

MINUTES
of the
FORT ORD REUSE AUTHORITY
BOARD OF DIRECTORS' MEETING
Fort Ord Reuse Authority Conference Facility/Bridge Center
February 11, 2010

1. CALL TO ORDER AND ROLL CALL

Chair Ralph Rubio called the February 11, 2010 meeting of the Board of Directors to order at 3:35 p.m. and requested a roll call.

Voting members present:

Chair/Mayor Rubio (City of Seaside)	Supervisor Parker (County of Monterey)
Mayor Edelen (City of Del Rey Oaks)	Mayor Pendergrass (City of Sand City)
Councilmember Kampe (City of Pacific Grove)	Jim Cook (County of Monterey)
Councilmember McCall (City of Marina)	Janet Barnes (City of Salinas)

Absent were Supervisor Calcagno (County of Monterey), Mayor McCloud (City of Carmel), Councilmember Gray (City of Marina), and Councilmember Selfridge (City of Monterey). Councilmember Mancini (City of Seaside) arrived after the roll call had finished. Alternate Jim Cook represented Supervisor Potter.

Ex-Officio members present:

Gail Youngblood (BRAC)	Rito Guerra (15 th State Senate District)
Kenneth Nishi (Marina Coast Water District)	Marilyn Shepherd (MPUSD)
COL Darcy Brewer (U.S. Army)	Bruce Margon (UC Santa Cruz)
Douglas Garrison (Monterey Peninsula College)	James Main (CSUMB)
Mike Gallant (Monterey-Salinas Transit)	

Alec Arago (17th Congressional District) and Debbie Hale (TAMC) arrived after the roll call had finished. Absent was a representative from the 27th State Assembly District.

With a quorum present Chair Rubio opened the meeting.

2. PLEDGE OF ALLEGIANCE

Chair Rubio asked Rito Guerra, who agreed, to lead the Pledge of Allegiance.

3. ACKNOWLEDGEMENTS AND ANNOUNCEMENTS

Chair Rubio welcomed Mike Gallant (MST), Ken Steen (senior vice president at Rabobank), Bruce Margon (UCSC), and Rito Guerra, who had recently completed a military tour of duty in Iraq. Mr. Margon announced that when the UCSC Campus Committee that advises on the UC MBEST Center met last December, they recommended some substantial changes in the

direction of their property on their former Fort Ord. He said the UC MBEST Center will continue to operate for many years but options on the peripheral property are being examined. He announced that Chancellor George Blumenthal will attend the March 12th FORA board meeting to report on more specific details.

4. PUBLIC COMMENT PERIOD - none
5. CONSENT AGENDA

There were two items on the Consent Agenda: Item 5a (January 8, 2010 board meeting minutes) and Item 5b [Amendment to Master Agreement for Professional Services – Creegan + D’Angelo (Capital Improvement Program On-Site Transportation)]. There were no board or public comments. **Motion to approve the two items on the Consent Agenda was made by Mayor Edelen, seconded by Councilmember McCall, and carried.**

6. OLD BUSINESS

Item 6a – Environmental Services Cooperative Agreement (ESCA) - update: FORA ESCA Program Manager Stan Cook provided an update enhanced by a PowerPoint presentation. Topics covered included the ESCA Munitions Response Areas (MRA’s) by group, the current work areas, examples of items found, vegetation removal, an update of the Residential Quality Assurance (RQA) pilot study, the Central Coast Veterans Cemetery, the interaction of the General Jim Moore Boulevard construction project and the ESCA project, the list of ESCA resources, and a list of upcoming meetings and events. He called particular attention to the Army bus tour at 10:00 a.m. on February 20th, along with an open house, whose focus will be ground water and soil contamination. Supervisor Parker asked for some contextual information about the ESCA project. Mr. Cook replied that the project had started in early 2007, that it was now about half finished, and it is on time and on schedule within the financial constraints. There were no other board comments or comments from the public.

