption of a reuse plan by the board, existing law requires each county or city with territory occupied by Fort Ord to submit its general plan or amended general plan that meets certain requirements, or subsequent amendments to a certified plan, to the board and requires the board, after a noticed public hearing, to certify or refuse to certify the portion of the general plan that applies the territory of Fort Ord, as provided. Existing law similarly provides for the submission and review by the board of the county's or city's zoning ordinances, zoning district maps, and, where necessary, other implementing actions applicable to the territory of Fort Ord. Existing law provides that development review authority, with certain exceptions, is exercised by the applicable county or city, but prohibits a local agency from permitting, approving, or otherwise allowing a development or other change of use within the area of Fort Ord that is not consistent with the reuse plan adopted by the board. Existing law authorizes the board to review actions of each member agency regarding planning, zoning, and the issuance or denial

of building permits within the area of Fort Ord, subject to specified limitations.

Existing law provides specific procedures regarding the preparation of an environmental impact report on the Fort Ord Reuse Plan that apply in the event that an environmental impact statement on the closure and reuse of Fort Ord has been filed pursuant to the federal National Environmental Policy Act of 1969.

Existing law authorizes the board to receive contributions from member agencies represented on the board. Existing law requires each member agency and each public agency represented by an ex officio member to contribute specified amounts to the authority.

This bill would repeal all of these provisions on July 1, 2020.

~~(4)~~

(5) Existing law authorizes the board to identify basewide public capital facilities described in the Fort Ord Reuse Plan, as provided, and requires the board to plan for and arrange for the provision of those facilities. Existing law requires the board to also identify significant local public capital facilities, but requires these facilities to be the responsibility of the city or county or redevelopment agency, as provided.

Existing law prohibits the board from constructing or otherwise acting to improve a local public capital facility without the consent of the city or county with land use authority over the area where the facility is or will be located. Existing law also prohibits, if all or any portion of the Fritzsche Army Air Field is transferred to the City of Marina, or if all or any portion of the 2 Army golf courses within the territory of Seaside are transferred to the City of Seaside, the board from considering those portions of the air field that continue to be used as an airport or those portions of the golf courses that continue in use as a golf course, from being basewide capital facilities. Existing law authorizes the board, among other things, to issue bonds to finance basewide public facilities.

This bill, on July 1, 2020, would delete the prohibitions described above, and would eliminate the board's authority to issue bonds to finance basewide public facilities.

~~(5)~~

(6) Under existing law, the Fort Ord Reuse Authority Act becomes inoperative when the board makes a specified determination regarding the development or reuse of the territory of Fort Ord or on June 30, 2020, whichever occurs first. Existing law repeals the act on January 1, 2021. Existing law requires the Monterey County Local Agency

Formation Commission to provide for the orderly dissolution of the authority, as provided.

This bill would, instead, make the Fort Ord Reuse Authority Act inoperative on June 30, 2022, and repeal the act on January 1, 2023. The bill would require the authority to negotiate and secure successor agencies for all obligations under the transition plan no later than June 30, 2022. The bill would require the Monterey County Local Agency Formation Commission to provide for the orderly dissolution of the authority once an agreement with a successor agency has been finalized. The bill would require the transfer of specified revenues of the authority to the County of Monterey for disbursement to each underlying land use jurisdiction on a pro rata basis. The bill would specify that any financial obligation of the authority to which the County of Monterey succeeds as a result of the disbursement of remaining revenues or the retirement of debt does not constitute a debt or liability of the county, or any other member agency. The bill would make these provisions operative on July 1, 2020.

This bill would authorize the authority to take specified actions regarding its dissolution, including implementing the transition plan and collecting and disbursing specified revenues. The bill would authorize an underlying land use jurisdiction to adopt a substitute funding mechanism in lieu of the community facilities district established for the Fort Ord area if the jurisdiction commits to continue funding specified regional needs. The bill would also deem the transition plan to be within the scope of a specified categorical exemption from the California Environmental Quality Act. The bill would make these provisions operative on July 1, 2020.

(6)

(7) Existing law establishes procedures for the establishment and operation of all redevelopment project areas created within the area previously known as Fort Ord. Existing law, upon dissolution of the authority, requires that amounts allocated under a redevelopment plan that contains a provision for the division of taxes, if any levied upon taxable property within a redevelopment project, continue to be paid to the accounts of the authority insofar as needed to pay principal and interest or other amounts of debt incurred by the authority.

~~This bill would make these provisions governing the establishment and operation of redevelopment project areas created within Fort Ord inoperative as of the date of the dissolution of the Fort Ord Reuse Authority or the retirement of the authority's debt, whichever occurs~~

later. The bill, upon dissolution of the authority or retirement of its debt, whichever occurs later, would require that any remaining property tax revenues allocated to the authority be transferred to the auditor-controller of the County of Monterey for appropriate distribution.

(7)

(8) This bill would make legislative findings and declarations as to the necessity of a special statute for the County of Monterey.

(8)

(9) By adding to the duties of various local agencies with respect to the dissolution of the Fort Ord Reuse Authority, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 67652 of the Government Code is
2 amended to read:

3 67652. The Legislature finds and declares as follows:

4 (a) The policy set forth in Section 67651 is most likely to be
5 achieved if an effective governmental structure exists to plan for,
6 finance, and carry out the transfer and reuse of the base in a
7 cooperative, coordinated, balanced, and decisive manner.

8 (b) The County of Monterey and the Cities of Monterey, Salinas,
9 Carmel, and Pacific Grove have requested the Legislature to
10 establish a governmental structure for Fort Ord.

11 (c) This section shall remain in effect only until July 1, 2020,
12 and as of that date is repealed.

13 SEC. 2. Section 67652 is added to the Government Code, to
14 read:

15 67652. (a) The Legislature finds and declares as follows:

16 (1) The policy set forth in Section 67651 is most likely to be
17 achieved if an effective governmental structure exists to plan for,

1 finance, and carry out the transfer and reuse of the base in a
2 cooperative, coordinated, balanced, and decisive manner.

3 (2) The transition plan, adopted by the Fort Ord Reuse
4 Authority, will ~~assure~~ *ensure* that ongoing, mandated requirements
5 continue to be funded and addressed within the region covered by
6 the authority, which will collect and distribute revenue for the
7 limited environmental and infrastructure mission.

8 (b) This section shall become operative on July 1, 2020.

9 SEC. 3. Section 67655 of the Government Code is amended
10 to read:

11 67655. Unless the context otherwise requires, the definitions
12 contained in this chapter govern the construction of this title.

13 (a) “Authority” means the Fort Ord Reuse Authority.

14 (b) “Base-wide facility” means a public capital facility which,
15 in the judgment of the board, is important to the overall reuse of
16 Fort Ord, and has significance beyond any single city or the
17 unincorporated area of the county.

18 (c) “Board” means the governing board of the authority, as
19 specified in Section 67660.

20 (d) “Fort Ord Reuse Plan” means the plan for the future use of
21 Fort Ord adopted pursuant to Section 67675.

22 (e) “Legislative body” means the city council of a city or the
23 board of supervisors of a county, or the legislative body or
24 governing board of any other public agency.

25 (f) “Local facility” means a public capital facility which, in the
26 judgment of the board, is important primarily within a single city
27 or the unincorporated area of the county.

28 (g) “Member agency” means the County of Monterey and the
29 City of Carmel, the City of Del Rey Oaks, the City of Marina, the
30 City of Sand City, the City of Monterey, the City of Pacific Grove,
31 the City of Salinas, or the City of Seaside.

32 (h) “Fort Ord,” including references to the territory or area of
33 Fort Ord, means the geographical area described in the document
34 entitled “Description of the Fort Ord Military Reservation Including
35 Portion of the Monterey City Lands Tract No. 1, the Saucito,
36 Laguna Seca, El Chamisal, El Toro and Noche Buena Ranchos,
37 the James Bardin Partition of 1880 and Townships 14 South,
38 Ranges 1 and 2 East and Townships 15 South, Ranges 2 and 3
39 East, M.D.B. and M. Monterey County, California,” prepared by

1 Bestor Engineers, Inc., and delivered to the Sacramento District
2 Corps of Engineers on April 11, 1994.

3 (i) “Public capital facilities” means all public capital facilities
4 described in the Fort Ord Reuse Plan, including, but not limited
5 to, roads, freeways, ramps, air transportation facilities and freight
6 hauling and handling facilities, sewage and water conveyance and
7 treatment facilities, school, library, and other educational facilities,
8 and recreational facilities, that could most efficiently and
9 conveniently be planned, negotiated, financed, or constructed by
10 the authority to further the integrated future use of Fort Ord.

11 (j) “Redevelopment authority,” for purposes of the transfer of
12 property at military bases pursuant to Title XXIX of the National
13 Defense Authorization Act for the 1994 fiscal year, means the Fort
14 Ord Reuse Authority, except that, with respect to property within
15 the territory of Fort Ord that is transferred or to be transferred to
16 the California State University or to the University of California,
17 “redevelopment authority” solely for purposes of the transfer of
18 property at military bases pursuant to Title XXIX of the National
19 Defense Authorization Act for the 1994 fiscal year means the
20 California State University or the University of California, and
21 does not mean the Fort Ord Reuse Authority.

