

**ACTION MINUTES
OF THE
FORT ORD REUSE AUTHORITY
SPECIAL BOARD OF DIRECTORS' MEETING
March 9, 2007**

1. CALL TO ORDER AND ROLL CALL

Chair Joe Russell called the meeting to order at 3:35 pm. The following voting members were present:

Chair/Mayor Russell (City of Del Rey Oaks)	1 st Vice Chair/Mayor Rubio (City of Seaside)
Supervisor Smith (County of Monterey)	Supervisor Calcagno (County of Monterey)
Mayor McCloud (City of Carmel-by-the-Sea)	Councilmember Wilmot (City of Marina)
Mayor Della Sala (City of Monterey)	Councilmember Davis (City of Pacific Grove)
Mayor Mettee-McCutchon (City of Marina)	Mayor Pendergrass (City of Sand City)
Councilmember Mancini (City of Seaside)	

Absent were Supervisor Potter (County of Monterey) and Councilmember Barnes (City of Salinas).

Ex-Officio members present were:

Bonnie Van Hise (17 th Congr. District)	Rito Guerra (15 th State Senate District)
Craig O'Donnell (27 th State Assembly District)	Niraj Dangoria (CSUMB)
Doug Garrison (Monterey Peninsula College)	Debbie Hale (TAMC)
Bruce Margon (UC Santa Cruz)	Karen Fisbeck (BRAC)
Kenneth K. Nishi (Marina Coast Water District)	

Arriving after the meeting was called to order were Hunter Harvath (Monterey-Salinas Transit), Marilyn Shepherd (MPUSD), and COL Pamela Martis (U.S. Army)

With a quorum present, Chair Russell opened the meeting.

2. PLEDGE OF ALLEGIANCE

Chair Russell asked all to join him in reciting the Pledge of Allegiance.

3. ACKNOWLEDGEMENTS - None

4. PUBLIC COMMENT PERIOD

John Fischer said "history has shown that big companies often create non-profits to do things for them," which broadens his previous remarks made in his public comments during the prevailing wage policy discussion in the February 23rd minutes. He asked that this be added to the text of those comments.

5. CONSENT AGENDA

Item 5a – Action Minutes of the February 9 and 23, 2007 Board Meetings: **Motion to approve both sets of minutes, including the additional clarifying language suggested by Mr. Fischer to the February 23rd**

minutes (see above), was made by Councilmember Wilmot, seconded by Councilmember Mancini, and carried.

6. OLD BUSINESS

Item 6a – Imjin Office Park: Authorization to Enter into Reciprocal Easement Agreement with Partners: Real Property and Facilities Director Stan Cook summarized the board report. Mayor McCloud asked if the agreement had been coordinated with counsel (yes). There were no public comments. **Motion to authorize the Executive Officer to enter into the Reciprocal Easement Agreement among the Imjin Office Park partners was made by Supervisor Smith, seconded by Mayor Mettee-McCutchon, and carried.**

Item 6b – FY 06-07 Mid-Year Budget Update: Executive Officer Houlemard noted the modifications to this budget and said that the Finance Committee had not seen the most recent changes due to new figures inserted into the Capital Improvement Program. He further said that the Environmental Services Cooperative Agreement (“ESCA”) with the U.S. Army had reached closure today, which will bring additional funds, as yet undetermined, to FORA. Mayor McCloud said she was troubled that not all of the changes had been seen and considered by the Finance Committee, which she chairs and which last met on February 26th. Discussion followed. There were no public comments. **Motion to (1) authorize budget adjustments in the amount of \$150,000 (\$50,000 for Authority Counsel; \$80,000 for other legal expenses; \$10,000 for Imjin Office Park planning; and \$10,000 for Highway 1 State Scenic Highway designation); (2) authorize \$164,000 in the FORA contingency reserve account to be designated to future debt financing; and (3) postpone receiving the FY 06-07 Mid-Year Budget update until the Finance Committee had reviewed all the changes, was made by Mayor Della Sala, seconded by Mayor Rubio, and passed when Mayor McCloud changed her no vote to an abstention.**

Item 6c – Prevailing Wage Policy – Amendment to the Master Resolution: Executive Officer Houlemard reviewed the six issues/questions addressing the concerns expressed at the last board meeting and the staff recommendations on each of the adjustments. A long discussion by board members followed concerning the text of the draft Resolution #07-4 (dated 3/7/07), which resulted in the following changes: (I) Section 3.03.90 of the Master Resolution: deletion of (iv) regarding tenant improvements; renumbering (v) to (iv) to read “affordable housing exempted under California state law.”; and renumbering (vi) to (v) to read “construction of facilities to be used for eleemosynary non-commercial purposes when owned in fee by a non-profit organization operating under Section 501c(3) of the Internal Revenue Code.” (II) Section 1.01.050 of the Master Resolution: changing the first part of the definition of “First Generation Construction” to read “construction performed during the development and completion of each parcel or real property . . . “. There were several public comments. **Motion to approve the draft dated 3/7/07 of Resolution #07-4, incorporating all the changes listed above, was made by Mayor Rubio and seconded by Mayor Mettee-McCutchon. A roll call vote was requested. The motion, with nine yes votes and two abstentions from the two County representatives, carried.**

Item 6d – Water Augmentation Program – Status Report: Executive Officer Houlemard summarized the board report. Marc Lucca, General Manager of Marina Coast Water District, gave a presentation on the desalination water projects; and Keith Israel, General Manager of Monterey Regional Water Pollution Control Agency, provided an update on the recycled water project and water distribution. Board members asked a number of questions to which the presenters responded. Executive Officer Houlemard said that a water allocation recommendation would be forthcoming from the Administrative Committee once the two agencies conclude an agreement assuring delivery of the water.

