

MINUTES
of the
FORT ORD REUSE AUTHORITY
BOARD OF DIRECTORS' MEETING
Carpenters Union Hall – 910 Second Ave., Marina
January 14, 2011

1. CALL TO ORDER

With a quorum present, Chair/Supervisor Dave Potter called the January 14, 2010 Board of Directors meeting to order at 3:38 p.m.

Voting members present:

Supervisor Dave Potter (County of Monterey)
Supervisor Jane Parker (County of Monterey)
Mayor Bachofner (City of Seaside)
Mayor David Pendergrass (City of Sand City)
Mayor Jerry Edelen (City of Del Rey Oaks)

Mayor Sue McCloud (City of Carmel-by-the-Sea)
Mayor Pro-Tem Bill Kampe (City of Pacific Grove)
Councilmember Frank O'Connell (City of Marina)
Councilmember Nancy Selfridge (City of Monterey)
Councilmember Ian Oglesby (City of Seaside)
Jim Cook (County of Monterey)

Absent: David Brown (City of Marina), Councilmember Tony Barrera (City of Salinas).

Ex-Officio members present:

Dr. Bruce Margon (University of California Santa Cruz), Kevin Saunders (California State University Monterey Bay), Gail Youngblood (Base Realignment and Closure), Dan Burns (Marina Coast Water District), David Meyerson (15th State Senate District), Nicole Charles (27th State Assembly District), and Dan Albert, Jr. (Monterey Peninsula Unified School District).

Absent was a representative from Monterey Peninsula College. Ex-Officio members arriving after the roll call were: Alec Arago (17th Congressional District), Pamela von Ness (United States Army), Hunter Harvath (Monterey Salinas Transit District), and Debbie Hale (Transportation Agency of Monterey County).

2. PLEDGE OF ALLEGIANCE - Chair Potter lead the Pledge of Allegiance.

3. ACKNOWLEDGEMENTS, ANNOUNCEMENTS AND CORRESPONDENCE – Chair Potter asked for a moment of silence in honor of those who were injured and those whose lives were taken in Arizona this past week and pay our due respects with a moment of silence prior to commencing with the day's business. Executive Officer Houlemard acknowledged new FORA Board members; Mayor Bachofner City of Seaside, Mayor Pro-Tem O'Connell City of Marina, Councilmember Oglesby City of Seaside, and Director Burns of Marina Coast Water District ("MCWD").

4. PUBLIC COMMENT PERIOD – Crisand Giles, Executive Director of the Northern California Building Industry Association ("BIA") commented on a recommendation to the process for the Board Agenda packet availability to the public via the FORA website. Chair Potter thanked Ms. Giles for her comments and explained that the Board typically does not respond during the public comment period; however, staff would take her comments into consideration. Ron Chesshire, representing the Monterey Santa Cruz Building and Construction Trades Council, reported that the 6th District Appellate Court upheld prevailing wages on Fort Ord. He also commented about MCWD leaders in the area and the first agency in the area to move ahead and pass a version of the workforce training policy ensuring that proper training and opportunities for local trainees will be

given on projects in the area extending beyond Fort Ord. He said that he hoped other jurisdictions would also consider implementing the training policy.

5. **CONSENT AGENDA - Item 5a – December 10, 2010 FORA Board meeting minutes; Item 5b - Creegan + D'Angelo Master Agreement for Professional Services - amendment to service work order. Motion to approve the Consent Agenda was made by Supervisor Parker seconded by Mayor Edelen and carried.**