22 (k) This section shall remain in effect only until July 1, 2020,
23 and as of that date is repealed.

24 SEC. 4. Section 67655 is added to the Government Code, to
25 read:

26 67655. Unless the context otherwise requires, the definitions
27 contained in this chapter govern the construction of this title.

28 (a) “Authority” means the Fort Ord Reuse Authority.

29 (b) “Base-wide facility” means a public capital facility which,
30 in the judgment of the board, is important to the overall reuse of
31 Fort Ord, and has significance beyond any single city or the
32 unincorporated area of the county.

33 (c) “Board” means the governing board of the authority, as
34 specified in Section 67660.

35 (d) “Community facilities district revenues” means the revenues
36 collected by the authority pursuant to the Mello-Roos Community
37 Facilities Act of 1982 (Chapter 2.5 (commencing with Section
38 53311) of Part 1 of Division 2 of Title 5).

39 (e) “Fort Ord Reuse Plan” means the plan for the future use of
40 Fort Ord adopted pursuant to Section 67675.

1 (f) “Legislative body” means the city council of a city or the
2 board of supervisors of a county, or the legislative body or
3 governing board of any other public agency.

4 (g) “Local facility” means a public capital facility which, in the
5 judgment of the board, is important primarily within a single city
6 or the unincorporated area of the county.

7 (h) “Member agency” means the County of Monterey, the City
8 of Del Rey Oaks, the City of Marina, the City of Monterey, or the
9 City of Seaside.

10 (i) “Fort Ord,” including references to the territory or area of
11 Fort Ord, means the geographical area described in the document
12 entitled “Description of the Fort Ord Military Reservation Including
13 Portion of the Monterey City Lands Tract No. 1, the Saucito,
14 Laguna Seca, El Chamisal, El Toro and Noche Buena Ranchos,
15 the James Bardin Partition of 1880 and Townships 14 South,
16 Ranges 1 and 2 East and Townships 15 South, Ranges 2 and 3
17 East, M.D.B. and M. Monterey County, California,” prepared by
18 Bestor Engineers, Inc., and delivered to the Sacramento District
19 Corps of Engineers on April 11, 1994.

20 (j) “Property tax revenues” means the amount of property tax
21 revenues allocated to the authority pursuant to Section 33492.71
22 of the Health and Safety Code.

23 (k) “Public capital facilities” means all public capital facilities
24 described in the Fort Ord Reuse Plan, including, but not limited
25 to, roads, freeways, ramps, air transportation facilities and freight
26 hauling and handling facilities, sewage and water conveyance and
27 treatment facilities, school, library, and other educational facilities,
28 and recreational facilities, that could most efficiently and
29 conveniently be planned, negotiated, financed, or constructed by
30 the authority to further the integrated future use of Fort Ord.

31 (l) “Redevelopment authority,” for purposes of the transfer of
32 property at military bases pursuant to Title XXIX of the National
33 Defense Authorization Act for the 1994 fiscal year, means the Fort
34 Ord Reuse Authority, except that, with respect to property within
35 the territory of Fort Ord that is transferred or to be transferred to
36 the California State University or to the University of California,
37 “redevelopment authority” solely for purposes of the transfer of
38 property at military bases pursuant to Title XXIX of the National
39 Defense Authorization Act for the 1994 fiscal year means the

1 California State University or the University of California, and
2 does not mean the Fort Ord Reuse Authority.

3 (m) “Transition plan” means the plan for the dissolution of the
4 authority adopted by the board, as required by subdivision (c) of
5 Section 67700.

6 (n) “Underlying land use jurisdiction” means, singularly or in
7 the plural, the City of Monterey, the City of Del Rey Oaks, the
8 City of Seaside, the City of Marina, or the County of Monterey.

9 (o) This section shall become operative on July 1, 2020.

10 SEC. 5. Section 67660 of the Government Code is amended
11 to read:

12 67660. (a) The authority shall be governed by a board of 13
13 members composed of the following:

- 14 (1) One member appointed by the City of Carmel.
- 15 (2) One member appointed by the City of Del Rey Oaks.
- 16 (3) Two members appointed by the City of Marina.
- 17 (4) One member appointed by Sand City.
- 18 (5) One member appointed by the City of Monterey.
- 19 (6) One member appointed by the City of Pacific Grove.
- 20 (7) One member appointed by the City of Salinas.
- 21 (8) Two members appointed by the City of Seaside.
- 22 (9) Three members appointed by Monterey County.

23 (b) Notwithstanding subdivision (a), any local agency that does
24 not adopt a resolution favoring establishment of the Fort Ord Reuse
25 Authority pursuant to Section 67656 shall not be required to
26 appoint a voting member to the board. The failure of a local agency
27 to appoint a voting member to the board pursuant to this
28 subdivision shall not alter or reduce the powers and duties of the
29 authority or the board in any manner.

30 (c) Each member agency may appoint one alternate for each of
31 its positions on the board, and each alternate shall have all the
32 rights and authority of a board member when serving in that board
33 member’s place.

34 (d) Each board member and each alternate shall be a member
35 of the legislative body making the appointment, except that
36 alternates appointed by the Monterey County Board of Supervisors
37 shall be members of the board of supervisors or county staff. Board
38 members and alternates shall serve at the pleasure of the member
39 agency making the appointment.

1 (e) This section shall remain in effect only until July 1, 2020,
2 and as of that date is repealed.

3 SEC. 6. Section 67660 is added to the Government Code, to
4 read:

5 67660. (a) The authority shall be governed by a board of five
6 members composed of the following:

- 7 (1) One member appointed by the City of Del Rey Oaks.
- 8 (2) One member appointed by the City of Marina.
- 9 (3) One member appointed by the City of Monterey.
- 10 (4) One member appointed by the City of Seaside.
- 11 (5) One member appointed by Monterey County.

12 (b) Each member agency may appoint one alternate for each of
13 its positions on the board, and each alternate shall have all the
14 rights and authority of a board member when serving in that board
15 member’s place.

16 (c) Each board member and each alternate shall be a member
17 of the legislative body making the appointment, except that the
18 alternate appointed by the Monterey County Board of Supervisors
19 shall be a member of the board of supervisors or county staff.
20 Board members and alternates shall serve at the pleasure of the
21 member agency making the appointment.

22 (d) The vote of a majority of the total membership of the board
23 shall be required to pass or act upon any matter properly before
24 the board, and each member of the board shall have one vote.

25 (e) This section shall become operative on July 1, 2020.

26 SEC. 7. Section 67661 of the Government Code is amended
27 to read:

28 67661. (a) The following may serve as ex officio nonvoting
29 members of the board:

- 30 (1) A representative appointed by the Monterey Peninsula
31 Community College District.
- 32 (2) A representative appointed by the Monterey Peninsula
33 Unified School District.
- 34 (3) A representative designated by the Member of Congress
35 that has the majority portion of Ford Ord in their Congressional
36 District.
- 37 (4) A representative designated by the Senator that has the
38 majority portion of Ford Ord in their Senate District.
- 39 (5) A representative designated by the Assembly Member that
40 has the majority portion of Ford Ord in their Assembly District.

1 (6) A representative designated by the United States Army.

2 (7) A representative designated by the Chancellor of the
3 California State University.

4 (8) A representative designated by the President of the
5 University of California.

6 (9) A representative designated by the Monterey County Water
7 Resources Agency.

8 (10) A representative designated by the Transportation Agency
9 of Monterey County.

10 (b) This section shall remain in effect only until July 1, 2020,
11 and as of that date is repealed.

12 *SEC. 8. Section 67661 is added to the Government Code, to*
13 *read:*

14 *67661. (a) The following may serve as ex officio nonvoting*
15 *members of the board:*

16 *(1) A representative designated by the United States Army.*

17 *(2) A representative designated by the Chancellor of the*
18 *California State University.*

19 *(3) A representative designated by the Marina Coast Water*
20 *District.*

21 *(b) This section shall become operative on July 1, 2020.*

22 ~~SEC. 8.~~

23 *SEC. 9. Section 67662 of the Government Code is amended*
24 *to read:*

25 *67662. (a) The board may appoint or remove additional ex*
26 *officio nonvoting members at its pleasure.*

27 *(b) This section shall remain in effect only until July 1, 2020,*
28 *and as of that date is repealed.*

29 ~~SEC. 9.~~

30 *SEC. 10. Section 67673 of the Government Code is amended*
31 *to read:*

32 *67673. (a) The board may, at its pleasure, appoint an additional*
33 *advisory committee or committees to provide the board with*
34 *options, critique, analysis, and other information as it finds useful,*
35 *and may provide mechanisms through which a committee may*
36 *report to the board.*

37 *(b) This section shall remain in effect only until July 1, 2020,*
38 *and as of that date is repealed.*

1 ~~SEC. 10.~~

2 *SEC. 11.* Section 67675 of the Government Code is amended
3 to read:

4 67675. (a) The board shall prepare, adopt, review, revise from
5 time to time, and maintain a plan for the future use and
6 development of the territory occupied by Fort Ord as of January
7 1, 1993. The adopted plan shall be the official local plan for the
8 reuse of the base for all public purposes, including all discussions
9 with the Army and other federal agencies, and for purposes of
10 planning, design, and funding by all state agencies.