Item 6e – Habitat Conservation Plan (“HCP”) Approval Process – Status Report: Director of Planning and Finance Steve Endsley said that California Department of Fish & Game (“F&G”) has had FORA’s response to F&G’s previous comments since January 23, 2007, along with the 2081 “take” permit application. He reported that F&G has now indicated they would not respond to FORA’s HCP draft until the U.S. Fish & Wildlife Service (“F&WS”) had responded first, which effectively delays the turnaround to FORA until probably the end of May. Mr. Endsley said Executive Officer Houlemard and several FORA officers are planning a trip to Sacramento to meet with the three area legislators and several agencies, including F&G, in order to expedite the HCP process. Action on the Denise Duffy & Associates (“DD&A”) contract amendment was withdrawn, because of a comment from F&WS saying it was a conflict of interest for the firm to provide the services of a biologist. DD&A will continue to handle the environmental work, and the Board authorized staff to issue a Request For Qualifications for a biologist. The expense for this contract is not expected to exceed the \$25,000 limit the Executive Officer is authorized to approve. **A motion to receive the status report from staff was made by Mayor Rubio and seconded by Mayor McCloud.** There were no public comments. Supervisor Smith expressed great concern about the impact of these additional delays on the County and urged FORA to continue moving the bifurcated process forward as expeditiously as possible. There were no further public comments. The vote was called and **the motion passed.**

Item 7f – Early Transfer/Environmental Services Cooperative Agreement (ET/ESCA): (i) Status Report and (ii) Adopt Resolution #07-7 Authorizing the Board Chair and/or Executive Officer to Negotiate and Execute Six Related ET/ESCA Documents: Executive Officer Houlemard announced that the Department of Defense had transferred funds to the Department of the Army that will cover the first installment of the ESCA funding. These funds will be deposited into an account accessible to FORA within 60 days. Mr. Houlemard said the full insurance premium and the California environmental insurance taxes would be paid as soon as the money is available. Alex Hulinick from Salinas made the only public comment by asking how much money is being deposited? Mr. Houlemard responded as follows: “about \$40 million and the other two installment payments are pending Congressional approval.” **Motion to adopt Resolution #07-7, ratifying the Board’ actions concerning the ET/ESCA documents approved on November 17 and December 8, 2006 was made by Mayor Mettee-McCutchon, seconded by Mayor Rubio, and carried.**

7. NEW BUSINESS

Item 7a – Memorandum of Understanding (“MOU”) Among Fort Ord Reuse Authority, Transportation Agency for Monterey County (“TAMC”), City of Marina, and Monterey-Salinas Transit (“MST”) Regarding Transit-Oriented Development: Director of Planning and Finance Steve Endsley summarized the agreement, which provides for joint planning for a redevelopment project on publicly-owned land in the City of Marina on the former Fort Ord. He called attention to FORA’s obligation in Section 9k, where additional text describing FORA’s financial participation in the MOU, which was submitted by the Executive Committee, had been inserted and bolded. Debbie Hale, Executive Director of TAMC, provided a brief presentation about the MOU and the proposed project, which was enhanced by a color-coded map projected on the large screen. She noted that TAMC, MST and Marina had already approved the MOU, and the FORA Administrative Committee had recommended approval by the FORA Board. Bob Hummel, a TAMC consultant, suggested that the FORA Board consider removing the additional language from the MOU to avoid delays necessitated by re-approvals by the other three entities; he added that this language could be included in the transmittal to the TAMC Board. **Motion to authorize FORA staff to enter into the MOU for joint planning for this potential transit-oriented development site was made by Mayor Rubio and seconded by Supervisor Calcagno. Ms. Hale requested that deletion of FORA’s additional language from the MOU be part of the motion and the language be incorporated in the transmittals to the boards/council.** There were no objections by the maker and seconder of the motion or other members of the Board, and **the motion carried.**

Item 7b – Monterey Bay Regional Water Solutions Memorandum of Understanding (“MOU”): Executive Officer Houlemard stated that this MOU has been circulating and comments are being solicited from many agencies and jurisdictions within the 45-day time period. He said that FORA staff had reviewed it and found it a “good thing.” Staff will agendize a formal discussion at the April meeting and recommend action. All board member questions were answered. There were no public comments.

8. EXECUTIVE OFFICER’S REPORT

There were three items in the Executive Officer’s Report: Item 8a (Administrative Committee Report), Item 8b (Finance Committee Report), and Item 8c (Executive Officer’s Travel Report). In reference to Item 8c, Executive Officer Houlemard said the ESCA documents need to be signed by March 31st and travel arrangements might need to be made as soon as word is received that the documents are ready.

9. ANNOUNCEMENTS AND CORRESPONDENCE - None

10. ADJOURNMENT: Chair Russell adjourned the meeting at 5:25 pm.

Minutes prepared by Linda Stiehl, Deputy Clerk

Approved by _____
Michael A. Houlemard, Jr., Executive Officer/Clerk