6. **OLD BUSINESS - Capital Improvement Program ("CIP") –** Chair Potter emphasized that the Board would not take action on this item and that the only specific direction other than process issues is an amendment to the Economic & Planning Systems ("EPS") contract for \$5,000.00. Executive Officer Houlemard reported that the CIP work plan is in response to a request of Board members to review the CIP as it relates to the cost of base-wide FORA development Fee and the Community Facilities District ("CFD") Fee that provide revenue to cover the cost of the redevelopment of the former Fort Ord. Mr. Houlemard said, specifically, former Board members from the City of Marina stated their concern regarding the impact of the developer fees on slowing development in the City of Marina and asked other Board members to concur in their desire to take a full look at the CIP . Since that time, staff took the Board's direction and hired a consultant that has also worked with consultants with the BIA and other consultants in the region working on these types of issues. Mr. Houlemard said that the consultant provided a report which was presented to the FORA Administrative Committee. Acting Assistant Executive Officer and Director of Planning and Finance Steve Endsley gave a PowerPoint presentation providing a historical overview of the FORA CIP and resource obligations. EPS Consultant David Zehnder provided the Board with a report of his findings regarding the progress of the CIP project, specifically noting concerns with the uncertainty of the FORA sunset, infrastructure costs, land values, CFD taxes, HCP and related endowment, TAMC revisions, and development forecasts. He stated that a multi-phase approach is recommended and that intermediate actions could include an interim adjustment and ongoing CIP evaluation and financing strategy. Executive Officer Houlemard recommended input from every jurisdiction and a workshop conducted for the Board which would flesh-out further questions and potential issues. Several Board members asked questions regarding interim reductions, issues of fairness, up-front nature of fees, delaying payment rather than reduction, obligation considerations, and looking at all funding needed for Fort Ord projects not just the fees. TAMC Executive Director Debbie Hale questioned Mr. Zehnder whether or not an engineering analysis was conducted as part of his CIP review. Mr. Zehnder stated that they had not prepared an engineering analysis; however, it was important to note that road projects without a completed design would have a higher level of contingency than projects with a design, especially as it pertains to cash flow. Mr. Cook, for the County of Monterey and as a member of the Administrative Committee, said that he appreciated that the cash flow analysis and implications of land use would be coming back to the workshop. Members of the public commenting were:
Ron Chesshire who expressed the following concerns: What does the public get from reducing the fee? Would a fee reduction require a California Environmental Quality Act ("CEQA") process? Would a fee reduction result in FORA having to perform Consistency Determinations on development projects that previously received FORA Consistency Determinations?
Ralph Rubio who asked: How does a fee reduction affect existing development agreements between the Cities and developers? If FORA is going to give up fee dollars through a fee reduction, what is FORA/the public getting back?
Doug Yount City of Marina Developer Services Director who commented: An additional residual land use value analysis is needed. We need to right size the fee so development can proceed.
Crisand Giles, representing BIA who said: It is premature at this juncture for the FORA Board to make a decision on a potential FORA CFD Fee reduction.

Chris Austin, BIA's financial consultant, who said: Additional time is needed so that we can collaboratively work together and right size the fee.

Bruce Delgado, member of the public, who stated: There was a typo in EPS's materials. As a citizen in Marina, the fee should be right sized so that Marina projects move forward and allow Marina residents to more easily access South Marina (Fort Ord portion of Marina) from Central Marina. He cautioned eliminating additional Habitat Management costs from Other Costs and Contingencies without knowing the consequences of such an action.

Elizabeth (Betsy) Nahas Wilson representing Mid-Peninsula Housing Coalition, who provided a letter that she read into the record, which supported FORA CFD Fee reductions.

Scott Hilk, representing Marina Community Partners, LLC, who stated: More time was needed to work collaboratively on right sizing the fee.

Chair Potter said that these questions would be added to the menu of issues to be discussed. Mr. Zehnder assured members that the workshop would concentrate the "big picture". Chair Potter A motion was made by Supervisor Parker, seconded by Mayor Bachofner to hold the Board workshop before February 11 and increase the Economic & Planning Systems, Inc. contract amendment to \$8,000.00 in order for the consultant to facilitate the workshop. Motion carried unanimously.

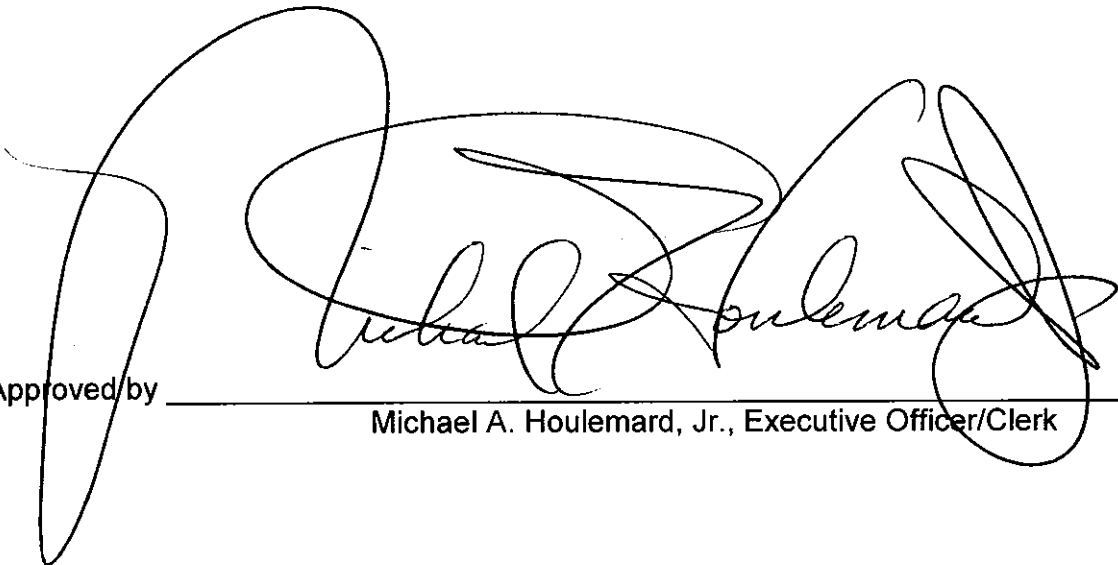
NOTE: Copies of both PowerPoint presentations are provided as attachments to these minutes.

7. **NEW BUSINESS – Item 7a - Environmental Services Cooperative Agreement ("ESCA") – Report On Special Requests By Outside Agencies – ESCA Program Manager Stan Cook reported that there were munitions response special requests by Monterey Salinas Transit ("MST"), Monterey Peninsula Water Management District ("MPWMD"), and California-American Water ("Cal-Am"). He reported that there would be no costs incurred by FORA. **Motion to receive the report was made by Mayor McCloud and seconded by Mayor Pro Tem O'Connell and carried unanimously.** Item 7b - UC MBEST Visioning Exercise Reimbursement Agreement. **Motion to authorize additional spending not to exceed \$50,000.00 and execution of the reimbursement agreement with the University of California Monterey Bay Education, Science and Technology Center to jointly fund the consultant contract was made by Mayor ProTem O'Connell with an amendment to include the wording "whichever comes first" on item 3.1 of the agreement. Supervisor Parker seconded the motion and it carried.****
8. **EXECUTIVE OFFICER'S REPORT** - There were four items summarized in this report: Item 8a (Administrative Committee report); Item 8b (Habitat Conservation Plan "HCP" – status report); Item 8c (Outstanding Receivables) and Item 8d (Executive Officer's Travel). Executive Officer Houlemard highlighted Item 8a as noted earlier regarding the Administrative Committee/CIP Committee and the consultant's review of the CIP stating that staff will work on scheduling a Board workshop prior to the next Board meeting. Regarding Item 8b, Mr. Houlemard stated that there is still no report back from the California Department of Fish and Game ("CDFG") regarding HCP review comments. In addition, the U.S. Fish Wildlife Service ("USFWS") comments for two sections are still outstanding. Mr. Houlemard introduced FORA Controller Ivana Bednarik who presented a report on Item 8c, stating that progress was being made on the City of Seaside payment plan including four equal installments through June 2012 making an exception for lowering late fees due to incorrect calculations. She said that staff was asking the Board to consider a 1% fee on the unpaid balance. **Motion to receive the report was made by Mayor McCloud, seconded by Mayor Edelen and carried unanimously.** No Board action was taken on the reduction of the late fees and this item was deferred to the February Board meeting anticipating that the City of Seaside would be make its first scheduled payment on-time before the February Board meeting. **Motion to approve an**

increase in the FORA travel budget in the amount of \$2,000.00 was made by Mayor McCloud, seconded by Supervisor Parker and carried unanimously.

9. Report from Nominating Committee – Chair Potter introduced Mayor McCloud, Chair of the Nominating Committee who reported that the Nominating Committee met and Executive Committee nominations included Supervisor Potter as FORA Board Chair, 1st Vice-Chair Mayor Edelen, 2nd Vice-Chair Mayor ProTem O’Connell, and Representatives David Pendergrass and Mayor Bachofner. **Motion to approve was made by Mayor McCloud, seconded by Supervisor Parker and carried unanimously.**
10. ITEMS FROM MEMBERS – None
11. CLOSED SESSION - There was one item on the Closed Session agenda – the Preston Park Sale, which included a conference with real property negotiators.
12. REPORT OUT OF CLOSED SESSION BY AUTHORITY COUNSEL – The FORA Board met and discussion was had and direction given in the Preston Park matter. Supervisor Parker and Mayor Pro-Tem O’Connell were added as members to the Preston Park Ad Hoc Committee.
13. ADJOURNMENT - Being no further business, Chair Potter adjourned the meeting at 5:55 p.m.

Minutes prepared by Daylene Alliman, Deputy Clerk

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