



Fort Ord Reuse Authority

920 2nd Avenue, Ste. A, Marina, CA 93933
Phone: (831) 883-3672 • Fax: (831) 883-3675 • www.fora.org

BOARD OF DIRECTORS MEETING
Friday, August 10, 2012 at 3:30 p.m.
910 2nd Avenue, Marina, CA 93933 (Carpenter's Union Hall)

AGENDA

1. CALL TO ORDER AND ROLL CALL

2. PLEDGE OF ALLEGIANCE

3. ACKNOWLEDGEMENTS, ANNOUNCEMENTS, AND CORRESPONDENCE

- a. 2012 Annual Association of Defense Communities Conference in Monterey, CA

4. PUBLIC COMMENT PERIOD

Members of the audience wishing to address the Fort Ord Reuse Authority ("FORA") Board on matters within the jurisdiction of FORA, but not on this agenda, may do so during the Public Comment Period. Public comments are limited to a maximum of three minutes. Public comments on specific agenda items will be heard at the time the matter is under Board consideration.

5. CONSENT AGENDA

- a. July 13, 2012 FORA Board Meeting Minutes ACTION

6. NEW BUSINESS

- a. FORA Finance Committee Member Appointment ACTION
b. Ex-Officio Representation on FORA Executive Committee ACTION

7. OLD BUSINESS

- a. Base Reuse Plan Reassessment - Overview Presentation and Update
Regarding the Draft Scoping Report (to be Circulated for Public
Comment on Wednesday, August 15, 2012). INFORMATION
- b. Marina Coast Water District Water and Wastewater Rates, Fees and
Charges and Resolution of Outstanding Issues INFORMATION
- c. Preston Park Fiscal Year 2012/13 CIP and Rates INFORMATION/ACTION
- d. Capital Improvement Program Review – Phase II Study
- i. Adopt Resolution to Implement a Formulaic Approach to the FORA
Development Fee Schedule and Communities Facilities District
Special Tax Rates ACTION
- ii. Approve Amendment #1 to the FORA-Jurisdictions Implementation
Agreements to Implement a Formulaic Approach ACTION

8. CLOSED SESSION

Public Comment – Closed Session Items

- a. Conference with Legal Counsel - Existing Litigation, Gov Code 54956.9(a) – Three Cases
- i. Keep Fort Ord Wild v. Fort Ord Reuse Authority, Case Number: M116438
- ii. Keep Fort Ord Wild v. Fort Ord Reuse Authority, Case Number: M114961

- iii. The City of Marina v. Fort Ord Reuse Authority, Case Number: M118566
- b. Conference with Legal Counsel - Anticipated Litigation, Gov Code 54956.9(b) – One Case

9. ANNOUNCEMENT OF ACTION TAKEN IN CLOSED SESSION

10. EXECUTIVE OFFICER'S REPORT

- a. Outstanding Receivables INFORMATION
- b. Administrative Committee INFORMATION
- c. Water/Wastewater Oversight Committee INFORMATION
- d. Habitat Conservation Plan INFORMATION
- e. Naval Postgraduate School Program Prototype Base Reuse Program and FORA Staff Member Acceptance INFORMATION
- f. Report on Current Status of Outside Agency UXO Escorts Reimbursement Agreements INFORMATION
- g. Fort Ord Reuse Authority Fiscal Year 2011/12 Annual Report INFORMATION

11. ITEMS FROM MEMBERS

12. ADJOURNMENT

NEXT REGULAR MEETING SEPTEMBER 14, 2012

*Information about items on this agenda or persons requesting disability related modifications and/or accommodations can contact the Deputy Clerk at: 831-883-3672 * 920 2nd Avenue, Ste. A, Marina, CA 93933 a minimum of 24 hours prior to the meeting.*

This meeting is being recorded by Access Monterey Peninsula (AMP) and will be televised Sundays at 9:00 a.m. on Marina/Peninsula Chanel 25 and Mondays at 7:00 p.m. on Monterey Channel 25. The video and full Agenda packet are available on FORA's website at www.fora.org.

FORT ORD REUSE AUTHORITY BOARD REPORT

ACKNOWLEDGEMENTS, ANNOUNCEMENTS, AND CORRESPONDENCE

Subject:	2012 Annual Association of Defense Communities Conference in Monterey, CA	INFORMATION
Meeting Date:	August 10, 2012	
Agenda Number:	3a	

RECOMMENDATION:

Receive a report from the Executive Officer Regarding the upcoming 2012 Association of Defense Communities (ADC) Annual Conference in Monterey August 6-8, 2012.

BACKGROUND/DISCUSSION:

As FORA is the local reuse authority, we are serving as co-host to the ADC's Annual Conference, along with the City of Monterey. The Executive Officer will participate in various Conference activities, both as a FORA representative and as an ADC Board member, from August 4th - 8th. Other FORA representatives attending the Conference from August 6th - 8th will include Chair Potter, Assistant Executive Officer Steve Endsley, and Principal Analyst Robert Norris. City of Marina Interim City Manager Doug Yount, City of Del Rey Oaks Mayor Daniel Dawson, and Region IX EPA Representative Judy Huang, will also attend, representing both FORA and their respective agencies. FORA staff will assist in Conference coordination.

FISCAL IMPACT:

Reviewed by FORA Controller 

In 2011, the Board adopted a policy permitting FORA to expend funds on behalf of the jurisdictions for attendance at these types of events. As such, FORA has purchased 5 full conference registrations and 2 partial registrations for the attendees listed above. These costs are absorbed in the approved annual budget.

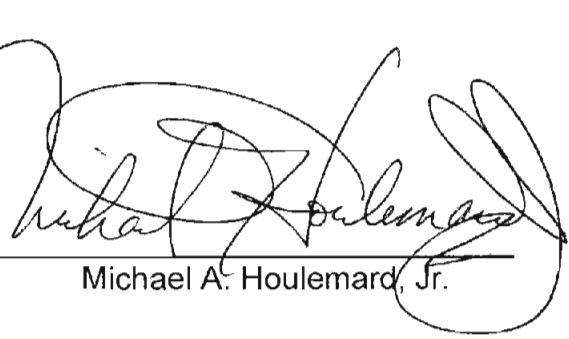
COORDINATION:

Executive Committee

Prepared by


Lena Spilman

Approved by


Michael A. Houlemard, Jr.



Fort Ord Reuse Authority

920 2nd Avenue, Suite A, Marina, CA 93933
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[Return to Agenda](#)

BOARD OF DIRECTORS BOARD MEETING

Friday, June 8, 2012 at 3:30 p.m.

910 2nd Ave, Marina (Carpenter's Union Hall)

Minutes

1. CALL TO ORDER AND ROLL CALL

Chair Potter called the Board Meeting to order at 3:30 p.m.

Voting Members Present:

Chair/Supervisor Potter (County of Monterey)
Councilmember Beach (City of Carmel by the Sea)
1st Vice Chair Mayor Edelen (City of Del Rey Oaks)
Mayor ProTem O'Connell (City of Marina)
Councilmember Brown (City of Marina)
Councilmember Selfridge (City of Monterey) @
3:40 p.m.

Supervisor Parker (County of Monterey)
Nick Chiulos (County of Monterey)
Councilmember Kampe (City of Pacific Grove)
Mayor Donahue (City of Salinas)
Mayor Pendergrass (City of Sand City)
Mayor Bachofner (City of Seaside) @ 3:50 p.m.
Councilmember Oglesby (City of Seaside)

Absent:

Supervisor Calcagno (County of Monterey), Mayor Burnett (City of Carmel-by-the-Sea)

Ex-Officio Members Present:

Congressman Farr (17th Congressional District)
@ 4:10 p.m.
Nicole Charles (27th State Assembly District)
Graham Bice (University of California)
Justin Wellner (CSUMB) @ 3:35 p.m.
Vicki Nakamura (MPC) replaced by Dr. Garrison @
3:35 p.m.

Hunter Harvath (Monterey-Salinas Transit) @
3:40 p.m.
Debbie Hale (Transportation Agency of
Monterey County)
COL Clark (US Army) @ 3:40 p.m.
Gail Youngblood (Fort Ord BRAC Office)
Howard Gustafson (Marina Coast Water District)

2. PLEDGE OF ALLEGIANCE

Chair Potter led the Pledge of Allegiance.

3. ACKNOWLEDGEMENTS, ANNOUNCEMENTS, AND CORRESPONDENCE

Assistant Executive Officer Steve Endsley stated that Item 5c had been pulled from the Agenda and that one of the cases agendized under Item 10b as anticipated litigation was now existing litigation and so would become Item 10.a.iii. City of Marina vs. Fort Ord Reuse Authority, Case Number M118566.

4. PUBLIC COMMENT

LeVonne Stone, Fort Ord Environmental Justice Network, requested the Board agendize discussion of job creation strategies for the Monterey peninsula.

William Nye spoke in support of the Central Coast Veterans Cemetery project.

A member of the public noted that the meeting was not being video recorded and inquired as to the audio recording of the meeting.

A member of the public spoke regarding the need to maintain open space on the former Fort Ord.

Margaret Davis expressed concerns regarding the procedure for the public to contact Board members and the searchability of the minutes posted on the FORA website.

A member of the public expressed concerns regarding General Jim Moore Boulevard.

A member of the public stated that alternate chairs should be available for the public at Board meetings.

Janet Parks, President of the Central Coast Veterans Cemetery Foundation, requested that the Board continue their support of the veterans cemetery project.

A member of the public stated that FORA employees should be held accountable for misused funds and inquired as to the disposition of Preston Park.

5. CONSENT AGENDA

- | | |
|--|--------------------------|
| a. June 8, 2012 FORA Board Meeting Minutes | ACTION |
| b. Auditor Contract – Termination/Renewal | ACTION |
| c. Preston Park Broker Advisor Services Contract | ACTION |
| d. June 8, 2012 Tort Claim filed Against FORA by Keep Fort Ord Wild | ACTION |

Supervisor Parker requested removal of Item 5d from the Consent Agenda. Councilmember Brown stated that page 4 of Item 5a should be amended to include his no vote.

MOTION: Mayor Edelen moved, seconded by Councilmember Oglesby, and the motion passed unanimously to approve Item 5a, as amended, and Item 5b.

d. June 8, 2012 Tort Claim filed Against FORA by Keep Fort Ord Wild

Supervisor Parker stated that proof should be provided that the FORA Auditor had cleared the expenses listed in the KFOW claim prior to rejection of the claim. Authority Counsel Jerry Bowden explained the tort claim rejection process. Members of the Board discussed the process for responding to tort claims and Mr. Endsley described the steps already under way to investigate the allegations listed in the claim.

MOTION: Mayor Edelen moved, seconded by Mayor Donahue, and the motion failed to deny the claim.

MOTION FAILED (second vote required): Ayes: Mayor Edelen, Mayor Donahue, Chair Potter, Councilmember Oglesby, Councilmember Brown, Councilmember Beach, Mayor Pro-Tem O’Connell, Mayor Pendergrass, Mayor Bachofner, Nick Chiulos, Councilmember Kampe. Noes: Councilmember Selfridge, Supervisor Parker.

6. OLD BUSINESS

a. Preston Park FY 2012/13 Budget

Senior Planner Jonathan Garcia provided a history of Preston Park and answered questions from the Board. The Board requested clarifications from Alliance staff regarding the calculations provided in the Board packet materials. Alliance staff provided explanations for the figures discussed, but stated that some of the questions would need to be investigated and explanations provided at a later date.

Paula Pelot discussed the current calculations, as well as the corrections made from the June 8, 2012 documents.

Denise Turley inquired as to the existence of a FORA anti-bullying policy, opposed cost of living increases for FORA staff, and discussed grievances against Alliance.

Ms. Stone discussed the need to keep Preston Park affordable for low income families.

A member of the public stated FORA should deed Preston Park to the City of Marina.

MOTION: Mayor Edelen moved, seconded by Councilmember Oglesby, and the motion passed unanimously to approve the Preston Park Operating budget, deferring approval of the Capital Expenditure Budget and any action on a rental increase until all issues were resolved.

b. FORA FY 2012-13 Preliminary Budget – 2nd Vote

Mr. Endsley presented the item, explaining that the current meeting was not being televised due to the fact that the FY 2012-13 Budget, which would give staff authority for such expenditures, had not yet been approved.

Supervisor Parker asked whether, given the pending lawsuit from the City of Marina, staff planned to develop an alternative budget, which did not include revenue from the sale of Preston Park. Mr. Endsley replied that if the sale were delayed, staff would likely present an adjustment in the mid-year budget.

MOTION: Mayor Edelen moved, seconded by Mayor Pendergrass, to approve the Fiscal Year 2012/13 budget with a 2% cost-of-living salary increase.

Mayor Bachofner spoke in opposition to a 2% cost-of-living increase for FORA staff.

MOTION FAILED: Ayes: Mayor Edelen, Mayor Pendergrass, Chair Potter, Nick Chiulos. Noes: Councilmember Beach, Mayor Pro-Tem O'Connell, Councilmember Brown, Councilmember Selfridge, Supervisor Parker, Mayor Kampe, Mayor Donahue, Mayor Bachofner, Councilmember Oglesby.

MOTION: Mayor Bachofner moved, seconded by Mayor Donahue, and the motion passed unanimously to approve the Fiscal Year 2012/13 budget with no cost-of-living salary increase.

c. Ord Community Water and Wastewater Systems Proposed Budgets and Rates for FY 2012/13

i. Presentation by FORA

Mr. Garcia presented a history of the Ord Community water and wastewater rates and rate increases, and he discussed the procedure for FORA review and approval of Marina Coast Water District (MCWD) budget.

ii. Presentation by Marina Coast Water District

Kelly Cadiente, MCWD, provided an overview of the proposed Ord Community Water and Wastewater Budget and Carl Niizawa, MCWD Deputy General Manager/District Engineer, discussed the CIP Planning Budget.

iii. Resolution Nos. 12-6 and 12-7 Adopting a Compensation Plan and Setting Rates, Fees and Charges for Base-wide Water and Sewer Services on the former Fort Ord

MCWD Staff responded to the Board's inquiries regarding MCWD plans for annexation of areas on the former Fort Ord, the process for including rate payers in the FORA Water and Wastewater Oversight Committee (WWOC) review of the Ord Water and Wastewater budgets, past rate increases, current budget calculations, and the nature of \$7.6 million listed as a loan to the Regional Project.

Ms. Pelot, Preston Park Tenants Association, expressed frustration with the delay in annexing areas of the Ord Community, stating that Preston Park residents currently had no political representation on the MCWD Board.

Ms. Stone discussed past legal dealings with the Marina Coast Water District.

A member of the public expressed concerns regarding the amount of money spent by MCWD on lawyers and consultants.

Ms. Turley inquired as to why MCWD offered no program for low income customers and discussed the Proposition 218 process.

Ken Nishi, MCWD Board of Directors, addressed concerns regarding rate increases. Kelly Cadiente, MCWD, stated MCWD could investigate how other public utilities dealt with discounted rates for low income customers during their upcoming rate study. Howard Gustafson, MCWD Chair, discussed the annexation process.

Mayor Bachofner urged MCWD to investigate ways of increasing efficiency.

Councilmember Brown suggested that MCWD move forward with annexation in a timely manner. Councilmember Oglesby agreed and stated FORA need to take a stronger position in favor of annexation.

Supervisor Parker discussed the need for proper scheduling of infrastructure and development projects to avoid reliance on the ratepayers to fund infrastructure in advance of development revenue. She suggested that the FORA WWOC consider this during next year's CIP review. Justin Wellner agreed, noting that CSUMB was concerned about future rate increases.

MOTION: Mayor Edelen moved, seconded by Chair Potter, to:

- a. Receive presentations from FORA and MCWD staff;
- b. Approve Resolutions 12-6 and 12-7 adopting a compensation plan and setting rates, fees and charges for former Fort Ord base-wide water and sewer services, with the addition of language stating that "no additional Ord Community resources should be used to further the Regional Desalination Project unless expressly authorized by the FORA Board" and removal of the \$42,000 allocation to the Regional Desalination Project included in the proposed budget;
- c. Direct the WWOC to look at future CIPs to ensure that expenditures are facilitating new development as it occurs in an appropriate manner;
- d. Encourage MCWD staff to expedite the annexation process.

Councilmember Beach suggested the inclusion of timelines in the motion.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF MAKER AND SECONDER: agendaize informational item to outline the process for annexation for the August 10, 2012 Board meeting.

Mayor Bachofner asked whether the motion included approval for setting aside 2% of current salaries for potential future salary increases, dependent upon the results of the upcoming salary survey. Mayor Edelen confirmed that it did.

MOTION FAILED (second vote required): Ayes: Councilmember Beach, Mayor Edelen, Chair Potter, Supervisor Parker, Nick Chiulos, Councilmember Kampe, Mayor Donahue, Councilmember Oglesby. Noes: Mayor Bachofner, Councilmember Brown, Mayor Pro-Tem O'Connell, Councilmember Selfridge, Mayor Pendergrass.

MOTION: Mayor Bachofner moved, seconded by Councilmember Oglesby, to continue the meeting past 5:30 pm.

d. Base Reuse Plan Reassessment Contract Amendment #2

Mr. Garcia presented the item, explaining the purpose of the contract amendment.

MOTION: Mayor Edelen moved, seconded by Mayor Bachofner, to authorize the Executive Officer to execute a Base Reuse Plan reassessment contract Amendment #2 with EMC Planning Group, Inc.

INCORPORATED INTO THE MOTION WITH CONSENT OF THE MAKER AND THE SECONDER: reclassify "analysis of potential fiscal health of one or more of the individual jurisdictions" as a mandatory task.

Councilmember Oglesby emphasized the need to ensure all special interest groups the same degree of access and participation in the process. Several Board members stated they had received input that the previously held workshops were too heavy on presentation and did not allow enough time for public comment.

VOTE: unanimous

e. Capital Improvement Program Review – Phase II Study

i. Resolution 12-5 to Adopt a Formulaic Approach to Development Fees

ii. Amendment #1 to FORA Jurisdiction's Implementation Agreements

iii. EPS Contract Amendment #5

Mr. Endsley provided an overview of the formulaic approach, noting that the item had been vetted over the previous 3 months by the Administrative Committee. Mr. Garcia explained the staff recommendations.