Item 6b – General Jim Moore Boulevard (“GJMB”) road improvement project

- i. Modifications to grant award: Executive Officer Houlemard summarized the background leading up to the possibility of the Economic Development Administration (“EDA”) modifying the grant award funds but emphasized that there were restrictions. He said the Administrative Committee had discussed possible modifications and recommended concurrence with some of them, notably two change orders, one to relocate a PG&E power pole on GJMB and Eucalyptus Road and the other, constructing the road connections at Hilby and San Pablo. Other recommended proposals were the installation of a recycled waterline on GJMB, installation of a bank of 6 4” PVC conduits, and signalization at the Coe Avenue and Broadway intersections with GJMB. He emphasized that all modifications to the grant award must be construction-ready or environmental work and related to the original grant award. He said if the match percentage were changed in FORA’s favor, not only would more funds be available to FORA, but that these funds would free up funds in FORA’s Capital Improvement Program, which could then be allocated for other obligations. Mr. Houlemard said the Administrative Committee and Capital Improvement Program

Committee would be recommending which other projects should move forward. **Motion to approve/concur with the above-described modifications for submittal to EDA, along with a request that staff provide an updated report addressing the noise concerns at the March board meeting, was made by Councilmember Mancini and seconded by Mayor Edelen.** Mr. Edelen asked what the estimated maximum EDA funding would be, and Mr. Houlemard replied about \$6.4 million. Debbie Hale asked what the time frame for obligating the grant funding was, and Mr. Houlemard replied probably 2012 (typically five years). Mr. Edelen asked if the GJMB project could extend through the Del Rey Oaks property at the south end of the former Fort Ord. Mr. Houlemard said more information about the modifications would be presented at the March board meeting. Chair Rubio commented that the Habitat Conservation Plan must be completed first before habitat management on Del Rey Oaks' parcels could be determined. There were no public comments, and **the previous motion carried.** Marina Coast Water District Deputy General Manager and District Engineer Carl Niizawa expressed appreciation for the Board's approval of the installation of the recycled water pipeline in GJMB. He said it will bring recycled water to former Fort Ord and represents a long-term solution to the region's water issues.

- ii. Construction noise/ vibrations issues: Supervisor Parker said there are concerns about the ongoing increased traffic and construction noise being experienced by Seaside residents living near the construction zone and said mitigation is necessary, according to her understanding of the Base Reuse Plan ("BRP"). She asked if the design data had addressed this potential issue and requested that FORA staff recheck the BRP and do some analysis of the impact of the new traffic lights at Coe Avenue and GJMB. Jim Cook remarked that the Board had been very supportive of replacing items that had to be taken out of the project due to the original funding limits, but he was aware that noise mitigation had not been part of the original project. He asked if funds to mitigate these noise concerns could be secured elsewhere. Mayor Rubio asked if EDA would allow sound mitigation; Executive Officer Houlemard replied it was not clear and that it had not been required in the environmental document. Senior Project Manager Jim Arnold replied no to both points. Mr. Houlemard remarked that other solutions should be examined, such as a berm and/or landscaping. He said he would talk to EDA before bringing the noise concerns back to the Board.

Item 6c – Resolution authorizing Rabobank financing: Executive Officer Houlemard reviewed the "Preston Park Debt Consolidation Financing Terms and Conditions Summary" sheet, which had been received from Rabobank and stated that the Board had already authorized execution of the loan documents; however, the bank had submitted a request for a board resolution. Ken Steen, a senior vice president at Rabobank who was present, said that these terms and conditions had been in the original letter of interest that led to board approval and he proceeded to provide summaries of each item. Councilmember McCall asked if the line of credit on Preston Park would be closed (yes). Jim Cook asked how a five-year loan would be paid out when FORA sunsets before then. Mr. Houlemard replied that by board direction, FORA staff and Marina would be discussing Marina's acquisition of Preston Park and to complete these negotiations in the near future. Mr. McCall said he supported approving the loan if the letter dated February 10, 2010 from Mr. Houlemard to Mr. Altfeld, which listed the conditions the loan would provide for Marina, were attached. Authority Counsel Bowden

suggested that the Board make two resolutions, one approving the resolution for the bank as Rabobank had requested and the other, adopting the list of the conditions in the previously described letter, so there is no ambiguity. **Motion to approve Resolution #10-04 authorizing the Fort Ord Reuse Authority Executive Officer to execute Rabobank financing documents to borrow up to \$19 million was made by Councilmember McCall, seconded by Councilmember Mancini, and carried. Motion to adopt the obligations in the previously identified letter of February 10, 2010 was made by Councilmember McCall, seconded by Councilmember Mancini, and carried.**