11 (b) Notwithstanding any other provision of this section, the
12 board may adopt the “Final Base Reuse Plan” prepared by the Fort
13 Ord Reuse Group as the Fort Ord Reuse Plan for purposes of this
14 title. The plan adopted pursuant to this subdivision may serve as
15 the Fort Ord Reuse Plan until July 1, 1996. The board may prepare
16 elements described in subdivision (c) that are generally consistent
17 with the adopted plan. After July 1, 1996, only a plan containing
18 the required elements and fully satisfying the requirements of this
19 title shall serve as the Fort Ord Reuse Plan.

20 (c) The Fort Ord Reuse Plan shall include all of the following
21 elements:

22 (1) A land use plan for the integrated arrangement and general
23 location and extent of, and the criteria and standards for, the uses
24 of land, water, air, space, and other natural resources within the
25 area of the base. The land use plan shall designate areas of the base
26 for residential, commercial, industrial, and other uses, and may
27 specify maximum development intensities and other standards and
28 criteria. The land use plan shall provide for public safety.

29 (2) A transportation plan for the integrated development of a
30 system of roadways, transit facilities, air transportation facilities,
31 and appurtenant terminals and other facilities for the movement
32 of people and goods to, from, and within the area of the base.

33 (3) A conservation plan for the preservation, development, use,
34 and management of natural resources within the area of the base,
35 including, but not limited to, soils, shoreline, scenic corridors along
36 transportation routes, open spaces, wetlands, recreational facilities,
37 historical facilities, and habitat of, or for, exceptional flora and
38 fauna.

39 (4) A recreation plan for the development, use, and management
40 of the recreational resources within the area of the base.

1 (5) A five-year capital improvement program that complies with
2 the requirements of Section 65403. The program shall include an
3 allocation of the available water supply, sewage treatment capacity,
4 solid waste disposal capability, and other limited public service
5 capabilities among the potential developments within the area of
6 the base. The program shall also identify both of the following:

7 (A) Base-wide facilities identified pursuant to Section 67679.

8 (B) Local facilities that are in the county or a city with territory
9 occupied by Fort Ord and that primarily serve residents of the
10 county or that city.

11 (d) In addition to the plan elements required pursuant to
12 subdivision (c), the plan may also include any element or subject
13 specified in Section 65302.

14 (e) The Fort Ord Reuse Plan may provide for development to
15 occur in phases, with criteria concerning public facility
16 development and other factors that must be satisfied within each
17 time phase.

18 (f) In preparing, adopting, reviewing, and revising the reuse
19 plan, the board shall be consistent with approved coastal plans, air
20 quality plans, water quality plans, spheres of influence, and other
21 county-wide or regional plans required by federal or state law,
22 other than local general plans, including any amendments
23 subsequent to the enactment of this title, and shall consider all of
24 the following:

25 (1) Monterey Bay regional plans.

26 (2) County and city plans and proposed projects covering the
27 territory occupied by Fort Ord or otherwise likely to be affected
28 by the future uses of the base.

29 (3) Other public and nongovernmental entity plans and proposed
30 projects affecting the planning and development of the territory
31 occupied by Fort Ord.

32 (g) On and after July 1, 2020, there shall be no additions to the
33 plan required pursuant to this section, including the capital
34 improvement program required pursuant to paragraph (5) of
35 subdivision (c).

36 ~~SEC. 11.~~

37 *SEC. 12.* Section 67675.2 of the Government Code is amended
38 to read:

39 67675.2. (a) After the board has adopted a reuse plan, each
40 county or city with territory occupied by Fort Ord shall submit its

1 general plan or amended general plan to the board, which satisfies
2 both of the following:

3 (1) The plan is submitted pursuant to a resolution adopted by
4 the county or city, after a noticed public hearing, that certified that
5 the portion of the general plan or amended general plan applicable
6 to the territory of Fort Ord is intended to be carried out in a manner
7 fully in conformity with this title.

8 (2) It contains, in accordance with guidelines established by the
9 board, materials sufficient for a thorough and complete review.

10 (b) This section shall remain in effect only until July 1, 2020,
11 and as of that date is repealed.

12 ~~SEC. 12.~~

13 *SEC. 13.* Section 67675.3 of the Government Code is amended
14 to read:

15 67675.3. (a) The board shall, within 90 days after the submittal,
16 after a noticed public hearing, either certify or refuse to certify, in
17 whole or in part, the portion of the general plan or amended general
18 plan applicable to the territory of Fort Ord.

19 (b) Where a general plan or amended general plan is refused
20 certification, in whole or in part, the board shall provide a written
21 explanation and may suggest modifications, which, if adopted and
22 transmitted to the board by the county or a city, will allow the
23 amended general plan to be deemed certified upon confirmation
24 of the executive officer of the board. The county or a city may
25 elect to meet the board's refusal of certification in a manner other
26 than as suggested by the board and may then resubmit its revised
27 general plan to the board. If the county or a city requests that the
28 board not recommend or suggest modifications which if made will
29 result in certification, the board shall refuse certification with the
30 required findings.

31 (c) The board shall approve and certify the portions of a general
32 plan or amended general plan applicable to the territory of Fort
33 Ord, or any amendments thereto, if the board finds that the portions
34 of the general plan or amended general plan applicable to the
35 territory of Fort Ord meets the requirements of this title, and is
36 consistent with the Fort Ord Reuse Plan.

37 (d) This section shall remain in effect only until July 1, 2020,
38 and as of that date is repealed.

1 ~~SEC. 13.~~

2 *SEC. 14.* Section 67675.4 of the Government Code is amended
3 to read:

4 67675.4. (a) Within 30 days after the certification of a general
5 plan or amended general plan, or any portion thereof, the board
6 shall, after consultation with the county or a city, establish a date
7 for that county or city to submit the zoning ordinances, zoning
8 district maps, and, where necessary, other implementing actions
9 applicable to the territory of Fort Ord.

10 (b) If the county or a city fails to meet the schedule established
11 pursuant to subdivision (a), the board may waive the deadlines for
12 board action on submitted zoning ordinances, zoning district maps,
13 and, where necessary, other implementing actions, as set forth in
14 Section 67675.5.

15 (c) This section shall remain in effect only until ~~July 1,~~ *July 1,*
16 2020, and as of that date is repealed.

17 ~~SEC. 14.~~

18 *SEC. 15.* Section 67675.5 of the Government Code is amended
19 to read:

20 67675.5. (a) The county and cities shall submit to the board
21 the zoning ordinances, zoning district maps, and, where necessary,
22 other implementing actions applicable to the territory of Fort Ord
23 that are required pursuant to this title.

24 (b) The board may only reject zoning ordinances, zoning district
25 maps, or other implementing actions on the grounds that they do
26 not conform with, or are inadequate to carry out, the provisions of
27 the certified general plan applicable to the territory of Fort Ord. If
28 the board rejects the zoning ordinances, zoning district maps, or
29 other implementing actions applicable to the territory of Fort Ord,
30 it shall give written notice of the rejection specifying the provisions
31 of the general plan with which the rejected zoning ordinances do
32 not conform or which it finds will not be adequately carried out,
33 together with its reasons for the action taken.

34 (c) The board may suggest modifications in the rejected zoning
35 ordinances, zoning district maps, or other implementing actions,
36 which, if adopted by the county or cities and transmitted to the
37 board, shall be deemed approved upon confirmation by the
38 executive officer of the board.

39 (d) The county or cities may elect to meet the board's rejection
40 in a manner other than as suggested by the board and may then

1 resubmit its revised zoning ordinances, zoning district maps, and
2 other implementing actions to the board.

3 (e) This section shall remain in effect only until July 1, 2020,
4 and as of that date is repealed.

5 ~~SEC. 15.~~

6 *SEC. 16.* Section 67675.6 of the Government Code is amended
7 to read:

8 67675.6. (a) Except for appeals to the board, as provided in
9 Section 67675.8, after the portion of a general plan applicable to
10 Fort Ord has been certified and all implementing actions within
11 the area affected have become effective, the development review
12 authority shall be exercised by the respective county or city over
13 any development proposed within the area to which the general
14 plan applies.

15 (b) Subdivision (a) shall not apply to any development proposed
16 or undertaken on any tidelands, submerged lands, or on public
17 trust lands, whether filled or unfilled, lying within the coastal zone.

18 (c) This section shall remain in effect only until July 1, 2020,
19 and as of that date is repealed.

20 ~~SEC. 16.~~

21 *SEC. 17.* Section 67675.7 of the Government Code is amended
22 to read:

23 67675.7. (a) After the board has certified a general plan or an
24 amended general plan, any amendments to that certified plan that
25 are applicable to the territory of Fort Ord shall take effect only
26 upon certification in the same manner as for the initially certified
27 plan, as provided in this title.

