



Fort Ord Reuse Authority

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BOARD OF DIRECTORS MEETING

Friday, December 16, 2011
3:30 p.m. Carpenters Union Hall
910 2nd Ave, Marina (on the former Fort Ord)

MINUTES

1. **CALL TO ORDER AND ROLL CALL** Chair Potter called the December 16, 2011, Board of Directors meeting to order at 3:37 p.m.

Fort Ord Reuse Authority Board of Directors:

Voting members present (quorum present at call to order)

Chair/Supervisor Potter (County of Monterey)
1st Vice Chair/Mayor Edelen (City of Del Rey Oaks)
Mayor Pendergrass (City of Sand City)
Mayor Pro-Tem Kampe (City of Pacific Grove)
Supervisor Parker (County of Monterey)
Councilmember Selfridge (City of Monterey)

2nd Vice Chair/Mayor Pro-Tem O'Connell (City of Marina)
Councilmember Oglesby (City of Seaside)
Jim Cook (County of Monterey)
Councilmember Brown (City of Marina)

Arriving after the roll: Mayor Bachofner (City of Seaside) and Mayor Dinohue (City of Salinas)

Absent: Mayor McCloud (City of Carmel-by-the-Sea)

Ex-Officio members present:

Nicole Charles (27th State Assembly District)
Justin Wellner (California State University Monterey Bay ("CSUMB"))
Dr. Doug Garrison (Monterey Peninsula College ("MPC"))
Debbie Hale (Transportation Agency of Monterey County ("TAMC"))
Bill Collins (Base Realignment and Closure ("BRAC"))
COL Joel Clark (United States Army)
Graham Bice (University of California Santa Cruz ("UCSC"))
Kenneth Nishi (Marina Coast Water District ("MCWD"))

Arriving after the roll: Kip Harvath (Monterey Salinas Transit),

Absent: Ed Shepherd (Monterey Peninsula Unified School District), Hans Poschner (15th State Senate District), and Alec Arango (Congressional District).

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

3. **ANNOUNCEMENTS, ACKNOWLEDGEMENTS, CORRESPONDENCE**

4. **PUBLIC COMMENT PERIOD** - LeVonne Stone, Director of the Fort Ord Environmental Justice Center reported that the one year anniversary of the Super JTI program initiative graduation, and that jobs are still needed for the community and these graduates.

5. **CONSENT AGENDA** – Approval of the November 18, 2011 meeting minutes. **MOTION to approve the Consent Agenda was made by Mayor Edelen, seconded by Councilmember Oglesby and carried.**

6. OLD BUSINESS

a. **Preston Park – disposition** Steve Endsley gave an overview of item 5a ii. Regarding the short-term agreement with Alliance and read the questions submitted to the FORA Board and summarized answers. He stated Alliance has submitted red line comments to the agreements (Annette Thurman). The President of the tenants association stated concerns regarding the quality of the management at the property and having FORA meetings at 3:00 in the afternoon is inconvenient for most tenants. She recommended a study session, a Saturday, or evening meeting in presenting this new management agreement. She also suggested an item by item comparison in a table format that compares existing and previous agreements. (See letter attached.) Ralph Rubio, with the Carpenters Union stated that the FORA Board has been looking at this issue for several years and exhausted efforts and supports a sale at market rate. He further stated that FORA is the owner and should exercise its rights as owner and dispose of the property in the most expedient manner. LeVonne Stone stated she would like to see the public involved in the meetings as to what happens in Preston Park and she would like to see a better process to include low income families. Mr. Houlemard said comments of timing of meetings for FORA were established in 1994 and set so that all participants can participate. He said that it has been the practice of the Board to have special sessions at different times; however, FORA meeting times are set in the master resolution. With regard to affordable housing and with respect to management of Preston Park, Mr. Houlemard said the intent is to continue the current agreement and to operate slightly below the median prices for rent. He confirmed FORA and Marina will continue to meet in mediation, however the Board has indicated its intention to sell.