Item 6d – Habitat Conservation Plan (“HCP”) contract amendments for Denise Duffy & Associates (“DDA”) and ICF Jones & Stokes (“J&S”): Executive Officer Houlemard said contract amendments to existing contracts require board approval. There were no board or public comments. **Motion to authorize the Executive Officer to execute the following: (1) consultant contract amendment number three with DDA, requiring no additional budget authority, that will update and complete additional take assessment analysis for the HCP and Environmental Impact Report/Environmental Impact Statement; and (2) consultant contract number three with J&S, increasing the available budget by \$64,551 to complete revisions to the Pre-Public Draft HCP document was duly made by Supervisor Parker, seconded by Mayor Edelen, and carried.**

Item 6e – Multi-Modal Transit Corridor (“MMTC”) Memorandum of Agreement (“MOA”): Senior Planner Jonathan Garcia provided a background summary, noting that the Board had previously approved a draft of this MOA in December 2008 but issues had arisen following that approval and the document was sent back to the Administrative Committee for resolution. He reported that TAMC and MST had already approved the current draft and other parties were scheduling it for approval. Councilmember Kampe asked how impacts raised in the letter dated 10/24/08 from the president of The Bluffs Homeowners Association would be mitigated, and Mr. Garcia responded that these would be questions for the future project implementers to address. **Motion to authorize the Executive Officer to execute the current draft of the MMTC realignment MOA was made by Supervisor Parker, seconded by Councilmember McCall, and carried.**

7. NEW BUSINESS

Item 7a – Fort Ord Reuse Authority mid-year budget: Executive Officer Houlemard noted in the summary that revenues were up and expenditures were down and called attention to changes in the line items. He said the Finance Committee had reviewed and approved the mid-year budget. Mayor Edelen thanked the staff for their pro-active, forward-looking stance. There were no other board comments and no comments from the public. **Motion to accept the FY 09-10 Fort Ord Reuse Authority Operating Budget mid-year status report was made by Mayor Pendergrass, seconded by Councilmember McCall, and carried.**

Item 7c – CONSISTENCY DETERMINATION: Marina Housing Element: Senior Planner Jonathan Garcia summarized this legislative land use decision review by staff and the resulting recommendation for approval. Christine di Iorio, community development director for Marina, made brief remarks about this consistency determination. There were no board or public comments. **Motion to approve Resolution #10-02, concurring in the City of Marina**

legislative land use consistency determination and making findings that the Marina Housing Element 2008-2014 is consistent with the Fort Ord Base Reuse Plan, was made by Councilmember Mancini, seconded by Councilmember Kampe, and carried.

Item 7c – CONSISTENCY DETERMINATION: Salinas Valley Memorial Healthcare System Imjin Parkway Project (“SVMHS”): Senior Planner Jonathan Garcia reported that the Administrative Committee had recommended approval at their February 3rd meeting. There were no board comments or questions. Ron Chesshire from the Monterey/Santa Cruz Construction and Building Trades Council said that the Marina City Council had taken action on this consistency determination without including the prevailing wage provisions as set forth in the FORA Master Resolution and that the original documents had since been amended to address this requirement. Mr. Chesshire also stressed the importance of job training, noting the decrease in local construction activity, and asked that the FORA job training policy be required in future consistency determinations. **Motion to approve Resolution #10-03, concurring in the City of Marina’s legislative land use and development entitlement consistency determination and making findings that the SVMHS Imjin Parkway project is consistent with the FORA Base Reuse Plan, was made by Councilmember Mancini and seconded by Councilmember McCall.** Chair Rubio echoed the need for the jurisdictions to focus on hiring, training, and jobs with fair wages and benefits, along with local hire policies. **The motion carried.**

Item 7d – Office of Economic Adjustment grant award for the Central Coast Veterans Cemetery infrastructure planning: Executive Officer Houlemard shared his appreciation for Congressman Farr’s efforts to obtain this grant award. Councilmember Mancini called attention to Assemblymember Monning’s press advisory to announce the introduction of his legislation to amend current law to permit fundraising for the cemetery to occur simultaneously with the planning and design, which has heretofore stalled this project. A press conference is scheduled for 3:00 – 4:00 p.m. on February 12th at the Ord Military Community Chapel. All are invited and encouraged to attend.