28 (b) This section shall remain in effect only until July 1, 2020,
29 and as of that date is repealed.

30 ~~SEC. 17.~~

31 *SEC. 18.* Section 67675.8 of the Government Code is amended
32 to read:

33 67675.8. (a) After the board has adopted a reuse plan pursuant
34 to this title, any revision or other change to that plan which only
35 affects territory lying within the jurisdiction of one member agency
36 may only be adopted by the board if one of the following conditions
37 is satisfied:

38 (1) The revision or other change was initiated by resolution
39 adopted by the legislative body of the affected member agency
40 and approved by at least a majority affirmative vote of the board.

1 (2) The revision or other change was initiated by the board or
2 any entity other than the affected member agency and approved
3 by at least a two-thirds affirmative vote of the board.

4 (b) (1) Notwithstanding any provision of law allowing any city
5 or county to approve development projects, no local agency shall
6 permit, approve, or otherwise allow any development or other
7 change of use within the area of the base that is not consistent with
8 the plan as adopted or revised pursuant to this title. Except as
9 required by state or federal law, other than state law authorizing
10 cities and counties to approve development projects, the board
11 shall be the final judge of this consistency with the requirements
12 of this title. The board may adopt regulations to ensure compliance
13 with the provisions of this title. No local agency shall permit,
14 approve, or otherwise allow any development or other change of
15 use within the area of the base that is outside the jurisdiction of
16 that local agency.

17 (2) Subject to the consistency determinations required pursuant
18 to this title, each member agency with jurisdiction lying within
19 the area of Fort Ord may plan for, zone, and issue or deny building
20 permits and other development approvals within that area. Actions
21 of the member agency pursuant to this paragraph may be reviewed
22 by the board on its own initiative, or may be appealed to the board.
23 Under no circumstances shall development approvals of the
24 following categories be held to be inconsistent with the Fort Ord
25 Reuse Plan:

26 (i) The construction of one single family house or one multiple
27 family house not exceeding four units on a vacant lot within an
28 area appropriately designated in the plan.

29 (ii) Improvements to existing single family residences or to
30 existing multiple family residences not exceeding four units,
31 including remodels or room additions.

32 (iii) Remodels of the interior of any existing building or
33 structure.

34 (iv) Repair and maintenance activities that do not result in an
35 addition to, or enlargement or expansion of, any building or
36 structure.

37 (v) Installation, testing, and placement in service or the
38 replacement of any necessary utility connection between an existing
39 service facility and development approved pursuant to this chapter.

1 (vi) Replacement of any building or structure destroyed by a
2 natural disaster.

3 (c) The board may require any public or private entity seeking
4 to initiate a revision or other change to a plan adopted pursuant to
5 this section to pay a charge or charges sufficient to cover the
6 reasonable costs of reviewing, evaluating, preparing, adopting,
7 and publishing the proposed revision or change.

8 (d) This section shall remain in effect only until July 1, 2020,
9 and as of that date is repealed.

10 ~~SEC. 18.~~

11 *SEC. 19.* Section 67675.9 of the Government Code is amended
12 to read:

13 67675.9. (a) If an environmental impact statement on the
14 closure and reuse of Fort Ord has been prepared and filed pursuant
15 to the National Environmental Policy Act of 1969 (42 U.S.C. Sec.
16 4321 et seq.), the board may proceed in the following manner:

17 (1) A notice of the preparation of an environmental impact report
18 on the Fort Ord Reuse Plan shall be prepared pursuant to either
19 Section 21080.4 or Section 21080.6 of the Public Resources Code,
20 and shall include a description of the reuse plan and a copy of the
21 environmental impact statement. The notice shall indicate that the
22 board intends to utilize the environmental impact statement as a
23 draft environmental impact report and requests comments on
24 whether, and to what extent, the environmental impact statement
25 provides adequate information to serve as a draft environmental
26 impact report, and what specific additional information, if any, is
27 necessary to comply with the California Environmental Quality
28 Act (Division 13 (commencing with Section 21000) of the Public
29 Resources Code). The notice shall also indicate the address to
30 which written comments may be sent and the deadline for
31 submitting comments.

32 (2) Upon the close of the comment period on the notice of
33 preparation, the board may proceed with preparation of the
34 environmental impact report on the reuse plan. The board shall,
35 to the greatest extent feasible, avoid duplication and utilize
36 information in the environmental impact statement consistent with
37 this division. The draft environmental impact report shall consist
38 of all or part of the environmental impact statement and any
39 additional information that is necessary to prepare a draft

1 environmental impact report in compliance with the California
2 Environmental Quality Act.

3 (3) In all other respects, the environmental impact report for the
4 reuse plan shall be completed in compliance with the California
5 Environmental Quality Act.

6 (b) This section shall remain in effect only until July 1, 2020,
7 and as of that date is repealed.

8 ~~SEC. 19.~~

9 *SEC. 20.* Section 67679 of the Government Code is amended
10 to read:

11 67679. (a) (1) The board shall identify those basewide public
12 capital facilities described in the Fort Ord Reuse Plan, including,
13 but not limited to, roads, freeway ramps, air transportation
14 facilities, and freight hauling and handling facilities; sewage and
15 water conveyance and treatment facilities; school, library, and
16 other educational facilities; and recreational facilities, that serve
17 residents or will serve future residents of the base territory and
18 could most efficiently or conveniently be planned, negotiated,
19 financed, constructed, or repaired, remodeled, or replaced by the
20 board to further the integrated future use of the base. The board
21 shall undertake to plan for and arrange the provision of those
22 facilities, including arranging for their financing and construction
23 or repair, remodeling, or replacement. The board may plan, design,
24 construct, repair, remodel, or replace and finance these public
25 capital facilities, or delegate any of those powers to one or more
26 member agencies. Notwithstanding any other provision of law, no
27 permit or permission of any kind from any city or county shall be
28 required for any project undertaken by the board pursuant to this
29 section.

30 (2) The board shall identify significant local public capital
31 facilities, as distinguished from the basewide public capital
32 facilities identified in the paragraph (1) which are described in the
33 Fort Ord Reuse Plan. Local public capital facilities shall be the
34 responsibility of the city or county with land use jurisdiction or
35 the redevelopment agency if the facilities are located within an
36 established project area and the board of the redevelopment agency
37 determines that it will assume responsibility.

38 (3) The board may construct or otherwise act to improve a local
39 public capital facility only with the consent of the city or county
40 with land use authority over the area where the facility is or will

1 be located. A city or county or a local redevelopment agency may
2 construct or otherwise act to improve a basewide public capital
3 facility only with the consent of the board.

4 (b) If all or any portion of the Fritzsche Army Air Field is
5 transferred to the City of Marina, the board shall not consider those
6 portions of the air field that continue to be used as an airport to be
7 basewide capital facilities, except with the consent of the legislative
8 body of the city. If all or any portion of the two Army golf courses
9 within the territory of Seaside are transferred to the City of Seaside,
10 the board shall not consider those portions of the golf courses that
11 continue in use as golf courses to be basewide capital facilities,
12 except with the consent of the legislative body of the city.

13 (c) The board may seek state and federal grants and loans or
14 other assistance to help fund public facilities.

15 (d) The board may, in any year, levy assessments, reassessments,
16 or special taxes and issue bonds to finance these basewide public
17 facilities in accordance with, and pursuant to, any of the following:

18 (1) The Improvement Act of 1911 (Division 7 (commencing
19 with Section 5000) of the Streets and Highways Code).

20 (2) The Improvement Bond Act of 1915 (Division 10
21 (commencing with Section 8500) of the Streets and Highways
22 Code).

23 (3) The Municipal Improvement Act of 1913 (Division 12
24 (commencing with Section 10000) of the Streets and Highways
25 Code).

26 (4) The Benefit Assessment Act of 1982 (Chapter 6.4
27 (commencing with Section 54703)).

28 (5) The Landscape and Lighting Act of 1972 (Part 2
29 (commencing with Section 22500) of Division 15 of the Streets
30 and Highways Code).

31 (6) The Integrated Financing District Act (Chapter 1.5
32 (commencing with Section 53175) of Division 2 of Title 5).

33 (7) The Mello-Roos Community Facilities Act of 1982 (Chapter
34 2.5 (commencing with Section 53311) of Part 1 of Division 2 of
35 Title 5).

36 (8) The Infrastructure Financing District Act (Chapter 2.8
37 (commencing with Section 53395) of Division 2 of Title 5).

38 (9) The Marks-Roos Local Bond Pooling Act of 1985 (Article
39 4 (commencing with Section 6584) of Chapter 5 of Division 7 of
40 Title 1).

1 (10) The Revenue Bond Act of 1941 (Chapter 6 (commencing
2 with Section 54300) of Division 2 of Title 5).

3 (11) Fire suppression assessments levied pursuant to Article 3.6
4 (commencing with Section 50078) of Chapter 1 of Part 1 of
5 Division 1 of Title 5.