i. **Authorize staff to secure updated appraisal** - Supervisor Parker stated that the appraisal and the authorization to sell Preston Park go together and these actions are premature. She said that FORA hasn't seen mediation and doesn't support this action at this time. Mayor ProTem O'Connell said he doesn't see the reason for the appraisal. Mayor Edelen said this is going to end up in the courts but are we getting anywhere in mediation? He said the current value is necessary and that the appraisal was done a few years ago and the market has changed. Mayor ProTem Kampe said he agreed with Mayor Edelen regarding the appraisal and it is the financially responsible thing to do. He said that one of the interests FORA has in selling Preston Park is to fund the projects that will provide more for jobs in the community. Councilmember Brown said he agreed with Supervisor Parker and Mayor ProTem O'Connell, and said he feels mediation should continue. Councilmember Oglesby reminded the Board that FORA is mediating in good faith. The question was asked if authority counsel could confirm who owns the property. FORA Counsel Jerry Bowman confirmed that FORA holds clear title and has insured title to Preston Park. Councilmember Oglesby said that it is appropriate to move forward with appraisal. **Mayor Pro Tem Kampe moved a motion to move forward with the appraisal Mayor Edelen seconded. 3 nay votes – Supervisor Parker, Councilmember Brown, Mayor ProTem O'Connell.**

ii. **Execute agreement with Alliance for management services** – Supervisor Parker said that it is hard to know what is being changed and needs to see a red lined version before she approves the agreement, and that FORA needs to meet with the tenants. Mr. Houlemard stated that staff could provide the Board with a red lined version at the next Board meeting and staff is willing to meet with the tenants individually and the association. Mayor ProTem O'Connell said the document does not outline the operating income sponsor or remind the rights of the City of Marina further noting the City voted to extend the existing agreement for 12 months. Mayor Kampe questioned the need for an interim agreement. Mr. Endsley replied that, at its last meeting, the Board gave the Executive Officer authority to enter into an interim agreement stating there is no time limit yet ninety (90) days might be reasonable to extend with Marina. **Supervisor Parker moved to authorize an extension of the existing contract for 90 days and new redline draft of the agreement in January – seconded by Mayor ProTem O'Connell. VOTE: Ayes: Councilmember Oglesby, Councilmember Selfridge, Jim Cook, Mayor Edelen, Councilmember Brown, Mayor Pendergrass, Supervisor Parker, Mayor ProTem O'Connell, Supervisor Potter. Nays: Mayor ProTem Kampe, Mayor Bachofner, Mayor Donohue.**

iii. **Authorize staff to sell Preston Park** – Mayor ProTem Kampe moved to authorize staff to sell Preston Park, seconded by Mayor Bachofner. Mr. Houlemard reminded the Board that FORA will sunset in 2.5 years and the money needs to be reinvested in order to create jobs in the area. Mr. Cook said FORA is

limited on how they can act on it in the future. **VOTE: Ayes – Mayor Donohue, Jim Cook, Mayor ProTem Kampe, Mayor Bachofner, Councilmember Oglesby, Mayor Pendergrass, Mayor Edelen, Councilmember Selfridge. Nays - Councilmember Brown, Supervisor Parker, Mayor ProTem O'Connell**

- b. **California Central Coast Veterans Cemetery** – Senior Planner, Jonathan Garcia gave a report regarding the California Central Coast Veterans Cemetery stating that in January, 2012, FORA will submit its estimate to the California Department of Veterans Affairs (CDVA) and they will meet with the California Department of Finance to reconcile the State's estimate with FORA's estimate. This will determine the amount of funds needed in the State's Veterans Cemetery Endowment to begin the design work. At a previous FORA Board meeting, Supervisor Parker asked if FORA could provide funding for the Veterans Cemetery. To address this question, staff found a 2006 memo from Authority Counsel addressed to then FORA Chair/Mayor Ila Mettee-McCutcheon. To paraphrase the memo, FORA can only fund those items allowed in the Authority Act and funding a veterans cemetery doesn't appear to be one of those items. LeVonne Stone – the VA cemetery was part of the original base plan. Tom Mancini, FORA Representative to the Cemetery Committee stated that the Director of the State Cemetery service said that an amount to be determined for the \$1.5 million project needs to be deposited with the State of California. The Secretary of Finance notified Mr. Salvias (Federal Veterans Administration), who will move on the cemetery grant project. He said that it must be received August 2012 and then could be built by 2013, however the endowment funds are needed. Mr. Mancini suggested the Board consider naming it after Jerry Smith. Supervisor Parker would like to refer the item to the Finance Committee for further discussion. Councilmember Oglesby said he is concerned why the endowment parcel hasn't been sold. Mr. Houlemard said that the Board has supported the location of the Veterans Cemetery. The report was received without objection.
- c. **Receive a report regarding FORA addressing the underserved community accessing job training funds** – Mr. Houlemard gave a PowerPoint presentation which was requested by Councilmember Oglesby and copies were passed out to the board for review. Mr. Houlemard provided a summary (*see attached*) and noted what has been accomplished to date. Member of the public, Adrian Flores, a student of the Superfund program, stated that none of the 20 people that participated in the program have been hired as a result of the training. He said that while he applauds FORA for what they have done so far, more needs to be done to provide the community with more jobs.

7. NEW BUSINESS

- a. **Fiscal Year 10-11 Annual Financial Report (Audit Report)** - Executive Officer Houlemard stated that the draft Audit Report had been reviewed by the Finance Committee on December 14, 2011 and recommended the Board accept the auditor's findings. The Board accepted Marcello & Company's audit with no exceptions.

8. EXECUTIVE OFFICER'S REPORT

Mr. Houlemard reported that items 8a, b, d and e stood as informational items only.

8c – i. **Approve recommended salary range adjustments and ii. Approve longevity policy adjustment.** Mr. Houlemard presented the budget to the Board stating that the Board initially established salaries that were consistent and slightly above the median with other agencies. He said the Board, Finance Committee and Executive Committee, directed a salary survey be conducted by a professional consultant. He noted that fourteen (14) agencies were surveyed and that FORA salaries are below the median. Mr. Houlemard recommended the Board adopt the new salary ranges in order to maintain compliance with the ongoing FORA policy. He requested approval of the longevity policy which was drafted and approved by the consultant, in order to simplify the language and that former terms used could be inconsistent with labor law. Mr. Cook asked about status of the effect of the redevelopment issue. Mayor O'Connell asked if this action could be considered premature, there may not be the funds to carry this out. Controller Bednarik confirmed there are enough funds to move forward with this issue. Mayor Bachofner stated that he generally supported public agencies and did not take issue with the results of the survey. However, he noted that the area median incomes in the City of Seaside and surrounding communities are significantly less than the salary ranges that the Board is being asked to adopt. Mr. Houlemard reported that FORA has established a policy over 16 years now and staff members are doing two and three jobs and specifically noted staff such as the Executive

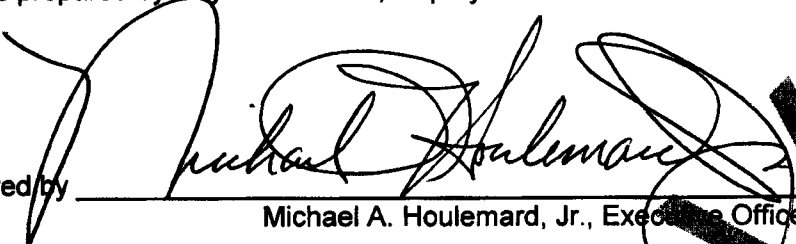
Assistant/Deputy Clerk, who has also been performing human resources functions. He said that staff has been paired back in order to have a net budget savings, noting two inspectors were laid-off. Mr. Houlemard said that retention is an issue and believes in the salary range adjustment. Councilmember Oglesby stated that as part of the Finance Committee "we did not rush through it", he said FORA is unique. **Motion to approve made by Mayor Edelen, Seconded by Councilmember Oglesby and carried.**

9. ITEMS FROM MEMBERS - none

10. ADJOURNMENT – The December 16, 2011 meeting of the FORA Board was adjourned by Chair Potter at 5:12 adjourned.

Minutes prepared by Daylene Alliman, Deputy Clerk

Approved by _____


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

APPROVED