Jamie Gomes, Economic and Planning Systems (EPS), presented a history of the phase II work by EPS and described the purpose and application of the formulaic approach.

The Board inquired as to FORA's ability to provide funding for the veterans cemetery, FORA's continuing ability to meet its obligations, the timeline for completion of the Phase II Study, and the land sale revenue calculations included in the applied formulaic approach.

Ms. Stone inquired as to the disposition of the regional reuse plan and discussed the urgent needs of the community.

Ralph Rubio requested the Board perform an analysis of the historical tax increment contributions in order to create more equitable distribution among the jurisdictions.

Jan Shriner spoke in opposition to a reduction in development fees.

A member of the public inquired as to whether a reduction in the fees would affect the ability of low/moderate income individuals to purchase homes.

Some Board members expressed concerns regarding the fact that the item had not been previously reviewed by the Board.

Chair Potter noted that the item had been previously reviewed by the Executive Committee. Mayor Bachofner agreed and spoke in support of the formulaic approach. Chair Potter stated the item was somewhat time sensitive, as its approval/rejection could affect the passage of AB 1614.

Supervisor Parker stated that moving too quickly would be disservice to tax payers that could be saddled with costs that should have been covered by developer fees.

MOTION: Mayor Edelen moved, seconded by Councilmember Selfridge, to authorize the Executive Officer to execute contract Amendment #5 with EPS to complete the Phase II Study in FY 12/13, not to exceed additional budget authority of \$60,000, and direct staff to return all items relating to the implementation of a formulaic approach to establishing developer fees to the Board in 30 days.

Councilmember Kampe inquired as to the relationship between the item and AB 1614. Chair Potter indicated there were some legislators who had been willing to support the legislation on the condition that FORA address the issue of uncertainty with regards to development fees.

VOTE: unanimous

7. NEW BUSINESS

a. Ratify Appointment of Reimbursement Expense Ad Hoc Committee

Councilmember Kampe stated that on July 18, 2012, the Pacific Grove City Council was scheduled to consider whether to discontinue its participation in FORA. For this reason, he felt that the Board should appoint an alternate member to the Ad hoc Committee.

Mayor Edelen briefly reviewed the Committee's intended approach, which emphasized inclusion and transparency. They intended to speak with all key players and to present all findings to the Board.

MOTION: Supervisor Parker moved, seconded by Councilmember Brown, to ratify the Executive Committee's appointment of Mayor Edelen and Councilmember Kampe to the Expense Reimbursement Ad hoc Committee with Councilmember Oglesby as alternate and to authorize Committee selection/contract of a special auditor.

Ms. Pelot stated the Committee should include a member of the public. Ms. Stone agreed with Ms. Pelot.

A member of the public expressed concern that the Board did not routinely respond to the public's comments and stated the public should have Board voting rights.

VOTE: unanimous

8. EXECUTIVE OFFICER'S REPORT

- a. Administrative Consistency Determination For Entitlement: Marina's Rockrose Gardens Assisted Living Project
- b. Outstanding Receivables
- c. Administrative Committee
- d. Distribution of FY 2012/13 through 2021/22 Capital Improvement Program
- e. Habitat Conservation Plan
- f. Executive Officer's Travel

MOTION: Councilmember Oglesby moved, seconded by Supervisor Parker, and the motion passed unanimously to receive the Executive Officer's reports without exception.

9. ITEMS FROM MEMBERS

None

10. CLOSED SESSION

- a. Conference with Legal Counsel - Existing Litigation, Gov Code 54956.9(a) – Two Cases
 - i. Keep Fort Ord Wild v. Fort Ord Reuse Authority, Case Number: M116438
 - ii. Keep Fort Ord Wild v. Fort Ord Reuse Authority, Case Number: M114961
 - iii. The City of Marina v. Fort Ord Reuse Authority, Case Number: M118566
- b. Conference with Legal Counsel - Anticipated Litigation, Gov Code 54956.9(b) – One Case

A member of the public inquired as to the closed session item regarding the Tort Claim received from Keep Fort Ord Wild. Authority Counsel Bowden stated the item would not be discussed due to time constraints, but would be considered at the July 26, 2012 meeting.

The Board convened into closed session at 7:05 p.m. and reconvened into open session at 7:24 p.m.

11. ANNOUNCEMENT OF ACTION TAKEN IN CLOSED SESSION

Authority Counsel announced that the Board had authorized additional expenditures for each of the three existing litigation cases.

12. ADJOURNMENT

Chair Potter adjourned the meeting at 7:26 p.m.

Minutes prepared by Lena Spilman, Deputy Clerk

Approved by:

Michael A. Houlemard, Jr.

July 26, 2012 Board Meeting Minutes

Given the short length of time between meetings and the overwhelming workload associated with preparing for the upcoming Annual ADC Conference in Monterey and responding to ongoing public records requests, staff will present the July 26, 2012 Board meeting minutes for approval at the September 14, 2012 Board meeting.

Please note that the video of the July 26, 2012 meeting can be viewed on the FORA website at www.fora.org. DVDs of this meeting are also available, upon request, from FORA for a \$5.00.

FORT ORD REUSE AUTHORITY BOARD REPORT
NEW BUSINESS

Subject:	FORA Finance Committee Member Appointment	
Meeting Date:	August 10, 2012	ACTION
Agenda Number:	6a	

RECOMMENDATIONS:

Confirm the Chair's appointment to fill a vacancy on the Finance Committee.

BACKGROUND/DISCUSSION:

The Fort Ord Reuse Authority ("FORA") Finance Committee ("FC") has currently been functioning with five members, comprised of voting and ex-officio members from the FORA Board. Their appointments are recommended by the FORA Chair and confirmed by the Board each year in February. When a committee member can no longer serve out their term, the same procedure for new appointments is followed.

FC member Hunter Harvath, MST, has announced that he is unable to continue serving on the Committee due to the time constraints of his other responsibilities. FORA Chair is in process of proposing a new member to fill the vacancy and will announce the selection at the August 10, 2012 Board meeting. Board concurrence is required.

FISCAL IMPACT:

Staff time for this item is included in the approved annual budget.

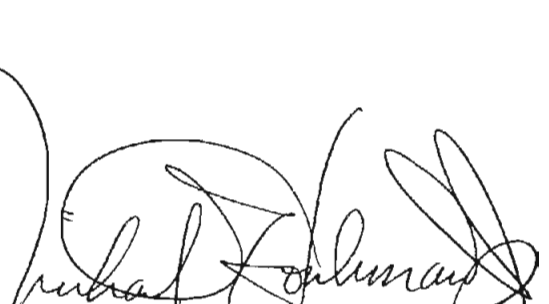
COORDINATION:

Executive Committee, FC Chair Kampe

Prepared by


Ivana Bednarik

Approved by


Michael A. Houlemard, Jr.

FORT ORD REUSE AUTHORITY BOARD REPORT	
NEW BUSINESS	
Subject:	Ex-Officio Representation on FORA Executive Committee
Meeting Date:	August 10, 2012
Agenda Number:	6b
	ACTION

RECOMMENDATION:

Consider amending Chapter 2, Article 2.03.020 of the FORA Master Resolution to add an ex-officio non-voting member to the FORA Executive Committee, to be appointed from among the ex-officio Board members by the Board Chair on an annual basis.

BACKGROUND/DISCUSSION:

In early May, staff presented the Executive Committee with a letter received from California State University, Monterey Bay (CSUMB), which requested a seat on the Executive Committee as an ex-officio, non-voting member. The Committee directed staff to confer with the other ex-officio Board members and return the item for consideration. FORA received no objections from any of the ex-officio Board members and both Senator Blakeslee and Assemblymember Monning voiced their support for the inclusion of CSUMB. Dr. Garrison at Monterey Peninsula College submitted a letter of support for the creation of a rotating ex-officio Board member position on the Executive Committee.

This item returned to the Executive Committee for consideration on June 27, 2012, at which time the Committee voted 4-1 to amend Chapter 2, Article 2.03.020 of the FORA Master Resolution to add "In addition, the Executive Committee shall include an ex-officio non-voting member appointed from among the ex-officio Board members by the Board Chair on an annual basis." This proposed amendment is demonstrated in **Attachment A**. In keeping with the principles of the Base Reuse Plan and other reuse concepts that emphasize education as a central reuse element, there was considerable thought about the added position focus to be from educational members. However, the Executive Committee action did not limit participation to educational members. Please see attached supporting letters and communication (**Attachment B**).

In order to become effective, the decision of the Executive Committee to amend the FORA Mater Resolution must be ratified by the FORA Board.

FISCAL IMPACT:

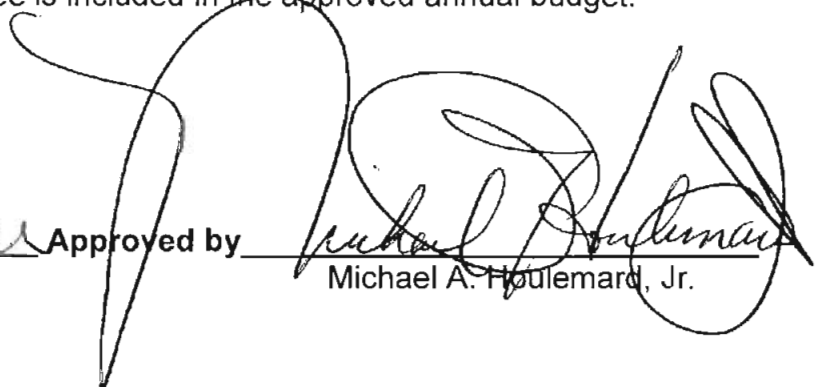
Reviewed by the FORA Controller 

Staff time for the Executive Committee is included in the approved annual budget.

COORDINATION:

Executive Committee

Prepared by 
Lena Spilman

Approved by 
Michael A. Houlemard, Jr.

Draft Excerpt from FORA Master Resolution

Chapter 2

Article 2.03. COMMITTEES

2.03.010. PURPOSE.

Committees and subcommittees may be established, as the Authority may deem appropriate to provide the Board with options, critique, analysis, and other information as the Board may request from time to time.

2.03.020. EXECUTIVE COMMITTEE.

The Executive Committee is comprised of not more than five (5) members of the Board. The Committee is comprised of the Chair, First Vice-Chair, Second Vice-Chair, a Past Chair, and one representative member appointed by the Board. If the Past Chair position is vacant, the Board may appoint another representative. In addition, the Executive Committee shall include an ex-officio non-voting member appointed from among the ex-officio Board members by the Board Chair on an annual basis. The Executive Committee will provide such duties as the Board may assign. If any designated representative is unable to serve on the Executive Committee, the Board may fill such vacancy with another member of the Board.

2.03.021. EXECUTIVE COMMITTEE DUTIES.

The Executive Committee meets on a date and time the Committee determines is convenient or necessary. The Executive Officer and Authority Counsel attends the meetings of the Executive Committee. The duties of the Executive Committee are:

- (a) Review and approve all agendas of all regular and special meetings of the Board of Directors;
- (b) Provide initial performance evaluation of the Executive Officer and make recommendations to the Board of Directors regarding employment and personnel matters relating to the Authority staff; and
- (c) Perform such other duties as the Board of Directors may direct.

From: [Douglas Garrison](#)
To: [Michael Houlemard](#)
Cc: iwellner@csumb.edu; [Lena Spilman](#); [Vicki Nakamura](#)
Subject: Ex-Officio Representation on FORA Executive Committee
Date: Wednesday, June 06, 2012 5:40:50 PM

Michael,

I understand that FORA's Executive Committee has discussed amending the Master Resolution to add an ex-officio member to the Executive Committee. The ex-officio would be allowed to make motions, request agenda items, and participate in all public discussions (non-closed sessions).

Before moving forward with this idea to the full FORA Board, I understand that the Executive Committee would like to hear from ex-officio members. MPC supports adding an ex-officio to FORA's Executive Committee per the roles described above. We support the designation of that ex-officio representative being handled in the same manner as the at-large member of the Executive Committee; that is, the designee is named by the Board and not assigned permanently to any one ex-officio partner.

I think this move would be beneficial to FORA's overall effectiveness.

Thanks,
Doug

Douglas R. Garrison, EdD.
Superintendent/President
Monterey Peninsula College
980 Fremont St.
Monterey, CA 93940
831-646-4060

From: Poschman, Hans
To: Michael Houlemard
Cc: jwellner@csumb.edu; Lena Spilman
Subject: Ex-officios on the Executive Committee
Date: Tuesday, July 10, 2012 4:40:26 PM

Michael,

I heard that the FORA Executive Committee voted to bring the inclusion of CSUMB as an ex-officio member to the executive committee to the full board at an upcoming meeting. I am writing today to let you know that I have talked to Senator Blakeslee and he supports the idea of including CSUMB as the ex-officio representative on the executive committee.

Hans Poschman

District Director | Senator Sam Blakeslee

Office: 805-549-3784 | Cell: 831-682-5500 | Fax: 805-549-3779

[Click here to receive email updates from Senator Blakeslee](#)



VICE CHANCELLOR FOR RESEARCH

1156 High Street, Santa Cruz, CA 95064
Phone: (831) 459-2425 FAX: (831) 459-2210

July 17, 2012

Mr. Michael A. Houlemard Jr.,
Executive Officer,
Fort Ord Reuse Authority,
920 2nd Ave., Suite A,
Marina, CA 93933

Dear Michael,

I understand that FORA's Executive Committee has discussed amending the Master Resolution to add an ex-officio member to the Executive Committee. The ex-officio would be allowed to make motions, request agenda items, and participate in all public discussions (non-closed sessions).

I understand that the Executive Committee would like to hear from ex-officio members before moving forward with this idea to the full FORA Board. I am writing to let you know that UCSC supports adding an ex-officio to FORA's Executive Committee per the roles described above. We believe that the designation of that ex-officio representative should be handled in the same manner as the at-large member of the Executive Committee; that is, the designee is named by the Board and not assigned permanently to any one ex-officio partner.

I think this move would be beneficial to FORA's overall effectiveness and would increase participation by ex-officio members.

Sincerely,

A handwritten signature in cursive script that reads "Bruce".

Bruce H Margon
Vice Chancellor for Research

FORT ORD REUSE AUTHORITY BOARD REPORT
OLD BUSINESS

Subject:	Base Reuse Plan Reassessment – Overview Presentation and Update	
Meeting Date:	August 10, 2012	INFORMATION
Agenda Number:	7a	

RECOMMENDATION:

Receive an overview presentation and update regarding the draft scoping report (*scheduled to be circulated for public comment on August 15, 2012*) for the Base Reuse Plan reassessment

BACKGROUND/DISCUSSION:

Scoping Report. The scoping report represents the culmination of the currently ongoing information-gathering phase of the reassessment process. This document will include two key components:

- A detailed discussion of all public input that was obtained in the community workshops and through written correspondence (the full text of all comments received will be attached as an appendix); and
- A market and economic report looking at regional trends, forecasts, opportunities, and constraints.

The scoping report will provide a foundation for the analysis and recommendations that will take place in the final Reassessment Document at the conclusion of the reassessment process in late 2012.

Process. The anticipated timeline for the scoping report includes the following main steps:

- The draft scoping report is scheduled to be completed and made available for public review and comment beginning on **Wednesday, August 15**.
- After two full weeks of public review, a public workshop at **6:30 P.M. on Wednesday, August 29**, held in the context of a special Board meeting, will be dedicated to public comment and discussion on the draft scoping report. (At its August 1 meeting, the Executive Committee reviewed the steps outlined in this section and was supportive of the overall schedule.)
- The final scoping report, revised in response to public workshop input, will be presented at the regular FORA Board meeting on **Friday, September 14** for a vote to accept the report.

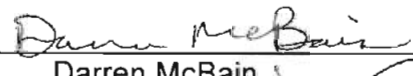
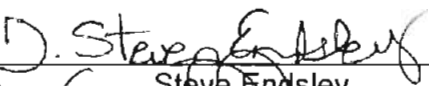
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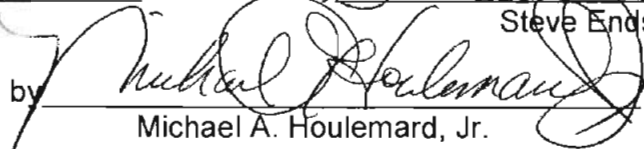
Reviewed by FORA Controller 

Staff time and costs associated with producing the scoping report were included in the FY11-12 and 12-13 budgets for the reassessment.

COORDINATION:

Administrative Committee, Executive Committee.

Prepared by  Reviewed by 
 Darren McBain Steve Endsley

Approved by 
 Michael A. Houlemard, Jr.

FORT ORD REUSE AUTHORITY BOARD REPORT**OLD BUSINESS**

Subject:	Marina Coast Water District Water and Wastewater Rates, Fees and Charges and Resolution of Outstanding Issues	
Meeting Date:	August 10, 2012	INFORMATION
Agenda Number:	7b	

RECOMMENDATION:

- Receive a report on Marina Coast Water District ("MCWD") rates, fees and charges, including information on the Fort Ord Reuse Authority ("FORA") \$20M contribution to the water augmentation program; and,
- Receive an outline of outstanding issues with the MCWD FY 2012/13 budget as previously presented and denied by the FORA Board.

BACKGROUND:

MCWD has operated the former Fort Ord water and wastewater systems on the former Fort Ord since FORA and MCWD entered into a Facilities Agreement in November 2001. Under the Agreement, MCWD submits an annual draft budget to the FORA Water and Wastewater Oversight Committee ("WWOC"). The WWOC was created under the Agreement as a FORA Board-advisory committee to review the budget and recommend FORA Board action. MCWD bills its former Fort Ord customers according to FORA Board annually approved rates.

This year, the WWOC was very pro-active in reviewing the MCWD proposed budgets and rates. MCWD was diligent in answering committee member questions, meeting with individual committee members and working with them to refine the Ord Community budgets and rates to include and/or address their suggestions. The WWOC met in February, March, April and May 2012 to receive MCWD presentations and to review/recommend action on MCWD's proposed FY 2012/13 budgets and rates. On May 30, 2012 the WWOC recommended the FORA Board approve the FY 2012/13 budgets and rates.