6 (12) The Habitat Maintenance Funding Act (Chapter 11
7 (commencing with Section 2900) of Division 3 of the Fish and
8 Game Code).

9 Notwithstanding any other provision of law, the board may create
10 any of these financing districts within the area of Fort Ord to
11 finance basewide public facilities without the consent of any city
12 or county. In addition, until January 1, 2000, the board may, but
13 is not obligated to create, within the area of Fort Ord, any of these
14 financing districts which authorize financing for public services
15 and may levy authorized assessments or special taxes in order to
16 pass through funding for these services to the local agencies.
17 Notwithstanding any other provision of law, no city or county with
18 jurisdiction over any area of the base, whether now or in the future,
19 shall create any land-based financing district or levy any
20 assessment or tax secured by a lien on real property within the area
21 of the base without the consent of the board, except that the city
22 or county may create these financing districts for the purposes and
23 subject to any financing limitations that may be specified in the
24 capital improvement program prepared pursuant to Section 67675.

25 (e) The board may levy development fees on development
26 projects within the area of the base. Any development fees shall
27 comply with the requirements of Chapter 5 (commencing with
28 Section 66000) of Division 1 of Title 5. No local agency shall issue
29 any building permit for any development within the area of Fort
30 Ord until the board has certified that all development fees that it
31 has levied with respect to the development project have been paid
32 or otherwise satisfied.

33 (f) This section shall remain in effect only until July 1, 2020,
34 and as of that date is repealed.

35 ~~SEC. 20.~~

36 *SEC. 21.* Section 67679 is added to the Government Code, to
37 read:

38 67679. (a) (1) The board shall identify those basewide public
39 capital facilities described in the Fort Ord Reuse Plan, including,
40 but not limited to, roads, freeway ramps, air transportation

1 facilities, and freight hauling and handling facilities; sewage and
2 water conveyance and treatment facilities; school, library, and
3 other educational facilities; and recreational facilities, that serve
4 residents or will serve future residents of the base territory and
5 could most efficiently or conveniently be planned, negotiated,
6 financed, constructed, or repaired, remodeled, or replaced by the
7 board to further the integrated future use of the base. The board
8 shall undertake to plan for and arrange the provision of those
9 facilities, including arranging for their financing and construction
10 or repair, remodeling, or replacement. The board may plan, design,
11 construct, repair, remodel, or replace and finance these public
12 capital facilities, or delegate any of those powers to one or more
13 member agencies. Notwithstanding any other provision of law, no
14 permit or permission of any kind from any city or county shall be
15 required for any project undertaken by the board pursuant to this
16 section.

17 (2) The board shall identify significant local public capital
18 facilities, as distinguished from the basewide public capital
19 facilities identified in the paragraph (1) which are described in the
20 Fort Ord Reuse Plan. Local public capital facilities shall be the
21 responsibility of the city or county with land use jurisdiction or
22 the redevelopment agency if the facilities are located within an
23 established project area and the board of the redevelopment agency
24 determines that it will assume responsibility.

25 (b) The board may seek state and federal grants and loans or
26 other assistance to help fund public facilities.

27 (c) (1) The board may, in any year, levy assessments,
28 reassessments, or special taxes to finance these basewide public
29 facilities in accordance with, and pursuant to, any of the following:

30 (A) The Improvement Act of 1911 (Division 7 (commencing
31 with Section 5000) of the Streets and Highways Code).

32 (B) The Improvement Bond Act of 1915 (Division 10
33 (commencing with Section 8500) of the Streets and ~~Highway~~
34 *Highways* Code).

35 (C) The Municipal Improvement Act of 1913 (Division 12
36 (commencing with Section 10000) of the Streets and Highways
37 Code).

38 (D) The Benefit Assessment Act of 1982 (Chapter 6.4
39 (commencing with Section 54703)).

1 (E) The Landscape and Lighting Act of 1972 (Part 2
2 (commencing with Section 22500) of Division 15 of the Streets
3 and Highways Code).

4 (F) The Integrated Financing District Act (Chapter 1.5
5 (commencing with Section 53175) of Division 2 of Title 5).

6 (G) The Mello-Roos Community Facilities Act of 1982 (Chapter
7 2.5 (commencing with Section 53311) of Part 1 of Division 2 of
8 Title 5).

9 (H) The Infrastructure Financing District Act (Chapter 2.8
10 (commencing with Section 53395) of Division 2 of Title 5).

11 (I) The Marks-Roos Local Bond Pooling Act of 1985 (Article
12 4 (commencing with Section 6584) of Chapter 5 of Division 7 of
13 Title 1).

14 (J) The Revenue Bond Law of 1941 (Chapter 6 (commencing
15 with Section 54300) of Division 2 of Title 5).

16 (K) Fire suppression assessments levied pursuant to Article 3.6
17 (commencing with Section 50078) of Chapter 1 of Part 1 of
18 Division 1 of Title 5.

19 (L) The Habitat Maintenance Funding Act (Chapter 11
20 (commencing with Section 2900) of Division 3 of the Fish and
21 Game Code).

22 (2) Notwithstanding any other provision of law, the board may
23 create any of these financing districts within the area of Fort Ord
24 to finance basewide public facilities without the consent of any
25 city or county. In addition, until January 1, 2000, the board may,
26 but is not obligated to create, within the area of Fort Ord, any of
27 these financing districts which authorize financing for public
28 services and may levy authorized assessments or special taxes in
29 order to pass through funding for these services to the local
30 agencies. Notwithstanding any other provision of law, no city or
31 county with jurisdiction over any area of the base, whether now
32 or in the future, shall create any land-based financing district or
33 levy any assessment or tax secured by a lien on real property within
34 the area of the base without the consent of the board, except that
35 the city or county may create these financing districts for the
36 purposes and subject to any financing limitations that may be
37 specified in the capital improvement program prepared pursuant
38 to Section 67675.

39 (d) The board may levy development fees on development
40 projects within the area of the base. Any development fees shall

1 comply with the requirements of Chapter 5 (commencing with
2 Section 66000) of Division 1 of Title 5. No local agency shall issue
3 any building permit for any development within the area of Fort
4 Ord until the board has certified that all development fees that it
5 has levied with respect to the development project have been paid
6 or otherwise satisfied.

7 (e) This section shall become operative on July 1, 2020.

8 ~~SEC. 21.~~

9 *SEC. 22.* Section 67690 of the Government Code is amended
10 to read:

11 67690. (a) In addition to any funds received from federal and
12 state agencies for the expenses of operating the Fort Ord Reuse
13 Authority, the board may receive contributions from agencies
14 represented on the board. Each agency represented by a board
15 member shall contribute to the authority, on or before August 1
16 of each fiscal year, the sum of fourteen thousand dollars (\$14,000)
17 for each board member that the agency appoints. Each public
18 agency which is represented on the board by an ex officio member
19 shall contribute to the authority, on or before August 1 of each
20 fiscal year, the sum of seven thousand dollars (\$7,000). For
21 purposes of this section, the term “public agency” does not include
22 any elected official of the federal or state government.

23 (b) This section shall remain in effect only until July 1, 2020,
24 and as of that date is repealed.

25 ~~SEC. 22.~~

26 *SEC. 23.* Section 67700 of the Government Code is amended
27 to read:

28 67700. (a) This title shall become inoperative when the board
29 determines that 80 percent of the territory of Fort Ord that is
30 designated for development or reuse in the plan prepared pursuant
31 to this title has been developed or reused in a manner consistent
32 with the plan adopted or revised pursuant to Section 67675, or
33 June 30, 2020, whichever occurs first, and on January 1, 2021, this
34 title is repealed.

35 (b) (1) The Monterey County Local Agency Formation
36 Commission shall provide for the orderly dissolution of the
37 authority including ensuring that all contracts, agreements, and
38 pledges to pay or repay money entered into by the authority are
39 honored and properly administered, and that all assets of the
40 authority are appropriately transferred.

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

9 (c) This section shall remain in effect only until July 1, 2020,
10 and as of that date is repealed.

11 ~~SEC. 23.~~

12 *SEC. 24.* Section 67700 is added to the Government Code, to
13 read:

14 67700. (a) (1) This title shall become inoperative on June 30,
15 2022.

16 (2) This title shall remain in effect only until January 1, 2023,
17 and as of that date is repealed.

18 (b) No later than June 30, 2022, the authority shall negotiate
19 and secure one or more successor agencies to implement all
20 obligations under the transition plan.

21 (c) (1) The Monterey County Local Agency Formation
22 Commission shall provide for the orderly dissolution of the
23 authority once an agreement with a successor agency has been
24 finalized. The Monterey County Local Agency Formation
25 Commission shall ensure that all contracts, agreements, and pledges
26 to pay or repay money entered into by the authority are honored
27 and properly administered, and that all assets of the authority are
28 appropriately transferred.