Item 7e – Confirmation of 2010 Fort Ord Reuse Authority Legislative and Finance Committees appointments: Chair Rubio thanked those who had agreed to serve on these committees. **Motion to confirm the chair’s recommendations of members to serve on the Legislative and the Finance Committees for 2010 (February 11, 2010 through the February 2011 board meeting) was made by Supervisor Parker and seconded by Mayor Edelen.** Chair Rubio read the members of each committee for the record: **Finance Committee**: Mayor Sue McCloud (chair); Councilmembers Tom Mancini, Ken Gray and Janet Barnes; and Mr. Graham Bice. Hunter Harvath will serve as alternate. **Legislative Committee**: Mayor Ralph Rubio (chair), Supervisors Dave Potter and Jane Parker, Mayor Chuck Della Sala, and Councilmember Dave McCall. Mayor David Pendergrass and Councilmember Bill Kampe will serve as alternates. There were no board or public comments, and **the motion carried.**

Item 7f – Property exchange between City of Marina (“Marina”) and Monterey Peninsula College (“MPC”): Executive Officer Houlemard provided a background summary, noting that the Board must approve property exchanges in the area being redeveloped on the former Fort Ord. Chair Rubio remarked that the map in Exhibit B of the exchange agreement was not clear in showing the properties being exchanged. Doug Yount, director of development

services in Marina, described the locations in more detail. When asked why additional language had been recommended in the motion, he responded that counsel were finalizing some deed language and deed descriptions to assure accuracy and these changes were technical, not substantive. The board members had no objection to adding additional language as noted in the following motion. There were no public comments. **Motion to (1) approve the exchange of parcels, as presented in the MPC/Marina land exchange agreement and Implementing Agreement to accomplish the boundary adjustment set forth in the Exchange Agreement between MPC and Marina and its Redevelopment Agency; and (2) concur with Amendment #5 of the Memorandum of Agreement between the U.S.A., acting by and through the Secretary of the Army and FORA for the Sale of Portions of the former Fort Ord Located in Monterey County, California, dated June 20, 2000 (to exempt the Agency Property from the purview of the EDC Agreement and to subject the MPC Property to the EDC Agreement), both items amended by the following language: “subject to final review and approval of all documents by Marina, MPC and FORA legal counsel,” was duly made by Councilmember Mancini and seconded by Supervisor Parker. This motion carried.**

8. EXECUTIVE OFFICER’S REPORT

There were five items in this report: Item 8a (Administrative Committee report), Item 8b (Finance Committee report), Item 8c (Executive Officer’s travel report), Item 8d (Fort Ord Reuse Authority investments – status report), and Item 8e (Habitat Conservation Plan – status report). **Re Item 8c:** Executive Officer Houlemard reported that the FORA group had had successful meetings with FORA’s three electeds in Sacramento during their trip there on February 2nd, particularly in securing support and two sponsors for AB 1791, which requests changes to state redevelopment law specific to former Fort Ord. He said it is critical that all board members send letters of support and encourage their councils/boards to pass a resolution indicating this support in time to be presented at the bill’s hearing(s) early next month.

COL Brewer announced that a ribbon-cutting celebrating the groundbreaking of 284 homes being built in the area of General Jim Moore Boulevard and Gigling Road would be held at 2:00 p.m. on April 9th. Tours of the models will be available. All are invited to attend.

10. ADJOURNMENT

There being no further business, Chair Rubio adjourned the meeting at 5:05 p.m.

Minutes prepared by Linda Stiehl, Deputy Clerk

Approved by _____

Michael A. Houlemard, Jr., Executive Officer/Clerk