MCWD presented the FY 2012/13 Ord Community budgets and rates to the FORA Board at their normal and special meetings on July 13th and 26th. As the Board did not approve the budgets and rates on a second vote, MCWD is currently operating without a budget, although they can invoke the terms of the Facilities Agreement (7.1.3.4) which states "Each adopted compensation plan shall remain in effect until a new plan is adopted."

DISCUSSION:

Rate Increase: During the last two FORA Board meetings, Board members raised concerns about water and wastewater rate increases requested by MCWD. The rate increase was part of a professionally prepared rate study which recommended a 5-year ramp up of rates to accommodate projected MCWD operating, capital, and debt service expenses (this is the last year of that 5-year plan). The FORA Board directed an independent audit of the rate increases during the MCWD budget approval process last year. The audit confirmed the rate increases were warranted.

Budget Revisions: MCWD has indicated that they are in the process of revising their budget to address FORA Board concerns by: 1) removing the 2% set-aside for any compensation study recommended salary increases and 2) removing expenditures related to the former regional desalination project until further directed by the FORA Board. The updated budget will be presented to the Board at their September meeting.


Annexation: The Board and members of the public raised concerns about the annexation of former Fort Ord lands by MCWD, including former Fort Ord representation on the MCWD Board. MCWD recently received a letter from the Local Agency Formation Commission ("LAFCO"), which was distributed at the August 1st Administrative and WWOC meetings). The letter outlined the process for performing a Municipal Services Review with the goal of scheduling the review for public hearing by LAFCO within three months. MCWD will work with LAFCO and is scheduled to provide an update to the Board in September

\$20M FORA contribution to water augmentation program: Board members questioned the proposed use of FORA's \$20M contribution toward a water augmentation program. This contribution has been included in FORA's Capital Improvement Program ("CIP") for approximately 7 years. The FORA Board made the policy decision to contribute these funds in an effort to keep connection charges competitive and encourage the reuse of the former Fort Ord. During Phase I of the CIP review program, FORA's consultant determined that amount was a valid CIP expenditure and recommended keeping it in the FORA CIP. The Board confirmed that when they adopted the FY 2011/12 CIP. FORA staff have requested that MCWD provide the Board with their plan for proceeding with the contractually obligated water augmentation project for the former Fort Ord (as distinct from the regional desal project).

Debt Repayment: The rate increase requested by MCWD accommodates interest payments on debt incurred for the installation of water and wastewater pipelines within General Jim Moore Boulevard during FORA's construction of the roadway. The actual debt will be repaid by future capacity fees, but without the rate increase it is being 'fronted' by MCWD.

Capital Improvement Program out-years: The concerns raised by the Board will be addressed by the WWOC: 1) review the MCWD capital improvement budget, including the upcoming revised 5-year financing plan, to ensure projects are planned/implemented to best meet development needs and to protect rate payers from financing improvements beyond current needs; and, 2) encourage public participation in WWOC meetings during review of the budgets and rates. Additionally, at its meeting August 1, 2012, the FORA Executive Committee asked that a review of MCWD management and related salaries be undertaken.


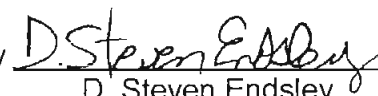
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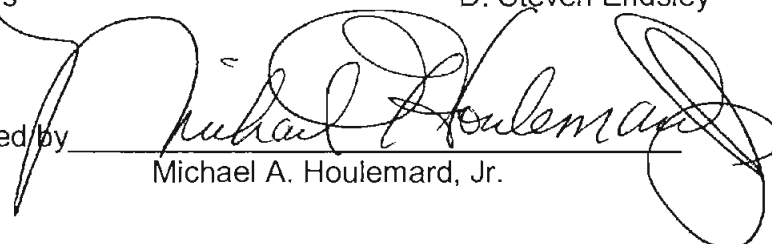
Reviewed by FORA Controller 

Staff time for this item is included in the approved FY 12-13 budget.

COORDINATION:

MCWD, Executive Committee, Administrative Committee, WWOC

Prepared by  Reviewed by 
Crissy Maras D. Steven Endsley

Approved by 
Michael A. Houlemard, Jr.

FORT ORD REUSE AUTHORITY BOARD REPORT

OLD BUSINESS

Subject: Preston Park Fiscal Year 2012/13 CIP and Rates

Meeting Date: August 10, 2012

Agenda Number: 7c

ACTION

RECOMMENDATION(S):

Approve Fiscal Year ("FY") 2012/13 Preston Park Capital Expenditure Budgets and Rent Rates Option A or B.

BACKGROUND/DISCUSSION:

The Fort Ord Reuse Authority ("FORA") staff has reviewed the Preston Park FY 2012/13 Operating Budget and Capital Improvement Program ("CIP") Assessment and is prepared to recommend approval of both budgets with the following scenarios:

Option A

- Authorize The CIP expenditures and a 3% rent increase (attachment A). The rental increase assures that revenues keep pace with budgeted expenses and sustains the Replacement Reserve.

Option B

- Do not approve the CIP budget and defer the rental increase and the proposed CIP work.

Staff recommendation: Option A

Rationale:

- 1) Three major items of work are: **Roof replacement** of original roofs built in 1989, **lighting-** installation of new lights in areas of safety concern with sensors for residential driveways and street lights, and **Exterior doors and windows** to address safety and energy efficiency concerns.
- 2) A rent increase in accordance with the adopted rent formula maintains revenues with expense alignment while for in-place resident rent stays 16% below market rent.
- 3) Replace key CIP expenditures that reduced capital reserves.

The overall budget applies the FORA Board policy adopted in June 2010 for setting annual market rents. The adopted formulae are: 1) **Move-ins** – rent increases on an on-going basis according to a market survey, and 2) **Existing tenants** - increase rent annually by the lesser of 3% or the Consumer Price Index.

Follow-up Issues from July 13, 2012 Board Meeting

- Resident Complaint- Several speakers stated before the FORA Board that they were threatened, intimidated, and or treated disrespectfully when they expressed concerns about conditions at the Preston Park Apartments. **Response:** Alliance and FORA Staff have followed up with the speakers and have been unable to obtain specific reference or sufficient information as to the identity of persons making the alleged threats and acts of

intimidation. CIP Expenditures proposed for this year will help to alleviate some of these concerns by increasing the lighting in areas near personal residences.

- A concern was raised about water heaters being properly strapped in place. **Response:** Alliance staff conducted onsite inspections and has determined that all water heaters have been strapped. We have not been made aware of a notice of violation served on the property.
- A question was raised about inclusion of Utility Rates in the budget memo. **Response:** The rate tables were obtained from the Monterey Housing Authority and used to measure Preston Park's competitiveness in the market place with properties that include utilities in their rental rates.
- The Market Study indicated that 9 foot ceilings and vertical blinds were amenities. **Response:** this was an error and has been corrected on the updated Market Study.
- A question on Attachment B Preston Park of the Capital Improvement Plan (CIP), "Why is the Reserve Withholdings per year dropping from \$734,976 to \$238,200 in FY 14/15? Will it go back up in the future?" **Response:** the change in reserve withholdings amount is due to the diminished need for repairs to the property once the Capital Project are complete. There will be a need to increase future withholdings in the future as the property ages.
- Question on page 2 table "In-Place Market Rate Rents" FY 11/12 to 12/13 high end of the range \$1,530 in FY 11/12 to \$1,602 in FY 12/13 is greater than a 3% increase. Is it an error or what is the reason? **Response:** The difference is due to an amenity charge that was not reflected in the previous version of the memo. The actual rent for in-place residents is \$1,146-\$1,555. The 3% increase for a home at \$1,555 will equal \$1,602.
- A question was asked about inconsistencies between the salary, tax and benefits information on page 4 of the Alliance letter and the budget summary page. **Response:** The difference is due to the way in which the numbers are outlined in the memo versus the budget. The budget combines all payroll related items together, whereas the memo outlines sub categories within the payroll category to show meaningful variances. The memo has been adjusted to reflect the items combined.

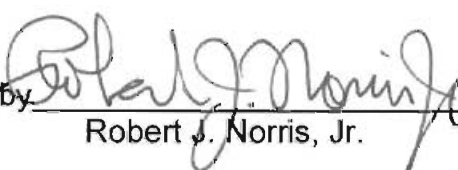
FISCAL IMPACT:

Reviewed by FORA Controller 

Both options provide FORA adequate revenue to cover the Preston Park loan debt service.

COORDINATION:

FORA Staff, Alliance Staff, Administrative Committee, Executive Committee.

Prepared by 
Robert J. Norris, Jr.

Approved by 
Michael A. Houlemard, Jr.

Capital Improvement Plan (CIP)

DRAFT

PRESTON PARK - REVISED PHYSICAL NEEDS ASSESSMENT (9 Year Look Forward - Alliance Residential Recommendation)

Updated: 5/10/2012

Project	Detail	2012 - 2013	2013 - 2014	2014 - 2015	2015 - 2016	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
1410										
Resident Business Center	FF&E	\$ 12,000								
Fence Slat Replacement	Replacement	\$ 71,084								
Site Lighting Repair / Replacement / Install	*Exterior site upgrades	\$ 285,849								
Roof	*Replacement	\$ 1,311,893								
Exterior Paint	*Full Paint	\$ 388,008						\$ 283,200		
Building Exterior	*Dryrot Repairs		\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 75,000	\$ 2,000	\$ 2,000
Carbon Monoxide Detectors		\$ 33,060								
Exterior Unit Doors and Windows	*Replacement	\$ 1,557,000					\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
Playgrounds	*Replacement			\$ 125,000						
Landscape/ Irrigation	*Replacement / Upgrades		\$ 204,864							
Leasing Office / Signage	*Upgrades		\$ 107,800							
1415										
New Office Computers	Replace existing old computers	\$ 2,600					\$ 2,600			
1418										
One Maintenance Truck	Needed for hauling etc...	\$ 14,000				\$ 15,000				\$ 15,000
1420										
Seal Coat Streets		\$ 155,787					\$ 155,787			
1425										
Dishwasher	replacement (assume 10 year life)	\$ 10,200	\$ 10,200	\$ 10,200	\$ 10,200	\$ 10,200	\$ 10,200	\$ 10,200	\$ 10,200	\$ 10,200
Refrigerators	replacement (assume 15 year life)	\$ 14,400	\$ 12,650	\$ 12,650	\$ 12,650	\$ 12,650	\$ 12,850	\$ 12,850	\$ 12,850	\$ 12,650
Range	replacement (assume 15 year life)	\$ 18,624	\$ 11,500	\$ 11,600	\$ 11,500	\$ 11,500	\$ 11,500	\$ 11,500	\$ 11,500	\$ 11,500
Garbage Disposal	replacement (assume 10 year life)	\$ 2,345	\$ 2,345	\$ 2,345	\$ 2,345	\$ 2,345	\$ 2,345	\$ 2,345	\$ 2,345	\$ 2,345
Hot Water Heaters	replacement (assume 15 year life)	\$ 16,200	\$ 17,250	\$ 17,250	\$ 17,250	\$ 17,250	\$ 17,250	\$ 17,250	\$ 17,250	\$ 17,250
Carpet	replacement (assume 5 year life)	\$ 38,400	\$ 113,800	\$ 113,800	\$ 113,800	\$ 113,600	\$ 113,800	\$ 113,800	\$ 113,800	\$ 113,800
Vinyl	replacement (assume 10 year life)	\$ 86,300	\$ 19,250	\$ 19,250	\$ 19,250	\$ 19,250	\$ 19,250	\$ 19,250	\$ 19,250	\$ 19,250
HVAC Furnace	replacement (assume 20 year life)	\$ 26,400	\$ 15,300	\$ 15,300	\$ 15,300	\$ 15,300	\$ 15,300	\$ 15,300	\$ 15,300	\$ 15,300
1430										
Applicable Construction Management Expenses	Miscellaneous (see * items)	\$ 211,965	\$ 18,748	\$ 7,500	\$ -	\$ -	\$ 2,500	\$ 285,700	\$ 2,500	\$ 2,500
Annual Reserve Expenses (uninflated)		\$ 4,223,985	\$ 535,307	\$ 336,585	\$ 204,096	\$ 219,095	\$ 367,482	\$ 889,987	\$ 209,245	\$ 224,245
Inflation Factor		0.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Annual Reserve Expenses (Inflated)		\$ 4,223,985	\$ 548,690	\$ 345,010	\$ 209,197	\$ 224,572	\$ 376,869	\$ 891,737	\$ 214,478	\$ 229,851
Reserve Withholdings per Year		\$ 734,876	\$ 734,876	\$ 283,200	\$ 283,200	\$ 283,200	\$ 283,200	\$ 283,200	\$ 283,200	\$ 283,200
Reserve Fund BEFORE Expense		\$ 4,687,035	\$ 1,198,018	\$ 932,528	\$ 870,717	\$ 944,719	\$ 1,003,347	\$ 909,878	\$ 301,341	\$ 370,065
Reserve Fund AFTER Expense		\$ 463,040	\$ 649,326	\$ 587,517	\$ 661,619	\$ 720,147	\$ 626,678	\$ 18,141	\$ 86,865	\$ 140,214

Attachment A to Item 7c
FORA Board Meeting 08/10/12

**PRESTON PARK
2013 STANDARD BUDGET
CONSOLIDATION & SIGN-OFF**



	98.01 %	98.01 %		
Physical Occupancy	98.01 %	98.01 %		
Economic Occupancy	98.77 %	98.70 %		
Gross Market Potential	\$5,312,898	\$5,305,452	(\$7,684)	-1.4%
Market Gain/Loss to Lease	\$195,002	(\$87,810)	\$243,811	278.1%
Affordable Housing	\$0	\$0	\$0	0.0%
Non-Revenue Apartments	(\$61,524)	(\$37,260)	(\$24,284)	-66.1%
Rental Concessions	\$0	\$0	\$0	0.0%
Delinquent Rent	\$0	\$0	\$0	0.0%
Vacancy Loss	(\$105,664)	(\$52,688)	(\$52,977)	-100.5%
Prepaid/Previous Paid Rent	\$0	\$0	\$0	0.0%
Other Months' Rent/Delinquency Recovery	\$0	\$483	(\$483)	-100.0%
Bad Debt Expense	(\$919)	(\$893)	(\$332)	-57.0%
Other Resident Income	\$39,244	\$35,094	\$150	0.4%
Miscellaneous Income	\$7,632	\$5,909	\$723	10.5%
Corp Apartment Income	\$0	\$0	\$0	0.0%
Retail Income	\$0	\$0	\$0	0.0%
TOTAL INCOME	\$6,344,883	\$6,281,758	\$92,884	1.5%
PAYROLL	\$434,030	\$410,059	(\$23,977)	-5.6%
LANDSCAPING	\$70,700	\$70,866	\$166	0.2%
UTILITIES	\$95,680	\$93,075	(\$2,605)	-3.0%
REDECORATING	\$61,744	682,180	\$416	0.6%
MAINTENANCE	\$62,352	\$61,642	(\$710)	-1.0%
MARKETING	\$13,047	\$7,893	(\$5,154)	-86.6%
ADMINISTRATIVE	\$57,608	\$57,189	(\$417)	-0.7%
RETAIL EXPENSE	\$0	\$0	\$0	0.0%
PROFESSIONAL SERVICES	\$141,619	\$130,924	(\$10,695)	-8.2%
INSURANCE	\$185,030	\$174,428	(\$10,604)	-6.1%
AD-VA LOREM TAXES	\$103,104	\$101,727	(\$1,377)	-1.4%
NON ROUTINE MAINTENANCE	\$14,000	\$17,823	\$3,823	20.9%
TOTAL OPERATING EXP	\$1,878,888	\$1,817,473	(\$61,388)	-3.3%
NET OPERATING INCOME	\$4,964,795	\$4,994,328	\$40,483	1.0%
DEBT SERVICE	\$0	\$0	\$0	0.0%
DEPRECIATION	\$173,098	\$215,898	\$42,810	18.8%
AMORTIZATION	\$0	\$0	\$0	0.0%
PARTNERSHIP	\$6,000	\$6,150	(\$1,650)	-30.1%
EXTRAORDINARY COST	\$0	\$0	\$0	0.0%
NET INCOME	\$3,883,788	\$3,862,478	(\$21,222)	-2.1%
CAPITAL EXPENDITURES	\$4,223,985	\$191,785	(\$4,032,210)	-2182.5%
MORTGAGE PRINCIPAL	\$0	\$0	\$0	0.0%
TAX ESCROW	\$0	\$0	\$0	0.0%
INSURANCE ESCROW	\$0	\$0	\$0	0.0%
INTEREST ESCROW	\$0	\$0	\$0	0.0%
REPLACEMENT RESERVE	\$734,978	\$734,978	\$0	0.0%
REPLACEMENT RESERVE REIMBURSE	(\$4,223,985)	(\$203,682)	\$4,020,315	1873.8%
WIP	\$0	\$0	\$0	0.0%
OWNER DISTRIBUTIONS	\$3,321,812	\$3,288,067	(\$33,715)	-0.8%
DEPRECIATION AND AMORTIZATION	(\$173,098)	(\$215,898)	(\$42,610)	-19.8%
NET CASH FLOW	(\$0)	\$0	(\$0)	-182.1%

APPROVALS

Owner _____ Date _____

Asset Manager _____ Date _____

COO _____ Date _____

VP _____ Date _____

Regional Manager _____ Date _____

Business Manager _____ Date _____

Alliance Residential, LLC makes no guarantee, warranty or representation whatsoever in connection with the accuracy of this Operating Budget as it is intended as a good faith estimate only.

COMMUNITY DESCRIPTION	
Street address	682 Wahl Court
City, State, Zip Code	Marina, CA 93933
Telephone	(831) 384-0119
Construction type	Mixed use
Year built	1987
Owner	FORA and City of Marina
Management	Alliance Residential Company
Total units	352
Physical occupancy	98%

COMMUNITY RATINGS	
Location	B
Visibility	C
Curb appeal	B
Condition	C
Interiors	C
Amenities	D

PAYER OF UTILITIES	
Gas	Resident
Electric	Resident
Water	Res/Meter
Sewer	Resident
Trash	Resident
Cable TV	N A
Internet	Resident
Pest control	Community
Valet trash	N A

FEES, DEPOSITS, AND LEASE TERMS	
Application fee	\$43
Lease terms	MTM and 6 months
Short term premium	N/A
Refundable security deposit	Equal to one month's rent
Administrative fee	\$0
Non refundable pet deposit	N/A
Pet deposit	\$250 covers up to 2 pets
Pet rent	\$0

CONCESSIONS
No concessions. Community is partially Below Market Rent and Section 8 Housing

COMMENTS
Every home has an attached garage, spacious backyard, and pets are permitted \$25 fee for end unit. Access to a full size sports park.

APARTMENT AMENITIES			
Accent color walls	No	Paneled doors	Yes
Air conditioning	No	Patio/Balcony	Yes
Appliance color	White	Refrigerator	Frost-Free
Cable TV	No	Roman tubs	No
Ceiling	No	Security system	No
Ceiling fans	No	Self cleaning oven	No
Computer desk	No	Separate shower	No
Crown molding	No	Upgraded counters	No
Fireplace	No	Upgraded flooring	Plush Cpt
Icemaker	No	Upgraded lighting	No
Kitchen pantry	Yes	Vaulted ceiling	No
Linen closets	Yes	Washer/Dryer	No
Microwave	No	W/D connection	Full size
Outside storage	No	Window coverings	No

COMMUNITY AMENITIES			
Access gates	No	Free DVD/movie library	No
Addl rentable storage	No	Laundry room	No
Attached garages	Yes	Movie theater	No
Barbecue grills	No	Parking structure	No
Basketball court	Yes	Pet park	No
Billiard	No	Playground	Yes
Business center	No	Pools	No
Club house	Yes	Racquetball	No
Concierge services	No	Reserved parking	No
Conference room	No	Sauna/Jacuzzi	No
Covered parking	No	Tennis court	No
Detached garages	No	Volleyball	No
Elevators	No	Water features	No
Fitness center	No	WiFi	No

FLOORPLANS AND RENTS

Floorplan Type	Unit Description	# of Units	% of Units	Square Feet	Rent per Unit				Concessions		Effective Net Rents	
					Low	High	Average	Avg PSF	Mos Free	Term	Average	Avg PSF
2X1		10	3%	1,150	\$1,455	\$1,455	\$1,455	\$1.27	0.00	0.00	\$1,455	\$1.27
2X1.5		76	22%	1,278	\$1,505	\$1,530	\$1,517	\$1.19	0.00	0.00	\$1,517	\$1.19
2X1.5		141	40%	1,323	\$1,530	\$1,555	\$1,542	\$1.17	0.00	0.00	\$1,542	\$1.17
3X2.5		125	36%	1,572	\$1,830	\$1,855	\$1,842	\$1.17	0.00	0.00	\$1,842	\$1.17
Total / Weighted Average		352	100%	1,397	\$1,629	\$1,653	\$1,641	\$1.17	0.00	0.00	\$1,641	\$1.17

FORT ORD REUSE AUTHORITY BOARD REPORT

OLD BUSINESS

Subject:	Capital Improvement Program Review – Phase II Study	
Meeting Date:	August 10, 2012	INFORMATION/ACTION
Agenda Number:	7d	

RECOMMENDATION(S):

- i. Adopt a Resolution, which would implement a formulaic approach to establishing the Fort Ord Reuse Authority (FORA) Development Fee Schedule and Community Facilities District (CFD) Special Tax rates (**Attachment A**).
- ii. Authorize the Executive Officer to execute Amendment #1 to the FORA-jurisdictions Implementation Agreements, which would codify the formulaic approach to establish the FORA Development Fee Schedule and CFD Special Tax rates (**Attachment B**).

BACKGROUND:

The July 13, 2012 staff report (**Attachment C**) is provided for additional reference.

DISCUSSION:

At its July 13, 2012 meeting, the Board offered questions about the proposed formula. A listing of questions with responses is provided in **Attachment D**. One question was how the item was referred to the FORA Board for consideration. The Board contracted with Economic & Planning Systems' (EPS) in May 2011 to perform additional review of the FORA Capital Improvement Program and Development Fee/CFD special tax (CIP Review Phase II study) in order to further consider the appropriate fee level. During an Assembly Local Government Committee hearing on AB 1614, state legislators asked FORA to address concerns about FORA's development fee program. Since EPS was already under contract to perform this work, FORA staff directed EPS to advance their work program in Phase II concerning a formula that would provide a higher degree of certainty for FORA's development fee program while ensuring that FORA would maintain its ability to fund all of its required obligations including CEQA mitigation measures, related basewide implementation costs, and FORA operational costs. The FORA Administrative and Executive Committees reviewed the proposed formula in May, June, and July.

Another concern was the complexity of EPS's presentation of the proposed formula (**Attachment E**). An additional area of concern related to Caretaker Costs; please refer to the attached memorandum (**Attachment F**) for a discussion of these costs.

Staff believes there are straightforward answers to these questions and have included the explanations in **Attachment D**. A lot of work has been done to ensure that this policy is fair, even-handed, and treats all jurisdictions and parties in the same way. All FORA obligations to CEQA and TAMC are met by this policy, as well as offering some opportunity to assist the FORA jurisdictions cover their caretaker costs and reuse costs. Without such a formula, there is no opportunity to solve these issues equitably.

FISCAL IMPACT:

Reviewed by FORA Controller 

The funding for EPS's phase II CIP review study work has been funded through FORA's Fiscal Year 10-11, 11-12, and 12-13 budgets.

COORDINATION:

Administrative Committee, CIP Committee, Executive Committee, Authority Counsel, Assemblymembers Bill Monning and Luis Alejo's offices, State Senator Anthony Cannella's office, development teams, Development Planning & Financing Group, Inc., and EPS.

Prepared by Jonathan Garcia Reviewed by Steve Endsley
Jonathan Garcia Steve Endsley

Approved by Michael A. Houlemard, Jr.
Michael A. Houlemard, Jr.

Resolution 12-__

Resolution of the Fort Ord Reuse)
 Authority (FORA) Board establishing a)
 formula to determine FORA’s annual)
 basewide development fee schedule and)
 Community Facilities District (CFD))
 Special Tax rates)

THIS RESOLUTION is adopted with reference to the following facts and circumstances:

- A. FORA has adopted a Basewide Community Facilities District (“CFD” or “CFD Special Tax”) to fund, together with other revenues, the FORA CIP. Section 7 (ii) of the Implementation Agreement provides that the FORA development fee and CFD Special Tax to fund CEQA Mitigation Measures (“FORA CIP”) are limited to the difference between the revenues needed for such purposes and the revenues otherwise reasonably available to achieve those purposes; and
- B. FORA and its member Jurisdictions have twelve years of experience with the Basewide Development Fee Policy (“Policy”) and CFD Special Tax; and
- C. FORA and the Army have executed an Environmental Services Cooperation Agreement (“ESCA”) providing for FORA to manage base-wide environmental remediation (including ordnance removal) funded by the Army; and
- D. The Policy and CFD Special Tax provide resources to fund CEQA Mitigation Measures (FORA CIP) identified in the 1997 FORA Base Reuse Plan and CEQA Documents; and
- E. FORA and its member Jurisdictions agree that land sales and lease proceeds, FORA property tax revenues, grant funds and the Policy and CFD Special Tax continue to be the appropriate sources to fund CEQA Mitigation Measures and Board-determined base-wide obligations in FORA’s CIP as identified in Section 1.1; and
- F. FORA recognizes the importance of calibrating the Policy and CFD Special Tax by incorporating all available resources to fund CEQA Mitigation Measures and Board-determined basewide obligations in FORA’s CIP identified in Section 1.1; and
- G. FORA and its member Jurisdictions acknowledge the Policy and CFD Special Tax must be fair and equitable; and
- H. FORA has 1) achieved cost savings; 2) secured grants and other contributions to the base-wide mitigation measures from federal and state sources; and 3) loaned

monies to fund required projects that have reduced or deferred the demand for the original Policy and CFD Special Taxes; and

- I. The Base Reuse Plan emphasized the importance of job-creation and build-out of a balanced mix of community uses including commercial, residential and public facilities to achieve a desired jobs-housing balance; and
- J. FORA and its member Jurisdictions seek refinement to the list of authorized facilities that must be funded by proceeds from land sales and lease proceeds, grants, FORA property tax revenues, the Policy and CFD Special Tax; and
- K. Stakeholders recognize, given inherent uncertainties prevalent in Base Reuse Projects, that appropriate and reasonable cost contingencies are necessary and fiscally responsible; and
- L. FORA and its member Jurisdictions acknowledge the importance of adopting a formula to establish the Policy and CFD Special Tax rates. These revenue sources will fund, or partially fund, the CIP Program. That formula must account for all potential revenue sources and costs; and
- M. FORA and its member Jurisdictions agree that such a formula would reduce uncertainty to developers, increase efficiency in the FORA CIP process, and provide flexibility for FORA's fee program.

NOW THEREFORE the Board hereby resolves as follows:

1. Adjustment to the Policy and CFD special taxes.

1.1 The list of authorized CIP improvements (subject to escalation of costs through the San Francisco Construction Cost Index reported in the Engineering News Record, unless otherwise noted) to be funded by the Policy and CFD Special Taxes, after first applying all available FORA property tax revenues, grant funds, and land sales and lease proceeds, shall be limited to the following CEQA Mitigation Measures and corresponding base-wide obligations in FORA's CIP:

1.1.1 Transportation/Transit improvements, including regional improvements, off-site improvements, on-site improvements, and transit capital improvements identified in the Transportation Agency of Monterey County ("TAMC") FORA Fee Reallocation Study, dated April 8, 2005, or as subsequently updated by TAMC consistent with the FORA Fee Reallocation Study, in an amount not to exceed \$112,698,595 (as escalated) unless the obligation is otherwise reduced by TAMC and FORA.

1.1.2 Water Augmentation, which includes FORA's CEQA obligation for the approved water augmentation project and FORA's voluntary contribution to help offset water capacity charge increases. FORA's CEQA obligation is subject to annual escalation, while the voluntary contribution is not.

1.1.3 Habitat Management endowment requirements anticipated in the future Fort Ord Habitat Conservation Plan excluding costs related to an open space management plan or costs related to a regional trails system program.

1.1.4 Fire Fighting equipment (“Rolling Stock”) lease-purchase of four fire engines and one water tender.

1.1.5 Other Costs and Contingencies shall be evaluated on a periodic basis in the same manner as other CIP costs and revenues. Other Costs and Contingencies are currently limited to the following:

A contingency amount not to exceed 15% of the costs of Transportation/Transit improvements for MEC construction support, soil management plans, right of way acquisition, CEQA/CESA/NEPA mitigations, unknown subsurface conditions, self insurance retention amounts and transportation/transit improvement phasing.

Additional Utility and Storm Drainage Costs which provide for restoration of storm drainage sites in State Parks land and relocation of utilities.

Other Costs for PLL insurance costs.

CFD Administration Expenses (including staff and consultant costs).

1.2 FORA will periodically adopt a formula to monitor and update the Policy and CFD Special Tax, as follows:

1.2.1 The Policy and CFD Special Tax were originally designed to fund specific CIP improvements serving the overall base and local jurisdictions based upon mitigation measures required by the California Environmental Quality Act (CEQA). These mitigation measures are described in the Base Reuse Plan Environmental Impact Report (EIR) as well as the 1998 Settlement Agreement with the Ventana Chapter of the Sierra Club. This Resolution does not limit FORA’s right or duty, or that of its member jurisdictions to raise sufficient funds to construct those CEQA Mitigation Measures.

1.2.2 The FORA Board will consider adjustments to the Policy and CFD Special Tax after a comprehensive review of all potential costs and revenues. The process to consider such adjustments will be defined, predictable and transparent to all stakeholders. Adjustments to the Policy and CFD Special Tax will be approved only if they are demonstrated to be fiscally prudent and do not expose FORA or its member jurisdictions to unreasonable risk.

1.2.3 In accordance with the process set forth in part II of this resolution, commencing with Section 2.1, the FORA Board will update anticipated construction costs and revenues available to fund the facilities identified in section 1.1 above, which are eligible to be funded by the Policy and CFD Special Taxes, and corresponding

adjustments to the Policy and CFD Special Taxes within 90 days of the effective date of FORA and its member Jurisdictions adopting Implementation Agreement Amendment #1, Spring 2014 as the second evaluation period, and ~~periodically~~ thereafter every two years, or when an economic or other event causes a material change to a CIP cost or revenue assumption, in coordination with FORA CIP updates.

1.2.4 Adjustments to the Policy and CFD Special Tax shall be made upon receipt by the FORA Board of satisfactory, factual documentation describing the basis for the adjustment.

1.2.5 To expedite this review procedure, adjustments to the Policy and CFD Special Tax shall maintain the same relationship among land uses as the maximum annual special taxes originally documented in the CFD.

II. PROCESS

2.1 FORA shall review and update the CIP periodically to apply the formula described in this Resolution and proposed Implementation Agreement Amendment #1 and any resulting Policy and CFD Special Tax adjustments. That procedure must ensure that FORA’s revenue sources, including the Policy and CFD Special Tax revenues, are adequate to carry out the Base Reuse Plan and complete required CEQA Mitigation Measures and Board-determined base-wide obligations in FORA’s CIP identified in Section 1.1 above. The periodic process will include the following steps:

2.1.1 Determine total remaining CIP costs (including required contingencies) consistent with section 1.1 above.

2.1.2 Determine the source and amount of funds, including, without limitation: a) Fund balances; b) Grant money; c) CSU Mitigation fees; d) Loan proceeds; e) Land sales revenues/proceeds net of a required credit/offset equal to the amount of monies advanced to construct CIP improvements (this amount shall ultimately be reduced to zero once the full credit/offset has been recognized) in excess of remaining building removal program estimated costs, and lease revenues (not required for other obligations); and f) FORA property tax revenue as calculated below. The following assumptions and formula shall be used to calculate the FORA property tax revenues, if available:

Assumptions:

- a. Current FORA CIP build-out assumptions as shown to estimate CFD special tax revenue
- b. Current market data assumptions to estimate assessed values for each land use type.

Formula:

- a. Calculate the net present value (NPV) of 90% of the FORA property tax revenue stream for all new assessed value after July 1, 2012.

- b. The term on the FORA property tax stream shall be from the date of the current CIP (e.g., upcoming fiscal year) through the anticipated end date of FORA (or the proposed FORA extension end date if applicable).
- c. The NPV calculation shall assume a discount rate equal to the annual average Bond Buyer Revenue Bond Index plus 50 basis points using the prior fiscal year end date (e.g., use 2012 year to date annual average at the end of FY 2011-12 for the FY 2012-13 calculation) as published in The Bond Buyer.
- d. Allocate the NPV as calculated above to reduce/offset costs of CIP.
- e. Allocate 10% of the actual property tax revenues collected by FORA from all new assessed value after July 1, 2012 and generated from parcels in the Fort Ord area of the member jurisdiction to the City or County for economic development to support the reuse of Fort Ord land within the relevant City or County.

2.1.3 Subtract sources of funds available under Section 2.1.2 from CIP costs to determine net cost to be funded by the Policy and CFD Special Tax.

2.1.4 Calculate Policy and CFD Special Tax revenues using the prior year Policy and CFD Special Tax Rates and the same land use assumptions used to estimate FORA property tax revenues shown above in Section 2.1.2.

2.1.5 Compare 2.1.4 with 2.1.3 and determine the amount of adjustment, if any, to the Policy and CFD Special Tax rates. In no event shall the adjusted CFD Special Tax rates exceed the Maximum CFD Special Tax rates (as escalated annually per the special tax formula).

Upon motion by _____, seconded by _____, the foregoing Resolution was passed on this 13th day of May, 2011, by the following vote:

AYES:
 NOES:
 ABSTENTIONS:
 ABSENT:

I, Supervisor Dave Potter, Chair of the Board of Directors of the Fort Ord Reuse Authority in the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of the said Board of Directors duly made and entered under Item ___, Page ___, of the Board meeting minutes of _____, 2012 thereof, which are kept in the Minute Book resident in the offices of the Fort Ord Reuse Authority.

DATED _____

BY _____
 Dave Potter
 Chair, Board of Directors
 Fort Ord Reuse Authority

Amendment #1 to the Implementation Agreement between the Fort Ord Reuse Authority and its Member Jurisdictions

RECITALS

- A. The Fort Ord Reuse Authority (“FORA”) and the *member jurisdiction* have entered into an Implementation Agreement dated as of May 1, 2001 (“Implementation Agreement”) to, among other purposes, identify and provide for distribution of land sale and lease revenues, FORA property tax revenues (formerly tax increment revenues), and basewide assessments or development fees as the primary sources of funding to implement the Basewide Mitigation Measure (as defined) and to pay Basewide Costs (as defined), collectively referred to as the FORA Capital Improvement Program (“CIP”); and
- B. FORA has adopted a Base-wide Community Facilities District (“CFD” or “CFD Special Tax”) to fund, together with other revenues, the FORA CIP. Section 7 (ii) of the Implementation Agreement provides that the FORA development fee and CFD Special Tax to fund CEQA Mitigation Measures (“FORA CIP”) are limited to the difference between the revenues needed for such purposes and the revenues otherwise reasonably available to achieve those purposes; and
- C. FORA and the *member jurisdiction* have twelve years of experience with the Basewide Development Fee Policy (“Policy”) and CFD Special Tax; and
- D. FORA and the Army have executed an Environmental Services Cooperation Agreement (“ESCA”) providing for FORA to manage base-wide environmental remediation (including ordnance removal) funded by the Army; and
- E. The Policy and CFD Special Tax provide resources to fund CEQA Mitigation Measures (FORA CIP) identified in the 1997 FORA Base Reuse Plan and CEQA Documents; and
- F. FORA and the *member jurisdiction* recognize that land sales and lease proceeds, FORA property tax revenues, grant funds and the Policy and CFD Special Tax continue to be the appropriate sources to fund CEQA Mitigation Measures and Board-determined base-wide obligations in FORA’s CIP as identified in Section 1.1; and
- G. FORA and the *member jurisdiction* recognize the importance of calibrating the Policy and CFD Special Tax by incorporating all available resources to fund CEQA Mitigation Measures and Board-determined basewide obligations in FORA’s CIP identified in Section 1.1.; and

- H. FORA and the *member jurisdiction* acknowledge the Policy and CFD Special Tax must be fair and equitable; and
- I. FORA has 1) achieved cost savings; 2) secured grants and other contributions to the base-wide mitigation measures from federal and state sources; and 3) loaned monies to fund required projects that have reduced or deferred the demand for the original Policy and CFD Special Taxes; and
- J. The Base Reuse Plan emphasized the importance of job-creation and build-out of a balanced mix of community uses including commercial, residential and public facilities to achieve a desired jobs-housing balance; and
- K. FORA and the *member jurisdiction* seek refinement to the list of authorized facilities that must be funded by proceeds from land sales and lease proceeds, grants, FORA property tax revenues, the Policy and CFD Special Tax; and
- L. Stakeholders recognize, given inherent uncertainties prevalent in Base Reuse Projects, that appropriate and reasonable cost contingencies are necessary and fiscally responsible; and
- M. FORA and the *member jurisdiction* acknowledge the importance of adopting a formula to establish the Policy and CFD Special Tax rates. These revenue sources will fund, or partially fund, the CIP Program. That formula must account for all potential revenue sources and costs; and
- N. FORA and the *member jurisdiction* agree that such a formula would reduce uncertainty to developers, increase efficiency in the FORA CIP process, and provide flexibility for FORA's fee program.

AGREEMENTS

Now therefore, FORA and the *member jurisdiction* hereby agree as follows:

I. ADJUSTMENT TO THE POLICY AND CFD SPECIAL TAXES.

1.1 The list of authorized CIP improvements (subject to escalation of costs through the San Francisco Construction Cost Index reported in the Engineering News Record, unless otherwise noted) to be funded by the Policy and CFD Special Taxes, after first applying all available FORA property tax revenues, grant funds, and land sales and lease proceeds, shall be limited to the following CEQA Mitigation Measures and corresponding base-wide obligations in FORA's CIP:

1.1.1 Transportation/Transit improvements, including regional improvements, off-site improvements, on-site improvements, and transit capital improvements identified in the Transportation Agency of Monterey County ("TAMC") FORA Fee Reallocation Study, dated April 8, 2005, or as subsequently updated by TAMC consistent with the FORA Fee Reallocation Study, in an amount not to

exceed \$112,698,595 (as escalated) unless the obligation is otherwise reduced by TAMC and FORA.

1.1.2 Water Augmentation, which includes FORA's CEQA obligation for the approved water augmentation project and FORA's voluntary contribution to help offset water capacity charge increases. FORA's CEQA obligation is subject to annual escalation, while the voluntary contribution is not.

1.1.3 Habitat Management endowment requirements anticipated in the future Fort Ord Habitat Conservation Plan excluding costs related to an open space management plan or costs related to a regional trails system program.

1.1.4 Fire Fighting equipment ("Rolling Stock") lease-purchase of four fire engines and one water tender.

1.1.5 Other Costs and Contingencies shall be evaluated on a periodic basis in the same manner as other CIP costs and revenues. Other Costs and Contingencies are currently limited to the following:

A contingency amount not to exceed 15% of the costs of Transportation/Transit improvements for MEC construction support, soil management plans, right of way acquisition, CEQA/CESA/NEPA mitigations, unknown subsurface conditions, self insurance retention amounts and transportation/transit improvement phasing.

Additional Utility and Storm Drainage Costs which provide for restoration of storm drainage sites in State Parks land and relocation of utilities.

Other Costs for PLL insurance costs.

CFD Administration Expenses (including staff and consultant costs).

1.2 FORA will periodically adopt a formula to monitor and update the Policy and CFD Special Tax, as follows

1.2.1 The Policy and CFD Special Tax were originally designed to fund specific CIP improvements serving the overall base and local jurisdictions based upon mitigation measures required by the California Environmental Quality Act (CEQA). These mitigation measures are described in the Base Reuse Plan Environmental Impact Report (EIR) as well as the 1998 Settlement Agreement with the Ventana Chapter of the Sierra Club. This agreement does not limit FORA's right or duty, or that of its member jurisdictions to raise sufficient funds to construct those CEQA Mitigation Measures.

1.2.2 The FORA Board will consider adjustments to the Policy and CFD Special Tax after a comprehensive review of all potential costs and revenues. The process to consider such adjustments will be defined, predictable and

transparent to all stakeholders. Adjustments to the Policy and CFD Special Tax will be approved only if they are demonstrated to be fiscally prudent and do not expose FORA or its member jurisdictions to unreasonable risk.

1.2.3 In accordance with the process set forth in part II of this Agreement, commencing with Section 2.1, the FORA Board will update anticipated construction costs and revenues available to fund the facilities identified in Section 1.1, above, which are eligible to be funded by the Policy and CFD Special Taxes, and corresponding adjustments to the Policy and CFD Special Taxes within 90 days of the effective date of this Agreement, Spring 2014 as the second evaluation period, and ~~periodically~~ thereafter every two years, or when an economic or other event causes material change to a CIP cost or revenue assumption, in coordination with FORA CIP updates.

1.2.4 Adjustments to the Policy and CFD Special Tax shall be made upon receipt by the FORA Board of satisfactory, factual documentation describing the basis for the adjustment.

1.2.5 To expedite this review procedure, adjustments to the Policy and CFD Special Tax shall maintain the same relationship among land uses as the maximum annual special taxes originally documented in the CFD.

II. PROCESS

2.1 FORA shall review and update the CIP periodically to apply the formula described in this Implementation Agreement amendment and any resulting Policy and CFD Special Tax adjustments. That procedure must ensure that FORA's revenue sources, including the Policy and CFD Special Tax revenues, are adequate to carry out the Base Reuse Plan and complete required CEQA Mitigation Measures and Board-determined base-wide obligations in FORA's CIP identified in Section 1.1 above. The periodic process will include the following steps:

2.1.1 Determine total remaining CIP costs (including required contingencies) consistent with Section 1.1 above.

2.1.2 Determine the source and amount of funds, including, without limitation: a) Fund balances; b) Grant money; c) CSU Mitigation fees; d) Loan proceeds; e) Land sales revenues/proceeds net of a required credit/offset equal to the amount of monies advanced to construct CIP improvements (this amount shall ultimately be reduced to zero once the full credit/offset has been recognized) in excess of remaining building removal program estimated costs, and lease revenues (not required for other obligations); and f) FORA property tax revenue as calculated below. The following assumptions and formula shall be used to calculate the FORA property tax revenues, if available:

Assumptions:

- a. Current FORA CIP build-out assumptions as shown to estimate CFD special tax revenue.
- b. Current market data assumptions to estimate assessed values for each land use type.

Formula:

- a. Calculate the net present value (NPV) of 90% of the FORA property tax revenue stream for all new assessed value after July 1, 2012.
- b. The term on the FORA property tax stream shall be from the date of the current CIP (e.g., upcoming fiscal year) through the anticipated end date of FORA (or the proposed FORA extension end date if applicable).
- c. The NPV calculation shall assume a discount rate equal to the annual average Bond Buyer Revenue Bond Index plus 50 basis points using the prior fiscal year end date (e.g., use 2012 year to date annual average at the end of FY 2011-12 for the FY 2012-13 calculation) as published in The Bond Buyer.
- d. Allocate the NPV as calculated above to reduce/offset costs of CIP.
- e. Allocate 10% of the actual property tax revenues collected by FORA from all new assessed value after July 1, 2012 and generated from parcels in the Fort Ord area of the *member jurisdiction* to the City or County for economic development to support the reuse of Fort Ord land within the relevant City or County.

2.1.3 Subtract sources of funds available under Section 2.1.2 from CIP costs to determine net cost to be funded by the Policy and CFD Special Tax.

2.1.4 Calculate Policy and CFD Special Tax revenues using the prior year Policy and CFD Special Tax Rates and the same land use assumptions used to estimate FORA property tax revenues shown above in Section 2.1.2.

2.1.5 Compare 2.1.4 with 2.1.3 and determine the amount of adjustment, if any, to the Policy and CFD Special Tax rates. In no event shall the adjusted CFD Special Tax rates exceed the Maximum CFD Special Tax rates (as escalated annually per the special tax formula).

III. ENFORCEMENT

3.1 This agreement is entered into for the benefit of FORA and the *member jurisdiction* subject to the Policy and CFD Special Tax, and may be subject to dispute resolution and enforced by FORA or the *member jurisdiction* subject to the Policy and CFD Special Taxes in the same manner and process set forth for dispute resolution and under Section 17 of the Implementation Agreement.

3.2 The original Implementation Agreement will prevail when this Amendment #1 conflicts with the Implementation Agreement.

[Add signature pages]

[Add acknowledgments for recordation]

DRAFT

FORT ORD REUSE AUTHORITY BOARD REPORT

OLD BUSINESS

Subject: Capital Improvement Program Review – Phase II Study

Meeting Date: July 13, 2012

Agenda Number: 6e

INFORMATION/ACTION

RECOMMENDATION(S):

- i. Adopt Resolution 12-05, which would implement a formulaic approach to establishing the Fort Ord Reuse Authority (FORA) development fee schedule and Community Facilities District (CFD) Special Tax rates (**Attachment A**).
- ii. Authorize the Executive Officer to execute Amendment #1 to the FORA-jurisdictions Implementation Agreements, which would codify the formulaic approach to establish the FORA development fee schedule and CFD Special Tax rates (**Attachment B**).
- iii. Authorize the Executive Officer to execute contract amendment #5 with Economic and Planning Systems (EPS) to complete the Phase II Study in FY 12/13 (**Attachment C**), not to exceed additional budget authority of \$60,000.

BACKGROUND:

In 1997, the FORA Board adopted the Base Reuse Plan which contained a number of environmental mitigations. The Board also adopted a series of findings that include funding those environmental mitigation measures (habitat, traffic, transit, fire protection, storm drainage, etc.). In 1999, the FORA Board adopted a Development Fee Schedule that collects fees from Fort Ord reuse projects to finance the Base Reuse Plan mitigations and Board-determined base-wide obligations in FORA's Capital Improvement Program (CIP). The Board and five jurisdictions adopted Implementation Agreements in 2001 to ensure (among other items) funding of environmental mitigations and basewide obligations. The FORA Board confirmed its CIP financing program with adoption of the FORA Community Facilities District in May 2002.

FORA's successful implementation of CIP projects through Development Fee payments, CFD special tax collections, and State and Federal grant proceeds resulted in a need to review FORA's CIP in fiscal year (FY) 2010/2011. At the end of the process, the FORA Board determined that:

- 1) A reduction in the FORA Development Fee and CFD special tax rates was appropriate and reduced these rates by 27 percent.
- 2) Several important factors would impact fees in the FY 2012/2013 timeframe warranting a phase II study, which the Board subsequently authorized.

This recommendation for adopting a formula is a follow up to the FORA Development Fee and CFD special tax program and offers to FORA, its jurisdictions, developers, and the community a consistent and predictable approach to costs and revenues to meet all FORA CIP obligations.

Since redevelopment agencies were eliminated by State Law, FORA's land use jurisdictions have been looking for ways to fund their reuse programs. This formula would provide for diverting 10% of future FORA property tax revenues generated within FORA's land use

jurisdictions to the underlying jurisdictions for this purpose. In order for this mechanism to have enforceability, time is of the essence. FORA's jurisdictions are seeking to confirm resources for annual budgets and adoption of this formula would help provide the community with a clear and predictable cost and revenue program.

Additional background: On July 9, 2010, the FORA Board directed staff to:

- 1) propose a 6-month Capital Improvement Program (CIP) work plan timeline;
- 2) review FORA's CIP obligations and resources; and
- 3) provide monthly updates.

That assignment was completed by the January 2011 target. At the January, February, and March 2011 meetings however, the Board requested additional information and received answers to specific questions about the CIP. The Board increased the consultant's scope and budget in January and April 2011 to generate supplemental information. At the April 8, 2011 meeting, the Board:

- 1) received a presentation from the Transportation Agency for Monterey County (TAMC) regarding their analysis of FORA's Transportation and Transit phasing,
- 2) received an EPS presentation responding to questions raised at the March 2011 Board meeting,
- 3) received information regarding benefits and impacts of a fee reduction,
- 4) directed staff to prepare documents and/or policy revisions necessary to a) approve an across the board 27% fee reduction (\$33,700 for new residential units, etc.) for the May 2011 Board meeting and b) implement accompanying policy adjustments, and
- 5) directed staff to work with EPS on a contract amendment for consideration at the May 2011 Board meeting, which would commence a Phase II CIP review to be completed during the following 2 fiscal years.

EPS has been the principal consultant from the inception of the project. David Zehnder is the Managing Principal and Jamie Gomes is the Principal. Each have experience with California municipalities and county organizations reviewing CIP obligations and fee structures. During their initial CIP review, EPS completed updated development forecasts, a preliminary CIP analysis, a cost-burden analysis, a draft summary report on the CIP, a draft final report, four powerpoint presentations to the Board, and three additional reports in response to Board member questions.

Concurrent with EPS's work in 2011, FORA staff reviewed its CIP funding sources to ensure accuracy and TAMC reviewed phasing of FORA's CIP transportation project expenditures to coordinate regional transportation planning efforts. FORA is committed to continued consultation with TAMC in this manner.

DISCUSSION:

In May 2011, the Board adopted resolution 11-02 to reduce the developer fee approximately 27% across all fee categories (from \$46,205 to \$33,700 [also referred to as Option 2C] for new residential units). At the same meeting, the Board authorized FORA to enter into a contract with EPS to complete a Phase II CIP review study to ascertain whether further reductions in contingencies or costs would be feasible while ensuring FORA's CEQA and operational obligations are met. Due to the uncertainty related to the effects of the State of

California's dissolution of redevelopment and endowment holder requirements for the future Habitat Conservation Plan, it was deemed prudent to have EPS study those elements of Phase II first. However, during legislative hearings on FORA's extension (AB1614), the issue of a change in FORA's approach to both the development fee and CFD Special Tax rates was proposed to reduce uncertainty for all parties. This is a uniquely FORA issue. It is not one that can be resolved by state legislation.

EPS, working with FORA staff, developed a standardized formula for establishing the development fee. That formula was reviewed by the FORA Administrative Committee at five meetings in May and June 2012. At its May 30, 2012 meeting, the committee considered the proposed formula as it might be implemented through a draft FORA Board resolution and an amendment to the FORA-jurisdictions Implementation Agreements. The proposed formula would match FORA revenue sources to FORA obligations and set an appropriate fee level consistent with obligations. Staff would apply any adjustments to FORA's development fee and CFD Special Tax resulting from the formula within 90 days of finalizing Implementation Agreement Amendment #1 with the five Jurisdictions and, thereafter, staff would integrate the formula into the FORA Board's consideration of the FORA Capital Improvement Program on a periodic basis. At its May 30, 2012 meeting, the Administrative Committee passed a motion recommending that a draft resolution and draft amendment to the Implementation Agreements be presented to the FORA Board after several edits were made. At its June 13, 2012 meeting, the Administrative Committee asked staff/EPS to return to its June 27, 2012 meeting with a model illustration (**Attachment D**) and calculation of the formula (**Attachment E**) so that every component of the proposed formulaic approach is easily understood and end-result modeled.

FISCAL IMPACT:

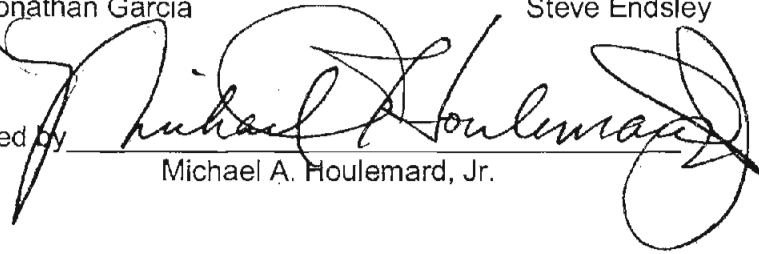
Reviewed by FORA Controller 

The funding for EPS's phase II CIP review study work has been funded through FORA's FY 10-11 and 11-12 budgets. The FY 12-13 budget includes \$60,000 for this proposed amendment.

COORDINATION:

Administrative Committee, CIP Committee, Executive Committee, Authority Counsel, Assemblymember Bill Monning and Luis Alejo's offices, development teams, Development Planning & Financing Group, Inc., and EPS.

Prepared by  Jonathan Garcia Reviewed by  Steve Endsley

Approved by  Michael A. Houlemard, Jr.

**Questions from the July 13, 2012 FORA Board meeting
concerning the Phase II study formulaic approach**

1. Where did this item come from?

Further consideration of the appropriate level of developer fees has been included in the Phase II work plan from the outset. In addition, several concerns about FORA's development fee program surfaced at the Assembly Local Government Committee hearing on AB 1614, legislation proposing an extension to FORA. State legislators asked FORA to address these concerns in the short-term while AB 1614 was under consideration by the State legislature. Since EPS was already under contract to perform this work, FORA staff directed EPS to advance their work program in Phase II concerning a formula that would provide a higher degree of certainty for FORA's development fee program while ensuring that FORA would maintain its ability to fund all of its required obligations including CEQA mitigation measures, related basewide implementation costs (e.g., building removal, property management/caretaker costs), and FORA operational costs. The FORA Administrative and Executive Committees reviewed this proposed formula in May, June, and July.

2. Why should we adopt this formula at the current time? The proposed change in fee is less than 5%.

It is important to consider that adopting the formula at this time does not immediately adjust the Developer Fee or CFD Special Tax. The "change in fee" described at the July 13 Board hearing was based upon preliminary calculations completed at the request of the FORA Administrative Committee. The preliminary calculations were intended to provide an order of magnitude look at how the Developer Fee and CFD Special Tax might adjust if the formulaic approach were adopted as proposed. The response to question #3 below provides some additional context.

3. Why shouldn't we wait until the Phase II study and/or BRP Reassessment are complete?

FORA's development fee program was reviewed in Phase I through a process that looked at program assumptions, fee calculations, and results. In the end, the FORA Board reviewed the results and concluded that the fee could be reduced by 27%, keeping the program whole.

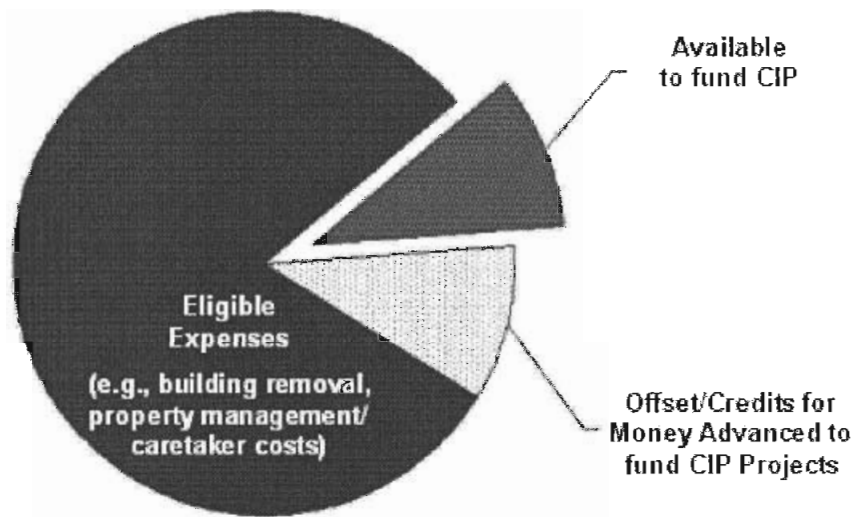
The FORA Board determined at that time that it also needed to conduct a Phase II CIP study because several factors warranted review. EPS is reviewing program assumptions, fee calculations, and results. EPS's work on the formulaic approach pertains to the fee calculations portion of their work program. EPS will still complete its review of assumptions and calculate results. Adopting a formula at this time does not prejudice future results. Implementing the formula in any given year may result in a fee decrease or a fee increase.

Waiting until completion of Phase II to adopt the formula would not provide any additional information about the applicability of the formula, its fairness, technical soundness, and so on. Likewise, waiting until completion of the BRP Reassessment provides no additional technical information about the soundness of the formula. The BRP Reassessment document is an informational report. The Board has discretion on whether or not to act on any items identified in the report. In both cases, once the formula is in place, all issues of policy remain ripe for further discussion.

4. If we adopt this formula, how are FORA’s operational costs covered?

FORA’s operational costs will continue to be funded through the variety of existing funding mechanisms presently received.¹ As an example, the formulaic approach maintains that FORA would continue to receive the present level of property tax allocated to FORA. In the formulaic approach, only future property tax revenues, based upon growth after July 1, 2012, would be included as a potential offset to CIP costs.

Furthermore, the Implementation Agreement Amendment #1 language describing revenue available to offset CIP costs is specific to ensure that it would only include revenue “not required for other obligations.” The pie chart included below illustrates this concept as it relates to land sales and lease revenues. The first priority use for land sale/lease revenue is for existing obligations, which have been previously identified by the Board as building removal, followed by property management/caretaker costs and FORA operational costs. Future land sale/lease revenue calculations will also account for the recapture of previously advanced monies used to help fund CIP projects. The net remaining land sale/lease revenue proceeds would be available to offset CIP costs. This approach recognizes FORA’s need to maintain adequate funding for ongoing operational costs and to meet existing and ongoing obligations.



5. Can you simplify the formula?

From the outset of this effort, every attempt has been made to maintain simplicity in the formulaic approach. The formula relies upon existing financing mechanisms and proposes a well defined, transparent and predictable process that is to be periodically applied. At its most basic level, the formula

¹ The question of FORA property tax revenue receipt remains an open question at this time, but only affects the land sale / other revenues total available for non-CEQA-related reuse.

follows the original language from Section 7 of the Implementation Agreement(s) wherein identified revenues are subtracted from CIP costs to derive a remaining amount to be funded through the Developer Fee Policy and CFD Special Tax. With ten years experience in preparing the annual CIP updates and in administering the Fees and CFD Special Taxes, application of the formula can be routinized into the annual capital improvement program planning process the Board is familiar with.

DRAFT

Attachment E
Annual Process to Update
Basewide Development Fee Policy
and CFD Special Tax

Attachment E to Item 7d
FORA Board Meeting, 8/10/2012

STEP 1
Determine total remaining CIP Costs
(Equals the Sum of all CIP Cost Components)

STEP 2
Determine the sources and amount of funds:

- Fund Balances
- Grant Monies
- Loan Proceeds
- CSU Mitigation Fees
- Land Sales / Lease Revenues
- FORA Property Tax Revenues

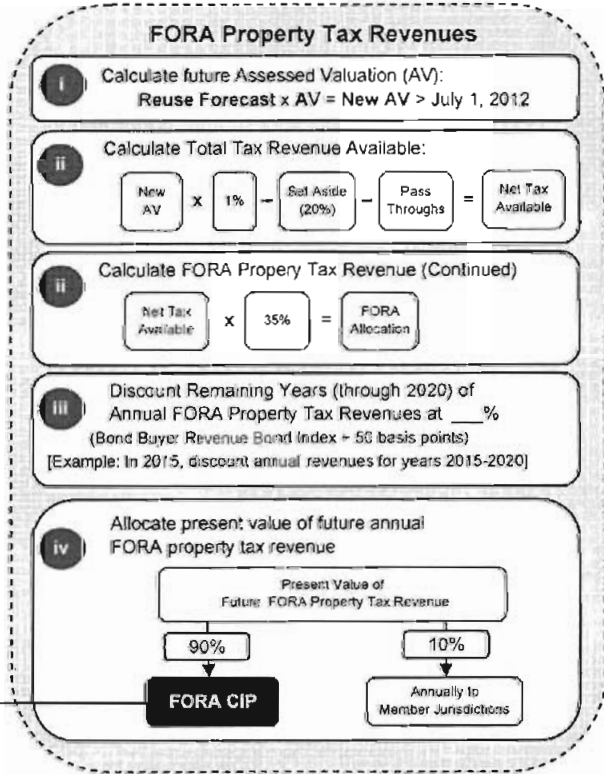
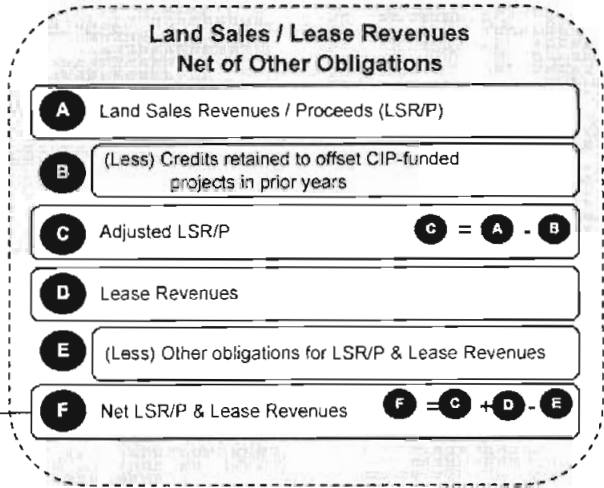
STEP 3
Determine **Net Costs** funded through
Policy and CFD Special Tax Revenues

(Net Costs = Step 1 - Step 2)

STEP 4
Calculate Policy and CFD Fee Revenue
(Using prior year rates and reuse forecast)

STEP 5
Adjust Policy and CFD Special Tax (as necessary)
(by comparing Step 3 with Step 4)

*NOTE: Adjusted Tax Rate cannot exceed the
Maximum CFD Special Tax (as escalated annually)*





Fort Ord Reuse Authority

920 2nd Avenue, Suite A, Marina, CA 93933

Phone: (831) 883-3672 • Fax: (831) 883-3675 • www.fora.org

Attachment F to Item 7d
FORA Board Meeting, 8/10/12

MEMORANDUM

Date: July 26, 2012

To: Fort Ord Reuse Authority ("FORA") Administrative Committee

CC: Michael A. Houlemard, Jr., Executive Officer
Steve Endsley, Assistant Executive Officer

From: Jonathan Garcia, Senior Planner

Re: Caretaker Costs, item 7b

The purpose of this memo is to provide information on Caretaker/Property Management Costs on former Fort Ord. Over the last few months, Caretaker Costs have been discussed in conjunction with the FORA Capital Improvement Program ("CIP") Review - Phase II study/formulaic approach. It was suggested that FORA staff provide additional background on Caretaker costs for future discussion. In preparation of this memo, FORA staff reviewed background material on caretaker costs from the late 1990's to present.

Caretaker status has been defined by U.S. Army regulation as "the minimum required staffing to maintain an installation in a state of repair that maintains safety, security, and health standards." This Army term may have generated the context of FORA's analysis of Caretaker costs in the late 1990's. Caretaker costs were first described in the FORA CIP in FY 2001/2002 as a \$14 million dollar cost with footnote reading: "Costs associated with potential delays in redevelopment and represent interim capital costs associated with property maintenance prior to transfer for development (as per Keyser-Marston truthing of caretaker and other costs)."

FORA has maintained Caretaker costs in its annual CIPs since the initial FY 2001/2002 CIP. Within the last five years, FORA and County of Monterey Office of Housing and Redevelopment staff discussed property management costs associated with the County's habitat property described in the draft Fort Ord Habitat Conservation Plan ("HCP"). FORA and its HCP consultant note that trails planning/maintenance costs for public access on these properties are costs that the U.S. Fish and Wildlife Service/California Department of Fish and Game do not allow to be funded by the HCP, but should be funded by other jurisdictional resources.

During FORA's CIP review – Phase I Study, concluded in May 2011, FORA's financial consultant recommended that Caretaker/Property Management costs be removed from FORA's CIP Contingencies because no costs had been defined. FORA jurisdictions requested that Caretaker costs be added back in order to cover basewide property management costs, should they be demonstrated.

FORA expended \$20,000 in the previous fiscal year toward Monterey County's Fort Ord Recreational Habitat Area ("FORHA") Master Plan preparation process, in which the County has undertaken planning for a proposed trail system. The Caretaker/Property Management costs line item is wholly dependent on whether sufficient revenue is received during the fiscal year. FORA Assessment District Counsel opined that FORA Community Facilities District Special Tax payments cannot fund caretaker costs. For this reason, funding for Caretaker costs would have to come from FORA's 50% share of lease and land sales proceeds on former Fort Ord, any reimbursements to those fund balances, or other designated resources should they materialize.

From approximately 2000 to 2004, the U.S. Army entered into Cooperative/Caretaker Agreements with FORA's land use jurisdictions. On average, the Cooperative/Caretaker Agreements provided each jurisdiction with approximately \$132,000 per year. Whether it is FORA or the U.S. Army funding the caretaker costs, the premise is the same. Caretaker costs are a short-term bridge program to assist jurisdictions with property holding costs while lands transition to active reuse. Staff notes that there is a direct relationship between building removal and Caretaker Costs. As building removal occurs, fewer liability issues associated with property management remain. This provides a strong rationale for FORA to proceed with building removal as a high priority program.

A framework for FORA's Caretaker costs might be to set FORA's obligation to \$132,000 per jurisdiction annually (a total of \$660,000 per year). If FORA's land use jurisdictions can demonstrate caretaker costs during the first year of implementation, they can each receive up to \$132,000 as long as funding is available from FORA. Below is a hypothetical example of a table showing caretaker line items for \$132,000.

Hypothetical description of caretaker costs

Task #	Description	Budget
1	Tree Trimming	\$ 16,200
2	Mowing	\$ 26,000
3	Pavement Patching	\$ 8,900
4	Centerline/Stenciling	\$ 14,500
5	Barricades	\$ 8,100
6	Traffic Signs	\$ 5,400
7	Catch Basin/Storm Drain Maintenance	\$ 4,100
8	Vacant Buildings	\$ 18,500
9	Vegetation Control/Spraying	\$ 5,300
13	Paving/Slurry Seal	\$ 13,000
	Subtotal	\$120,000
14	Administration (10% of total)	\$ 12,000
	Totals	\$132,000

FORT ORD REUSE AUTHORITY BOARD REPORT

EXECUTIVE OFFICER'S REPORT

Subject:	Outstanding Receivables	
Meeting Date:	August 10, 2012	INFORMATION
Agenda Number:	10a	

RECOMMENDATIONS:

Receive a Fort Ord Reuse Authority (FORA) outstanding receivables update as of July 31, 2012.

BACKGROUND/DISCUSSION:

FORA has several significant outstanding receivables. The Late Fee policy adopted by the FORA Board requires receivables older than 90 days be reported to the Board.

	Item Description	Amount Owed	Amount Paid	Amount Outstanding
City of Del Rey Oaks	PLL Loan Payment 09-10	182,874	-	182,874
	PLL Loan Payment 10-11	256,023	-	256,023
	PLL Loan Payment 11-12	256,023	-	256,023
	<i>DRO Total</i>			694,920
City of Marina	Tax Increment 08-09	108,862	108,862	-
	Tax Increment 07-08	111,246	111,246	-
	Preston Park Excess Revenue	230,000	230,000	-
	<i>Marina Total</i>			-
City of Seaside	Tax Increment 03-10	358,830	358,830	-
	Total Outstanding Receivables			\$ 694,920

1. City of Del Rey Oaks (DRO)

- PLL insurance annual payments: In 2009, DRO cancelled agreement with its project developer who previously made the PLL loan payments. The FORA Board approved a payment plan for DRO and the interim use of FORA funds to pay the premium until DRO finds a new developer (who will be required by the City to bring the PLL Insurance coverage current). DRO agreed to make interest payments on the balance owed until this obligation is repaid, and they are current.

Payment status: First Vice Chair Mayor Edelen informed both the Board and Executive Committee that DRO has begun solicitation for a new development partner to meet this obligation.

2. City of Marina (Marina)

- Tax increment: In the fall of 2010, as directed by the FORA Board during the Capital Improvement Program review, FORA conducted an audit of tax increment revenue that FORA collects from Seaside, Marina and County of Monterey. The results indicated that FORA was owed property TI payments from Seaside and Marina. Both cities acknowledged the debt.

Marina retained a portion of FORA's tax increment in FY 07-08 and FY 08-09. At the July 2011 meeting, FORA Board approved an MOA with Marina for a phased (2 payments) repayment of the FY 08-09 tax increment obligation and this underpayment has been paid off in November 2011.

Regarding the FY 07-08 underpayment, after lengthy communications between FORA and Marina, the City Council and the FORA Board approved an MOA for repayment of this obligation. The MOA for a phased repayment (2 payments) was executed in January 2012.

Payment status: The debt has been retired.

3. **City of Seaside (Seaside)**

- **Tax increment:** Please see paragraph 2 above regarding Seaside tax increment underpayment. At the February 2011 meeting, the FORA Board approved an MOA with Seaside for a phased (4 payments) repayment of this obligation.

Payment status: The debt has been retired.

FISCAL IMPACT:

FORA must expend resources or borrow funds until these receivables are collected. The majority of FORA revenues come from member/jurisdiction/agencies and developers. FORA's ability to conduct business and finance its capital obligations depends on a timely collection of these revenues.

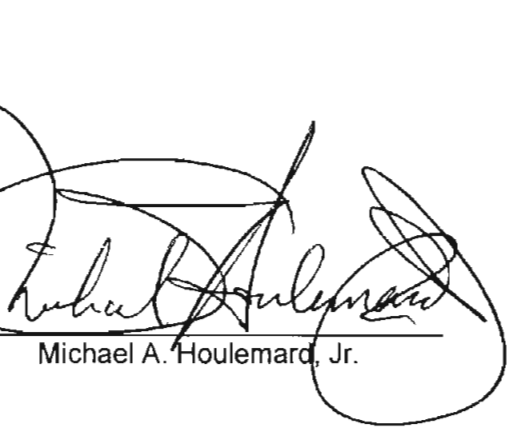
COORDINATION:

Executive Committee

Prepared by


Ivana Bednarik

Approved by


Michael A. Houlemard, Jr.

FORT ORD REUSE AUTHORITY BOARD REPORT

EXECUTIVE OFFICER'S REPORT

Subject: Administrative Committee Report	
Meeting Date: August 10, 2012	INFORMATION
Agenda Number: 10b	

RECOMMENDATION:

Receive a report from the Administrative Committee (AC).

BACKGROUND/DISCUSSION:

The approved minutes from the June 27, 2012 and July 18, 2012 Administrative Committee meetings (**Attachments A and B**) are attached for your review.

FISCAL IMPACT:

Reviewed by FORA Controller 

Staff time for the Administrative Committee is included in the approved annual budget.

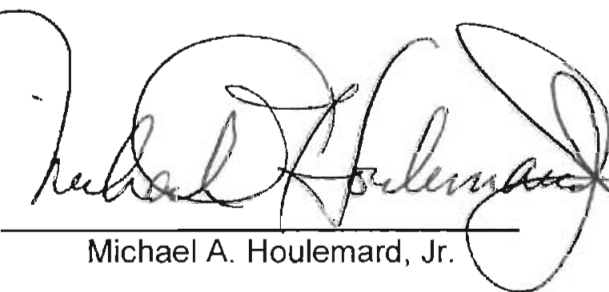
COORDINATION:

Administrative Committee

Prepared by


Lena Spilman

Approved by


Michael A. Houlemard, Jr.



Fort Ord Reuse Authority

920 2nd Avenue, Suite A, Marina, CA 93933
Phone: (831) 883-3672 • Fax: (831) 883-3675 • www.fora.org

Attachment A to Item 10b
FORA Board Meeting, 08/10/12

APPROVED

ADMINISTRATIVE COMMITTEE MEETING
8:15 A.M. WEDNESDAY, JUNE 27, 2012
910 2nd Avenue, Marina CA 93933 (on the former Fort Ord)

MINUTES

1. CALL TO ORDER

Co-Chair Houlemard called the meeting to order at 8:15 a.m. Due to lack of a quorum, the Committee proceeded as a meeting of the whole. The following people, as indicated by signatures on the roll sheet, were present:

Carl Holm, County of Monterey*
John Dunn, City of Seaside*
Debby Platt, City of Marina* @ 8:33 a.m.
Graham Bice, UC MBEST
Vicki Nakamura, MPC
Carl Niizawa, MCWD
Kathleen Lee, Sup. Potter's Office
Rob Robinson, BRAC
Tim O'Halloran, City of Seaside
Patrick Breen, MCWD
Todd Muck, TAMC
Bob Schaffer, MCP

Bob Rench, CSUMB
Pat Ward, Bestor Engineers, Inc.
Jamie Gomes, EPS
Michel Groves, EMC Planning

Steve Endsley, FORA
Robert Norris, FORA
Jonathan Garcia, FOR A
Jim Arnold, FORA
Crissy Maras, FORA
Lena Spilman, FORA

* Voting Members

2. PLEDGE OF ALLEGIANCE

Graham Bice led the Pledge of Allegiance.

3. ACKNOWLEDGEMENTS, ANNOUNCEMENTS AND CORRESPONDENCE

None.

4. PUBLIC COMMENT PERIOD

No comments were received.

5. APPROVAL OF MEETING MINUTES

Co-Chair Houlemard explained that due to lack of a quorum, the Committee could not take action to approve the minutes. They would return to the item once a quorum was established.

6. JULY 13, 2012 FORA BOARD MEETING AGENDA REVIEW

Co-Chair Houlemard reviewed the items proposed for the July 13, 2012 Board Agenda.

Debby Platt entered at 8:33 a.m., establishing a quorum.

FORA Principal Analyst Robert Norris stated staff had investigated allegations of intimidation made by various Preston Park tenants at the June 8, 2012 Board meeting and found them to be unrelated to FORA or Alliance. He discussed the financial impacts of delaying approval of the Preston Park budget.

FORA Senior Planner Jonathan Garcia distributed a revised Fort Ord Reuse Plan Reassessment Supplemental Scope of Work (attached) and Michael Groves addressed the Committee regarding the item.

The Committee discussed the basis for a tiered approach to the establishment of appeal fees, as recommended by the Executive Committee, and received comments from members of the public and the development community.

Mr. Garcia distributed several documents related to the adoption of a formulaic approach to development fees (attached). Jamie Gomes presented an overview of FORA's Phase II Capital Improvement Program Review and provided sample calculations for the proposed formulaic approach based on the Capital Improvement Program figures for FY 2012-13.

MOTION: Carl Holm moved, seconded by Debby Platt, and the motion passed to recommend that staff improve the clarity of their formulaic approach presentation materials and sample calculations and that the Board:

1. Adopt Resolution 12-05, which would implement a formulaic approach to establishing the Fort Ord Reuse Authority (FORA) development fee schedule and Community Facilities District (CFD) Special Tax rates.
2. Authorize the Executive Officer to execute Amendment #1 to the FORA-jurisdictions Implementation Agreements, which would codify the formulaic approach to establish the FORA development fee schedule and CFD Special Tax rates.
3. Authorize the Executive Officer to execute contract amendment #5 with Economic and Planning Systems (EPS) to complete the Phase II Study in FY 12/13, not to exceed additional budget authority of \$60,000.

The Committee revisited approval of the minutes under Item 5:

MOTION: John Dunn moved, seconded by Carl Holm, and the motion passed to approve the June 16, 2012 Administrative Committee meeting minutes.

Co-Chair Houlemard provided a legislative update to the Committee on bills affecting FORA.

7. OLD BUSINESS

a. Habitat Conservation Plan (HCP) Update

Mr. Garcia stated the 3-month period scheduled for U.S. Fish and Wildlife Service and California Department of Fish and Game review of the HCP had come to a close. FORA had not yet received any comments from these agencies, but was aggressively following-up.

c. Capital Improvement Program – Formulaic Approach to Developer Fees

Mr. Garcia stated that the item had already been discussed under Board Agenda review.

8. NEW BUSINESS

None.

9. ADJOURNMENT

Co-Chair Houlemard adjourned the meeting at 10:56 a.m.

Minutes Prepared by Lena Spilman, Deputy Clerk

Approved by:

Michael A. Houlemard, Jr., Executive Officer



Fort Ord Reuse Authority

920 2nd Avenue, Suite A, Marina, CA 93933
Phone: (831) 883-3672 • Fax: (831) 883-3675 • www.fora.org

Attachment B to Item 10b
FORA Board Meeting, 08/10/12

APPROVED

ADMINISTRATIVE COMMITTEE MEETING

8:15 A.M. WEDNESDAY, JULY 18, 2012

910 2nd Avenue, Marina CA 93933 (on the former Fort Ord)

MINUTES

1. CALL TO ORDER

Chair Dawson called the meeting to order at 8:16 a.m. The following people, as indicated by signatures on the roll sheet, were present:

Dan Dawson, City of Del Rey Oaks*
Carl Holm, County of Monterey*
Elizabeth Caraker, City of Monterey*
Doug Yount, City of Marina*
John Dunn, City of Seaside*
Graham Bice, UC MBEST
Diana Ingersoll, City of Seaside
Heidi Burch, City of Carmel-by-the-Sea
Debby Platt, City of Marina
Bob Rench, CSUMB
Kathleen Lee, Sup. Potter's Office
Pat Ward, Bestor Engineers, Inc.
Brian Spilman, Silverado Homes

Jim Fletcher, UCP East Garrison
Bob Schaffer, MCP
Mike Zeller, TAMC
Rob Robinson, BRAC

Michael Houlemard, FORA
Steve Endsley, FORA
Jonathan Garcia, FORA
Stan Cook, FORA
Jim Arnold, FORA
Crissy Maras, FORA
Lena Spilman, FORA

* Voting Members

2. PLEDGE OF ALLEGIANCE

Kathleen Lee led the Pledge of Allegiance.

3. ACKNOWLEDGEMENTS, ANNOUNCEMENTS AND CORRESPONDENCE

Executive Officer Michael Houlemard discussed an item on the upcoming Pacific Grove City Council Agenda to consider the City's future participation in FORA. He noted that consideration of that item was scheduled for later that day.

4. PUBLIC COMMENT PERIOD

No comments were received.

5. APPROVAL OF MEETING MINUTES

MOTION: Doug Yount moved, seconded by Graham Bice, and the motion passed unanimously to approve the June 13, 2012 Administrative Committee meeting minutes.

6. JULY 13, 2012 FORA BOARD MEETING FOLLOW-UP

Mr. Houlemard provided an overview of the July 13, 2012 Board meeting, noting that the meeting was not videotaped due to the absence of an approved FY 2012/13 Budget to authorize the expenditure.

7. OLD BUSINESS

b. Habitat Conservation Plan Update (discussed out of order)

Mr. Garcia stated the 3-month comment period for the U.S. Fish and Wildlife Service and the California Department of Fish and Game had closed in mid-June. FORA received comments from the U.S. Fish and Wildlife Service, while the California Department Fish and Game stated they would try to submit

comments within the next couple weeks. Mr. Houlemard added that FORA Staff had contacted California Department of Fish and Game senior staff in order to expedite the process. Mr. Garcia explained the anticipated future timeline for release of the document.

a. Master Resolution/Settlement Agreement Compliance – Deed Notification Update

ESCA Project Manager Stan Cook presented the item, stating that the Master Resolution Settlement Agreement required notifications to accompany deeds upon transfer of property. He had previously provided the necessary information and documentation to jurisdictions to assist in completing the notifications for any deeds that did not already have one and asked for updates on the status of the notification filings. The Committee members agreed that they did not anticipate any issues with regards to the processing of the deed notifications and that it was an ongoing project.

c. Department of Toxic Substances Control Annual Report on Land Use Covenants

Mr. Houlemard stated that FORA had received three reports from the jurisdictions and were still waiting for the other two. He emphasized the need for FORA to receive the reports prior to the deadline and noted that there would likely be few changes from last year's reports.

d. Capital Improvement Program Review – Phase II Study

i. Amendment #1 To FORA's Jurisdictions Implementation Agreements

Mr. Houlemard reviewed the Board's comments at the July 13, 2012 Board meeting regarding returning the item to the Administrative Committee. Mr. Endsley explained that the Board had found the approach overly complex and the Committee provided suggestions for improving the presentation of the material to the Board and public. The Committee agreed that staff should incorporate their suggestions and return the item for a second Board review at the August 10, 2012 meeting.

ii. Caretaker Costs

Mr. Garcia distributed a memo (attached), which provided background information regarding caretaker/property management costs on the former Fort Ord. The Committee expressed concerns regarding the lack of jurisdictional funds available to allocate for caretaker costs and discussed the appropriate management of these costs. Mr. Houlemard stated that staff would work with EPS to return the item to the Committee at a later date and that caretaker costs would be subject to reimbursements when funds were available.

8. NEW BUSINESS

None.

9. ADJOURNMENT

Chair Dawson adjourned the meeting at 9:30 a.m.

Minutes Prepared by Lena Spilman, Deputy Clerk

Approved by:

Michael A. Houlemard, Jr., Executive Officer

FORT ORD REUSE AUTHORITY BOARD REPORT

EXECUTIVE OFFICER'S REPORT

Subject: Water/Wastewater Oversight Committee Report

Meeting Date: August 10, 2012

Agenda Number: 10c

INFORMATION

RECOMMENDATION:

Receive a report from the Water/Wastewater Oversight Committee ("WWOC").

BACKGROUND/DISCUSSION:

The WWOC met on August 1, 2012. The draft minutes from that meeting are **attached**.

FISCAL IMPACT:

Reviewed by FORA Controller 

Staff time for this item is included in the approved FY 12-13 budget.

COORDINATION:

WWOC, Administrative Committee

Prepared by


Crissy Maras

Approved by


Michael A. Houlemard, Jr.



Fort Ord Reuse Authority

920 2nd Avenue, Ste. A, Marina, CA 93933

Phone: (831) 883-3672 • Fax: (831) 883-3675 • www.fora.org

WATER/WASTEWATER OVERSIGHT COMMITTEE MEETING

9:30 AM WEDNESDAY, MAY 30, 2012

910 2nd Avenue, Marina CA 93933 (Carpenter's Union Hall)

MINUTES

1. CALL TO ORDER AT 9:00 AM

Confirming a quorum, Chair Daniel Dawson called the meeting to order at 9:30 AM. The following people, indicated by signatures on the roll sheet, attended:

Committee Members

Graham Bice, UCMBEST

Justin Wellner, CSUMB

Doug Yount, City of Marina

Elizabeth Caraker, City of Monterey

Rick Reidl, City of Seaside

Daniel Dawson, City of DRO

Debby Platt, City of Marina

Mike McCullough, MRWPCA

Kathy Thomasburg, MCWRA

Bob Schaffer, MCP

Jonathan Garcia, FORA

Jim Arnold, FORA

Carl Niizawa, MCWD

Patrick Breen, MCWD

Kelly Cadiente, MCWD

Brian True, MCWD

Crissy Maras, FORA

2. **PUBLIC COMMENT PERIOD:** Kathy Thomasburg, Conservation Coordinator for Monterey County Water Resources Agency, referenced a recent Monterey Herald article stating that the City of Del Rey Oaks had selected a developer for their former Fort Ord property. The article noted the City would utilize 243 af/yr for that development. She noted the implementation agreement between the City and FORA only referenced 100 af/yr allocation and asked for clarification. Brian True, MCWD, noted that the 100 af/yr only referenced the City's recycled water allocation. MCWD will follow up with Ms. Thomasburg to further clarify. There were no other comments noted.

3. **ACKNOWLEDGEMENTS, ANNOUNCEMENTS AND CORRESPONDENCE:** None

4. APPROVAL OF MEETING MINUTES: May 30, 2012

On a motion made by Graham Bice and seconded by Doug Yount, the May 30, 2012 meeting minutes were approved as presented.

5. OLD BUSINESS

a. Fort Ord Water Augmentation Program - Update

Carl Niizawa, MCWD, requested that this item be deferred to the next meeting. There were no objections.

b. Ord Community Annexation – Update

MCWD received a letter from LAFCO outlining a process to perform a Municipal Services Review. Mr. Niizawa noted that MCWD would be presenting an update to the FORA Board at a future meeting. He requested jurisdictional and FORA support and consensus. Justin Wellner, CSUMB, asked about the timing of the LAFCO process for Ord Community annexation. Mr. Niizawa responded that LAFCO had included MCWD's Municipal Services Review in its work program for 2012. Once MCWD has an approved budget to work with LAFCO on this review, it could take approximately 3 months. That would be the first step in the LAFCO process toward Ord Community annexation. There is uncertainty regarding the timing of following steps. The LAFCO letter will be emailed to the Committee.

6. NEW BUSINESS

a. MCWD Quarterly Report – Presentation

Kelly Cadiente, MCWD, presented the quarterly report, noting it covered both the 3rd and 4th quarter of 2011. During review of Slide 8, Doug Yount, City of Marina, asked for clarification on the Landscape

Assistance Program. Mr. Niizawa stated that customers can contact MCWD and request an audit of their water use to help them conserve or change their water usage.

During review of Slide 12, Mr. Niizawa stated that MCWD is finalizing the easements needed for the recycled water pipeline alignment. Approval issues include Monterey Peninsula Unified School District (MPUSD) and California State University Monterey Bay (CSUMB) requiring upfront reimbursement for easements through their property. CSUMB has requested \$0.5M in upfront reimbursement. If MCWD moves forward, they will incur debt to pay this expense, which will increase project costs. Mr. Wellner made a motion that an item be placed on the agenda for a future meeting to allow the proper CSUMB representative to be present and explain CSUMB's perspective on the issue. Mr. Bice seconded the motion and it was approved. Jim Arnold, FORA, noted that FORA does not pay for rights-of-way for its roadway projects and that MCWD, as a utility provider installing system improvements with area-wide benefit, should not have to pay either.

Currently, easements and/or right-of-way agreements have been secured for the recycled water pipeline alignment from the Cities of Marina and Seaside, and the Army. Two portions of the alignment have not been secured; through CSUMB and MPUSD. Of the alignment secured through easements, pipeline has been installed in approximately 1/3 (4 – 5 miles) of the overall length.

Mr. Yount asked if there were any end users for the recycled water. Mr. Niizawa noted a verbal request by the City of Seaside to use recycled water at Bayonet and Blackhorse Golf Courses but that there were currently no actual contracts in place. He noted that MCWD has approval for a large State revolving loan but it's important to get customer commitments. Currently there are different variables that will affect the price of recycled water. MCWD issued a Request for Proposals for a rate study and an analysis of potential rates for recycled water, based on different variables, is included in that effort.

Committee members requested that MCWD provide additional details in an update at the next meeting, including a map of the alignment, costs accrued to date, projected future costs, the impact on existing rate payers and MCWD's relationship with the MRWPCA water augmentation project.

Mr. Niizawa noted that MRWPCA's project for recycled water storage in the City of Seaside is being advanced as part of the regional solution. It's important that water rights and allocation not be jeopardized. MRWPCA had originally planned to utilize MCWD's pipeline for their project, which would have reduced costs through cost sharing, but recently indicated to the Monterey County Health Department that they were not going to utilize that line. The MRWPCA still shows the route of their intended alignment is the same as MCWD's, but they have not identified any other options at this point. Mr. Niizawa will prepare updates on the water rights issue to FORA which can be forwarded to the WWOC.

b. Ord Community Future Capital Improvement Projects

This item will be added to the WWOC Work Program and presented at the next meeting. Mr. Niizawa noted that the South Boundary Roadway project had been advanced to this fiscal year to accommodate FORA's anticipated roadway improvement project scheduled for this fiscal year.

c. Initiate WWOC Work Program for FY 2012/13

The Capital Improvement Program review will be added to the work program and this item will be brought back to the next meeting for approval.

7. ADJOURNMENT

The meeting was adjourned at 10:40 AM.

FORT ORD REUSE AUTHORITY BOARD REPORT

EXECUTIVE OFFICER'S REPORT

Subject: Habitat Conservation Plan

Meeting Date: August 10, 2012

Agenda Number: 10d

INFORMATION

RECOMMENDATION(S):

Receive an Habitat Conservation Plan ("HCP") status report and State of California 2081 Incidental Take Permit ("2081 permit") preparation process status report.

BACKGROUND/DISCUSSION:

The Fort Ord Reuse Authority ("FORA"), with the support of its member jurisdictions and ICF International (formerly Jones & Stokes), FORA's HCP consultant, is on a path to receive approval of a completed basewide HCP and 2081 permit in 2013, concluding with US Fish and Wildlife Service ("USFWS") and California Department of Fish and Game ("CDFG") issuing federal and state permits.

ICF completed an administrative draft HCP on December 4, 2009. FORA member jurisdictions completed a comment and review period, which ended February 26, 2010. In April 2011, USFWS finished their comments on all draft HCP sections, while CDFG provided limited feedback. These comments by the regulatory agencies required a substantial reorganization of the document. To address this, ICF completed a 3rd Administrative Draft HCP for review (dated September 1, 2011). The 12 Permittees (County, Cities of Marina, Seaside, Del Rey Oaks, and Monterey, Monterey Peninsula Regional Park District, Marina Coast Water District, State Parks, Monterey Peninsula College, California State University Monterey Bay, University of California Santa Cruz, and FORA) and Cooperating Entity (Bureau of Land Management) reviewed this draft document and submitted their comments in October 2011. That review included the draft HCP Implementing Agreement and Ordinance/Policy, which are appendices to the draft HCP and are being prepared separately by FORA. ICF addressed the comments received and submitted the draft document to USFWS/CDFG the week of March 19, 2012. The wildlife agencies' 90-day review period has ended. **(Update: As of this writing, FORA has received comments from USFWS but has not received comments from CDFG).** Assuming that CDFG submits comments shortly, this review period will be followed by 60 days for ICF to prepare a Screen Check draft that will undergo a 30-day final review for minor edits. ICF would then respond to any comments/issues raised in 30 days. FORA staff would expect a Public Draft document to be available for public review in late 2012 or early 2013.

At the September 7, 2011 FORA Administrative Committee meeting, Jamie Gomes, Principal, from EPS presented information related to Economic and Planning Systems' ("EPS") review of HCP costs and endowment investment strategy. EPS provided an HCP endowment investment strategy that was incorporated into the draft HCP. Final approval of the endowment strategy rests with CDFG/USFWS. CDFG does not currently provide guidance on establishing an acceptable HCP endowment fund. However, Senator

Christine Kehoe has authored SB 1094, which would provide CDFG specific direction for issuing guidance on establishing HCP and other endowment funds. On April 25th 2012, Executive Officer Michael Houlemard and Principal Analyst Robert Norris attended a committee hearing for this bill. Mr. Houlemard testified in support of this key legislation.

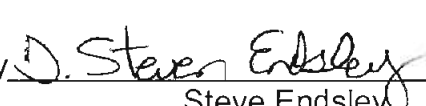
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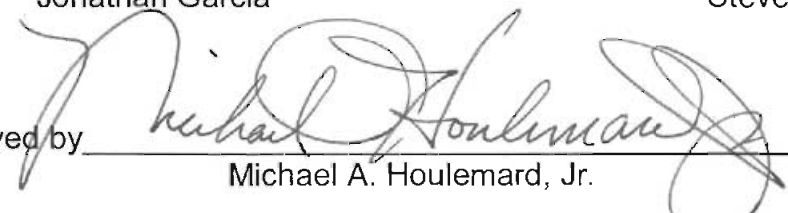
Reviewed by FORA Controller 

ICF and Denise Duffy and Associates' (FORA's/USFWS's NEPA/CEQA consultant) contracts have been funded through FORA's annual budgets to accomplish HCP preparation and environmental review. Staff time for this item is included in the approved FORA budget.

COORDINATION:

Executive Committee, Administrative Committee, Legislative Committee, HCP working group, FORA Jurisdictions, USFWS and CDFG personnel, ICF, Denise Duffy and Associates, and Bureau of Land Management.

Prepared by  Jonathan Garcia Reviewed by  Steve Endsley

Approved by  Michael A. Houlemard, Jr.

FORT ORD REUSE AUTHORITY BOARD REPORT

EXECUTIVE OFFICER'S REPORT

Subject:	Navy Postgraduate School Program Prototype Base Reuse Program and FORA Staff Member Acceptance	
Meeting Date:	August 10, 2012	INFORMATION
Agenda Number:	10e	

RECOMMENDATION:

Receive a report on:

1. Navy Postgraduate School Program prototype Base Reuse Program
2. FORA staff member acceptance into the program.

BACKGROUND/DISCUSSION:

On February 17, 2010, Congressman Farr received a tour of the Fort Ord Reuse Authority's ESCA Munitions Remediation Program. During the tour, the Congressman noted the following:

- The need to capture and compile the knowledge gained throughout the reuse of the former Fort Ord, including, but not limited to, the innovative strategies and techniques employed by the ESCA and other programs.
- The potential for this knowledge and experience to translate into a core educational curriculum, access to which could attract both military and civilian students to the Monterey Peninsula.
- The further potential to establish Monterey as a nationally recognized leader in this field through the development of a center of training/excellence for base reuse and environmental cleanup.
- The opportunity to explore a partnership with the Naval Postgraduate School (NPS) in order to develop the curriculum and host the center.

See Attachment "A" Recommendation Letter from Congressman Farr's office.

On June 15, 2011, In the initial meeting with the NPS School of Business & Public Policy (GSBPP), at which the following was proposed:

- The NPS GSBPP to take the lead in developing/establishing a curriculum by adding to an existing GSBPP curriculum.
- The new curriculum provide Military Officers, DOD Civilians, and DOD contractors the necessary skills to train their leadership counterparts in communities with active military bases, closing military bases and Formerly Utilized Defense Sites, with an emphasis on providing the military cost savings and quality increases.
- The new curriculum incorporate lessons learned during the closure and reuse of Fort Ord and utilize the surrounding Monterey communities as a living laboratory of case studies and collected expertise regarding the impacts of military base closure.

See Attachment "B" e-mail from The Naval Post Graduate School of Business and Public Policy.

NPS Requirements for Civilian Student Attendance:

Civilian Federal Contractor Employees can attend NPS, the GSBPP, and the Executive Masters in Business Administration Program (EMBA) assuming the following criteria have been met:

- They have received the consent of their employer.
- The employer guarantees that the employee can attend classes one day a week for two years.
- The employer submits the tuition payment directly to NPS.

Stan Cook's Proposal:

- The NPS GSBPP has confirmed Stan Cook's eligibility and has accepted him into their EMBA Program as a Civilian Contract Employee for Fall 2012.
- Mr. Cook will attend class one full day per week at the NPS Campus in Monterey and will complete the program in 2014.
- Neither FORA nor Mr. Cook's quality of work will be impacted by his attendance of the NPS GSBPP EMBA Program. Mr. Cook will utilize his current flex work schedule and accumulated and future leave to complete the program.
- FORA will not be financially impacted by Mr. Cook's attendance.

Benefits to FORA:

Mr. Cook's participation in the prototype NPS GSBPP EMBA Program will provide immediate, and lasting benefits to FORA and the region by:

- Assuring the retention of his accumulated sixteen years of institutional knowledge in the reuse of the former Fort Ord.
- Providing an immediate opportunity for Mr. Cook to bring back to FORA the education/experience provided by the NPS GSBPP EMBA Program.
- Implementing Congressman Farr's expressed desire for the DOD and the Monterey region to capture the experiences and opportunities that have come from the reuse of the former Fort Ord. The NPS GSBPP has agreed to use Mr. Cook as a prototype for their Executive Masters in Business Administration program to be modified for DOD and other personnel serving existing and future base reuse communities.

See Attachment "C" Naval Post Graduate School Acceptance Letter.

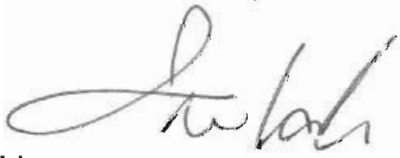
FISCAL IMPACT:

Reviewed by FORA Controller 

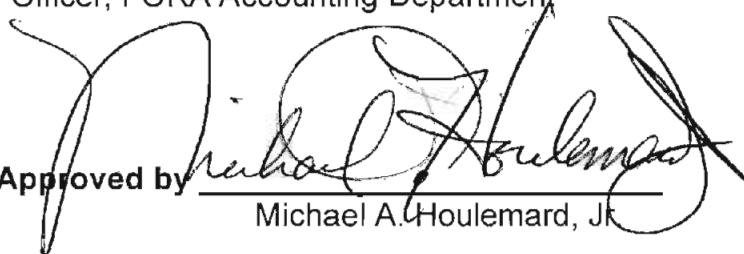
FORA will not be financially impacted by Mr. Cook's attendance, as the cost to attend the NPS GSBPP EMBA Program will come from his salary.

COORDINATION:

Congressman Farr's Office, FORA Executive Officer, FORA Accounting Department

Prepared by: 

 Stan Cook

Approved by 

 Michael A. Houlemard, Jr.

SAM FARR
17TH DISTRICT, CALIFORNIA

COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEES:
AGRICULTURE, RURAL DEVELOPMENT, FOOD AND
DRUG ADMINISTRATION, AND RELATED AGENCIES
MILITARY CONSTRUCTION
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CO-CHAIR, CONGRESSIONAL TRAVEL AND
TOURISM CAUCUS
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1221 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-0517
(202) 225-2861

100 WEST ALisal
SALINAS, CA 93901
(831) 424-2229

701 OCEAN STREET
ROOM 318
SANTA CRUZ, CA 95060
(831) 429-1976

www.farr.house.gov

April 26, 2012

Cindy Kohatsu, Sr. Program Analyst
Naval Postgraduate School
555 Dyer Road, Bldg. 330 Room 375
Monterey, CA 93943

RE: Letter of reference for Mr. Standen Cook.

Ms. Kohatsu:

I highly recommend Standen Cook as a candidate for the 2013 Naval Postgraduate School Executive Masters in Business Administration program. I have worked with Mr. Cook in my position as Chief of Staff for Congressman Sam Farr for more than a decade. I have had the opportunity to engage him in detailed and complicated matters relating to the reuse of Fort Ord, a massive Army base that was closed by the DOD in 1991.

From the first word that Fort Ord was scheduled for closure Congressman Farr (then Assembly Member Farr) very publicly and adamantly insisted that the base be redesigned to maximize the assets and expand the opportunities of the community. Mr. Cook has been central to this effort and has shown insight and creativity in developing business opportunities and economic possibilities as Fort Ord is transformed from its military purposes to those of a civilian enclave.

In his position as Program Manager for the Fort Ord Reuse Authority Environmental Services Cooperative Agreement Mr. Cook has been involved in the complex kabuki dance associated with clean up activities. Not only was it necessary to characterize hazardous waste and explosive contaminants (MEC), it was necessary to prioritize their clean up in the most efficient and cost effective manner that would promote early and successful business development on the base. Given the size of the task, this was no easy feat. But Mr. Cook was front and center – a voice of calm and reason in a room often filled with conflicting demands. Indeed, based on his expertise and experience in bringing the Army and the reuse authority to a landmark contractual arrangement that privatized the clean up effort (in the form of an Environmental Services Cooperative Agreement – ESCA), Mr. Cook has been able to formulate a program that will train other reuse managers the business of integrating clean up activities and economic development. In fact, the NPS GSBPP has already agreed to do what they can to use Mr. Cook as a prototype where the EMBA Program could be utilized to train personnel in the DOD and Local Reuse Authorities to better serve existing and future base reuse communities.

Mr. Cook has advanced the reuse of the former Fort Ord tremendously, and in the best way possible. I believe he would be a tremendous asset to your program and I recommend him to

you without reservation. If you have any further questions with regard to his background or qualifications, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink that reads "Rochelle S. Dornatt". The signature is written in a cursive, flowing style.

Rochelle S. Dornatt
Chief of Staff
Office of Rep. Sam Farr

E-mail by Dean Gates:

From: Gates, William (Bill) (CIV)
Sent: Monday, November 21, 2011 4:22 PM
To: 'clarence.turner@us.army.mil'
Cc: Stan Cook; Suchan, James (Jim) (CIV)
Subject: Education opportunities regarding base realignment and closure
COL Turner,

I am currently serving as the Dean of the Graduate School of Business and Public Policy (GSBPP) at the Naval Postgraduate School (NPS). We offer a variety of graduate degree and certificate programs, both in residence at our Monterey Campus and remotely at locations throughout the country using distance learning technology (video teleconferencing and PC-based web instruction). Our degrees include an MBA, MS in Management, Executive MBA (EMBA), and other specialized MS degrees. For your reference, I have attached an electronic copy of our view book that has brief descriptions about some of our programs and an insert to that book that summarizes the courses included in our graduate degrees.

I have had a few meetings with Stan Cook, from our local Fort Ord Reuse Authority, concerning a degree program that might focus more specifically on issues surrounding base realignment and closure, as well as military/local government cooperation (e.g., the city of Monterey provides fire protection to NPS and the Army's Defense Language Institute, also located in Monterey). I understand that you might be interested in exploring such a possibility, and that we might find interest from the City of Monterey and possibly our local political representatives, though I have not discussed this with them at this point.

I thought it made sense to start the discussion with you, to see if and what interest your thought there might be. In general, we like to think of ourselves as having certain areas of expertise (faculty backgrounds), offering different final products (graduate degrees, graduate certificates, etc.), and be able to accommodate different delivery modes (resident, video teleconferencing, computer-based web delivery, etc.). The attached booklet gives you examples of different combinations of expertise, products and delivery modes. We are happy to explore what combination might make the most sense for your population.

That said, one candidate is the EMBA. This is a two-year, half-time program (two courses per quarter, four quarters per year). As it is currently structured, the degree emphasizes financial management (accounting and budgeting) and acquisition and contracting, though it also includes a typical set of core business courses. Within the EMBA, there are four courses that we consider concentration electives. If desired, these could be replaced with concentration electives designed more specifically to your needs (e.g., EPA-related issues). The ability to tailor this, or any other program, would depend on the number of students involved in a cohort (we have to justify the business model).

I hope this gives you enough information to start a conversation, if there is interest. The initial questions would concern what type of product would best serve your population, what types of students might be interested, what delivery mode would best meet their needs, etc. I would be happy to discuss this further, as appropriate. We are currently developing a number of new programs, so we are familiar with many of the potential opportunities and pitfalls.

Let me know if you would like to discuss further and we can find a good time.

From: NPS Admissions Office [mailto:admissions@nps.edu]
Sent: Wednesday, July 18, 2012 2:02 PM
To: Stan Cook
Cc: Kohatsu, Cynthia (Cindy) Contractor, GDIT
Subject: Acceptance Letter - Naval Postgraduate School

Mr. Cook,

Thank you for your request to be evaluated for admission to the Naval Postgraduate School (NPS) Distributed Learning Masters Degree Program.

You are accepted for admission to **Curriculum 807, Executive Master of Business Administration (EMBA)** offered by distributed learning. Your total program will consist of (8) quarters and will commence in **September 2012**. You can expect to be contacted soon by a program representative with curriculum specific information.

For additional program information, please contact CDR William Hatch, USN, (Ret), Code GB/BH/ Email: wdhatch@nps.edu DSN: 756-2463 or COM: (831) 656-2463 or your Academic Associate, Prof. John Mutty, email JMutty@nps.edu or phone DSN 756-2205 or COMM (831) 656-2205.

Sincerely,

Rachel Davis

for

Susan G Dooley
Director of Admissions
Naval Postgraduate School
Monterey, CA 93940

FORT ORD REUSE AUTHORITY BOARD REPORT

EXECUTIVE OFFICER'S REPORT

Subject: Report on Current Status of Outside Agency UXO Escorts Reimbursement Agreements

Meeting Date: August 10, 2012

Agenda Number: 10f

INFORMATION

RECOMMENDATION:

Receive a report on the current status of outside agency unexploded ordnance (UXO) escort reimbursement agreements.

BACKGROUND/DISCUSSION:

In January 2011, FORA staff presented to the FORA Board a number of special requests from multiple outside agencies to access ESCA properties owned by FORA. Support for the access and proposed activities are not funded by the ESCA Grant, therefore FORA and ARCADIS must be reimbursed for the support.

On May 13, 2011, the FORA Board authorized the FORA Executive Officer to execute reimbursement agreements with outside agencies to allow ARCADIS to provide the necessary UXO escort services to support the access requests. FORA Staff continue to provide reimbursement agreements to outside agencies. Attached is a list of the reimbursement agreements currently in place (**Attachment A**).


FISCAL IMPACT:

Reviewed by FORA Controller 

There is no financial impact to FORA or to the ESCA. The ARCADIS UXO escort services, Regulatory Agency staff time, FORA staff time and Administrative services are reimbursed by the outside agencies through the reimbursement agreements. FORA adds an additional 5% to all Regulatory Agency and ARCADIS costs in order to reimburse the administrative expenses incurred by FORA in processing the requests.

COORDINATION:

Administrative Committee; Executive Committee; FORA Authority Counsel; ARCADIS

Prepared by: 
Stan Cook

Approved by: 
Michael A. Houlemard, Jr.

Reimbursement Agreement Number	Organization	Description of Project	Reimbursement Agreement Signed	Work Commenced
RA-030111	Monterey Peninsula Water Management District	MPWMD Santa Margarita Well Site (ASR): To provided MPWMD with documentation and UXO Construction Support for their MPWMD is under a court order to mitigate over pumping of the Seaside Aquifer by October 2011. This project has to sets of needs-immediate and long term. The immediate need is to connect the recently constructed injection wells to the existing injection well infrastructure located within the ESCA property. The long term need for this project is to expand the site on to more ESCA property.	3/1/2011	Yes
RA-040511	Monterey Horse Park	Monterey Horse Park: To provide UXO escort support for the Horse Park' biological surveys as they prepare documentation to present to the County Board of Supervisors outlining the Horse Park proposal in Parker Flats.	4/5/2011	Yes
RA-042011	Monterey Peninsula College	MPC Police Officer Training Facilities: To provide UXO escort support for the MPC's biological surveys as they prepare documentation for their proposed Police Officer Training facilities in Parker Flats, at the MOUT site and in the Interim Action Ranges	4/20/2011	Yes
RA-041812	Monterey Regional Water Pollution Control Agency	MRWPCA Monitoring Well and Project Surveys: The Monterey Regional Water Pollution Control Agency project is located on portions of the Seaside ESCA properties south of Eucalyptus Road and East of GJMB. The project consists of biological surveys, a cultural survey and the installation of a test monitoring well approximately 400 feet deep.	4/20/2012	yes
RA-060612	City of Seaside	City of Seaside: Is in the process of collecting biological surveys of the ESCA properties they will receive. UXO escorts are required to accompany the City staff and biologists while on site.	7/25/2012	No

FORT ORD REUSE AUTHORITY BOARD REPORT	
EXECUTIVE OFFICER'S REPORT	
Subject:	Fort Ord Reuse Authority Annual Report FY 2011/12
Meeting Date:	August 10, 2012
Agenda Number:	10g
	INFORMATION


RECOMMENDATION(S):

Receive the fiscal year 2011-12 Fort Ord Reuse Authority Annual Report.

BACKGROUND/DISCUSSION:

Fort Ord Reuse Authority (FORA) staff provides project and activity updates on a regular basis to apprise the FORA Board of Directors, local and regional jurisdictions, legislature offices, community members and the business leadership of the reuse progress. FORA staff expects to distribute the Annual Report to local, national, state and/or regional entities at meetings, conventions, and to the public.

FISCAL IMPACT:

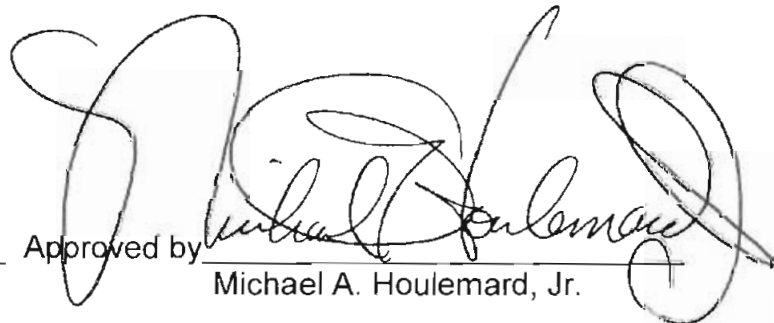
Reviewed by FORA Controller 

Printing costs and staff time for this item were included in the approved annual budget.

COORDINATION:

FORA Staff

Prepared by 
Jen Simon

Approved by 
Michael A. Houlemard, Jr.