29 (2) The board shall approve and submit a transition plan to the
30 Monterey County Local Agency Formation Commission on or
31 before December 30, 2018. The transition plan shall assign assets
32 and liabilities, designate responsible successor agencies, and
33 provide a schedule of remaining obligations. The transition plan
34 shall be approved only by a majority vote of the board.

35 (d) Upon dissolution of the authority, all remaining community
36 facilities district revenues shall be transferred to the County of
37 Monterey. The County of Monterey shall disburse those community
38 facilities district revenues to each underlying land use jurisdiction
39 on a pro rata basis, based on the source of the revenue or another

1 equitable method that the County of Monterey determines is
 2 reasonable.

3 (e) If the authority has any remaining outstanding debt at the
 4 time of its dissolution, property tax revenues shall continue to be
 5 paid to the County of Monterey in accordance with subparagraph
 6 (D) of paragraph (1) of subdivision (c) of Section 33492.71 of the
 7 Health and Safety Code in an amount necessary to pay the principal
 8 and interest or other amounts on that debt. Upon the dissolution
 9 of the authority or the retirement of debt as provided in this
 10 subdivision, whichever occurs later, any remaining property tax
 11 revenues shall be transferred to the auditor-controller of the County
 12 of Monterey for appropriate distribution.

13 (f) If the County of Monterey succeeds to any financial
 14 obligation of the authority as a result of the disbursement of
 15 remaining revenues or the retirement of debt, that obligation shall
 16 not constitute a debt or liability of the county, or any other member
 17 agency, but shall be payable solely from the remaining revenues
 18 provided for purposes of that obligation in the transition plan.

19 (g) The County of Monterey may, before disbursing revenues
 20 as provided in this section, deduct an amount equal to the
 21 reasonable cost of administering this section out of the remaining
 22 revenues of the authority to be disbursed.

23 (h) This section shall become operative on July 1, 2020.

24 ~~SEC. 24.~~

25 *SEC. 25.* Section 67701 is added to the Government Code, to
 26 read:

27 67701. On and after July 1, 2020, all of the following shall
 28 apply:

- 29 (a) The authority may do all of the following:
 - 30 (1) Implement the transition plan.
 - 31 (2) Manage the community facilities district boundaries.
 - 32 (3) Make appropriate revisions to the boundaries of the
 33 community facilities district established by the board as
 34 replacement funding mechanisms are created by underlying land
 35 use jurisdictions pursuant to subdivision (b). Revisions to the
 36 community facilities district boundaries shall be made by filing
 37 an amended map of the community facilities district.
 - 38 (4) Collect and disburse community facilities district revenues.
 - 39 (5) Collect and disburse property tax revenues.

1 (6) Disburse revenues described in paragraphs (4) and (5) for
2 the purposes of the habitat conservation plan, transportation, transit,
3 and water supply pursuant to Section 67675.

4 (7) Continue as the local reuse authority for purposes of the
5 federal government and property transfers, including receipt of
6 federal grant funding.

7 (8) Ensure that all pledges, contracts, or obligated payments are
8 funded and appropriately carried out.

9 (b) Any underlying land use jurisdiction may adopt a substitute
10 funding mechanism in lieu of the community facilities district
11 established by the board, in which case the board shall adjust the
12 boundaries of the community facilities district accordingly. An
13 underlying land use jurisdiction that adopts a substitute funding
14 mechanism pursuant to this subdivision shall commit, either in
15 that substitute funding mechanism or otherwise in a written
16 agreement, to continue funding regional needs in the former Fort
17 Ord on a pro rata basis, to the satisfaction of the authority. For
18 purposes of this subdivision, “regional needs” includes, but is not
19 limited to, habitat conservation, transportation, transit, and water
20 supply augmentation.

21 (c) The transition plan adopted by the board for organizational
22 changes shall be deemed to be within the scope of the Class 20
23 exemption provided by Section 15320 of Title 14 of the California
24 Code of Regulations.

25 ~~SEC. 25. Section 33492.79 is added to the Health and Safety~~
26 ~~Code, to read:~~

27 ~~33492.79. This article shall become inoperative as of the date~~
28 ~~of the dissolution of the Fort Ord Reuse Authority pursuant to~~
29 ~~Section 67700 of the Government Code or the retirement of the~~
30 ~~authority’s debt as provided in subdivision (e) of Section 67700~~
31 ~~of the Government Code, whichever occurs later.~~

32 SEC. 26. The Legislature finds and declares that a special
33 statute is necessary and that a general statute cannot be made
34 applicable within the meaning of Section 16 of Article IV of the
35 California Constitution because of the unique circumstances in the
36 County of Monterey relating to the dissolution of the Ford Ord
37 Reuse Authority.

38 SEC. 27. If the Commission on State Mandates determines
39 that this act contains costs mandated by the state, reimbursement
40 to local agencies and school districts for those costs shall be made

- 1 pursuant to Part 7 (commencing with Section 17500) of Division
- 2 4 of Title 2 of the Government Code.

O

Transition Document	By	Parties	Status	Draft to Board	Final Draft	Signed
Implementing Agreements	RGS	<ul style="list-style-type: none"> • Del Rey Oaks • Marina • Monterey • Monterey County • Seaside 	Two “draft” documents have been submitted for review by Admin Committee. Deadline for comments is June 26.	July 12	August 9	
MCWD Water Agreements	MCWD	<ul style="list-style-type: none"> • Del Rey Oaks • Marina • Seaside • Monterey • Monterey County • UC Santa Cruz • Monterey Peninsula College 	Drafts have been submitted and reviewed by Admin Committee in April and May. MCWD is finalizing with agencies.	July 12	TBD	
ESCA	RGS Seaside	<ul style="list-style-type: none"> • Del Rey Oaks • Marina • Seaside • Monterey • Monterey County • UC Santa Cruz • Monterey Peninsula College 	<p>RGS is working with the City of Seaside to complete the memo for Army review. Army will submit to EPA and DTSC concurrently for approval.</p> <p>Agreements, pending final approval by Army, will be submitted for</p>	August 9	September 13	

			Board review in August.			
EDC Successor	RGS		Addressed in Implementing Agreements.	July 12	August 9	
LRA Successor	RGS		Addressed in Implementing Agreements.	July 12	August 9	
HCP JPA (Cooperative)	Member Agencies	<ul style="list-style-type: none"> • Del Rey Oaks • Marina • Seaside • Monterey • Monterey County • UC Santa Cruz • Monterey Peninsula College • Veterans Cemetery • County of Monterey • California State Parks • Monterey Peninsula Regional Park District • Marina Coast Water District • Bureau of Land Management (BLM) 	Member Agencies must establish an entity and identify funding mechanisms for implementation of the HCP.	TBD		
LAFCO Liability and Risk	FORA LAFCO					
South Boundary Road Project	FORA					

Gen Jim Completion	FORA					
Local Roads	RGS		Addressed in Implementing Agreements.	July 12	August 9	
FOR A Staffing Plan	FORA RGS HR Team					

FORT ORD REUSE AUTHORITY BOARD REPORT

BUSINESS ITEMS

Subject:	Special District Risk Management Authority Board of Directors Election	
Meeting Date:	July 12, 2019	ACTION
Agenda Number:	8e	

RECOMMENDATION:

- i. Consider Special District Risk Management Authority (SDRMA) Board of Directors Election.
- ii. Provide direction to staff on how to support the Boards participation.

BACKGROUND:

As a member of SDRMA, FORA may vote in SDRMA Board elections, which is currently seeking to fill three open seats. On May 2, 2019, SDRMA's Election Committee reviewed nomination documents submitted by the candidates in accordance with SDRMA policy No. 2017-10 Establishing Guidelines for Director Elections. The Election Committee confirmed that five candidates met the qualification requirements, and those names were included on the Official Election Resolution Ballot distributed to SDRMA members. The Statements of Qualifications submitted by each candidate are attached for Board review (**Attachment A**).

After selecting three of the five candidates, the FORA Board of Directors must approve the Official Election Resolution and Ballot provided by SDRMA (**Attachment B**). The signed Ballot and Resolution must be received by SDRMA no later than Wednesday August 21, 2019.

FISCAL IMPACT:

Reviewed by FORA Controller  signing for Helen Rodriguez

There is no direct fiscal impact to FORA. Staff time for this is included the approved FORA budget.

COORDINATION:

Executive Officer.

ATTACHMENTS:

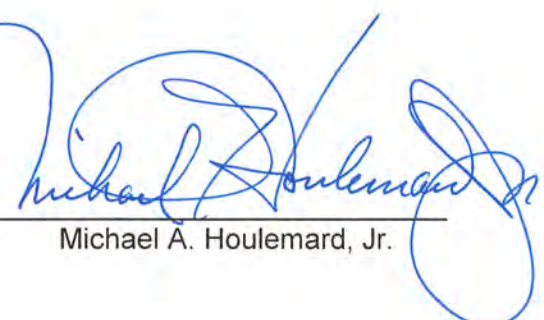
Attachment A: Candidate Statement of Qualifications

Attachment B: SDRMA Official Election Resolution

Prepared by


Heidi Lizarbe

Approved by


Michael A. Houlemard, Jr.

