

**ACTION MINUTES
OF THE
FORT ORD REUSE AUTHORITY
BOARD OF DIRECTORS' MEETING
Fort Ord Reuse Authority Conference Facility/Bridge Center
August 8, 2008**

1. CALL TO ORDER

Chair/ Mayor Joe Russell called the meeting to order at 3:30 p.m. and requested a roll call:

Voting members:

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| Chair/Mayor Russell (City of Del Rey Oaks) | 1 st Vice Chair/Mayor Rubio (City of Seaside) |
| Mayor Wilmot (City of Marina) | Councilmember Mancini (City of Seaside) |
| Councilmember McCall (City of Marina) | Councilmember Cohen (City of Pacific Grove) |
| Jim Cook (County of Monterey) | Mayor Pendergrass (City of Sand City) |
| Mayor McCloud (City of Carmel-by-the-Sea) | |

Arriving after the roll call were Mayor Della Sala (City of Monterey) and Supervisor Mettee-McCutchon (County of Monterey). Supervisor Calcagno (County of Monterey) was represented by alternate Jim Cook. Supervisor Potter (County of Monterey) and Councilmember Barnes (City of Salinas) were absent.

Ex-officio members:

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| Gail Youngblood (BRAC) | Kenneth K. Nishi (Marina Coast Water District) |
| James Main (CSUMB) | Colleen Freeman (27 th State Assembly District) |

Absent were representatives from the 17th Congressional District, the 15th State Senate District, Monterey Peninsula Unified School District and Transportation Agency for Monterey County. Arriving after the roll call were Graham Bice (UC Santa Cruz), Dr. Douglas Garrison (Monterey Peninsula College), Hunter Harvath (Monterey-Salinas Transit) and COL Pamela Martis (U.S. Army).

With a quorum present, Chair Russell opened the meeting.

2. PLEDGE OF ALLEGIANCE

Chair Russell asked Councilmember Mancini, who agreed, to lead the Pledge of Allegiance.

3. ACKNOWLEDGEMENTS

Chair Russell welcomed Alan Cohen, the alternate representative from the City of Pacific Grove.

4. PUBLIC COMMENT PERIOD - none

5. CONSENT AGENDA

There were three items on the Consent Agenda: Item 5a (July 11, 2008 FORA board and joint FORA/MCWD board meeting minutes), Item 5b (FY 08-09 Imjin Office Park budget and amendment to

FORA/ Carpenters' Reimbursement Agreement), and Item 5c [Approve Denise Duffy and Associates consulting contract amendment for completion of Habitat Conservation Plan (HCP)]. Mayor Rubio recused himself from Item 5b due to a conflict of interest, and Councilmembers McCall and Cohen recused themselves from Item 5a due to absence. There were no public comments. **Motion to approve Items 5a, 5b and 5c on the Consent Agenda was made by Councilmember Mancini, seconded by Mayor McCloud, and carried.**

6. OLD BUSINESS

Item 6a - Habitat Conservation Plan ("HCP") approval process: Director of Planning and Finance Steve Endsley reported that he had attended meetings where development of the Federal NEPA and State CEQA processes were being hammered out. The encouraging news was that the Bureau of Land Management and U.S. Fish & Wildlife had come to agreement on most of the mitigation cost factors, which should reduce the HCP costs. There were no board or public comments regarding this informational item.

Item 6b - Ord Community Water/ Wastewater Systems Proposed Budgets and Rates for FY 2008-2009: SECOND VOTE - Resolution No. 08-06 Adopting a Compensation Plan and Setting Rates, Fees and Charges for Base-Wide Water, Recycled Water and Sewer Services on former Fort Ord: Executive Officer Houlemard introduced the item. **Motion to adopt Resolution No. 08-06 adopting a compensation plan and setting rates, fees and charges for base-wide water, recycled water ad sewer services on the former Fort Ord was made by Mayor Rubio and seconded by Councilmember Mancini.** Mayor McCloud asked for a clarification of terms in the resolution, naming the following: capacity charges and connection charges, capital surcharges and capital charges and capital facilities fees. **Executive Officer Houlemard suggested that the motion be amended to include a request that FORA's and MCWD's counsels work together to provide the necessary clarification of terms in the resolution, and Mayor Rubio and Councilmember Mancini had no objections to this amendment.** Supervisor Mettee-McCutcheon asked for confirmation that all connection fees have remained unchanged from the previous budget (yes). There were no public comments. **The motion carried by a vote of ten to one; Mayor Pendergrass opposed.**

Item 6c - Environmental Services Cooperative Agreement (ESCA) Remediation Program - status report: Executive Officer Houlemard reported that the ESCA remediation program work had received a considerable amount of acclaim from the regulators and there has been active support from the Users' group, which meets monthly at FORA. He complimented FORA ESCA Program Manager Stan Cook and his team for their efforts. Mr. Cook summarized the board report and attachments and followed with a PowerPoint presentation. Topics covered were an overview of the project; a map of the ESCA Munitions Response Areas (MRA's) by group; a field update of the Seaside 1-4 Special Case Area and remediation activities; photos of the sifting operation, the soil stockpiles and some typical munitions found on the sites; a map of the Parker Flats MRA and future uses of this area; the 2008 document schedule; upcoming meetings and events; and a list of the ESCA sources of information. Executive Officer Houlemard commented that detonations are not always non-events, since the noise sometimes carries and road closures do occasionally occur. He mentioned the mobile tour of former Fort Ord this Sunday, August 10th. Attendees of the Association of Defense Communities Annual Conference ("ADC") being held in Monterey may sign up for this tour. He said Kristie Reimer (the LFR/ ESCA Program Director and ADC conference chair) and her team would provide the technical aspects of the ESCA cleanup program during the tour and many board members and FORA staff will also be participating. Ms. Reimer clarified that notification of detonations is usually done through a telephone tree, which enhances the safety concerns, and not by a general public announcement. She said that work in the Seaside MRA is moving ahead and has extended beyond these boundaries; no road closures are anticipated and the project is on schedule. Mayor Russell asked what the piles of dirt were going to be used for, and Mr. Houlemard replied that some of the dirt is

used onsite and the rest is Army property. Supervisor Mettee-McCutchon asked for a comparison of the volume of the current sifting and the sifting on the small arms range near the dunes, and BRAC Environmental Coordinator Gail Youngblood replied 140,000 yards were sifted in the beach ranges, compared with 80,000 yards in the current work area. Councilmember Mancini complimented Mr. Cook and the LFR team for keeping the area veterans updated about the Parker Flats area, which is the primary site for the veterans cemetery.

7. NEW BUSINESS

Item 7a – City of Del Rey Oaks’ Pollution Legal Liability insurance payment plan: Chair/ Mayor Russell recused himself from the discussion due to conflict of interest, so 1st Vice Chair/ Mayor Rubio served as the chair for this item. Executive Officer Houlemard summarized the board report and the proposed letter agreement (revised draft). Mayor McCloud asked why there was no default clause in the agreement, and Executive Officer Houlemard responded that any defaulted portion of this insurance will be assigned to another party requesting additional coverage. Authority Counsel Bowden replied that a default will not be waived, but if a default occurs, FORA can rescind for breach or waive the breach and the insurance will be assigned. Chair/ Mayor Rubio asked about the impact of a default on FORA’s obligations and its cash flow, and Mr. Houlemard replied that there is none. **Motion to authorize the Executive Officer to execute the City of Del Rey Oaks’ Pollution Legal Liability insurance payment structure proposal for FY 2008-09 was made by Councilmember Mancini, seconded by Mayor Della Sala, and carried.**

8. EXECUTIVE OFFICER’S REPORT

There were two items in this report: Item 8a (Administrative Committee report) and Item 8b (Executive Officer’s travel report). Both were informational and there were no board or public comments.

9. ANNOUNCEMENTS AND CORRESPONDENCE

Executive Officer Houlemard announced that a signing ceremony has been planned to celebrate Governor Schwarzenegger’s concurrence with the Covenant Deferral Request and will bring together representatives from the U.S. Army, the U.S. Environmental Protection Agency (“EPA”), the CA Department of Toxic Substances Control (“DTSC”), and FORA. The ceremony will take place at 5:15 pm on August 12th in the Marriott Hotel Ballroom. He said media releases from EPA and DTSC have already been released in the Bay Area. He also mentioned that the annual conference of the Association of Defense Communities will begin on Sunday, August 10th. It is being held at the Monterey Convention Center and Portola Plaza Hotel

13. ADJOURNMENT

There being no further business, Chair Russell adjourned the meeting at 4:08 p.m.

Minutes prepared by Linda Stiehl, Deputy Clerk.

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