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates – no attachments will be accepted. No statements are endorsed by SDRMA.

Candidate* Bob Swan
District/Agency Groveland Community Services District (GCSD) ■
Work Address P.O. Box 350, Groveland, CA 95321
Work Phone (209) 962-7161 Home Phone (408) 398-4731
*The name or nickname and any designations (i.e. CPA, SDA, etc.) you enter here will be printed on the official ballot, exactly as submitted.

Why do you want to serve on the SDRMA Board of Directors? (Response Required)

I am a current Board member. I would like to be elected to a second term because:

1. As a board member of Groveland CSD, I am particularly aware of the great value that smaller districts get from SDRMA, and I'd like to continue to do my part to make sure that this important agency continues to operate smoothly and stably into the indefinite future.
2. The insurance market in California (and nationwide) is going through a period of rapid change. The Board and staff are engaged in a major re-evaluation of SDRMA's approach to fulfilling its mission of providing cost-effective risk management services to its members. I believe that it is important to maintain Board continuity in this effort.
3. SDRMA Board members are either board members ("electeds") or employees of a member agency. I think there is value in having a balance between elected and employee Board members. The Board seats that are NOT up for election are currently 3 employees / 1 elected. I'd like to make sure the new Board has at least 2 elected members.

What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization) (Response Required)

1. SDRMA Board Member since 2016. This year (2019), I serve as Secretary. During our "no CEO" period in late 2017 - early 2018, I was a member of the ad hoc Personnel Committee. I am also a member of the Alliance Executive Council, and a backup member of the Legislative Committee.
2. Groveland CSD Board Member since I was appointed in June 2013. For the years 2014-2018, I served as Board President. (We finally implemented mandatory rotation of the office in 2019).
3. Member of the Board of Southside Community Connections, a local nonprofit in Groveland that provides educational, social, and recreational services to seniors, as well as free transportation to those who cannot drive.
4. Board Member (currently Treasurer) of Pine Cone Performers, a local choral and acting group, since 2010.
5. Back during my work life, I was a corporate representative on an IEEE standards committee concerned with wireless networking. It was very educational being on a committee where the members had widely differing (competing) goals.

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

**What special skills, talents, or experience (including volunteer experience) do you have?
(Response Required)**

History: BS Physics, MS Computer Science. 3 years in USAF. 30 years in the semiconductor industry, first as an engineering manager, later as a business unit manager. Now retired (so I have plenty of time).

Skills, etc.: Very familiar with financial reports, cost accounting, quantitative analysis. Working knowledge of modern computer and communications technology. Managed distributed organizations with up to 150 technical people and up to \$120M in annual sales. Pretty good at listening to different views, and helping to achieve consensus (or, at least, compromise).

What is your overall vision for SDRMA? (Response Required)

Well, obviously I support our (newly revised) vision statement: "To be the exemplary public agency risk pool of choice for California special districts and other public agencies". In order to achieve this vision, I believe the key issues are:

1. Maintain long term financial stability. This includes ensuring that there is a fair allocation of cost versus risk across the pool membership.
2. Continue to retain / acquire highly qualified staff, and ensure that this is a desirable place to work.
3. Remember who are our target clientele, which in my opinion are small to mid-sized districts with limited options for insurance.
4. In light of ever-evolving California workers-compensation law, expand risk-management training even further than we now provide.
5. Maintain good relations with our re-insurers (who insulate us from catastrophe). In the long run, explore the possibility of joining a "captive" re-insurer to improve stability.

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature Robert J. Awan Date 4-24-2019

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates – no attachments will be accepted. No statements are endorsed by SDRMA.

Candidate* Jesse D. Claypool

District/Agency Honey Lake Valley Resource Conservation District

Work Address USDA Service Center 170 Russell Avenue, Suite C Susanville, CA 96130

Work Phone 530-257-7271 ext 100

Home Phone 530-310-0232

*The name or nickname and any designations (i.e. CPA, SDA, etc.) you enter here will be printed on the official ballot, exactly as submitted.

Why do you want to serve on the SDRMA Board of Directors? (Response Required)

My interest for being on the SDRMA Board of Directors is because I believe it is imperative for there to be a knowledgeable and experienced voice on the Board with the perspective of the small to mid-size special district, working together with the other SDRMA Board Members, to ensure relevant—affordable solutions are available to all size special districts.

What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization) (Response Required)

I am currently serving my fifth (5th) consecutive term as Chairman of the Board of a special district. I served two (2) yrs. on a Technical Advisory Committee for the prevention of violence against schools K-12. I served one (1) term on an elementary school board. I am currently serving my second (2nd) consecutive term on CSDA's committee for Professional Development. I am currently serving my sixth (6th) consecutive term on the board of a Regional Water Management Group. I am currently serving my second (2nd) consecutive term on CSDA's committee for Member Services. I am currently serving as a member of the County's Civil Grand Jury.

I have attended and completed the California School Board Association's New Board Member Training. I have Certificates of Completion from CSDA for General Manager Evaluation, Exercising Legislative Authority and Achieving Transparency. I attended and completed CSDA's Extraordinary Leader training. I attended and completed CSDA's Special District Leadership Academy and I have received CSDA's Recognition in Special District Governance certificate.

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

**What special skills, talents, or experience (including volunteer experience) do you have?
(Response Required)**

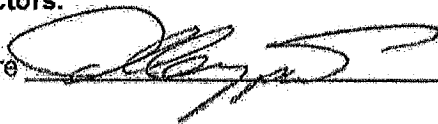
My experience with special districts and governance, belief in the importance of quality governing policies, the ability to work effectively with the other board members and staff and a desire to give back to SDRMA and its membership will be what I bring to the SDRMA Board of Directors.

What is your overall vision for SDRMA? (Response Required)

For SDRMA to continually advance as an industry leader providing affordable solutions for special districts of any size enabling them to be effective within the communities they serve.

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature



Date

4-26-19

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates – no attachments will be accepted. No statements are endorsed by SDRMA.

Candidate* Patrick K. O'Rourke, MPA/CFRM
District/Agency Redwood Region Economic Development Commission (RREDC)
Work Address 520 E Street Eureka, CA 95501
Work Phone 707-445-9651 Home Phone 707-726-6700

*The name or nickname and any designations (i.e. CPA, SDA, etc.) you enter here will be printed on the official ballot, exactly as submitted.

Why do you want to serve on the SDRMA Board of Directors? (Response Required)

I have considerable interest, knowledge, and experience in board leadership; board service; and board governance/policy development & oversight in for-profits, nonprofits, a joint powers authority/SDRMA member organization, and as an elected city councilman. I also have considerable experience (as a top-level executive board leader and manager) in organizational risk management and risk mitigation/prevention. I would like to share my knowledge, skills, abilities, and experience in service to SDRMA members, via my service on SDRMA's board of directors. I believe that my knowledge, experience, and dedication to excellence and implementation of best practices in governance and policy development/oversight will serve SDRMA well, and will assist SDRMA in maintaining its "Excellence" accreditation via the California Association of Joint Powers Authorities (CAJPA).

What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization) (Response Required)

Having served in board leadership roles (25+ years in for-profit entities; 25+ years in nonprofit & private/public foundations; and 2+ years in a Joint Powers Authority [SDRMA member organization]), I am well-versed and experienced in board governance; policy development; financial statement analysis and budget review; executive management search/selection, oversight and evaluation; organizational risk management/mitigation; litigation oversight; and best practices in organizational governance. At SDRMA member organization, Redwood Region Economic Development Commission (RREDC), I have served as 2019 Immediate Past Chair; 2018 Board Chair; 2017 Vice Chair; Chair of Executive Committee; and Member of the Loan Committee. I have in-depth knowledge of policy governance (Culver, et al.); I am an advocate for transparency & best practices; and I am knowledgeable & experienced in California's Ralph M. Brown Act and Roberts Rules of Order. I have also served in board governance and board leadership roles in several nonprofit organizations and in both public and private foundations, including as Board Chair (12+ years) and in President & Vice President roles. I have also Chaired Search/Selection committees; Public Relations committees; Fund Development committees; and Finance/Audit committees.

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

**What special skills, talents, or experience (including volunteer experience) do you have?
(Response Required)**

Besides holding a Master of Public Affairs degree, with a specialty in nonprofit management; having completed all coursework and written/oral exams (all except dissertation) for a PhD in Mass Communication, with a specialty in public relations and a cognate in organizational communication management, I have several other directly-relevant skills/talents/experience including: I am expertly adept at executive-level relationship development and stewardship, and have served as an organizational & industry advocate and liaison working closely with community organizations, local/county/state elected officials, and public/private entities/organizations and foundations. I am expertly adept at financial and operational analysis, and at asset/portfolio management and risk mitigation. I have taught for-credit university courses in corporate leadership; in entrepreneurial leadership research and practice; as well as having published peer-reviewed academic research on leadership in public relations.

What is your overall vision for SDRMA? (Response Required)

My vision for SDRMA would be for SDRMA to continue to add value to its members; operate with the highest ethical practices and transparency; continue in providing excellence in service, education, safety and compliance training; help members to mitigate and reduce risk; provide expedient claims review and response; provide members with state-of-the-art education and information; educate members to minimize losses/risk in member workplaces; and to continue to provide members with comprehensive coverage for property/liability, workers comp, and health benefits.

I would envision SDRMA management and staff enjoying a quality of life that will ensure their happiness and continue an atmosphere of dedicated service to SDRMA members. I would also envision that SDRMA will continue to operate with efficiencies that minimize costs/expenses, continue to enable SDRMA to maintain competitive premium rates, and (when possible) lower organizational and member costs. I would also envision a governing board that embraces and employs best governing practices in all areas of policy development; executive management oversight; financial review/audit; and in investing and spreading portfolio assets to minimize portfolio investment risks and maximize return on investments. Finally, I would envision SDRMA, and its management team/staff, operating in ways that will continue to earn accreditation "Excellence" from the California Association of Joint Powers Authorities (CAJPA).

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature _____

Date

3/25/2019

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates. No statements are endorsed by SDRMA.

Candidate* Sandy Seifert-Raffelson

District/Agency Herlong Public Utility District

Work Address 447-855 Plumas St., P o Box 115, Herlong, CA 96113

Work Phone (530) 827-3150 Cell Phone (530) 310-4320

*The name or nickname and any designations (i.e. CPA, SDA, etc.) you enter here will be printed on the official ballot, exactly as submitted.

Why do you want to serve on the SDRMA Board of Directors?

I am a current Board member of SDRMA and feel that I have added my financial background to make better informed decisions for our members. As a Board member, I continue to improve my education of insurance issues and look forward to representing small District's and Northern California as a voice on the SDRMA Board. I feel I am an asset to the Board with my degree in Business and my 30 plus years' experience in accounting and auditing.

I understand the challenges that small District face every day when it comes to managing liability insurance, worker's compensation and health insurance for a few employees with limit revenue and staff. My education and experience give me an appreciation of the importance of risk management services and programs, especially for smaller District that lack expertise with insurance issues on a daily basis.

I feel I am an asset to this Board, and would love a chance to stay on 4 more years!

What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization)

While serving on the SDRMA Board, I have been privilege to be Secretary of the Board for two years, and currently the Vice-President. I have served on CSDA's Audit and Financial Committee's for 6 years; I have served on the SDLF Board; Northeastern Rural Health Clinic Board; Fair Board; School and Church boards; 4-H Council and leader for 15 years; and UC Davis Equine Board. In the past 25 years, I have learn that there is no "I" in Board and it can be very rewarding to be part of a team that makes a difference for others.

As part of my many duties working with Herlong PUD, I worked to form the District and was directly involved with LAFCo, Lassen County Board of Supervisors and County Clerk to establish the initial Board of Directors and first Policies for HPUD. I have administered the financial portion of 2 large capital improvement project with USDA as well as worked on the first ever successful water utility privatization project with the US Army and Department of Defense. I am currently working on a 4.2 million grant from California for new infrastructure for the small District HPUD absorb through LAFCo in 2017. I am also the primary administrator of a federal contract for utility services with the Federal Bureau of Prison and the US Army.

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

What special skills, talents, or experience (including volunteer experience) do you have?

I have my Bachelor's Degree in Business with a minor in Sociology. I have audited Small Districts for 5 years, worked for a Small District for almost 15 years and have over 30 years of accounting experience. I am a good communicator and organizer. I have served on several Boards and feel I work well within groups or special committee. I am willing to go that extra mile to see things get completed.

I believe in recognition for jobs well done. I encourage incentive programs that get members motivated to participate and strive to do their very best to keep all losses at a minimum and reward those with no losses.

I have completed my Certificate for Special District Board Secretary/Clerk Program in both regular and advance course work through CSDA and co-sponsored by SDRMA. I have completed the CSDA Special District Leadership Academy and Special District Governance Academy. I am in the processes of getting my small District re-certified for their District of Transparency and hope one day to attain our District of Distinction.

I work for a District in Northeastern California that has under gone major changes from a Cooperative Company to a 501c12 Corporation, to finally a Public Utility District. I have worked with LAFCo to become a District. Also our small District consolidated another small District into our District. Through past experience I feel I make a great Board member representing the small districts of Northern California and their unique issues and will make decisions that would help all rural/small districts.

What is your overall vision for SDRMA?

For SDRMA to be at the top of the risk management field and to continue communicating and listening to the needs of all California Special Districts and meeting those needs at a reasonable price that Special Districts can afford. I would like to continue education and rewards for no claims and explore avenues of financial endeavors that will benefit our customers.

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature

Sandy Siebert Ruffelson

Date

4/16/19

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates
- no attachments will be accepted. No statements are endorsed by SDRMA.

Candidate* James (Jim) M. Hamlin
District/Agency Burney Water District
Work Address 20222 Hudson St. Burney, Ca. 96013
Work Phone (530) 335-3582 Cell Phone _____

*The name or nickname and any designations (i.e. CPA, SDA, etc.) you enter here will be printed on the official ballot, exactly as submitted.

Why do you want to serve on the SDRMA Board of Directors? (Response Required)

Hope to serve and help with decisions being made to both strengthen SDRMA and
move into new areas. Our districts are facing new challenges constantly.

**What Board or committee experience do you have that would help you to be an effective Board Member?
(SDRMA or any other organization) (Response Required)**

See Next

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

What special skills, talents, or experience (including volunteer experience) do you have? (Response Required)

September 1972 until January 2014, owned and operated a Insurance brokerage
Sold business and retired.

Board Member of Mayers Memorial Hospital District From 1990 until 2014
Served on the Associal of Hospital Districts for six years.

Served on the board of Burney Water District the previous six years. Current
Serving on Mayers Memorial Hospital Financial Board.

What is your overall vision for SDRMA? (Response Required)

SDRMA Board must be strong and protect the concerns of their members. Need
to have a listening ear for the districts that are represented. Need to
use caution when jumping into new areas, not jepordise their strong programs
and beliefs for new programs.

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature James M. Hamble Date 3-27-2019

OFFICIAL 2019 ELECTION BALLOT
SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY
BOARD OF DIRECTORS

VOTE FOR ONLY THREE (3) CANDIDATES

Mark each selection directly onto the ballot, voting for no more than three (3) candidates. Each candidate may receive only one (1) vote per ballot. A ballot received with more than three (3) candidates selected will be considered invalid and not counted. All ballots must be sealed and received by mail or hand delivery in the enclosed self-addressed, stamped envelope at SDRMA on or before 4:30 p.m., Wednesday, August 21, 2019. Faxes or electronic transmissions are NOT acceptable.

- BOB SWAN (INCUMBENT)**
Board Member, Groveland Community Services District

- JESSE D. CLAYPOOL**
Board Chair, Honey Lake Valley Resource Conservation District

- PATRICK K. O'ROURKE, MPA/CFRM**
Board Member, Redwood Region Economic Development Commission

- SANDY SEIFERT- RAFFELSON (INCUMBENT)**
Finance Manager/Treasurer, Herlong Public Utility District

- JAMES (Jim) M. HAMLIN**
Board President, Burney Water District

ADOPTED this ____ day of _____, 2019 by the Fort Ord Reuse Authority at a public meeting by the following votes:

AYES: _____
 NOES: _____
 ABSTAIN: _____
 ABSENT: _____

ATTEST:

APPROVED:

RESOLUTION NO. 19-XX

**A RESOLUTION OF THE GOVERNING BODY OF THE
Fort Ord Reuse Authority
FOR THE ELECTION OF DIRECTORS TO THE SPECIAL DISTRICT
RISK MANAGEMENT AUTHORITY BOARD OF DIRECTORS**

WHEREAS, the Fort Ord Reuse Authority is a member of the Special District Risk Management Authority (“SDRMA”) participating in the SDRMA workers’ compensation coverage protection; and

WHEREAS, SDRMA is a Joint Powers Authority formed under California Government Code Section 6500 et seq., for the purpose of providing property, liability, and workers’ compensation coverage protection and risk management services statewide exclusively for California public agencies.

WHEREAS, SDRMA’s Sixth Amended and Restated Joint Powers Agreement specifies SDRMA shall be governed by a seven-member Board of Directors nominated and elected from the members who have executed the current operative agreement and are participating in a joint protection program; and

WHEREAS, SDRMA’s Sixth Amended and Restated Joint Powers Agreement Article 7 - Board of Directors specifies that the procedures for director elections shall be established by SDRMA’s Board of Directors; and

WHEREAS, SDRMA’s Board of Directors approved Policy No. 2017-10 Establishing Guidelines for Director Elections specifies director qualifications, terms of office and election requirements; and

WHEREAS, Policy No. 2017-10 specifies that member agencies desiring to participate in the balloting and election of candidates to serve on SDRMA’s Board of Directors must be made by resolution adopted by the member agency’s governing body.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the Fort Ord Reuse Authority selects the following candidates to serve as Directors on the SDRMA Board of Directors: