BOARD OF DIRECTORS MEETING
Friday, March 11, 2011
3:30 p.m. Carpenters Union Hall
910 2nd Ave, Marina (on the former Fort Ord)

AGENDA

1. CALL TO ORDER AND ROLL CALL

2. PLEDGE OF ALLEGIANCE

3. ACKNOWLEDGEMENTS, ANNOUNCEMENTS, AND CORRESPONDENCE

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. February 11, 2011 FORA Board meeting minutes
   b. Eastside Parkway Design Contract Amendment

6. OLD BUSINESS
   a. Capital Improvement Program Review
      i. Responses to Board members’ February 11, 2011 questions
      ii. Policy adjustment request for fee reduction recommendation
      iii. Phase II Capital Improvement Program Review Study Scope
      iv. Administrative Committee’s March 2, 2011 recommendations

7. NEW BUSINESS
   a. National Landscape Conservation System designation options
   b. Veterans Cemetery – Confirm conceptual approval for Veterans Cemetery design
   c. Army Cleanup Program – report

8. EXECUTIVE OFFICER’S REPORT
   a. Outstanding Receivables
   b. Administrative Committee report
   c. Finance Committee report
   d. Legislative Committee report
   e. Executive Officer’s Travel report
   f. Habitat Conservation Plan – status report
   g. ADMINISTRATIVE CONSISTENCY DETERMINATION FOR ENTITLEMENT: Marina Coast Water District Cell Tower

9. ITEMS FROM MEMBERS

10. CLOSED SESSION
    a. Preston Park sale – Real property negotiations
    b. The Board will confer with legal counsel regarding potential litigation

11. REPORT OUT OF CLOSED SESSION

12. ADJOURNMENT

Information about items on this agenda or persons requesting disability related modifications and/or accommodations can contact the Deputy Clerk at: 831-883-3672 x 100 2nd Street, Building 2880, Marina, CA 93933 by 5:00 p.m. one business day prior to the meeting. Agendas can also be found on the FORA website: www.fora.org.
The attached correspondence was received by the Monterey/Santa Cruz Counties Building and Construction Trades Council and was requested to be distributed to the FORA Board Members.
March 3, 2011

Fran Coen, Managing Director
Clark Realty Capital
548 Abrego Street
Monterey, CA 93940

Re: Bidding Practices at Lower Stilwell and La Mesa Village Renovations

Dear Mr. Coen:

Clark/Pinnacle continues its’ activities at the Presidio of Monterey Annex, La Mesa Village Housing, and the Defense Language Institute in the Monterey Bay region. Much work has been completed and much is to be done. You, as Clark Realty Builders, recently completed over 250 homes in the Stilwell Kidney area (Doe Park) and are now preparing to move on to the Lower Stillwell and La Mesa Village areas for renovations.

It has come to our attention that you’re bidding work on these renovations where contractors will use current rates for material, equipment, overhead, etc., but you are requiring them to use pay rates for workers established in the 2002-03 federal Davis-Bacon wage determination. We find this to be unreasonable and I am making an inquiry as to the legality of this practice. Specifically, where and what in your contract with the government allows you to bid this work at rates established nine (9) years ago?

We have spent much time and effort trying to defend and make you understand that undermining the standards of the local construction industry is not in anyone’s best interest. It may help your bottom line but does nothing for your standing in the community. You continue to operate in a semi-secretive manner defended by a complicated and hard to maneuver government bureaucracy and the current army base commander who is a short timer and does not seem to understand the meaning of good community relations and cooperation.

We acknowledge the job at hand but believe openness and communication go a long way to establishing a working relationship that will bind the military community with the greater Monterey Bay community for the benefit of all.
We ask that you suspend awarding any contracts until a ruling is brought forward. We ask this because we are requesting our Congressman — the Honorable Sam Farr — and the appropriate military authority research this issue to determine what is legal and binding and bring this finding forward.

We do this to resolve this issue once and for all because it continues to be of concern within the construction community. We are hoping that this can be done in as timely a manner as possible to ensure that decent housing is provided for the men and women that serve this country in the Armed Services. A meeting may be in order to present the facts that become available in order to determine the correct course of action. We stand ready to discuss this matter with you and wait your contacting us to set a meeting date.

We remind you that I and all of my colleagues are Americans with a proud heritage. Many of us are of military backgrounds and share a deep appreciation for those in military service. The military has a long association with our community, one that is appreciated and revered. We would not want to see that relationship tainted because of a misunderstanding or someone taking advantage of a situation.

It is in Clark/Pinnacles interest to resolve this issue to determine what is right because you have made a 50 year commitment to our community. That may not be for life but it is a long time.

Best regards,

Ron Chesshire
Chief Executive Officer

RRC: cj

cc: The Honorable Sam Farr, 17th Congressional District
    Pat Kelly, Chief, Housing/RCI Program Division
    Robert Silva, Plumbers & Steamfitters Local 62
INVITATION

WHAT: Informal Community Workshop

WHEN: Thursday, March 17, 2011
TIME: 6:00 – 8:15 p.m.
WHERE: FORA Conference Facility
102 13th Street, Building 2925, Marina, CA

ESCA REMEDIATION PROGRAM ACTIVITIES UPDATE:
2010 Accomplishments & 2011 Milestones

ESCA REMEDIATION PROGRAM FIELD AND BIOLOGICAL WORK:
Updates on field work in Future East Garrison, Interim Action Ranges, and Parker Flats and a look at the ongoing biological work

POSTER SESSIONS

COMMUNITY OUTREACH UPDATE

During this workshop, community members will have an opportunity to learn about ESCA RP activities, ask questions, and get more detailed information on the project. Members of the FORA staff and their contractors will be present to engage in discussion, provide project details, and guide people through the remediation process.

Pizza and beverages will be provided. RSVP required if attending. Please confirm attendance no later than Tuesday, March 15th at 5 p.m.

For questions or to RSVP please call (831) 883-3506 or email esca@fora.org.
MINUTES OF THE
FORT ORD REUSE AUTHORITY
BOARD OF DIRECTORS’ MEETING

Carpenters Union Hall
March 11, 2011

1. CALL TO ORDER

With a quorum present Chair Potter called the March 11, 2011 Board of Directors meeting to order at 3:32 p.m.

Voting members present:

Chair/Supervisor Potter (County of Monterey)  
1st Vice Chair/Mayor Edelen (City of Del Rey Oaks)  
Mayor Pendergrass (City of Sand City)  
Mayor ProTem Kampe (City of Pacific Grove)  
Councilmember Oglesby (City of Seaside)  
2nd Vice Chair/Mayor Pro-Tem O’Connell (City of Marina)

Councilmember Selfridge (City of Monterey)  
Councilmember Barrera (City of Salinas)  
Mayor McCloud (City of Carmel-by-the-Sea)  
Supervisor Parker (County of Monterey)  
Jim Cook (County of Monterey)

Absent: Councilmember Brown (City of Marina), Arriving after the roll call was Mayor Bachofner (City of Seaside).

Ex-Officio members present:

Graham Bice (University of California Santa Cruz ("UCSC")), John Marker (California State University Monterey Bay ("CSUMB")), Colonel Brewer (United States Army), Gail Youngblood (Base Realignment and Closure ("BRAC")), Dan Burns (Marina Coast Water District ("MCWD")), Debbie Hale (Transportation Agency of Monterey County ("TAMC")), Nicole Charles (27th State Assembly District), Dan Albert, Jr., (Monterey Peninsula Unified School District).

Absent was representation from the 15th State Senate District. Arriving after the roll call were: Vicki Nakamura (Monterey Peninsula College ("MPC")), Alec Arago (17th Congressional District), and Mike Gallant (Monterey Salinas Transit ("MST").

2. PLEDGE OF ALLEGIENCE - Chair Potter asked Mayor Edelen, who agreed, to lead the Pledge of Allegiance.

3. ACKNOWLEDGEMENTS, ANNOUNCEMENTS, CORRESPONDENCE - none

4. PUBLIC COMMENT - Ron Cheshire commented about the letter he wrote for workers and businesses looking for answers to the bidding practices at Lower Stillwell and La Mesa Village Renovations.
5. CONSENT AGENDA - Motion to approve the items on the Consent Agenda, was made by Supervisor Parker, seconded by Councilmember Oglesby, and carried.

OLD BUSINESS - Executive Officer Houlemond noted that Item 6 was an information item only and did not need action to be taken by the Board. Mr. Houlemond commented that Acting Assistant Executive Officer/Director of Planning and Finance Steve Endsley would present an overview, followed by a short presentation by David Zehnder, and a brief presentation from the Building Industry Association ("BIA") regarding scenario and analysis.

Mr. Endsley gave a brief Capital Improvement Program ("CIP") overview and introduced David Zehnder. Mr. Zehnder gave a presentation (copy attached to these minutes Attachment "A") regarding the CIP Special Tax, response to Board questions, special tax reduction. He discussed cumulative feedback from the February 23rd and March 2nd Administrative Committee meetings and the March 2nd Executive Committee meeting. Mr. Zehnder described a New Option 2B, which responded to Board concerns and would allow the Fort Ord Reuse Authority ("FORA") to pay back $12.2 million loaned from land sales proceeds through future Community Facilities District ("CFD") fee collections. This would enable FORA to support some of the jurisdictions’ property management costs, which was a deleted contingency item to allow proposed Option 1 and Option 2 fee reductions Option 2b would reduce the new residential unit CFD fee rate to $31,200 per unit and extend the CFD tax reduction for the life of FORA. Mr. Zehnder noted that extension of FORA would provide a level of certainty for the reduced fee that is very important for developer comfort and presented a grid of options (outlined on slide #5). Mr. Zehnder also reviewed the Proposed Scope and Schedule for Phase II study.

Chair Potter asked the Board if they had questions. Councilmember Oglesby asked if it would take a vote of the electorate in order to increase the CFD tax. Legal Counsel Bowden answered that increasing the tax might require a vote of the people, although he was not clear on that issue. FORA CFD and assessment district counsel Paul Thimmig previously commented that FORA could reduce the CFD tax without a vote of the electorate. Mayor McCloud asked if Mr. Zehnder was concerned by the Governor's recent budget proposal to eliminate redevelopment agencies and, as a result, their tax increment revenue and how that might impact FORA's tax increment revenue. Mr. Zehnder replied that – the tax increment could be a strong revenue source for FORA, if it remains in place, but FORA's CIP does not rely on that funding source.

Chair Potter asked if Board members had additional questions. Seeing none, he asked the Building Industry Association ("BIA") of the Bay Area representative Crisand Giles to speak regarding the FORA CIP Review, as an special presentation under Public Comment for this item. Ms. Giles gave a PowerPoint Presentation (copy attached to these minutes Attachment "B"). During her presentation, she said that Option 2 deserved a line by line discussion stating that it would be helpful. She said that the FORA CIP addresses base-wide impacts identified in the 1997 Fort Ord Base Reuse Plan ("BRP") and BRP Environmental Impact Report ("EIR"). Ms. Giles gave an overview and analysis of the contingencies, transportation/transit improvements between Option 1 and Option 2. She said that the Transportation Agency of Monterey County ("TAMC") created a phasing of projected transportation expenditures as related to Option 2. She pointed out a slide showing a "2021-2022 estimate of surplus cash flow at $24M". Development Planning and Finance Group ("DPFG"), BIA's financial consultant, prepared a cash flow analysis of remaining mitigations, looking at different funding options.

Ms. Giles said that the BIA supports future CFD special tax analysis. She presented several future examples – scenarios that showed reducing the FORA CFD Fee from $26,000 to $20,000
with alternative funding (such as FORA’s Tax Increment revenue). Ms. Giles thanked the Chair for the opportunity to speak to the Board.

Chair Potter asked that other members of the public wishing to speak approach the microphone.

Bob Shaffer asked why FORA would add land sales back in for Option 2B, and asserted that FORA will have sufficient land sales proceeds to cover building removal obligations in the future.

Chris Austin said that he was leery of the idea that adding back costs to the CFD is a good thing. We should study Option 2 first.

Ron Cheshire urged Board members not to "give away the farm." The CEQA obligations may be covered with the reduced fee, but the timing of the infrastructure may not be soon enough. Fairness is the question. He indicated that he did not believe that the Building Industry Association’s proposed $20,000 fee level is the right way to go. Developers agreed to land sales when the fees were higher. The public also needs to benefit. Is the community getting a benefit if we discount the fees to developers? He concluded with stating that 2 years is not long enough for the fee reduction, if there is one.

Scott Hilk asked: how do we move forward? He stated that he would like to move forward with his project and has spent $1.4M between FORA and the City in fees already. Can we afford that level? He said that he agrees with Mr. Cheshire that 2 years is not long enough for the fee to be reduced. He said that he would like to see the fee corrected and there are benefits to moving forward with development, which would have the byproduct of stimulating economic development for the entire region.

Doug Yount, Development Services Director for the City of Marina, thanked David Zehnder and Crisand Giles for an excellent presentation and commended the FORA staff. Mr. Yount said the obligation to move forward is extremely difficult. He said the City of Marina and other jurisdictions have an opportunity with lowering fees now as it could stimulate development in a difficult economic situation. He said there may be a “right-sizing of the fee” and that a competitive fee level was necessary or developers will build elsewhere other than Central Coast. He said the FORA legislated sunset needs to be looked at because the area was still recovering from the base closure and recent recession. He stated that the proposed $29,600 fee level seemed right and competitive.

Chair Potter closed the public comment period and opened the discussion for Board comment. Mr. Houlemand said that staff would take the BIA report back to the Administrative Committee at their next meeting.

Debbie Hale stated that she was uncomfortable that TAMC information was used for the BIA report. She said that TAMC is looking at a longer period for contingencies beyond 2020. She stated three concerns with the definition of contingencies: 1.) Base $115 million FORA share reflects actual project costs – engineering, design and environmental work are not “soft costs” contingencies they have to be paid according to the current statutory environment; 2.) Question: Is the $17.4M set aside for MEC (Munitions and Explosives of Concern), soils management, right of way and caretaker costs? If so, these are not contingencies – (or is it 15% unspecified, unallocated costs on top of the CIP? – if it is then TAMC analysis does provide flexibility for unanticipated costs); and 3.) Affordable housing discount could be used in the future.
Graham Bice said he was concerned with the 2 year period. He said there is a risk of reduction that FORA can't meet requirements before the end of the life of FORA and it affects the main focus of the HCP (Habitat Conservation Plan). He said that there are a number of things that are unknown from the Department of Fish and Game which affects the endowment and that the risk of lowering the fee may fall to the jurisdictions. Mr. Bice stated that the California Department of Fish and Game may be moving the endowment cost up again and we should look very carefully at the $35 million in the HCP. He stated his concerns regarding the time it takes to completely fund the HCP endowments.

Mayor Bachofner said he was concerned that this could be considered as a giveaway of public dollars. He said that maybe we should have the developers go back through the entitlement process, and further commented "what does the community get from a fee reduction?" He is concerned about what happens in the future and what happens to any leftover funds. He asked "How can FORA contribute more broadly to the region outside its borders?"

Mayor Pro-Tem O'Connell commented that the community would benefit if the fees were reduced. He said that the current fees are based on a better economy. He said we are not in a good economy and that the reduction is appropriate that the community will benefit if developers are given the go ahead.

Councilmember Oglesby commented on the fee and he said he realizes that developers need to be incentivized and make a profit but the fee cannot keep moving downward.

Mayor McCloud asked if an election would be necessary to reduce the CFD fee. She was concerned that any fee reduction - ensure that Fort Ord is paying its fair share of regional transportation and transit fees so that surrounding jurisdictions would not need to make up any shortfalls. Mayor McCloud also expressed that she was not in favor of fee reductions if the jurisdictions would then have to invoke fees when FORA is no longer in existence. She said that we should "remember what is at stake here: without completed development projects, there won't be taxes and other revenue for municipalities."

Alec Arago commented that FORA needs to keep the fee down to help affordable housing.

Mayor Edelen stated that a Phase II analysis is needed and that it should get done quickly. He said that with FORA going away in 2014 it does not leave much time.

Chair Potter stated that Mr. Houlemand had adequate information to take back to the Administrative and Executive Committees for further direction.

7. NEW BUSINESS – Mr. Houlemand stated that Item 7a was a request for authorization of staff to move ahead with the National Landscape Conservation System options. Motion to approve was made by Supervisor Parker, Seconded by Mayor McCloud and carried.

Mr. Houlemand reported on the Veterans Cemetery (Item 7b) stating that staff was working with Assemblymember Monning's office and, through a series of discussions, it would appear that significant savings could be realized if special legislation allowed California Department of Veterans Affairs ("CDVA") to contract with a local entity, such as FORA to design the project and complete other necessary items for CDVA's federal cemetery grant application. Mr. Houlemand noted that confirmation of this option was still awaiting CDVA responses. Staff's recommendation was that the Board members confirm conceptual approval for FORA to seek
specific legislation that would allow CDVA to contract with FORA to complete California Central Coast Veterans Cemetery ("CCCVC") design.

During public comment, Tom Mancini said that the Veterans Cemetery Advocacy members met and Assemblymember Monning is drafting the legislation to move this forward. Chair Potter said it was the most cost expedient way to move the project forward and that by FORA conducting the design work, instead of the California Department of General Services, it would significantly reduce the cost. Mayor McCloud asked if any of the design work could be done pro-bono and suggested Maya Lin who did the Veterans Memorial. Nicole Charles said that Assemblymember Monning was pleased to be working with FORA on this creative option saving in the range of 20% in project design costs. **Motion to approve staff's recommendation was made by Mayor Edelen seconded by Councilmember Oglesby and the motion carried.**

Gail Youngblood introduced Bill Collins, Habitat Manager for the BRAC office who made a presentation (Item 7c) regarding the Army Cleanup Program, including munitions remediation, ordinance removal, and soil and water contamination treatment work and burns being conducted on the former Fort Ord.

8. **EXECUTIVE OFFICER'S REPORT** - Mr. Houlemard reported that there was no action needed for Item 8e the Executive Officer and Chair were scheduled to have meetings with the Army, BLM, Office of Economic Adjustment, US Fish and Wildlife Service, Environmental Protection Agency, and Congressman Sam Farr's office. Under Item 8a, Mr. Houlemard said that staff was requesting authorization to make a payment agreement with the City of Marina similar to the agreement with the City of Seaside. Under item 8g the Administrative Consistency Determination for Entitlement staff agrees with MCWD. Mayor ProTem O'Connell made a motion to approve as amended stating that the City of Marina would make 2 equal payments May 1st and November 1st at 1% interest, the same rate that the City of Seaside was given last month. The motion was seconded by Supervisor Parker and carried.

9. **ITEMS FROM MEMBERS** - Prior to beginning the closed session, Chair Potter asked for a moment of silence be given to respect those impacted by the devastating earthquake and tsunami in Japan.

10. **REPORT OUT OF CLOSED SESSION** - The Board conferred with negotiators and heard from legal counsel. A letter will be sent to the City of Marina and a meeting will be convened of the Ad Hoc Committee.

11. **ADJOURNMENT** - Chair Potter adjourned the meeting at 5:47 p.m.

Minutes prepared by Daylene Alliman, Deputy Clerk

Approved by

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

Authorize the execution of Amendment #2 to the Agreement for Professional Services with Whitson and Associates, Inc. to include Eastside Parkway final design services.

BACKGROUND/DISCUSION:

At the February 2011 Fort Ord Reuse Authority ("FORA") Board meeting, the Board was asked to authorize Amendment #2 to include final design services for Eastside Parkway (see February board report, Attachment A). The Board was inclined to authorize the amendment but requested review of the amendment prior to authorization. The amendment, and all exhibits, is included as Attachment B.

FISCAL IMPACT:
Reviewed by FORA Controller

Staff time for this item is included in the approved FY 10-11 budget.

COORDINATION:

Monterey County Redevelopment Agency
RECOMMENDATION:

a. Authorize the execution of Amendment #2 to Agreement for Professional Services FC-052010 ("Agreement") with Whitson and Associates, Inc. ("Whitson") to include Eastside Parkway final design services.

b. Receive a report regarding the draft Memorandum of Agreement concerning Eastside Parkway alignment ("MOA") (Attachment A).

BACKGROUND:
In January 2010, the Fort Ord Reuse Authority ("FORA") received a $460,000 grant award from the Office of Economic Adjustment ("OEA") to conduct California Central Coast Veterans Cemetery ("CCCVC") Infrastructure Planning. FORA distributed a request for proposals to qualify consultants to compete for this work. A selection panel reviewed six proposals and unanimously selected Whitson to complete this work. The FORA Board authorized the Agreement with Whitson on May 14, 2010. As a portion of their scope of services, Whitson refined the preliminary road design work and developed a conceptual alignment for Eastside Parkway as a part of the CCCVC planning.

Whitson presented information regarding their CCCVC planning work at the October 8, 2010 FORA Board meeting. In July 2010, Whitson was unable to gain site access to certain active munitions response areas within the planning area. As a result, Whitson and FORA adopted contract amendment #1, which redistributed their work in the planning area to accomplish grant objectives within the authorized budget. Some specific deliverables included a draft conceptual roadway centerline alignment study map with a final map to be completed once Monterey Peninsula College ("MPC") and California State University Monterey ("CSUMB") confirm the proposed alignment or provide feedback. To formalize agreement on the roadway alignment, FORA drafted the MOA, which, once approved, would allow FORA to transfer future Eastside Parkway Rights of Way to the County of Monterey and allow construction of the road to proceed.

DISCUSSION:
In July 2010, the FORA Board discussed moving the Eastside Parkway project forward in the event there was an opportunity for State or Federal grants that could support the roadway. Also, at the request of the County of Monterey, FORA staff worked with the Veteran's Cemetery, Monterey Horse Park, CSUMB, and MPC to secure a roadway alignment that sets boundaries and parameters for each of these important projects to move ahead. The formal design process will aid all these projects. The FORA Board adopted the FY 2010/2011 CIP in July 2010 which placed Eastside Parkway in a priority position for funding. FORA staff met with Monterey County Redevelopment Agency ("MCRA") staff, who secured the initial plan line for Eastside Parkway, to commence planning discussions. MCRA staff will work closely with FORA staff and Whitson during the design/engineering to ensure the final plans and specifications integrate appropriate appurtenances.

FORA staff recommends amending the existing Agreement to provide the final engineering/design, construction documents, and environmental documentation for Eastside
Parkway from Eucalyptus Road to Inter Garrison Road. The amendment will not exceed $651,200.

**FISCAL IMPACT:**
Reviewed by FORA Controller

The cost for Eastside Parkway final design services was not included in the approved FY 10-11 CIP budget, although it was affirmed by the Board as the priority CIP project. The prorated portion of this 12-month design project through June 30, 2011 is estimated at $260,000. Community Facilities District fees, the primary source of revenue to cover transportation projects cost, is not available to fund this project. If approved by the FORA Board, the project will be financed in this fiscal year by Preston Park loan proceeds and/or tax increment. The mid-year budget (item 8a) reflects this adjustment. The design services remaining balance ($391,200) will be included in the FY 11-12 budget.

**COORDINATION:**
Administrative Committee, Executive Committee, MCRA, CSUMB, MPC, CCCVC

Prepared by Crissy Maras
Reviewed by James M. Arnold
Approved by Michael A. Houlemand, Jr.
AMENDMENT TO AGREEMENT
FOR PROFESSIONAL AGREEMENT FC-052010

Amendment Number: 052010-2
Amendment Date: 03/11/2011
Agreement Date: 05/25/2010

The Fort Ord Reuse Authority ("FORA"), hereinafter referred to as OWNER, and Whitson and Associates, Inc. ("Whitson"), hereinafter referred to as CONSULTANT, mutually agree to amend Agreement FC052010 (Exhibit A) scope of services (Exhibit B) to include additional professional services and to increase the maximum compensation to include the services described in this Amendment 052010-2.

All terms and conditions of Agreement FC052010, except as modified by Agreement FC052010 Amendment #1, dated August 11, 2011, and as modified herein, remain in full force and effect, and apply equally to this Amendment #2 to FC052010, hereinafter referred to as 052010-2.

Modification to Scope of Services

The Scope of Services shall be modified to include development of construction plans (drawings) and Engineer’s Opinion of Probable Cost to 90% completion of construction ready documents. This scope of services shall include Intergarrison Road from the Intergarrison Road/Reservation Road connector westerly to Eastside Parkway; Eastside Parkway from Intergarrison Road southerly to Eucalyptus Road; and, Gigling Road from its existing terminus at Eastside Parkway.

Additionally, all biological, geological, hydrological and topographical data required for engineering design and environmental documentation not previously obtained under the scope of services of Agreement FC052010 shall be a part of the scope of services of 052010-2.

The draft and final environmental documents certified in 1997 for the Fort Ord Base Reuse Plan shall be the programmatic environmental evaluation of the subject design project.

CONSULTANT shall assist other parties in the planning for inclusion of requirements for soil management within the future construction site. CONSULTANT shall further provide data regarding earthwork balances and any movement or relocation of in-situ soils and soil materials in conjunction with the proposed the aid others in preparation of a soils management plan.

The future construction site lies within an active unexploded ordnance ("UXO") site under the exclusive control of others. CONSULTANT shall cooperate with the UXO clean-up contractor in the field and on-site. CONSULTANT shall confer with the UXO clean-up contractor regarding planned in-situ soil movements.

CONSULTANT shall illustrate the right-of-way required for development of the multimodal corridor, of record, along the southerly side of Intergarrison Road.
COMPENSATION / ADJUSTMENT

Additional compensation payable for the modified scope of services shall not exceed the amount of $651,200.00, conforming to the Whitson Engineers “fee summary” dated January 28, 2011 and attached hereto as Exhibit C without prior agreement and written approval of OWNER AND CONSULTANT.

TIME OF DELIVERY

CONSULTANT shall perform the work of the scope of services within twelve (12) calendar months following the date of execution of Amendment 052010-2 and in conformance with the Whitson Engineers "Preliminary Project Schedule – 90% Improvement Plans," attached hereto as Exhibit D.

WHITSON ENGINEERS

Printed name and title

_________________________________________________________ Date: __________

Signature

FORT ORD REUSE AUTHORITY

Michael A. Houlemard, Jr., FORA Executive Officer
Printed name and title

_________________________________________________________ Date: __________

Signature

Approved as to form:

Gerald D. Bowden Esq., FORA Counsel
Printed name and title

_________________________________________________________ Date: __________

Signature

END OF AMENDMENT FC052010-2
Agreement No. FC-052010

Agreement for Professional Services

This Agreement for Professional Services (hereinafter referred to as “Agreement”) is by and between the Fort Ord Reuse Authority, a political subdivision of the State of California (hereinafter referred to as “FORA”) and Whitson and Associates, Inc., dba Whitson Engineers (hereinafter referred to as “Consultant”).

The parties agree as follows:

1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide FORA with services associated with Central Coast California Veterans Cemetery Infrastructure Planning as described in Exhibit “A”. Such services will be at the direction of the Executive Officer of the Fort Ord Reuse Authority or the Executive Officer’s designee.

2. TERM. Consultant shall commence work under this Agreement effective on May 20, 2010 and will diligently perform the work under this Agreement until May 31, 2011 or until the maximum amount of the compensation as noted below is reached. The term of the Agreement may be extended upon mutual concurrence and amendment to this Agreement.

3. COMPENSATION AND OUT OF POCKET EXPENSES. The overall maximum amount of compensation to Consultant over the full term of this Agreement is not-to-exceed $412,345.00 (Four Hundred Twelve Thousand Three Hundred Forty-Five Dollars) including out of pocket expenses. FORA shall pay Consultant for services rendered pursuant to this Agreement at the times and in the manner set forth in Exhibit “A”.

4. FACILITIES AND EQUIPMENT. Consultant is not required to use FORA facilities or equipment for performing professional services. At the Executive Officer’s request, Consultant shall arrange to be physically present at FORA facilities to provide professional services at least during those days and hours that are mutually agreed upon by the parties to enable the delivery of the services noted in the Scope of Services attached hereto in Exhibit “A.”

5. GENERAL PROVISIONS. The general provisions set forth in Exhibit “B” are incorporated into this Agreement. In the event of any inconsistency between said general provisions and any other terms or conditions of this Agreement, the other term or condition shall control only insofar as it is inconsistent with the General Provisions.

6. EXHIBITS. All exhibits referred to herein are attached hereto and are by this reference incorporated herein.

IN WITNESS WHEREOF, FORA and CONSULTANT execute this Agreement as follows:

By ____________________________  
Michael A. Houlemand, Jr.  
Executive Officer

By ____________________________  
Richard P. Weber, PE  
Vice President

Date: ____________________________  
E/28/10

Approved as to form:

_______________________________  
Gerald D. Bowdan, Authority Council

Exhibit A
SCOPE OF SERVICES
SCOPE OF WORK

Whitson Engineers and our consulting team have reviewed the scope of work and associated tasks as outlined in the Request for Proposal. We have carefully considered the areas of work, the work flow and the necessary tasks that are required in order for the project to move forward on schedule. This scope of work includes up to five presentations of deliverables to the FORA Board and/or public entities during public meetings.

Whitson Engineers has developed a comprehensive schedule for the tasks identified and have included these below. We believe that a completion by May 31, 2011 as required by the grant funding, is realistic and achievable. In addition, we believe that our familiarity and history with the project, our relationship with the planning area stakeholders, and our cemetery and Fort Ord expertise could actually reduce the timeline. The team is poised to begin immediately and deliver in advance of the 11 month schedule.

Infrastructure Planning Scope of Work

Task 1- Background Data Collection for Mapping

Our consulting team has a long history with the subject property and surrounding areas that are the focus of the Infrastructure planning. As the preparers of the 2008 Development Master Plan for the California Central Coast Veterans Cemetery (CCCVC), Fort Ord, our team will build on the work previously completed.

1.A BACKGROUND DATA COLLECTION: Whitson Engineers has much of the engineering background data already compiled, assembled and formatted for immediate use. This is due to our team’s involvement with the Veteran’s Cemetery Master Plan, Monterey Horse Park, MPC EVOC Infrastructure Study and alignment studies for Eastside Road. Data will be validated to confirm information which may have changed since collection, and will be distributed to the project team for use.

Denise Duffy & associates will research available resources including the California Department of Fish and Game’s Natural California Diversity Data Base (CNDDDB), California Native Plant Society (CNPS) lists, Fort Ord HMP and Draft HCP, ESCA documents, California Central Coast Veterans Cemetery (CCCVC) Development Master Plan (DMP), existing County engineering plans for the future Eastside Parkway, local experts, and other published and unpublished materials as related to California Environmental Quality Act (CEQA) requirements in order to fully understand available background materials for the project and prepare an accurate biological inventory of the site.

1.B BIOLOGICAL & ARCHEOLOGICAL INVENTORIES: Denise Duffy & Associates has extensive experience in the former Fort Ord, including numerous studies specific to the Parker Rats area. For the purposes of the Biological Inventory Report, two special-status plant surveys would be conducted in June to September 2010 and April to May 2011. The two surveys would be required to identify all potential special status species within the planning area. The majority of special-status plants that have the potential to occur within the site could be identified during the first summer survey. Therefore, the Biological Inventory Report could be completed by the end of September 2010 with an addendum to the report prepared in May 2011 summarizing the results of the spring survey. This would allow other project tasks to move forward in September 2010 without waiting until the completion of the spring survey, with submittal of the entire report in May 2011.
Scope of Work

The biological and archaeological inventory will include the areas along the existing Parker Flats Road, Parker Flats Cutoff, and future Eastside Parkway. The biological inventory will consist of a comprehensive review of the existing and potential special-status plant and wildlife species and sensitive habitats, as well as a Forest Management Plan (FMP) to address oak woodland habitat. The Archaeological Report will be completed to provide a thorough analysis of the existing and potential cultural resources of the project site. Therefore, there will be three reports that will be included in the Background Report, as requested in the RFP.

1.C EVALUATION OF EXISTING LIDAR DATA: Whitson Engineers will evaluate the existing 2003 LIDAR data to determine if it is sufficient for use to create 1-foot topography for the planning area. We are quite familiar with this data and have used it for planning and preliminary design for many projects within Fort Ord. It is our understanding that the 2003 AMBAG data was actually completed using photogrammetric techniques and that LIDAR was used as a QC tool to aid in the generation of the 2-foot contours. Whitson Engineers will report on the advantages and disadvantages of utilizing this data and whether or not it is suitable and cost effective for this project.

1.D ENGINEERING BACKGROUND DATA REPORTS: The project team will prepare reports of the background data of the site to identify issues that may affect infrastructure planning. It is our suggestion that rather than one single Background Data Report, that the reports be segregated between engineering and the biological and archaeological inventories, so other tasks can commence in parallel and not delay the project schedule. Each report would be submitted to the client for one round of comments prior to the preparation of the final report.

DELIVERABLES:
- Engineering Infrastructure [Existing Conditions] & LIDAR Suitability Report
- Biological Inventory Report for the Planning Area Roads
- Forest Management Plan for the Planning Area Roads
- Archaeological Report for the Planning Area Roads

* with letter addendum at conclusion of Spring 2011 biotic surveys

Task 2- Aerial and Topographic Maps

Whitson Engineers understands that the OEA grant funding requires that the area be mapped to a 1-foot contour interval. As part of Task 1, Whitson Engineers has developed a strategy to validate the accuracy of the 2003 AMBAG data for purposes of determining its suitability for design level accuracy. For this proposal, we have assumed that the AMBAG data will not meet the required 1-foot topography accuracy standards and we plan to provide a new aerial survey. Additionally, new aerial topography will account for changes to the site that have occurred due to UXO removal since 2003.

As part of our prior work, Whitson Engineers has already developed flight lines and models for aerial mapping of portions of the subject planning area. This will enable Whitson Engineers to minimize the field time necessary for the new flight control.

2.A SURVEY CONTROL: Establish survey control for an aerial topographic survey of Parker Flats Road, Parker Flats Cutoff, and future Eastside Parkway.
Scope of Work

2.B AERIAL TOPOGRAPHIC SURVEY: Obtain 1"=40' aerial topographic survey data, with 1-foot contours, of Parker Flats Road, Parker Flats Cutoff, and Future Eastside Parkway in AutoCAD electronic format and mylar originals.

2.C GEOREFERENCED 3" DIGITAL COLOR AERIAL ORTHOPHOTOS: Provide a color digital aerial photograph of the planning area.

2.D TOPOGRAPHIC AND AERIAL BASE MAPS: Format and provide 1"=100' topographic and aerial base maps of Parker Flats Road, Parker Flats Cutoff, and Future Eastside Parkway.

DELIVERABLES:
- Digital Color aerial photograph of the planning area
- Topographic and aerial base maps of Planning Area Roads

ASSUMPTION:
If we determine under Task 1.C that the existing LiDAR data is sufficient for use to create 1-foot topography than we will be able to perform Task 2 at a cost savings to the fee listed in this proposal.

Task 3- Conceptual Roadway Centerline Maps

Whitson Engineers will further refine the preliminary road design work that was completed as part of the CCCVC for Parker Flats Road, Parker Flats Cutoff, and Eastside Road. As part of that work, Whitson Engineers worked with the City of Seaside to determine the appropriate road standard for Parker Flats Road and Parker Flats Cutoff as these are City Streets. In addition, Whitson Engineers, as part of work for several agencies and entities, has developed conceptual alignments for the Eastside Road from Eucalyptus Road to Intergarrison Road. A critical element in establishing the Eastside Road alignment is to reach consensus between the neighboring parcel owners that abut the road corridor. Whitson Engineers has worked with and for every one of the stakeholders along the alignment (Veteran's Cemetery, City of Seaside, Monterey Peninsula College, Monterey Horse Park, CSUMB, and the County of Monterey). We believe that we have a keen understanding of the stakeholders' objectives and have developed relationships that we believe can facilitate a consensus among the parties to establish the road centerline in a timely fashion. We are aware of several challenges that these road alignments present and recommend that these issues be vetted and discussed with the stakeholders at an initial kick-off meeting so that design standards and project goals can be confirmed.

Whitson Engineers and its staff have a long history of designing new roads through this type of landscape and welcome the opportunity to design these new public roads that will serve the community for years to come.

3.A DRAFT CONCEPTUAL ROADWAY CENTERLINE ALIGNMENT STUDY MAPS: Prepare 1"=40' draft Conceptual Roadway Centerline Alignment Study Maps of Parker Flats Road, Parker Flats Cutoff and Eastside Road. Alignment study maps shall include horizontal and vertical road alignments, preliminary limits of grading, and schematic storm drain layouts. Additionally, the alignment study maps shall include road cross sections and preliminary intersection designs that follow appropriate stopping and corner sight distance design criteria.

3.B STAKEHOLDER MEETINGS: Organize, schedule, and attend up to 4 stakeholder meetings to receive comments on the draft Conceptual Roadway Centerline Maps. Additionally, Whitson Engineers will organize and attend a kick-off meeting with the stakeholders to
Scope of Work

listen to needs and concerns for the project, identify points of contacts and coordinate schedules and milestones.

3.C FINAL CONCEPTUAL ROADWAY CENTERLINE ALIGNMENT STUDY MAPS: Prepare 1"=40' final Conceptual Roadway Centerline Maps of Parker Flats Road, Parker Flats Cutoff and Eastside Road based on feedback from the stakeholder meetings.

DELIVERABLES:
Draft Conceptual Roadway Centerline Alignment Study Maps
Final Conceptual Roadway Centerline Alignment Study Maps

Task 4- Soils/Hydrology Testing and Evaluation of Utility Service Needs for the CCCVC

As part of the Whitson team, Kleinfelder will complete the soils and hydrology testing along the three roadway corridors. The schedule allows for testing to begin immediately along Parker Flats Road and Cutoff, however, testing along Eastside Road is recommended to commence after consensus of the ultimate alignment. Whitson Engineers and Kleinfelder have worked together in the past developing drainage studies and designing infiltration galleries and ponds to meet the requirements of the Base Reuse Plan regarding storm water retention.

4.A GEOTECHNICAL INVESTIGATION: Kleinfelder will perform the geotechnical investigations for Parker Flat Road, Parker Flat Cutoff and Eastside Road. Services will include the review of geologic and geotechnical information pertaining to the site. Review of historic ground water data, rock elevations, mines, and quicksand/liquefaction potential. Site reconnaissance by a member of our engineering staff.

A subsurface exploration program will include a total of 12 exploratory borings for the road segments. Prior to our field investigation, arrangements will be made for site access along with locating of existing underground utilities in the proposed boring areas. The exploratory borings will be drilled to depths of 25 feet below the existing ground surface, or until refusal, using a truck mounted drill rig with hollow-stem augers. Soil sampling and penetration resistance testing will be performed at about 5-foot intervals. Soil samples will be transported to our laboratory for further examination and laboratory testing. The borings will be backfilled with drilled spoils or grout upon completion. Description of the surface site conditions, field investigation performed, subsurface soil conditions, and depth to ground water (if encountered in the borings) will be recorded.

A total of 18 percolation test holes are anticipated to address road drainage and percolation. Test holes will be drilled to various depths selected based on the soils encountered in our profile hole. The holes will be 6 or 8 inches in diameter. Preparation and presoaking of the percolation test holes, and performing percolation testing will be conducted. These holes can also be used to confirm soil uniformity between the exploratory borings.

Laboratory testing of the selected soil samples obtained from the borings will be evaluated for pertinent engineering properties. Laboratory tests will include: moisture content, dry unit weight, Atterberg Limit, R-value and corrosion potential testing. If additional laboratory testing is necessary due to soil conditions encountered in our subsurface exploration, we will notify FORA of necessary changes to the laboratory testing program.

Fort Ord Reuse Authority
Veterans Cemetery Infrastructure Planning

WE WHITSON ENGINEERS
Scope of Work

Preparation of a written report which will present the results of our preliminary field exploration, laboratory testing and engineering analyses, including recommendations and conclusions regarding the geotechnical aspects of the project. The recommendations will include: site preparation and grading, fill placement and compaction, utility trench backfilling, asphalt concrete and Portland cement concrete pavements, surface and subsurface drainage and percolation rates.

4.B Utility Service Needs Report: Whitson Engineers has already done a significant amount of research as part of the CCCVC and MPC EVOC Facility Infrastructure Assessments. We will confirm the needs as defined during those studies are still applicable for sanitary sewer, storm drain, water, power, gas and communication.

Whitson Engineers will work with the Monterey Horse Park and other adjoining property stakeholders to establish anticipated demands for their current infrastructure needs, so the necessary infrastructure can be planned for Eastside Road, if necessary. Whitson Engineers has an excellent working relationship with all the utility companies in Parker Flats and had coordinated with them as part of the previous infrastructure reports. We will coordinate closely with Marina Coast Water District (water/reclaimed water/sewer), PG&E (gas and electric), AT&T (communications), and the City of Seaside and Monterey County Public Works for storm drainage. We are knowledgeable about their existing systems in Parker Flats, design standards, in addition to Capital Improvement Projects identified for the area. A report summarizing the proposed anticipated demands, supply capacity and recommended improvements will be prepared and submitted to FORA and project Stakeholders review.

Aurum Consulting Engineers will assist Whitson Engineers regarding the current communication and electrical infrastructure and work with PG&E and AT&T. The existing communications infrastructure is severely lacking in the Parker Flats area, and therefore may require extensive planning to determine the most cost effective means to provide the necessary services to support this area.

Deliverables:
- Geotechnical Report for Parker Flat Road, Parker Flat Cutoff and Eastside Road
- Utility Service Needs Report

Task 5 - Background Information

Whitson Engineers and RHAA will prepare a Background Information Report that builds on the work done for the 2008 Development Master Plan for the California Central Coast Veterans Cemetery, Fort Ord.

5.A Stakeholder Meetings: One key element for the project will be engagement of all the stakeholders early in the process to understand all of their needs and criteria for development. We will consult with key staff members of FORA, the City of Seaside, the County of Monterey, and the Redevelopment Agency of Monterey to understand their issues, listen to their concerns and develop consensus between the parties in order to move the project forward within the planning area. In addition, the consulting team will consult with any stakeholders impacted by the road design- the Monterey Horse Park, MPC EVOC Facility and the potential developer of the endowment parcel of the Cemetery. One key stakeholder will include the Citizens Advisory Committee (CAC). We had a successful relationship with them in the past and would enjoy working with them again. Members of the team will attend up to 10 stakeholder meetings to compile a
Scope of Work

complete summary of the project background information.

5.B **BACKGROUND INFORMATION REPORT:** RHAA will prepare a background information report based on the information gathered at the stakeholder meetings and Tasks 1-4. RHAA will outline criteria for completion of the Cemetery Implementation Plan, drawing on their previous work on this site and on at the Northern California State Veterans Cemetery and the Fort Stanton Veterans Cemetery in New Mexico. RHAA will develop these criteria with input from the CAC, the California Department of Veterans Affairs and the National Cemetery Administration. In addition, Whitson Engineers will investigate engineering and infrastructure limitations that may warrant further investigation or coordination as part of the completion of tasks 1 through 4.

**DELRIVERABLES:**
Background Information Report

**Task 6 - Cemetery Implementation Phasing Scenarios**

It is our understanding that Task 6 will be completed separately by the California Department of Veterans Affairs and therefore was not included in this scope of work. However, our team will be available, if necessary, to answer questions as part of the CDVA’s work to complete this task.

**Task 7 - Cemetery Implementation Plan**

As part of the Whitson team, RHAA will prepare a draft cemetery implementation plan that incorporates the following:

7.A **Conceptual Veterans Cemetery Maps:** The conceptual maps will outline in detail the cemetery elements both for the initial phase of construction and for future phases. Our approach will be to create a final plan that creates a beautiful place in memory of the service of our Veterans but that also is implementable. We will produce a plan that represents the vision of the CAC and the State but that also meets the technical requirements of the State Grant program. Our first step will be to review with the stakeholders the draft plan and any desired changes to the plan. We will then incorporate those changes in line with standard cemetery guidelines.

7.B **Detailed Implementation Plan Timeline:** The detailed timeline will include all of the elements necessary for project completion.

Implementation phasing scenarios will explore different options for the Cemetery and auxiliary facilities. Variable factors would include infrastructure development including utilities and roads; funding for the Cemetery, endowment, and necessary infrastructure; and inclusion of different elements in the first phase of development.

For the Cemetery, phasing scenarios will explore different burial options and their impacts to the speed of development and ultimate capacity of the Cemetery. Burial options include traditional casket burial, both in vaults and in traditional graves, and cremains burial in the ground, in columbarium walls and in terraces. Included in the scenarios would be the construction of the support facilities including administration, maintenance and shelters for services as well as memorial amenities such as a memorial plaza, entry features, service seal wall and monuments.

One potential is a 'fast track option' - where traditional burial commences with support

**Fort Ord Reuse Authority**
Veterans Cemetery Infrastructure Planning -6- **WE WHITSON ENGINEERS**
facilities in temporary buildings while the permanent facilities are constructed. This Fast Track approach is being employed by the National Cemetery Administration in the National Veterans Cemeteries to meet immediate need.

The consulting team will identify critical time elements for each of the tasks required to develop these scenarios including:

1. Completion of design and planning documents for the Cemetery - time required for RFP, interview and contract process, time to complete as well as review periods by the National Cemetery Administration and State Review.
2. State application for CCCVC construction funding grant from the Federal Government - time to complete application, NEPA and CEQA documentation.
3. Federal approval of CCCVC construction funding grant - consideration of funding cycles.
4. CCCVC Construction considerations include bidding and contracting periods as well as length of actual construction. Other considerations are utility connections as well as completion of road improvements to provide access. Construction length factors will be dependent on scope of phase one improvements and burial options employed.
5. CCCVC operation with one burial option - considerations are which option and which additional facilities will be built - administration, maintenance, flag plaza, etc.
6. CCCVC operation with full burial options similar to above, schedule will be dependent on which additional facilities are built.
7. Completion of planning and design documents for ancillary cemetery facilities - time required will be dependent on which facilities, permitting requirements for those facilities.
8. Completion of construction for ancillary cemetery facilities - time required will be dependent on which facilities, permitting, utility connections, as well as completion of road improvements to provide access, remediation of parcels and funding sources for those facilities.
9. Completion of planning and design documents for Parker Flats Cutoff and Parker Flats Road - Considerations include potential funding sources and their requirements.
10. Parker Flats Cutoff, Parker Flats Road, and Eastside Road Improvements/Construction. Considerations include potential funding sources and their requirements, remediation of parcels.

7.C Summary of Implementation Plan Process
The summary of the implementation process will outline all of the work done under this contract including the outreach process. It will detail all previous work on the Cemetery and work done under this contract. The summary will also outline all outreach efforts.

7.D Implementation Plan Strategy Section
The Implementation Plan Strategy Section will detail those steps necessary to get the Cemetery and auxiliary facilities built. Anticipated necessary steps include infrastructure design and construction, grant application and funding strategies including the endowment funding, as well as Cemetery design and construction. It will incorporate all elements explored in the phasing scenarios.

DELIVERABLES:
Draft Cemetery Implementation Plan
Final Cemetery Implementation Plan
ADDITIVE SCOPE OF WORK

Task 1- Background Data Collection for Mapping

1.A BIOLOGICAL BACKGROUND DATA REPORT FOR THE CEMETERY SITE: The biological inventory of the Cemetery Site will include a Biological Inventory Report that includes a comprehensive review of the existing and potential special-status plant and wildlife species and sensitive habitats, as well as a Forest Management Plan (FMP) to address oak woodland habitat. The Archaeological Report will be completed to provide a thorough analysis of the existing and potential cultural resources of the project site.

1.B LEGAL DESCRIPTIONS: Prepare a signed Legal Description of the Site that depicts the project boundary and area.

1.C EXISTING CONDITIONS MAP: Prepare an Existing Conditions Map of the Site that depicts the project boundary, area, existing buildings, streets, alleys, block boundaries, easements, monuments, encroachments, street names, floodplains, railroads, and streams.

DELIVERABLES:
- Biological Inventory Report for the Cemetery Site
- Forest Management Plan for the Cemetery Site
- Archaeological Report for the Cemetery Site
- Legal Description for the Cemetery Site
- Existing Conditions Map for the Cemetery Site

* with letter addendum at conclusion of Spring 2011 biotic surveys

Task 2- Aerial and Topographic Maps

2.A SURVEY CONTROL: Establish survey control for the 79 acre Cemetery Site with a 100' buffer outside the perimeter.

2.B AERIAL TOPOGRAPHIC SURVEY: Obtain 1"=40' aerial topographic survey data, with 1-foot contours, of the Cemetery Site with a 100' buffer outside the perimeter in AutoCAD electronic format and mylar originals.

2.C TOPOGRAPHIC AND AERIAL BASE MAPS: Format and provide 1"=100' topographic and aerial base maps of the Cemetery Site.

DELIVERABLES:
- Topographic and aerial base maps of the Cemetery Site

Task 4- Soils/Hydrology Testing and Evaluation of Utility Service Needs for the CCCVC

4.A GEOTECHNICAL INVESTIGATION – CEMETERY SITE: The approach for this task will match that described for the scope of work for Parker Flat Road, Parker Flat Cutoff, and Eastside Road except for two key differences; there will be 4 exploratory borings instead of 12 and there will be 6 percolation test holes instead of 18.

DELIVERABLES:
- Cemetery Site Geotechnical Report

Fort Ord Reuse Authority
Veterans Cemetery Infrastructure Planning
Task 7- Cemetery Implementation Plan

Whitson Engineers has capacity in its consultant team to perform enhancements to the Cemetery Implementation Plan. Conceptual Cemetery Maps by completing conceptual architecture and mechanical design. Completion of these items will assist the community’s endeavor to create a vision for the Central Coast California Veteran’s Cemetery. We have included the architecture firm HKIT and mechanical engineering firm List Engineers on our team to perform these subcomponent deliverables.

Background:
HKIT has worked with RHA on the Northern California Veteran’s Cemetery to develop the cemetery buildings. The Veteran’s Administration’s requirements called for modest, functional buildings that could be understated and yet provide a dignified presence at points of interface with the public. The scheme concealed maintenance yard activity while preserving clarity of approach to the adjoining administration building. The information center, also clustered with the administration building was carefully positioned to reinforce the main entrance drive and the cemetery focal point designed by RHA.

HKIT worked for the City of Seaside on the City of Seaside Corporate Yard which is in close proximity to the FORA cemetery site. HKIT has also completed several feasibility studies for the City of Seaside, including a study for the City Hall which consisted of new City offices and an exterior vertical circulation element serving as iconic focal point for both old and new buildings.

HKIT has also designed projects that allude to the California mission style: the Forum at Rancho San Antonio, Cupertino and Belmont Village, Sunnyvale. We understand that the California mission style is the desired architectural style for the CCCVC.

Design Approach:
The architectural component of a cemetery must be supportive to the overall landscape and project concept. Therefore from the start of design, HKIT will collaborate with the project team, as well as public agencies and stakeholders to integrate the buildings in the landscape, reinforcing the overall experience of a National Cemetery. Building vocabulary should respect regional context—alluding to elements of the California mission style in this case.

Design Process:
Confirmation of the program from the Veterans Administration is essential—we will ensure that the tabulated net program areas can be accommodated and determine a probable gross building area and probable required yard areas.

HKIT will look at program workflow, in particular relationships between buildings and exterior circulation that will impact exterior features, yards and entries.

HKIT will look at siting alternatives and configurations relative to the concepts RHA is generating as well as operational vehicular needs and building entry points. Location of the buildings will be influenced by existing site topography, features and constraints, availability of infrastructure, and earthwork requirements.

We encourage the involvement of stakeholders during the development of conceptual alternatives. In this process the participation of regulatory agencies is sought, in particular planning and fire districts having jurisdiction. Alternatives must consider expansion and provide inherent flexibility of siting for future additions and modifications.

DELRABLES:
Preliminary Architecture Concepts
Final Architecture Concepts

Fort Ord Reuse Authority
Veterans Cemetery Infrastructure Planning
Fee Estimate

Infrastructure Planning
Central Coast California Veterans Cemetery
City of Seaside, California

Description of Work

1. Background Data Collection for Mapping
   A. Evaluate Existing LIDAR Data
   B. Collect Background Data
   C. Engineering Background Data Report
   D. Biological Background Data Report - Roads
   E. Project Management and Reimbursable Expenses
   $ 27,600

2. Aerial and Topographic Maps
   A. Survey Control - Roads
   B. Aerial Survey - Roads
   C. Color Aerial Photograph - Planning Area
   D. Topographic and Aerial Base Maps - Roads
   E. Project Management and Reimbursable Expenses
   $ 30,000

3. Conceptual Roadway Centerline Maps
   A. Draft Roadway Centerline Maps
   B. Stakeholder Meetings
   C. Final Roadway Centerline Maps
   D. Project Management and Reimbursable Expenses
   $ 48,050

   A. Geotechnical Investigation
   B. Utility Service Needs Report
   C. Project Management and Reimbursable Expenses
   $ 61,100

5. Background Information
   A. Stakeholder Meetings
   B. Background Information Report
   C. Project Management and Reimbursable Expenses
   $ 50,400

6. Cemetery Implementation Phasing Scenarios
   A. Not Included with this proposal
   N.I.C.

7. Cemetery Implementation Plan
   A. Cemetery Implementation Plan
   B. Project Management and Reimbursable Expenses
   $ 61,200

Subtotal Infrastructure Planning Scope of Work $ 298,850

10% Contingency $ 29,885

Total Infrastructure Planning Scope of Work $ 328,405
### Fee Estimate for Additive Scope of Work

1. **Background Data Collection for Mapping**
   - Biological Background Data Report - Cemetery
   - Legal Description of Site
   - Existing Conditions Map - Cemetery
   - Project Management and Reimbursable Expenses
   - **$ 27,500**

2. **Aerial and Topographic Maps**
   - Survey Control - Cemetery Site
   - Aerial Survey - Cemetery Site
   - Topographic and Aerial Base Maps - Cemetery Site
   - Project Management and Reimbursable Expenses
   - **$ 10,700**

3. **Conceptual Roadway Centerline Maps**
   - **N.I.C.**
   - **no additional items**

4. **Soils/Hydrology Testing & Utility Service Needs**
   - Geotechnical Investigation - Cemetery Site
   - Project Management and Reimbursable Expenses
   - **$ 13,100**

5. **Background Information**
   - **N.I.C.**
   - **no additional items**

6. **Cemetery Implementation Phasing Scenarios**
   - **N.I.C.**
   - **no additional items**

   **Subtotal Additive Scope of Work**
   - **$ 51,400**

   **10% Contingency**
   - **$ 5,140**

   **Total Additive Scope of Work**
   - **$ 56,540**

### Fee Estimate for Cemetery Implementation Plan Enhancement

1. **Cemetery Implementation Plan Enhancement**
   - Probable Building Areas
   - Preliminary Architecture Concepts
   - Stakeholder Meetings
   - HVAC System Description and Tentative Locations
   - Final Architecture Concepts
   - Project Management and Reimbursable Expenses
   - **$ 27,400**

### Fee Summary

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GENERAL PROVISIONS

1. INDEPENDENT CONSULTANT. At all times during the term of this Agreement, CONSULTANT shall be an independent Consultant and shall not be an employee of FORA. FORA shall have the right to control CONSULTANT only insofar as the results of CONSULTANT'S services rendered pursuant to this Agreement.

2. TIME. CONSULTANT shall devote such services pursuant to this Agreement as may be reasonably necessary for satisfactory performance of CONSULTANT'S obligations pursuant to this Agreement. CONSULTANT shall adhere to the Schedule of Activities shown in Exhibit "A".

3. INSURANCE.
   a. MOTOR VEHICLE INSURANCE. CONSULTANT shall maintain insurance covering all motor vehicles (including owned and non-owned) used in providing services under this Agreement, with a combined single limit of not less than $100,000/$300,000.

4. CONSULTANT NO AGENT. Except as FORA may specify in writing, CONSULTANT shall have no authority, express or implied to act on behalf of FORA in any capacity whatsoever as an agent. CONSULTANT shall have no authority, express or implied, pursuant to this Agreement, to bind FORA to any obligation whatsoever.

5. ASSIGNMENT PROHIBITED. No party to this Agreement may assign any right or obligation pursuant to this Agreement. Any attempted or purported assignment of any right or obligation pursuant to this Agreement shall be void and of no effect.

6. PERSONNEL. CONSULTANT shall assign only competent personnel to perform services pursuant to this Agreement. In the event that FORA, in its sole discretion, at anytime during the term of this Agreement, desires the removal of any person or persons assigned by CONSULTANT, CONSULTANT shall remove any such person immediately upon receiving notice from FORA of the desire for FORA for the removal of such person or person.

7. STANDARD OF PERFORMANCE. CONSULTANT shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which CONSULTANT is engaged in the geographical area in which CONSULTANT practices his profession. All products and services of whatsoever nature, which CONSULTANT delivers to FORA pursuant to this Agreement, shall be prepared in a thorough and professional manner, conforming to standards of quality normally observed by a person practicing in CONSULTANT'S profession. FORA shall be the sole judge as to whether the product or services of the CONSULTANT are satisfactory but shall not unreasonably withhold its approval.

8. CANCELLATION OF AGREEMENT. Either party may cancel this Agreement at any time for its convenience, upon written notification. CONSULTANT shall be entitled to receive full payment for all services performed and all costs incurred to the date of receipt entitled to no further compensation for work performed after the date of receipt of written notice to cease work shall become the property of FORA.

9. PRODUCTS OF CONTRACTING. All completed work products of the CONSULTANT, once accepted, shall be the property of FORA. CONSULTANT shall have the right to use the data and products for research and academic purposes.
10. **INDEMNIFY AND HOLD HARMLESS.** CONSULTANT is to indemnify, defend, and hold harmless FORA, its officers, agents, employees and volunteers from all claims, suits, or actions of every name, kind and description, brought forth on account of injuries to or death of any person or damage to property arising from or connected with the willful misconduct, negligent acts, errors or omissions, ultra-hazardous activities, activities giving rise to strict liability, or defects in design by the CONSULTANT or any person directly or indirectly employed by or acting as agent for CONSULTANT in the performance of this Agreement, including the concurrent or successive passive negligence of FORA, its officers, agents, employees or volunteers.

It is understood that the duty of CONSULTANT to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Acceptance of insurance certificates and endorsements required under this Agreement does not relieve CONSULTANT from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply whether or not such insurance policies have been determined to be applicable to any of such damages or claims for damages.

FORA is to indemnify, defend, and hold harmless CONSULTANT, its employees and sub-consultants, from all claims, suits, or actions of every name, kind and description, brought forth on account of injuries to or death of any person or damage to property arising from or connected with the willful misconduct, negligent acts, errors or omissions, ultra-hazardous activities, activities giving rise to strict liability, or defects in design by FORA or any person directly or indirectly employed by or acting as agent for FORA in the performance of this Agreement, including the concurrent or successive passive negligence of CONSULTANT, its officers, agents, employees or volunteers.

11. **PROHIBITED INTERESTS.** No employee of FORA shall have any direct financial interest in this agreement. This agreement shall be voidable at the option of FORA if this provision is violated.

12. **CONSULTANT NOT PUBLIC OFFICIAL.** CONSULTANT possesses no authority with respect to any FORA decision beyond the rendition of information, advice, recommendation or counsel.
August 11, 2010

Mr. Jonathan Garcia
Senior Planner
Fort Ord Reuse Authority (FORA)
100 12th Street, Bldg 2880
Marina, CA 93933

Re: Central Coast California Veterans Cemetery (CCCVC)
Modified Scope of Work Request No. 1
Inter-Garrison Road (from Eastside Road to East Garrison – 4,000 L.F.)
Gigiling Road (from Eastside Road to the County line – 1,300 L.F.)

Dear Mr. Garcia:

I am providing this description of the modified scope of work that has been requested in conjunction with the CCCVC project. This adjustment is necessary in order to avoid Environmental Services Cooperative Agreement (ESCA) munitions remediation areas (see Attachment A) and to plot infrastructure access points for the Veterans Cemetery area. This adjustment will be accomplished within the contract budget.

Whitson Engineers and/or their consultants will perform the following modified scope of work services for Inter-Garrison Road (from Eastside Road to East Garrison – 4,000 L.F.) and Gigiling Road (from Eastside Road to the County line – 1,300 L.F.). These roadway segments were not included in the original scope of work identified for Eastside Road (from Eucalyptus Road to Inter-Garrison Road). Additionally, Whitson Engineers and their consultants will utilize more extensive aerial topographic survey methods described below so that the same coverage and scale can be achieved while avoiding the recently identified active ESCA remediation areas where access is restricted (see Attachment A).

**TASK 1 – BACKGROUND DATA COLLECTION FOR MAPPING**

1.A Biological & Archeological Inventories: Conduct two special-status plant surveys in July to September 2010 and April to May 2011 for the Inter-Garrison Road corridor. The surveys shall follow the format of the original scope of work.

Conduct an archaeological survey for Inter-Garrison Road corridor to provide a thorough analysis of the existing and potential cultural resources of the project site.

Portions of Eastside Road have recently been identified by FORA as active ESCA remediation areas where access has been restricted (see Attachment A). Biological and archaeological inventories will not be able to be performed at these areas. Therefore the modified scope to include portions of Inter-Garrison Road is
offset by this scope reduction. The new survey information will be included with the reports provided for the original scope of work.

TASK 2- AERIAL AND TOPOGRAPHIC MAPS

2.A Survey Control: Establish survey control for an aerial topographic survey of Inter-Garrison Road and Gigling Road. Survey Control for the new roadway segments, as well as the original planning area, shall now utilize airborne GPS methods due to the recently identified active ESCA remediation areas where access is restricted. A GPS base station will now need to be operated at the time of the aerial flight so that the same coverage and scale can be achieved. Note that there is not a modified cost for Gigling Road control as this area is already being mapped for Monterey Downs.

2.B Aerial Topographic Survey: Obtain 1"=40' aerial topographic survey data, with 1-foot contours, of Inter-Garrison Road and Gigling Road in AutoCAD electronic format utilizing airborne GPS methods. Due to the restricted access, the flight pattern has been rearranged and modified photography is required to span the restricted access areas (see Attachment A). Note that there is not a modified cost for Gigling Road mapping compilation as this area is already being mapped for Monterey Downs.

2.C Georeferenced 3" Digital Color Aerial Orthophotos: Include Inter-Garrison Road and Gigling Road with the color digital aerial photograph of the entire planning area. Note that there is not a modified cost for Gigling Road photography as this area is already being mapped for Monterey Downs.

2.D Topographic And Aerial Base Maps: Include Inter-Garrison Road and Gigling Road with the 1"=100' topographic and aerial base maps of Parker Flats Road, Parker Flats Cutoff, and Future Eastside Parkway.

TASK 3- CONCEPTUAL ROADWAY CENTERLINE MAPS

3.A Draft Conceptual Roadway Centerline Alignment Study Maps: Prepare 1"=40' draft Conceptual Roadway Centerline Alignment Study Maps of Inter-Garrison Road and Gigling Road. Alignment study maps shall be incorporated with the maps for the original scope of work and shall include horizontal and vertical road alignments, preliminary limits of grading, and schematic storm drain layouts. Additionally, the alignment study maps shall include road cross sections and preliminary intersection designs that follow appropriate stopping and corner sight distance design criteria.
3.B **Stakeholder Meetings:** Organize, schedule, and attend up to 2 additional stakeholder meetings to receive comments on the draft Conceptual Roadway Centerline Maps. The East Garrison development is considered a new stakeholder for this modified scope of work due to the intersection with Inter-Garrison Road.

3.C **Final Conceptual Roadway Centerline Alignment Study Maps:** Prepare 1"=40' final Conceptual Roadway Centerline Maps of Inter-Garrison Road and Gigling Road based on feedback from the stakeholder meetings.

**TASK 4- SOILS/HYDROLOGY TESTING**

4.A **Geotechnical Investigation:** The subsurface exploration program for Inter-Garrison Road will include a total of 4 exploratory borings and 4 percolation test holes.

The subsurface exploration program for Gigling Road will include a total of 1 exploratory boring and 1 percolation test hole north of the intersection of Gigling Road and Eastside Road (limited by the active ESCA remediation area where access is restricted).

The procedures for the subsurface exploration will match those of the original scope of work. The results will be included in the written report for the project. This modified geotechnical investigation scope does not include a modified fee since the original number of exploratory borings and percolation test holes can be adequately spread over the entire corridor length. Where portions of Eastside Road cross through ESCA remediation areas, the subsurface explorations will occur adjacent to the restricted access areas (see Attachment A).

Attached is a Modified Scope of Work Request No. 1 Cost Summary outlining the costs for the tasks above. This fee will also cover reproduction expenses and coordination with FORA for the modified scope of work.

If you have any questions or need more information, please contact me at (831) 649-5225.

Sincerely,

Richard Weber PE, LS
RCE 55219
Principal
Modified Services Request No. 1
Cost Summary
Include Portion of Inter-Garrison Rd (4,000') and Gigling Rd. (1,300')
Central Coast California Veterans Cemetery
City of Seaside, California

Description of Work

1. Background Data Collection for Mapping
   A. Biological Background Data Report (swap areas from "no access zones" to Inter-Garrison Rd.)

2. Aerial and Topographic Maps
   A. Survey Control (operate GPS base station)
   B. Aerial Survey (1"=40' scale with 1-foot contours, airborne GPS method)
   C. Color Aerial Photograph (increase due to expanded control network)
   D. Topographic and Aerial Base Maps (4,000' of Inter-Garrison and 1,300' of Gigling Rd)
   E. Project Management and Reimbursable Expenses
   Estimated Fee: $13,410

3. Conceptual Roadway Centerline Maps
   A. Draft Roadway Centerline Maps (4,000' of Inter-Garrison and 1,300' of Gigling Rd)
   B. Stakeholder Meetings (additional Monterey County coordination and East Garrison)
   C. Final Roadway Centerline Maps (4,000' of Inter-Garrison and 1,300' of Gigling Rd)
   D. Project Management and Reimbursable Expenses
   Estimated Fee: $9,910

   A. Geotechnical Investigation (redistribute borings to Inter-Garrison Rd)
   No Fee Increase

Total Modified Services Request No. 1: $23,320

Fee Summary

Total Infrastructure Planning Scope of Work: $298,550
Total Additive Scope of Work: $51,400
Cemetery Implementation Plan Enhancement: $27,400
Total Modified Services Request No. 1: $23,320
Total Scope of Work: $400,670

Modified Scope of Work Request No. 1 approved ___________________________ by:

FORA __________________________

Whitson Engineers __________________________
January 28, 2011

Job No.: 2146.00

SCOPE OF SERVICES FOR
CIVIL ENGINEERING, LAND SURVEYING AND INITIAL ENVIRONMENTAL INVESTIGATION

Eastside Parkway 90% Design
(Eastside Parkway from Eucalyptus Road to Inter-Garrison Road – 16,260’; Inter-Garrison Road from Eastside Parkway to East Garrison – 5,270’; and Gilgile Road from the County Boundary to Eastside Parkway – 1,290’)

Fort Ord Reuse Authority
Monterey County, California

As noted below, portions of the following Scope of Services have previously been completed by Whitson Engineers as part of a FORA contract to provide the Infrastructure Planning for the California Central Coast Veterans Cemetery. This work was funded with an OEA Grant.

SCOPE OF SERVICES

Task 1 – Preliminary Engineering and Land Surveying

1.1 Project Initiation / Scope Development
   a. Whitson Engineers will assemble and review the available maps, surveys, reports and studies that have previously been completed for the roadway corridor and distribute them to the project team. (*Portion Previously Completed*)
   b. Coordinate with FORA and Monterey County staff to develop and refine the specific Scope of Services for this Phase of Work, identify data needs, and confirm deliverables, schedules and commitments.

1.2 Aerial and Topographic Survey
   a. Establish survey control for an aerial topographic survey of the subject roadways. Survey control shall utilize airborne GPS methods due to the active ESCA remediation areas where access is restricted. A GPS base station will be operated at the time of the aerial flight so that the coverage and scale can be achieved. (*Completed*)
   b. Obtain 1”=40’ aerial topographic survey data in AutoCAD electronic format for the subject roadways. The survey shall include 1-foot contours, spot elevations, and all visible planimetrics as well as the underlying DTM data. Limits of the survey shall include a minimum 300 foot wide corridor along the proposed roadway alignment. A georeferenced 3” digital color aerial orthophoto of the planning areas shall be provided. (*Completed*)

1.3 Supplemental Topographic Field Survey
   a. Supplement the aerial topography with a field survey of existing improvements as necessary to complete design plans to a 90% level of completeness. Field survey shall include critical improvements and locations
where the subject roadways will tie into existing roadways or intersections.

1.4 Geotechnical Investigation and Percolation Testing
   a. Perform geotechnical investigations and percolation testing along the roadway corridors. Where portions of Eastside Parkway cross through ESCA remediation areas, the subsurface explorations will occur adjacent to the restricted access areas.
      i. The subsurface exploration program will include a total of 15 exploratory borings for the road segments. The exploratory borings will be drilled to depths of 25 feet below the existing ground surface, or until refusal, using a truck mounted drill rig with hollow-stem augers. Soil sampling and penetration resistance testing will be performed at about 5-foot intervals. Soil samples will be transported to our laboratory for further examination and laboratory testing. The borings will be backfilled with drilling spoils or grout upon completion. Description of the surface site conditions, field investigation, performed, subsurface soil conditions, and depth to ground water (if encountered in the borings) will be recorded. (Completed)
      ii. A total of 9 percolation test holes are anticipated to address road drainage and percolation. Test holes will be drilled to various depths selected based on the soils encountered in our profile hole. The holes will be 6 or 8 inches in diameter. Preparation and presoaking of the percolation test holes, and performing percolation testing will be conducted. These holes can also be used to confirm soil uniformity between the exploratory borings. (Completed)
      iii. Laboratory testing of the selected soil samples obtained from the borings will be evaluated for pertinent engineering properties. Laboratory tests will include: moisture content, dry unit weight, Atterberg Limit, R-value and corrosion potential testing. (Completed)
      iv. Preparation of a written report which will present the results of the preliminary field exploration, laboratory testing and engineering analyses, including recommendations and conclusions regarding the geotechnical aspects of the project. The recommendations will include: site preparation and grading, fill placement and compaction, utility trench backfilling, asphalt concrete and Portland cement concrete pavements, surface and subsurface drainage and percolation rates. (Completed)

1.5 Utility Service Needs Evaluation
   a. Whitson Engineers will coordinate closely with Marina Coast Water District (water/reclaimed water/sewer), PG&E (gas and electric), AT&T (communications), Comcast (data), and the City of Seaside and Monterey County Public Works (storm drainage) to evaluate the utility service needs for
the future development projects located along the Eastside Parkway corridor. By contacting the utility companies ahead of the roadway design and property developments, the appropriate infrastructure can be planned for and potentially included with the improvement plans. *(Completed)*

1.6 Stakeholder Coordination
a. Attend up to eight (8) stakeholder meetings to discuss roadway cross-sections, pedestrian / equestrian trail under-crossing locations, public access, edge conditions, intersection and driveway locations, utility needs, and storm drainage. Whitson Engineers will document meeting discussions by publishing meeting minutes and distribute to participants and interested parties. *(Builds off of Stakeholder Coordination previously completed)*

1.7 Conceptual Roadway Centerline Maps
a. Prepare 1"=40' draft Conceptual Roadway Centerline Alignment Study Maps of Eastside Parkway. Alignment study maps shall include horizontal and vertical road alignments, and preliminary limits of grading. *(Completed)*

1.8 Revise Conceptual Roadway Cross-Sections
a. Based on stakeholder, FORA, and County input, revise the typical cross-sections of the subject roadways. Potential revisions include Class I bike paths, curb locations, lane geometries, fencing and slope design.

1.9 Preliminary Intersection Analysis
a. Obtain traffic volumes and turning movements from the 2005 FORA Fee Reallocation Study.

b. Utilize HCM software to calculate the required lane layout and turn pocket storage at five (5) study intersections. Intersections include Eastside Parkway and: Parker Flats Cutoff, Parker Flats Road, Gigling Road, Inter-Garrison Road and the Reservation Road connector. The mix of traffic for the adjacent land uses, including Monterey Downs and the Light Industrial uses will be incorporated into the analysis.

c. Perform a Sight Distance Analysis for these five (5) intersections based upon Caltrans design standards.

d. Prepare up to three Intersection Alternative layouts for the intersection of Eastside Parkway / Inter-Garrison Road and Schoonover Road intersection for purposes of stakeholder meetings, discussion and a decision for the adopted configuration.

1.10 Determine Trail Crossing Locations
a. Prepare Trail Circulation Exhibits showing the existing trail network with proposed at grade and grade separated crossings of Eastside Parkway. Exhibits are for purposes of stakeholder meetings to establish "buy-in" of
proposed locations.
b. Based on stakeholder, FORA, and County input, determine the locations of the dual use pedestrian / equestrian trail crossings.
c. Adjust grading and drainage concepts to coordinate with trail crossing locations.

Task 2 – Preliminary Environmental Investigation

2.1 Agency Coordination

a. DD&A will contact responsible agencies and interested parties that have knowledge of affected resources and jurisdiction over the project to ensure that potential environmental issues are addressed. We anticipate contacting and/or meeting with representatives of the following: federal and state natural resource agencies, Department of the Army (Army)/Base Realignment and Closure (BRAC) Office, Monterey County Resource Management Agency, California State University Monterey Bay (CSUMB), Transportation Agency for Monterey County (TAMC), Environmental Services Cooperative Agreement (ESCA) Remediation Program (RP) team, local municipalities, and representatives of proposed development projects adjacent to or in the vicinity of the proposed road corridor.

2.2 Data Collection / Review and Research

a. DD&A will review relevant background materials, including the following: Fort Ord Reuse Plan and EIR; FORA Fee Reallocation Study; Fort Ord HCP and HMP; pertinent ESCA documents; design plans; and existing environmental documentation in order to fully understand available background materials for the project and conduct the preliminary environmental analysis for the project. This task also includes a preliminary field visit and site review by all key DD&A staff.

b. DD&A proposes to finish the botanical surveys within the proposed road alignment and prepare a project-specific Biological Report. As part of the CCCVC OEA grant work, certain ESCA remediation areas were not granted access so the botanical surveys could not be completed along all the roadway corridors. In the event that access is still prohibited for this scope of work, the ESCA RP team (under separate contract with FORA) will conduct the focused spring and summer botanical surveys and provide the data in GIS format to DD&A to incorporate into the biological report. The fee reduction is identified in the attached cost summary if this work is performed by others. Please note that DD&A biologists will have completed the OSHA 40-Hour HAZWOPER training prior to the spring survey season.

c. DD&A will require a maximum of 16 hours (two 8-hour days) with two
biologists to conduct the Spring Survey (March-May) and a maximum of 18 hours (one 8-hour day, one 4-hour day, supplemented by three 2-hour population checks to check status of blooming) with two biologists to conduct the Summer Survey (June-July). Installing cages for piperia plants is not proposed.

2.3 Project-Specific Biological Report
   a. As a component of the preliminary IS, DD&A will prepare a stand-alone Biological Report, which will be incorporated into the biological section of the IS and included as an appendix to the IS. It will be beneficial to FORA to have a project-specific report for future environmental analysis (e.g., Mitigated Negative Declaration or Environmental Impact Report) or permitting efforts, if necessary. As discussed above, DD&A is already contracted to collect and analyze biological data for portions of the proposed Eastside Parkway alignment so the additional work required to prepare a stand-alone, project-specific report will be minimal. The report will be prepared and reviewed by FORA and Whitson Engineers concurrent with the preliminary IS. The report and section will include the following:
      i. Description of existing biotic resources within and adjacent to the project site.
      ii. Review of appropriate biotic databases, contact with DFG and USFWS (as necessary), results of field surveys, habitat mapping, and identification of known or expected species present.
      iii. Assessment of impacts to identified biological resources, including potential impacts from construction disturbance. This assessment will be conducted under two scenarios: 1) if the HCP and IA are approved and the Basewide USFWS Section 10 and DFG Section 2081 Incidental Take Permits are issued; and 2) if the HCP and IA are not approved and the Basewide Incidental Take Permits are not issued at the time of construction.
      iv. Analysis of direct and indirect impacts of project, including tree removal and loss of associated wildlife habitat.
      v. Identification of mitigation for significant biological impacts.

2.4 Preliminary Initial Study
   a. DD&A shall prepare a preliminary Initial Study to identify any potentially significant impacts that may result from the project under CEQA. DD&A will prepare the preliminary IS based on the following:
      i. field review;
      ii. consultation with FORA and Whitson Engineers;
      iii. stakeholders and responsible agencies;
      iv. existing information in local sources and maps;
v. background information in previously prepared environmental documentation;
vi. project technical and design studies and recommendations; and
vii. DD&A's extensive library of resources and knowledge of the area.

b. The analysis will contain a preliminary Initial Study (IS) Environmental Checklist (Appendix G of CEQA Guidelines) based upon the information identified above. Whitson Engineers will provide preliminary project plans so DD&A can adequately describe the project and complete the IS Checklist. The evaluation will also contain the following:
   i. a brief description of the project, including its location, purpose of, and need for;
   ii. a list of the proposed environmental commitments as part of the project description;
   iii. an identification of the environmental setting in the vicinity of the project site, as it exists before commencement of the project from both a local and regional perspective;
   iv. an inventory of existing and potential environmental resources within the project site based on existing documentation;
   v. a list of the potential project issues/environmental impacts that could significantly delay the project or affect the viability of the project using the environmental checklist, including a brief narrative supporting the conclusions identified in the checklist. The explanations may reference another information source through citation to the document where the information may be found;
   vi. recommended avoidance and minimization measures or project design changes, as necessary;
   vii. a determination whether any additional technical studies are needed to complete the environmental document;
   viii. a determination of the level of environmental documentation proposed for CEQA compliance; and
   ix. a list of the potential environmental permits that may be required for the project.

c. DD&A anticipates the following environmental issues will be addressed in the preliminary IS:
   i. aesthetics;
   ii. air quality/climate change,
   iii. biological resources,
   iv. cultural resources,
   v. geology and soils,
   vi. hydrology and water quality,
   vii. land use and planning,
   viii. noise,
   ix. public services, and
x. traffic and circulation.

d. DD&A will provide an electronic copy of the Draft Preliminary IS to FORA and Whitson Engineers for review and comment. DD&A will respond to one round of comments and prepare a Final Preliminary IS. DD&A will provide an electronic copy of the Final Preliminary IS and one camera-ready copy to FORA and Whitson Engineers for their records. This document does not require public review under CEQA, and, therefore, this scope of work does not include public distribution or responding to public comments.

2.5 Archeological Inventories

a. Prepare an Archaeological Report to provide a thorough analysis of the existing and potential cultural resources of the roadway corridor. (Completed)

2.6 Forest Resource Evaluation

a. The proposed roadway development and grading will impact on the order of 90 acres of oak woodland. About 24 acres of this is within ESCA "no access" areas. Staub Forestry will describe and characterize the forest and tree resources along the roadway corridor and estimate the total tree population by size class using stratified random sampling and existing data collected from nearby oak stands at Fort Ord. General tree health will also be assessed during the sampling and reported qualitatively for the project area as a whole. A reconnaissance survey will be made of "landmark" (24" dbh or larger) trees and their locations will be preliminarily established by handheld GPS where access is available. Locations and descriptions of other notable forest resource occurrences or unique values will be reported and may include qualitative characterization of specific stand characteristics by area where significant development is projected under preliminary plans. Ongoing forest impacts such as erosion or invasive species will be noted and described. Potential impacts of mass grading and opportunities for preservation of forest resources, including transplanting, will be outlined as feasible and appropriate. Whitson Engineers will have the project biological consultant (DD&A) prepare an initial vegetation/habitat type map and work with Staub Forestry to produce a common base map to be used for both biological and forestry reporting.

b. At this time specific analysis for tree removal and protection due to construction will be not be specifically provided. As a result, this report will not completely satisfy the requirements of Monterey County Code Title 16 section 16.60.020. When specific construction documents are finalized a complete Forest Management Plan will have to be prepared. The information developed for this analysis will significantly reduce the
preparation time for such a document.

Task 3 – Design Engineering

3.1 30% Improvement Plans
   a. Prepare 1"=40' Improvement Plans for the subject roadways based on the Conceptual Roadway Centerline Maps. 30% plans shall include the following information:
      i. Cover Sheet with Notes, Index, and Legend.
      ii. Typical Street Sections for the subject roadways.
      iii. Street Plan and Profile Layouts with horizontal and vertical curve information, longitudinal and cross slopes and existing utility locations.
      iv. Schematic Intersection Layouts (assume six intersections)
      v. Schematic Drainage Plan layout for roadway runoff.
   b. Kleinfelder will explore and evaluate subsurface conditions at two (2) proposed undercrossing sites along the subject roadways subject to the location of the final undercrossing location. In the event that access is still prohibited this for this scope of work, the ESCA RP team (under separate contract with FORA) will conduct the exploratory drilling. The fee reduction is identified in the attached cost summary if performed by others.
      i. Perform exploratory borings drilled to depths of 25 feet below the existing ground surface, or until refusal. Borings shall utilize a truck mounted drill rig with hollow-stem augers, or a limited access/all-terrain vehicle drill rig, or minutenman portable drill equipped with solid flight augers, depending on the location. Soil sampling and penetration resistance testing will be performed at about 5-foot intervals. Soil samples will be transported to our laboratory for further examination and laboratory testing. The borings will be backfilled with drilling spoils upon completion.
      ii. Prepare a written addendum letter report which describes the surface site conditions, field investigation performed, subsurface soil conditions, and depth to ground water (if encountered in the borings) will be recorded. The report will also include grading, fill, and design recommendations for the undercrossing sites.
   c. Submit and meet with FORA and County staff to review plans set. Make adjustments and revise accordingly for the 60% plan submittal.

3.2 Utility Coordination
a. Whitson Engineers will continue to coordinate with Marina Coast Water District (water/reclaimed water/sewer), PG&E (gas and electric), AT&T (communications), and Comcast (data) to determine if certain utilities will be included with the subject roadway construction, or if a utility alignment should be reserved within the road right-of-way for a future installation.

b. Identify the location of potential water, sewer, and joint trench facilities within the roadway cross section so that the potential future installation can be accounted for. Utility design, other than storm drainage is not included with this scope of services.

c. Coordinate with adjacent property stakeholders to determine if they have utility needs that they will design for concurrently with FORA's roadway improvements.

3.3 Hydrology Report

a. Prepare a Hydrology Report for the subject roadways to analyze options for containing and infiltrating road runoff within the right-of-way. The Hydrology Report shall consider both surface basins and below ground infiltration chambers within the road right-of-way as potential solutions.

3.4 Earthwork Analysis

a. Prepare earthwork calculations for the subject roadways.
   Quantities shall be segregated by property and ESCA status.

b. Consult with FORA staff and the ESCA RP team regarding earthwork balance and the ability to transfer soil between different parcels.

c. Revise the roadway designs to balance earthwork quantities within the appropriate parcels as determined by FORA.

3.5 60% Improvement Plans

a. Revise the 30% Improvement Plans based on comments from FORA and Monterey County staff. 60% plans shall be expanded to include the following additional information:
   i. Superelevation Diagrams
      ii. Street and Storm Drain Construction Details
      iii. Contour Grading Plans
   iv. Conformance to existing improvements at intersections and project edge conditions.
      v. Drainage Plan expanded to include pipe sizes, slopes, and details for infiltration facilities.
     vi. Schematic proposed utility locations based on stakeholder and utility company coordination.
     vii. Prepare preliminary structural plans and calculations for
Pedestrian/Equestrian undercrossings (Assume a maximum of two with the same span/riser relationship utilizing metal plate arch culverts)

viii. Pavement Delineation and Sign Plans
  1. Plan to include the proposed signage and striping improvements along the roadway and at intersections, including number of lanes, lane widths, and crosswalks.

ix. Erosion Control Plans (1"=100") with construction related BMP details
  b. Submit and meet with FORA and County staff to review plans set. Make adjustments and revise accordingly for the 90% plan submittal.

3.6 Supplemental Geotechnical Review
  a. Kleinfelder shall review the 60% Improvement Plans for conformance to the recommendations contained in their October 2010 Geotechnical Investigation and Percolation Testing Report for the subject roadways.

3.7 90% Improvement Plans
  a. Revise the 60% Improvement Plans based on comments from FORA and Monterey County staff. 90% plans shall be expanded to include the following additional information:
     i. Planning for future signals, RBF will prepare Schematic Traffic Signal and Intersection Lighting Plans for the five intersection locations in accordance with Caltrans standards. If required, installation of traffic signal interconnect conduit and cable to the adjacent signalized intersections will be shown on this plan. Plans shall include the potential traffic signal poles, controller cabinet, and signal phasing.
     ii. Schematic Traffic Signal and Intersection Lighting Plans shall be used to pre-position conduits for future signal installation by others.
     iii. Finalize the Hydrology Report
     iv. Staged Construction Plans (if necessary).
     v. Quantity Sheets.
     vi. Engineer’s Estimate of Probable Cost

Task 4 – Right-of-Way Engineering

4.1 Property Research
  a. Review title reports and research record property and right-of-way maps
for parcels along the subject corridor.

4.2 Boundary Survey along Roadway Corridor
   a. Layout record boundary and right-of-way and locate sufficient
      monumentation to establish the final position of the existing property lines
      that cross the proposed right-of-way alignment.

4.3 Right-of-Way Exhibits for each Property
   a. Prepare up to twelve (12) colored right-of-way exhibits for each property
      that is impacted by the subject roadways. Exhibits to include limits and
      areas of proposed right-of-way within the subject property, proposed
      points of access and areas of non-access.

4.4 Legal Descriptions and Plat Maps
   a. Prepare up to twenty-four (24) legal descriptions and plat maps for the
      acquisition of right-of-way, construction easements and access control as
      required to implement the design.

Task 5 – Miscellaneous Tasks

5.1 Meetings and Project Management
   a. Attend meetings and assist FORA staff with reviewing and coordinating
      the Improvement Plan submittal package with the Monterey County RDA.
      Potential meetings and coordination could also involve the following:
      Department of the Army (Army)/Base Realignment and Closure (BRAC)
      Office, California State University Monterey Bay (CSUMB), Transportation
      Agency for Monterey County (TAMC), Environmental Services
      Cooperative Agreement (ESCA) Remediation Program (RP) team, City of
      Seaside, Title Company, Traffic Consultant, Attorney, Geotechnical
      Engineer, Environmental Consultant, Contractors and representatives of
      proposed development projects adjacent to or in the vicinity of the
      proposed road corridor.
   b. Attend up to eight (8) coordination meetings as requested with FORA and
      Monterey County staff to review roadway plans.
   c. Attend up to four (4) Public Meetings as requested by FORA to present the
      roadway design and receive any concerns.
   d. Provide Project Management Services to include Client and Agency
      communication, consultant coordination, quality control reviews,
      scheduling, contract management and administration.

5.2 Miscellaneous Tasks and Exhibits
   a. Perform miscellaneous tasks and prepare miscellaneous exhibits as
      requested by FORA
Assumptions:

1. This proposal is for one phase of work and will include delivery of four full-sized and ten (10) half-sized sets (including electronic PDF files) of Improvement Plans for the three identified submittals (30, 60 & 90%). Signed original reports will be provided along with electronic PDF’s.
2. The alignment for Eastside Parkway will not change and will match the Conceptual Roadway Centerline Map previously prepared by Whitson Engineers, dated July 22, 2010, Project No. 2232.01.
3. All road grading can be achieved without the need for retaining walls.

Exclusions:
The following work is specifically excluded from the Scope of Services:

1. Completion of Project Plans beyond 90% design
2. Payment of governmental fees
3. Obtaining title reports, or title fees.
4. Potholing of existing underground improvements
5. Tree location surveys, except as noted in task 2.6a above
6. Soil Management Plan
7. Dry utility design
8. Sanitary sewer or water design, except for coordination with utility companies
9. Landscape Plans, except as provided in the erosion control plans
10. Traffic Control and Public Access Control Plans
11. Retaining Wall Design
12. Monterey Salinas Transit Bus Rapid Transit (BRT) design and coordination
13. Storm Water Pollution Prevention Plan (SWPPP)
14. Final Construction Documents and Specifications
15. Alternative Alignment Analysis or designs
16. Environmental support, other than listed above
17. Additional technical studies other than those listed above
18. Appraisals, except coordination service as listed above
19. Bid Phase Services
20. Construction Phase Services
21. Record of Survey, Property Monumentation Map, or setting of monuments or property corners.
22. Any work not specifically included in the above Scope of Services.

Please note that Whitson Engineers can provide any of the above services if specifically requested by FORA for an additional fee.
Fee Summary  
Eastside Parkway 90% Design  
Fort Ord Reuse Authority  
Monterey County, California

<table>
<thead>
<tr>
<th>Description of Work</th>
<th>Estimated Fee</th>
<th>Completed Work with CEA Grant</th>
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<tbody>
<tr>
<td>1. Preliminary Engineering</td>
<td></td>
<td></td>
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<tr>
<td>1.1 Project Initiation / Scope Development</td>
<td>$5,500</td>
<td>$4,000</td>
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<tr>
<td>1.2 Aerial and Topographic Survey</td>
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<tr>
<td>1.3 Supplemental Topographic Field Survey</td>
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<tr>
<td>1.4 Geotechnical Investigation &amp; Percolation Testing</td>
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<td>1.5 Utility Service Needs Evaluation</td>
<td>$-</td>
<td>$7,800</td>
</tr>
<tr>
<td>1.6 Stakeholder Coordination</td>
<td>$19,000</td>
<td>$49,900</td>
</tr>
<tr>
<td>1.7 Conceptual Roadway Centerline Maps</td>
<td>$-</td>
<td></td>
</tr>
<tr>
<td>1.8 Revise Conceptual Roadway Cross Sections</td>
<td>$14,300</td>
<td></td>
</tr>
<tr>
<td>1.9 Preliminary Intersection Analysis</td>
<td>$-</td>
<td></td>
</tr>
<tr>
<td>1.10 Determine Trail Crossing Locations</td>
<td>$5,600</td>
<td></td>
</tr>
<tr>
<td>2. Preliminary Environmental Investigation</td>
<td>$49,200</td>
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<td>2.1 Agency Coordination</td>
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</tr>
<tr>
<td>2.2 Data Collection / Review and Research</td>
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<td>$8,200</td>
</tr>
<tr>
<td>2.3 Project Specific Biological Report</td>
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<td></td>
</tr>
<tr>
<td>2.4 Preliminary Initial Study</td>
<td>$10,100</td>
<td></td>
</tr>
<tr>
<td>2.5 Archeological Inventories</td>
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<td>$1,200</td>
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<tr>
<td>2.6 Forest Resource Evaluation</td>
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<tr>
<td>2.7 Project Management</td>
<td>Coordination</td>
<td>QA/QC</td>
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<tr>
<td>3. Design Engineering</td>
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<td>3.1 30% Improvement Plans</td>
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</tr>
<tr>
<td>3.2 Review Plans with Project Team</td>
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<td></td>
</tr>
<tr>
<td>3.3 Utility Coordination</td>
<td>$13,000</td>
<td></td>
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<tr>
<td>3.4 Hydrology Report</td>
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<td>3.5 Earthwork Analysis</td>
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<td></td>
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<tr>
<td>3.6 60% Improvement Plans</td>
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<tr>
<td>3.8 Supplemental Geotechnical Review</td>
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<tr>
<td>3.9 Review Plans with Project Team</td>
<td>$4,000</td>
<td></td>
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<tr>
<td>3.10 90% Improvement Plans</td>
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<td></td>
</tr>
</tbody>
</table>
Fee Summary
Eastside Parkway 90% Design
Fort Ord Reuse Authority
Monterey County, California

<table>
<thead>
<tr>
<th>Description of Work</th>
<th>Estimated Fee</th>
<th>Completed Work with OEA Grant</th>
</tr>
</thead>
<tbody>
<tr>
<td>4. Right-of-Way Engineering</td>
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<td></td>
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<tr>
<td>4.1 Property Research</td>
<td>$ 24,200</td>
<td>$</td>
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<tr>
<td>4.2 Boundary Survey along Roadway Corridor</td>
<td>$ 37,200</td>
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<td>4.3 Right-of-Way Exhibits for Each Property</td>
<td>$ 11,600</td>
<td>$</td>
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<tr>
<td>4.4 Legal Descriptions and Plat Maps</td>
<td>$ 22,600</td>
<td>$</td>
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<td>5. Miscellaneous Tasks</td>
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<td>$</td>
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<td>5.1 Meetings and Project Management</td>
<td>$ 81,000</td>
<td>$</td>
</tr>
<tr>
<td>5.2 Miscellaneous Tasks and Exhibits</td>
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</tr>
<tr>
<td>6. Reimbursables</td>
<td>$ 16,500</td>
<td>$</td>
</tr>
<tr>
<td>6.1 Printing and Computer Plots</td>
<td>$ 11,500</td>
<td>$</td>
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<td>6.2 Delivery Services and Fed Ex</td>
<td>$ 2,500</td>
<td>$</td>
</tr>
<tr>
<td>6.3 Computer Disks / Files for Others</td>
<td>$ 1,000</td>
<td>$</td>
</tr>
<tr>
<td>6.4 Mileage</td>
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<td>$</td>
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</table>

Subtotal $ 651,200 $ 161,710
Total $ 812,910

Scope of Work previously Completed (OEA Grant) $ (161,710)

Total Fee $ 651,200

Field work deduction if work is performed by others $ (7,800)

* Includes work performed under the CCCVC OEA Grant Fund pertinent to Eastside Parkway
† FORA will contract field work for tasks 2.2b, 2.6, 3.1b
FORT ORD REUSE AUTHORITY BOARD REPORT

OLD BUSINESS

Subject: Capital Improvement Program Review

Meeting Date: March 11, 2011
Agenda Number: 6a

INFORMATION

RECOMMENDATION(S):

i. Receive a presentation from Economic & Planning Systems, Inc. ("EPS"), responding to the Fort Ord Reuse Authority ("FORA") Board's questions from the February 11, 2011 Capital Improvement Program ("CIP") review workshop (Attachment A).

ii. Receive information regarding EPS's recommended policy adjustment, which is to implement Option 2 (see description under "DISCUSSION" section) fee reduction until FORA's legislated sunset and begin Phase II CIP Review Study. If the study identifies CIP costs exceed expected CIP revenue, excess costs to be funded by future CIP financing program resulting from required review of Base Reuse Plan in 2013.

iii. Receive information on an outline of the proposed Phase II CIP Review Study Scope (Attachment B and Exhibit A).

iv. Receive information regarding the Administrative Committee's March 2, 2011 recommendations:
   a. Support recommendations i. and ii.
   b. Confirm that recommendation ii includes resources for caretaker costs (jursdiction land holding costs and property management/maintenance costs) in FORA's CIP program (addressed under response to question #5 in Attachment A).
   c. Direct staff to prepare contract documents to implement the Phase II CIP Review Study Scope.

BACKGROUND:

On July 9, 2010, the FORA Board authorized a proposed CIP work plan timeline. The Board directed staff to conduct review of CIP obligations and resources during a six-month period and provide monthly updates. The project was successfully completed by the January 2011 target (Attachment C). However, at the January 14, 2011 Board meeting, the Board requested additional information and the answers to certain questions. The Board adjusted the budgetary authority accordingly and reviewed the new material at its February 11, 2011 Board meeting. At this meeting, the Board posed several new questions and requested additional information on previous questions.

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 recent experience with California municipalities and county organizations reviewing CIP
obligations and fee structures. Previously, EPS presented updated development forecasts and preliminary CIP analysis to the Joint Administrative/CIP Committee in the form of a memorandum on November 17, 2010. On December 15, 2010, EPS presented a cost-burden analysis and a draft summary report on CIP obligations, cost estimates, and revenue forecasts. On January 5, 2011, EPS presented a draft final report on their CIP review to the FORA Administrative Committee. On January 14, 2011, staff gave the FORA Board an overview of the FORA CIP and EPS presented its draft report. The Board’s actions included authorizing the Executive Officer to amend EPS’s contract to provide a supplemental report and attend two additional FORA Board meetings, February 11, 2011 and March 11, 2011.

On February 2, 2011, the Joint FORA Administrative/CIP Committee reviewed staff’s draft workshop presentation, reviewed EPS’s supplemental report, provided feedback to EPS and staff, discussed items to recommend to the Board, and made recommendations that the Board implement the Option 2 fee reduction for a two-year period and begin efforts to scope a Phase II CIP Review Study. It is this recommendation that is modified under recommendation ‘ii.’ above

Concurrent with EPS's work, FORA staff reviewed its CIP funding sources to ensure accuracy and the Transportation Agency for Monterey County ("TAMC") has reviewed phasing of FORA’s CIP transportation project expenditures to coordinate regional transportation planning efforts.

**DISCUSSION:**

EPS previously recommended that the FORA Board consider three options for potential Actions related to their CIP Review. This include:

**Option 1** – Reduce the Community Facilities District ("CFD") Special Tax from approximately $46,200 to $36,500 per new residential unit based on eliminating various contingencies no longer deemed essential (Please note that all of EPS’s recommendations include the same percentage reduction to each CFD Special Tax fee category (new residential, existing residential, retail, office, industrial, and hotel). The Board may reduce the FORA CFD Fee without calling for an election, but only if the same percentage reduction is applied to each fee category. The new residential fee is highlighted because it is the largest proportionate fee generator.)

**Option 2** – In addition to Option 1, revise the “minimum” justifiable CFD Special Tax reduction, targeting three specific proposed adjustments to the CIP contingency, reducing the fee from $36,500 per new residential unit to $29,600 per new residential unit.

**Option 3** – Consider additional, separate policy-based decisions to reduce the CFD Special Tax below whatever “minimum” justifiable CFD Special Tax was derived using either Option 1 or Option 2.
On March 2, 2011, the FORA Administrative/CIP Committees discussed EPS’s recent memo and reviewed staff and EPS’s responses to questions posed at their February 16, 2011 meeting.

**FISCAL IMPACT:**
Reviewed by FORA Controller

CIP Review funding is included in the approved FY 10-11 budget and is derived from the FORA CFD Fee.

**COORDINATION:**

Administrative Committee, CIP Committee, Executive Committee, development teams, Building Industry Association of the Bay Area, Development Planning & Financing Group, Inc., and EPS.

Prepared by Jonathan Garcia Reviewed by Steve Endsley

Approved by Michael A. Houlemard, Jr.
MEMORANDUM

To: Fort Ord Reuse Authority

From: David Zehnder and Jamie Gomes

Subject: Response to Fort Ord Reuse Authority Board Comments on Reduced Community Facilities District Special Tax Rate Recommendations; EPS #20510

Date: March 11, 2011

On February 11, 2011, Economic & Planning Systems, Inc., (EPS) presented findings of the Fort Ord Capital Improvement Program (CIP) review to the Fort Ord Reuse Authority (FORA) Board (Board), based on the approach crafted over the past couple of months with the Administrative Committee (AC), culminating in the Draft Report dated January 14, 2011, (hereafter, referred to as Draft Report). On February 16, 2011, the AC also discussed this topic and provided additional input and guidance. Finally, this memorandum incorporates information based on comments received at the March 2 AC and Executive Committee (EC) meetings.

As presented by the Draft Report, EPS believes that substantial reductions to project contingencies can be made, while still ensuring that the CIP’s costs can be covered. Table 1 (Table 2 from the Draft Report) provides a summary of the recommended adjustments. Table 1 includes two primary options from the Draft Report for a reduction of the Community Facilities District (CFD) Special Tax based on available information:

1. **Option 1**—An immediate reduction contributing to a one-time CFD Special Tax payment of $36,300 per single-family residential unit (SFR), down from the existing rate of $46,200/SFR.¹

2. **Option 2**—A more significant immediate reduction to contingencies relating to transportation projects, habitat maintenance, and FORA

¹ For presentation purposes, comparative figures are presented for SFRs; any reductions would be applied on an equal percentage basis to all land uses contemplated for development on Fort Ord.
Table 1
FORA 2010 CIP Review
CFD Special Tax Options

<table>
<thead>
<tr>
<th>Land Use</th>
<th>Basis</th>
<th>Existing CFD Special Tax</th>
<th>CFD Option 1 Reduction</th>
<th>CFD Option 2 Special Tax</th>
<th>CFD Option 2 Reduction</th>
<th>CFD Option 2B Special Tax</th>
<th>CFD Option 2B Reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Residential</td>
<td>per du</td>
<td>$46,205</td>
<td>($9,934)</td>
<td>$36,271</td>
<td>($16,605)</td>
<td>$29,600</td>
<td>($15,005)</td>
</tr>
<tr>
<td>Existing Residential</td>
<td>per du</td>
<td>$13,892</td>
<td>($2,987)</td>
<td>$10,905</td>
<td>($4,992)</td>
<td>$8,900</td>
<td>($4,492)</td>
</tr>
<tr>
<td>Office &amp; Industrial</td>
<td>per acre</td>
<td>$6,056</td>
<td>($1,302)</td>
<td>$4,754</td>
<td>($2,156)</td>
<td>$3,800</td>
<td>($1,956)</td>
</tr>
<tr>
<td>Retail</td>
<td>per acre</td>
<td>$124,885</td>
<td>($26,850)</td>
<td>$98,035</td>
<td>($44,985)</td>
<td>$79,900</td>
<td>($40,485)</td>
</tr>
<tr>
<td>Hotel</td>
<td>per room</td>
<td>$10,304</td>
<td>($2,215)</td>
<td>$8,089</td>
<td>($3,704)</td>
<td>$6,600</td>
<td>($3,304)</td>
</tr>
</tbody>
</table>

"tax_diffs"

Sources: FORA and EPS.
reimbursements contributing to a lower rate of $29,600/SFR. This was EPS’s Draft Report recommendation, insofar as it cuts rates sufficiently to catalyze development, while covering projected CIP costs. In addition, the Board has the ability to go beyond Option #2 to further reduce rates as an economic development policy option. This was referred to as “Option #3” in the Draft Report.

Based on comments at the March 2 AC and EC meetings, this memorandum summarizes a new Option 2B that includes some additional funding for habitat mitigation, maintenance, and management activities. Table 1 includes the CFD Special Tax amounts for the new Option 2B, which is described in more detail below.

Based on the Board’s review of the Draft Report, the presentation, and ensuing discussion, several comments and issues were raised for which the Board was seeking clarification or providing direction. The responses articulated in this memorandum were vetted and discussed at the March 2 AC and EC meetings and have been revised to reflect comments received to allow further consideration at the March 11 Board meeting.

Based on the Board’s questions and further discussion with FORA staff, this memorandum also provides an alternative approach (new Option 2B) to the CFD Special Tax adjustment the Board may wish to consider, provided in the concluding section of this memorandum. The alternative approach builds on the prior recommendation, while considering recent questions and issues that have been called to light.

**Questions and Responses**

**#1: How does an Option #2 fee reduction affect Transportation/Transit funding and Habitat Management funding?**

Under the Option #2 CFD Special Tax recommendation, the CFD Special Tax would cover all CIP mitigation measures at current cost estimates, as well as another $20.8 million in additional water augmentation funding. EPS has not recommended any changes to the amounts of transportation/transit funding or to the habitat mitigation funding that were included in the July 2010 CIP. Under Option #2, the CIP cash flow includes approximately $220.8 million in revenues to fund approximately $220.2 million in costs. There are no surplus funds in the CIP cash flow.

Although unlikely, if there were CFD Special Tax revenues available in excess of current project costs, FORA would use the funds to pay for authorized CFD costs consistent with and to support buildout of the Reuse Plan.

**#2: What is envisioned to happen after 2 years of the lower tax? Will the tax go back up to its previous level?**

Through any Board action on the tax, the CFD Special Tax amount would be considered the new maximum amount. Moving forward, the CFD Special Tax will continue to be indexed annually based on the CFD Special Tax Formula provisions. The Board could implement further reductions to the tax through subsequent Board actions. Future increases to the CFD Special Tax may require a vote of the qualified electorate. Further input and discussion on this topic should involve FORA’s special district legal counsel.
The goal of the future Phase II work effort would be to confirm the rate assessed with the selected option is appropriate for application through buildout of the Base Reuse Plan. In EPS's opinion, the outcome of the Phase II study would not result in a significant change to the CFD Special Tax. The current goal is to set the CFD Special Tax as close as possible to the lowest rate that still covers FORA's CEQA and other basewise obligations. FORA's practice of annual indexing of the special tax would help to allay some of the uncertainties regarding Habitat Conservation Plan (HCP) endowment costs, the future of redevelopment agencies' tax increment funding, and FORA's transition in 2014.

**#3: Which developers are ready to proceed with their projects in the next 2 years? Is it desirable to not let a developer pull all their permits during the 2-year period?**

According to project developers, Marina Heights, the Dunes on Monterey Bay, East Garrison, the Seaside Resort project, and possibly the Seaside Main Gate could pull permits within 2 to 3 years. The EPS CIP Review Recommendation did not include a provision for limiting the number of building permits that a developer might pull. Typically, it is not advisable to limit a developer in their ability to pull building permits, and the prospect of doing so in this case could cause them to remain on the sidelines. Because the CFD Special Tax is paid at building permit issuance, the more permits pulled during this interim period, the more short-term revenue available to FORA to undertake base reuse.

Concern has also been expressed that the lower fee would provide incentive for developers to build units consumers may not want to buy, given a consumer trend towards smaller, less expensive units. Based on EPS's extensive experience working with developers in the context of market studies, pro forma feasibility analyses, and implementation strategies, developers would not pull large quantities of building permits without regard to what they think they can build and sell at a profit shortly thereafter.

**#4: What about those developers who will not benefit from the lowered fees in this 2-year period? Is this a fair outcome, and how can this equity issue be mitigated?**

In the case of any fixed-period fee or special tax reduction, it is certain that not all development projects would be able to benefit from the interim reduced fee/tax. This situation is very common in these circumstances. In many cases, the termination point for the interim reduction acts as a motivating factor for projects to proceed as quickly as possible to take advantage of the reduced fees. Although motivated, some development projects still would not proceed quickly enough. The Phase II study can further address this issue, but it is clear the Board will continue to control what the CFD Special Tax will be as long as FORA is in existence. As a matter of principle, the Phase II effort should be predicated on a goal of maintaining stability in financing infrastructure, avoiding a major "shock" to the reuse plan financing milieu, and requiring a very stringent litmus test for any proposed adjustments. The sooner the FORA transition issue can be worked through, the sooner FORA can provide additional certainty and stability to the development community. The Board, at its discretion, could also consider establishing the life of FORA as the implementation period, versus 2 years. More discussion on this topic is included at the end of this memorandum.
#5: If the Board finds that it will need additional funding for the HCP endowment, can the Board raise the tax?

Both FORA and the resource agencies have been meeting on the HCP endowment, and the current $35 million in targeted HCP endowment cost remains unchanged based on those meetings. FORA is actively working towards ensuring that the $35 million is the maximum total amount of HCP endowment funding required. As mentioned, the CFD Special Tax will continue to be indexed annually as it has been historically. An item has been added to the Phase II scope to further refine potential solutions for the HCP endowment determination.

The County of Monterey (County) expressed concern that they have agreed to accept approximately 1,200 acres of former Fort Ord habitat property without sufficient resources to manage this property. In response to past property management cost concerns, which included the County and other FORA jurisdictions, FORA carried a CIP contingency for “caretaker costs,” specifically described as jurisdiction land-holding and property maintenance/management costs. The recent CIP review identified $16 million set aside in the FORA CIP contingencies to cover such costs. Such obligations are not required Base Reuse Plan CEQA mitigations, but are considered base-wide obligations (similar to FORA’s voluntary water augmentation program contribution and building removal obligation). During the CIP review, EPS contacted FORA’s assessment district/Community Facilities District Counsel Paul Thimmig of Quint & Thimmig LLP, who opined that such land-holding and property maintenance/management costs were not eligible expenditures of the FORA CFD Special Tax. As a result, the $16.0 million contingency item was excluded from the CIP cost structure used as the basis for CFD Special Tax adjustment recommendations. EPS and FORA staff would suggest the following alternatives to provide adequate funding for base-wide property management costs.

**Alternative A**—Return the line item entitled “FORA Reimbursements” to the CIP contingency in any recommended CFD Special Tax reduction and add a land sales obligation to cover base-wide property management costs should they be demonstrated. Over the past 12 years, FORA has borrowed approximately $12.2 million from its land sales proceeds to fund CIP projects. If the $12.2 million in FORA reimbursements were placed back into the CIP cost contingency, the CFD Special Tax would equal $31,200 per new residential unit. This would, in turn, repay the $12.2 million to the land sales revenue account that FORA could apply toward currently unfunded programs including building removal, base-wide property management costs, and review/reassessment of FORA Base Reuse Plan/CIP in 2012/13. This Alternative A approach has been incorporated into the analysis entitled as Option 2B. The Option 2B tax for all land uses is shown in the attached Table 1. Option 2B is described in more detail at the conclusion of this memorandum.

**Alternative B**—An alternative policy-based option would be to add a land sales revenue line item to backstop base-wide property management costs should they be demonstrated and extend the life of FORA to 2020 to assure sufficient revenue from land sales to pay for these costs. FORA’s land sales proceeds do not have the same restrictions as the FORA CFD Fee. In EPS’s opinion, a reduction in the FORA CFD Fee would likely improve FORA and the jurisdictions’ realization of land sales revenues. However, given FORA’s legislated sunset set for June 30, 2014, FORA may not have enough time to collect sufficient land sales revenue to fund both building removal ($6.2 million) and additional base-wide property management costs.
#6: **Were land sale and tax increment funding sources considered? Are you thinking that land sale funding will be enough to pay for FORA's Building Removal obligation?**

Yes, both land sales and tax increment were considered in the FORA CIP Review. There is uncertainty about these funding sources because of the State of California’s budget proposal and land sales residuals being significantly lower as a result of the recent recession. However, lowering the fee could actually help improve land sales revenues by jumpstarting projects for which land sales to FORA and the jurisdictions would be owed. On the second question, yes, in EPS’s judgment, land sales revenues will be enough to fund FORA’s Building Removal obligation.

#7: **Is affordable housing hurt by the proposed fee reduction?**

It is EPS’s opinion that a fee reduction would be helpful for affordable housing development. Mid-Peninsula Housing Coalition—one of the affordable housing developers on the base—read a letter into the record last month saying they supported the fee reduction because it would help their project. The CIP Review Report has stated that developers will likely not build more low-moderate income housing than they are required to build under state and local law.

#8: **What are the various options for the 2014 transition of FORA, and how might those choices affect the FORA CIP?**

FORA staff have discussed several alternatives available to the Board with the Executive Committee. At present, the recommended alternative, added to the Board’s Legislative Work Plan, is to extend FORA until June 30, 2020. Other options (e.g., creation of a Joint Powers Authority or other models providing coordinated oversight among jurisdictions) are compatible with the recommendations to date, to the extent that they provide a smooth transition and provide for continued collaboration to see through development of improvements serving not only individual projects, but the entire base reuse effort. That said, there is little evidence that alternative models of multijurisdictional base reuse have produced a stronger option than the Local Reuse Authority model on which FORA is predicated.

#9: **What are the policy implications of taking an action to reduce the fees?**

a. **Could reducing the fee result in legal issues (CEQA and FORA Consistency Determinations)?**

In Staff’s opinion, there are no fundamental CEQA issues at play because all CEQA obligations will be met under the reduced tax.

b. **Could there be a policy change allowing the use of land sales revenues for the CIP?**

Staff recommends that building removal remain the primary use of land sale funds. The Board may exercise its discretion to direct surplus land sale funds, if available, Higher priority uses (as agreed on by the Board) that do not jeopardize required building removal projects.

c. **How would a fee reduction affect phasing of transportation/transit expenditures? We need to involve Transportation Agency for Monterey County (TAMC).**

TAMC has been involved throughout the process and has been working with FORA and EPS on adjusted transportation and transit facility phasing based upon different CFD Special Tax options. TAMC has indicated that they are satisfied that the current program
of transportation and transit facilities could be accomplished under all options. Depending upon cash flow, TMC will continue to coordinate with FORA regarding the specific phasing of projects. FORA member jurisdictions are comfortable with the revised TMC project list and phasing based upon the recommended CFD Special Tax adjustment.

d. What are the policy implications of removing the contingency for potential Base Reuse Plan review/reassessment mitigations?

Before specified triggers being met, FORA has committed to perform a full reassessment, review, and consideration of the Reuse Plan and all mandatory elements as specified in the Authority Act and Master Resolution. Existing FORA revenue sources will be used to fund such reassessment, review, and consideration of the Reuse Plan.

As documented, the CFD Special Tax has been established to fund all existing Reuse Plan CEQA mitigation measures. The present CFD Special Tax does not include funding for potential future Reuse Plan mitigations associated with a revised or amended Reuse Plan.

#10: How long would it take to execute an Option #2 fee reduction? What steps are involved?

Authority and District counsel would have to prepare the appropriate legal documents. The process should take approximately 30 to 60 days. EPS is in communication with special district and other legal counsel to provide a timeline of steps within this window, to be provided in preparation for the March 11, 2011, Board meeting.

#11: What might be the scope and schedule of a Phase II CIP review study?

Under a separate cover, FORA staff has outlined a potential Phase II review strategy based on input from the AC and the Board.

Alternative Option 2B CFD Special Tax Approach

One of the key themes of recent questions has been the issue of equity or fairness. The issues center on whether a developer would have the opportunity to take advantage of the reduced CFD Special Tax before the end of the recommended 2-year window. Another key theme has been the topic of uncertainty. As has been well documented, EPS understands the following with respect to these items:

- Tax increment revenues—(may be removed through State budget process).
- Land sales revenues—(residual values are presently lower than original estimates).
- HCP mitigation costs—(final negotiations on the endowment are ongoing).
- FORA transition (extension, transition, dissolution, etc.)—(FORA has been actively considering and discussing potential options).

Furthermore, the development community has suggested that the CFD Special Tax could not be levied after June 30, 2014. The CFD Special Tax Formula reads, "Special Taxes shall not be
levied after Fiscal Year 2013-14 or the termination of FORA, whichever is later...” FORA’s special district counsel has highlighted that FORA is defined in the Special Tax Formula as the “Fort Ord Reuse Authority.”

To address these key themes and related issues summarized above, the FORA Board might consider a revised approach regarding the CFD Special Tax adjustment (Option 2B). As stated earlier, the revised Option 2B approach is a derivation of the recommendation contained in the Draft CIP Review Report dated January 14, 2011.

The two adjustments suggested in Option 2B are 1) Replace the $12.2 million FORA Reimbursement line item into the CIP contingency and 2) consider implementing the recommended Option #2B CFD Special Tax adjustment to be effective through the life of FORA.

Extending the special tax adjustment through this term would help to address the equity concerns, while also enabling FORA to comprehensively evaluate the Base Reuse Plan in context of the preferred FORA transition strategy. Certainty regarding all issues, particularly FORA’s transition, would provide much greater comfort and clarity that the CFD Special Tax is being collected at appropriate levels. During the Base Reuse Plan review, FORA would determine whether any necessary adjustments to the CFD Special Tax would be required that could be implemented if necessary at that time.
Proposed Scope and Schedule for
the Phase II Study

Phase II Study Approach:

This scope is predicated on a commitment by the FORA Board to begin the process of extending FORA or designating its successor agency.

I. Establish a framework to evaluate mid- to long-term costs prior to FORA sunset (March 2011 to May 2011).
   a. Disaggregate FORA’s responsibilities into their individual elements
   b. Assign a specific timeframe for retiring each individual element
   c. Review existing cost estimates for retiring FORA’s responsibilities
   d. Match potential funding sources to these costs
   e. Assist FORA coordination with TAMC CIP Phasing study

   a. Evaluate FORA available revenues. Present preliminary findings May 2011, and periodically thereafter
      i. CFD Special Taxes
      ii. Tax-Increment Revenues
      iii. Land Sales Revenues
      iv. Membership Dues
      v. Grant funds
      vi. Other potential revenue sources
   b. Prepare recommended finding approach for HCP Endowment and assist FORA during the U.S. Fish and Wildlife Service/California Department of Fish and Game approval process (see Exhibit A).

III. Obtain necessary legislative and administrative approvals for FORA’s extension or transition (March 2011 to December 2012).
   a. Add FORA extension to FORA Legislative work plan (completed 12/12/10)
   b. Staff/Authority counsel complete alternatives memo
   c. Executive Committee/Board select preferred alternative
   d. Implement preferred alternative
February 17, 2011

Steve Endsley
Director of Planning & Finance
Fort Ord Reuse Authority
100 12th Street, Building 2880
Marina, CA 93933

Subject: Proposed Technical Support Work for Fort Ord Reuse Authority (FORA) Habitat Conservation Plan Financing Strategy Negotiation; EPS #21416

Dear Mr. Endsley:

EPS has enjoyed working with you, other FORA staff, and the FORA Administrative Committee and Board on the FORA Capital Improvement Program (CIP) review project. Through our discussion and analysis on the CIP review project, EPS understands FORA might require some technical support to inform FORA’s negotiations with regulatory agencies regarding the Habitat Conservation Plan endowment amount and overall financing strategy.

As described below, EPS proposes the following scope of work to assist FORA with this effort.

Scope of Work

The goal of the work program is to develop a habitat conservation plan financing strategy to the satisfaction of key stakeholders (identified below) that ensures adequate funding will be provided for annual ongoing habitat mitigation operation and maintenance costs.

EPS would work directly with FORA staff in developing potential financing solutions. This technical support work will involve communication with and coordination between the following parties:

- FORA staff and legislative bodies.
- FORA’s HCP consultant, Jones & Stokes.
- United States Fish and Wildlife Service (USFWS).
- California Department of Fish and Game (CDFG).
The EPS Scope of Work assumes that all annual operating cost information will be provided by FORA and/or by FORA’s HCP consultant. The focus of EPS will be on the overall mix of funding mechanisms, timing of investment and resulting annual cash flow required to fund HCP operations and maintenance costs.

The EPS work effort will include the following tasks:

- Evaluation of endowment creation and required rates of return.
- Completion of technical analysis for the HCP financing strategy.
- Preparation of memoranda summarizing the technical analysis.
- Participation in up to two on-site meetings with FORA staff or legislative bodies (e.g., Administrative Committee or Board).

EPS will work in close coordination with FORA staff in response to requested analysis and to ensure that the EPS work product does not duplicate any work completed by other FORA consultants in support of the overall financing strategy effort.

The financing strategy will consider, but not be limited to, the following types of funding mechanisms:

- HCP Endowment.
- HCP Endowment capitalized over time.
- Land secured financing district funding (e.g., Mello Roos CFD).
- Other ongoing revenue streams (e.g., real property transfer tax).

**Key Personnel**

EPS will be represented by Managing Principal David Zehnder, Principal Jamie Gornes, and other staff as needed. David is a leading economic consultant in base reuse with significant experience working with FORA staff and many other jurisdictions and agencies in the Monterey area. Jamie is an EPS practice leader in public finance, with specific expertise in CFD and impact fee structuring and substantial experience in base reuse. Both David and Jamie practice from EPS’s Sacramento office.

**Budget**

Because it is difficult to determine the precise level of effort or number of meetings that may be required, EPS requests setting an initial technical support budget of **$7,500**. This budget estimate assumes EPS participation in up to two project meetings at FORA’s headquarters. EPS charges for its services on a direct-cost (hourly billing rates plus direct expenses), not-to-exceed basis; therefore, you will be billed only for the work completed up to the authorized budget amount.
Schedule

EPS is prepared to assist FORA immediately and will complete requested work product on a schedule that meets FORA's needs.

EPS appreciates the opportunity to present this proposed scope of work for FORA's consideration. We have enjoyed working with FORA and look forward to continuing to assist FORA in its role implementing the Base Reuse Plan. If you have questions regarding this proposal, please call me at (916) 649-8010.

Sincerely,

ECONOMIC & PLANNING SYSTEMS, INC.

David Zehnder
Managing Principal
Revised CIP Work Plan – September 2010 to March 2011

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1. Staff review of CIP program/ select consultant support
2. Oct. 20th – FORA Admin./CIP Committee – Program overview and feedback from stakeholders.
3. Nov. 17th – FORA Admin./CIP Committee – Consultant presents draft review of development forecasts and preliminary CIP analysis.
5. Jan. 5th – FORA Admin./CIP – Consultant presents draft final report (includes previous reports plus sensitivity analyses, post-2014 options, and CIP funding source report).
7. Feb. 2nd Admin./CIP Com. and Feb. 11th Board meeting added to Consultant Scope at Jan. 14th Board meeting.
8. Mar. 11th Board meeting added to Consultant Scope at Jan. 14th Board meeting.
CIP Funding Impacts

- 1996 CIP program scheduled 20 year program - completed in 2016/17.
- 2011 CIP program scheduled for 5 year program - completed in 2016/17.
- By condensing the infrastructure construction schedule, cash flow funding issues will arise – typical of any infrastructure funding program in CA.
- Condensing the infrastructure construction schedule is causing temporary cash flow shortfalls.
- Temporary cash flow shortfalls are not caused by the reduced Option 2 CFD Special Tax rate.
- Under the proposed Option 2 Special Tax Rate, 100% of all CIP projects are funded – with funding surpluses projected in 2016/17 at $9.0M, increasing to $24.6M by 2021/22.
### Current FORA CIP Program and EPS Scenarios

<table>
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<tr>
<th>FORA CIP Cost</th>
<th>FORA CIP</th>
<th>EPS Scenario 1</th>
<th>EPS Scenario 2</th>
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<tr>
<td>Transit</td>
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<tr>
<td><strong>Sub Total Transportation</strong></td>
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<td><strong>$ 115,725,927</strong></td>
<td><strong>$ 115,725,927</strong></td>
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<tr>
<td><em>which includes Transportation contingency</em></td>
<td>$ 13,006,576</td>
<td>$ 13,006,576</td>
<td>$ 13,006,576</td>
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</tbody>
</table>

| Added Tran Costs Jan 2011             |          |                |                |
| MEC Construction Support             |          | 2,250,000      | scenario 1 costs |
| Soils Mgt. Plans                     |          | 200,000        | reduced to equal an |
| ROW Accy, CEQA/CESA/NEPA Mit         |          | 15,000,000     | added 15% (of $115M) |
| Caretaker Costs                      |          | 16,000,000     | transportation costs |
| **Sub Total Staff Added Costs**      |          | $ 33,450,000   | $ 17,400,000   |

| Potable Water                        |          |                |                |
| HCP                                  | 22,545,015 | 22,545,015     | 45,845,025     |
| Fire Rolling                         | 31,016,924 | 35,000,000     | 35,000,000     |
| **Sub Total**                        | **$ 54,025,939** | **$ 58,009,015** | **78,809,015** |

| estimated conservative HCP contingency | $ 9,305,077 | $ 10,500,000 | $ 10,500,000 |

| Water Augmentation contingency relocated from Contingency section below | $ 20,800,000 |

### Contingency

| Additional Projects CFD Administration | 12,053,516 | 1,725,000 | 1,725,000 |
| Caretaker                              | 16,256,930 |          |          |
| Additional Habitat Contingency         | 488,678   | 17,500,000 |          |
| Annual HCP Implementation              |           | 7,880,000 |          |
| Parks Storm                            | 1,500,000 | 1,500,000 | 1,500,000 |
| Utilities                              | 2,000,000 | 2,000,000 | 2,000,000 |
| Water Augmentation                     | 20,800,000 | 20,800,000 | Moved Pot Water |
| Unknowns/CEQA/Shortfalls               | 1,500,000 |          |          |
| Overhead/Administration                | 70,000,000|          |          |
| FORA reimbursements                    | 12,190,000|          |          |
| FORA shortfalls                        | 16,320,000|          |          |
| other capital improvements             | 10,200,000|          |          |
| unassigned contingencies               | 2,760,000 | 2,760,000 |          |
| **Sub Total Contingency**             | **$ 124,599,124** | **$ 92,875,000** | **$ 7,985,000** |

| Grand Total Cost*                     | **$ 294,350,990** | **$ 266,609,942** | **$ 219,919,942** |

| Percent Contingency                   | 50%        | 44%         | 32%         |

| CFD Special Tax per Residential Unit | $ 46,205 | $ 36,271 | $ 29,571 |

* This assumes 39,000,000 shortfall for affordable housing program excluded in Scenario 1 and 2
<table>
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</tbody>
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Transportation/Transit Improvements

- CIP soft cost and contingency amounts are based on a combined amount of 35%, originally established in the Final PFIP, prepared by Reimer Associates dated May 17, 1996, ("PFIP").
- The PFIP assumptions for CIP transportation and transit costs have been adjusted over the years by inflationary increases, including the imbedded soft cost and contingency.
- Option 2 added additional FORA program contingency in the amount of $17.4 M, which is 15% of total program transportation cost (including contingency.
- Industry standard is 5% contingency on actual cost.
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<th>Region/Improvements</th>
<th>Cost Estimate</th>
<th>20% Soft Cost</th>
<th>10% Contingency Cost</th>
<th>Total Project Cost</th>
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<td>FO8 2nd Ave</td>
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<td>Transportation Totals</td>
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<td>Transit Capital Improvements</td>
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<td>T3 15 Buses</td>
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<td>Traffic &amp; Transit Improvements</td>
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</table>

Additional FORA Transportation Program Contingency

<table>
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<tr>
<th>Alternative</th>
<th>Traffic Program Contingency ($)</th>
<th>Project Cost ($)</th>
<th>Contingency (% Project Cost)</th>
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<tr>
<td>Option 1</td>
<td>$34,700,000</td>
<td>$115,725,927</td>
<td>29.96%</td>
</tr>
<tr>
<td>Option 2</td>
<td>$17,400,000</td>
<td>$115,725,927</td>
<td>15.04%</td>
</tr>
<tr>
<td>5% Option</td>
<td>$5,786,296</td>
<td>$115,725,927</td>
<td>5.00%</td>
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</table>
## FORA CIP 2010 Transportation & Transit Cost Analysis

### Additional FORA Transportation Program Contingency

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<tr>
<th>Alternative</th>
<th>Traffic Program Contingency ($)</th>
<th>Project Cost ($)</th>
<th>Contingency (% Project Cost)</th>
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<tr>
<td>Option 1</td>
<td>$34,700,000</td>
<td>$115,725,927</td>
<td>29.98%</td>
</tr>
<tr>
<td>Option 2</td>
<td>$17,400,000</td>
<td>$115,725,927</td>
<td>15.04%</td>
</tr>
<tr>
<td>5% Option</td>
<td>$5,788,298</td>
<td>$115,725,927</td>
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### TABLE 2: TRANSPORTATION NETWORK AND TRANSIT ELEMENTS ADOPTED VS 64% ALTERNATIVE (OPTION 2)

#### Regional Improvements

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</thead>
<tbody>
<tr>
<td>R3</td>
<td>Adopted Hwy 1-Seaside Sand City</td>
<td>-</td>
<td>-</td>
<td>3,856,625</td>
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<tr>
<td>R3a</td>
<td>64% Alt Hwy 1 - Del Monte - Fremont</td>
<td>-</td>
<td>-</td>
<td>1,825,400</td>
<td>730,400</td>
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<td>2,444,200</td>
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<tr>
<td>R3b</td>
<td>64% Alt MBL - Light Rail</td>
<td>-</td>
<td>-</td>
<td>4,507,133</td>
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<td>3,104,051</td>
<td>6,798,766</td>
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<tr>
<td>R10</td>
<td>Adopted Hwy 1-Monterey Rd. Interchange</td>
<td>-</td>
<td>-</td>
<td>629,536</td>
<td>595,377</td>
<td>880,070</td>
<td>674,936</td>
<td>391,069</td>
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<td>R10</td>
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<td>-</td>
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<td>3,170,988</td>
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<tr>
<td>R11</td>
<td>Adopted Hwy 156-Freeway Upgrade</td>
<td>-</td>
<td>-</td>
<td>1,769,467</td>
<td>1,692,371</td>
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<td>1,932,512</td>
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<tr>
<td>R11</td>
<td>64% Alt Hwy 156-Freeway Upgrade</td>
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<td>-</td>
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<td>-</td>
<td>2,581,465</td>
<td>6,428,295</td>
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<tr>
<td>R12</td>
<td>Adopted Hwy 68 Operational Improvements</td>
<td>-</td>
<td>-</td>
<td>57,005</td>
<td>53,912</td>
<td>82,567</td>
<td>90,586</td>
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<td>R12</td>
<td>64% Alt Hwy 68 Operational Improvements</td>
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#### Off-Site Improvements

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</thead>
<tbody>
<tr>
<td>1</td>
<td>Adopted Davis Rd north of Blanco</td>
<td>-</td>
<td>-</td>
<td>126,881</td>
<td>121,888</td>
<td>209,171</td>
<td>183,946</td>
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<td>1</td>
<td>64% Alt Davis Rd north of Blanco</td>
<td>-</td>
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<td>-</td>
<td>643,866</td>
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<tr>
<td>2B</td>
<td>Adopted Davis Rd south of Blanco</td>
<td>300,000</td>
<td>1,022,939</td>
<td>4,167,997</td>
<td>3,607,587</td>
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<tr>
<td>2B</td>
<td>64% Alt Davis Rd south of Blanco</td>
<td>300,000</td>
<td>300,000</td>
<td>300,000</td>
<td>-</td>
<td>5,825,551</td>
<td>4,266,555</td>
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<tr>
<td>4D</td>
<td>Adopted Widen Reservation-4 lanes to WG</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,159,985</td>
<td>2,159,985</td>
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<tr>
<td>4D</td>
<td>64% Alt Widen Reservation-4 lanes to WG</td>
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<td>-</td>
<td>-</td>
<td>465,996</td>
<td>1,034,004</td>
<td>1,800,000</td>
<td>1,015,971</td>
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<tr>
<td>4E</td>
<td>Adopted Widen Reservation, WG to Davis</td>
<td>-</td>
<td>-</td>
<td>560,138</td>
<td>528,745</td>
<td>755,731</td>
<td>374,675</td>
<td>594,656</td>
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<td>64% Alt Widen Reservation, WG to Davis</td>
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<td>-</td>
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<td>-</td>
<td>-</td>
<td>1,414,945</td>
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<tr>
<td>8</td>
<td>Adopted Crescent Ave extend to Abrams</td>
<td>-</td>
<td>138,141</td>
<td>430,516</td>
<td>373,048</td>
<td>210,208</td>
<td>-</td>
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<tr>
<td>8</td>
<td>64% Alt Crescent Ave extend to Abrams</td>
<td>-</td>
<td>1,151,913</td>
<td>-</td>
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# TAML Cash Flow Projections

## Transit Capital Improvements

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</tr>
</thead>
<tbody>
<tr>
<td>T3</td>
<td>Adopted Transit Vehicle Purchase/Replace</td>
<td>-</td>
<td>-</td>
<td>1,526,748</td>
<td>1,443,907</td>
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<td>T3</td>
<td>64% Alt Transit Vehicle Purchase/Replace</td>
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<td>-</td>
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<td>2,941,312</td>
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<td>3,841,313</td>
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<tr>
<td>T22</td>
<td>Adopted Intermodal Centers</td>
<td>-</td>
<td>-</td>
<td>1,207,023</td>
<td>1,141,530</td>
<td>1,651,866</td>
<td>1,319,274</td>
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<tr>
<td>T22</td>
<td>64% Alt Intermodal Centers</td>
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<td>-</td>
<td>1,215,909</td>
<td>2,629,404</td>
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## 64% Alt. Cash Flow Summary

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<tr>
<td>Total Revenues (64% CFD Tax Reduction)</td>
<td>7,051,196</td>
<td>9,518,000</td>
<td>20,303,795</td>
<td>35,628,000</td>
<td>42,658,000</td>
<td>39,924,000</td>
<td>45,488,000</td>
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<td>Non-Trans Expenditures</td>
<td>156,780</td>
<td>2,370,500</td>
<td>5,110,250</td>
<td>14,723,000</td>
<td>35,648,485</td>
<td>20,800,000</td>
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<tr>
<td>&quot;Other Costs&quot;</td>
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<td>150,000</td>
<td>150,000</td>
<td>150,000</td>
<td>150,000</td>
<td>150,000</td>
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<tr>
<td>Revenue remaining for Transportation</td>
<td>6,819,416</td>
<td>6,997,500</td>
<td>15,043,545</td>
<td>20,755,000</td>
<td>6,859,515</td>
<td>18,974,000</td>
<td>45,358,000</td>
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<tr>
<td>Proposed FORA Fee Allocations</td>
<td>6,775,196</td>
<td>10,955,494</td>
<td>15,112,847</td>
<td>20,755,000</td>
<td>6,859,515</td>
<td>18,974,000</td>
<td>36,293,875</td>
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</table>

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Net cash flow</td>
<td>44,220</td>
<td>(3,957,994)</td>
<td>(69,302)</td>
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<td>0</td>
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<td>Beginning Fund Balance</td>
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<td>69,302</td>
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<td>Cumulative FORA Fee Cash Flow</td>
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**Funding Surplus**
# TAMC Cash Flow Projections

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<td>1,003,615</td>
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<td>7,682,625</td>
<td>7,682,625</td>
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<tr>
<td>3,841,313</td>
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<td>7,682,625</td>
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<tr>
<td>760,051</td>
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<td>6,079,544</td>
<td>6,079,544</td>
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<td>45,488,000</td>
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<td>10,506,000</td>
<td>312,000</td>
<td>237,000</td>
<td>5,187,000</td>
<td>(128,000)</td>
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<tr>
<td></td>
<td>45,938,000</td>
<td>10,356,000</td>
<td>162,000</td>
<td>87,000</td>
<td>5,037,000</td>
<td>(128,000)</td>
<td>136,300,976</td>
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<td>36,293,875</td>
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<td>115,725,927</td>
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<td>Funding Surplus</td>
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<tr>
<td>9,044,125</td>
<td>10,356,000</td>
<td>162,000</td>
<td>87,000</td>
<td>5,037,000</td>
<td>(128,000)</td>
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<tr>
<td>9,044,125</td>
<td>19,400,125</td>
<td>19,562,125</td>
<td>19,649,125</td>
<td>24,686,125</td>
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<tr>
<td>9,044,125</td>
<td>19,400,125</td>
<td>19,562,125</td>
<td>19,649,125</td>
<td>24,686,125</td>
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## CIP Cash Flow Analysis

**Draft Ford Ord CIP - Option 2 Analysis Assumptions**
*(Based on TMC Adjusted Transportation & Transit Alternative)*

<table>
<thead>
<tr>
<th>CIP Revenue: (a)</th>
<th>2018/19</th>
<th>2019/20</th>
<th>2020/21</th>
<th>2021/22</th>
<th>Total</th>
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<tbody>
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<td>State/Local</td>
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<td>CSU Mitigation Fees</td>
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<td>600,000</td>
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<td>600,000</td>
<td>600,000</td>
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<td>Tax Increment</td>
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<tr>
<td>Surplus Land Revenue</td>
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<td>-</td>
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<tr>
<td><strong>Total Revenues</strong></td>
<td>7,051,024</td>
<td>6,513,911</td>
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<td>47,627,596</td>
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<table>
<thead>
<tr>
<th>Capital Projects Cost: (b)</th>
<th>2018/19</th>
<th>2019/20</th>
<th>2020/21</th>
<th>2021/22</th>
<th>Total</th>
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<tbody>
<tr>
<td>Transportation/Transit (c)</td>
<td>5,068,441</td>
<td>8,585,260</td>
<td>14,325,426</td>
<td>17,988,688</td>
<td>12,060,702</td>
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<td>Water Augmentation</td>
<td>21,734</td>
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<td>-</td>
<td>3,700,008</td>
<td>19,323,235</td>
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<td>Water Augmentation (additional)</td>
<td>20,900,000</td>
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<tr>
<td>Habitat Management</td>
<td>18,000</td>
<td>348,990</td>
<td>4,994,260</td>
<td>8,067,000</td>
<td>18,829,260</td>
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<tr>
<td>Fire Rolling Stock</td>
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<td>115,000</td>
<td>115,000</td>
<td>115,000</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Project Costs</strong></td>
<td>5,253,221</td>
<td>10,395,900</td>
<td>19,433,576</td>
<td>31,761,299</td>
<td>47,726,187</td>
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<tr>
<td>Additional Project Costs (d)</td>
<td>75,000</td>
<td>150,000</td>
<td>150,000</td>
<td>150,000</td>
<td>150,000</td>
</tr>
<tr>
<td>Contingency - Transportation (e)</td>
<td>1,678,755</td>
<td>2,390,244</td>
<td>2,516,547</td>
<td>2,168,048</td>
<td>2,014,553</td>
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<tr>
<td><strong>Total Other Costs</strong></td>
<td>1,753,755</td>
<td>2,540,244</td>
<td>2,495,547</td>
<td>2,495,046</td>
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<tr>
<td><strong>Total Costs</strong></td>
<td>7,006,776</td>
<td>13,475,944</td>
<td>22,344,222</td>
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<td>47,880,187</td>
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<tr>
<td><strong>Total Ending Cash</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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</tbody>
</table>

(a) Based on absorption revisions per the Draft Ford Ord Capital Improvement Program review dated 1/14/2011 - Option 2 Recommendation.
(b) Based on the Draft Ford Ord Capital Improvement Program review dated 1/14/2011 - Option 2 Recommendation.
(c) Infrastructure phasing is based on TMC adjustment, 2020/21 Transportation/Transit costs have been adjusted to separate hard cost estimates from contingency and soft cost.
(d) Based on the Draft Ford Ord Capital Improvement Program review dated 1/14/2011 - Option 2 Recommendation.
(e) Certain Transportation/Transit contingency costs reflect 20% soft cost and 15% project contingency, per TMC.
## DPFG Cash Flow Analysis Remaining Mitigations

### Capital Projects Cost: (b)

<table>
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<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Transportation/Transit (c)</td>
<td>5,008,441</td>
<td>8,565,250</td>
<td>14,325,425</td>
<td>17,088,885</td>
<td>12,050,702</td>
<td>17,297,868</td>
<td>28,274,673</td>
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<tr>
<td>Water Augmentation</td>
<td>21,780</td>
<td>-</td>
<td>-</td>
<td>6,700,000</td>
<td>16,823,235</td>
<td>20,500,000</td>
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<tr>
<td>Water Augmentation (additional)</td>
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<td>2,254,500</td>
<td>4,094,250</td>
<td>6,907,000</td>
<td>18,825,250</td>
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<tr>
<td>Habitat Management</td>
<td>18,000</td>
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<td>116,000</td>
<td>116,000</td>
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<td>-</td>
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<tr>
<td>Fire Rolling Stock</td>
<td>116,000</td>
<td>116,000</td>
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<td>116,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Project Costs</strong></td>
<td>5,253,221</td>
<td>10,926,750</td>
<td>19,435,675</td>
<td>31,791,885</td>
<td>47,755,187</td>
<td>38,107,868</td>
<td>28,274,673</td>
<td>-</td>
</tr>
<tr>
<td>Additional Project Costs (d)</td>
<td>75,000</td>
<td>150,000</td>
<td>150,000</td>
<td>150,000</td>
<td>150,000</td>
<td>150,000</td>
<td>150,000</td>
<td>150,000</td>
</tr>
<tr>
<td>Contingency - Transportation (e)</td>
<td>1,678,755</td>
<td>2,390,244</td>
<td>2,318,547</td>
<td>2,095,048</td>
<td>-</td>
<td>291,563</td>
<td>3,731,429</td>
<td>-</td>
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<tr>
<td><strong>Total Other Costs</strong></td>
<td>1,753,755</td>
<td>2,540,244</td>
<td>2,808,547</td>
<td>2,240,048</td>
<td>150,000</td>
<td>441,563</td>
<td>3,881,429</td>
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<td><strong>Total Costs</strong></td>
<td>7,008,976</td>
<td>13,475,994</td>
<td>22,404,222</td>
<td>34,037,737</td>
<td>47,906,187</td>
<td>38,549,415</td>
<td>32,150,467</td>
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</table>
# DPFG Cash Flow Analysis Remaining Mitigations

<table>
<thead>
<tr>
<th>CIP Revenue: (a)</th>
<th>2017/18</th>
<th>2018/19</th>
<th>2019/20</th>
<th>2020/21</th>
<th>2021/22</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Tax / Development Fees: Total</td>
<td>10,506,365</td>
<td>311,586</td>
<td>237,263</td>
<td>5,186,628</td>
<td>22,075</td>
<td>209,031,536</td>
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<tr>
<td>Entitled Projects</td>
<td>4,957,208</td>
<td>1,362,849</td>
<td>2,509,157</td>
<td>4,658,745</td>
<td>7,465,293</td>
<td>26,250,548</td>
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<tr>
<td>CSU Mitigation Fees</td>
<td>1,326,755</td>
<td>1,326,755</td>
<td></td>
<td></td>
<td></td>
<td>1,326,755</td>
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<tr>
<td>Grants</td>
<td>3,367,598</td>
<td>3,367,598</td>
<td></td>
<td></td>
<td></td>
<td>3,367,598</td>
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<tr>
<td>Loans</td>
<td>3,107,556</td>
<td>3,107,556</td>
<td></td>
<td></td>
<td></td>
<td>3,107,556</td>
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<tr>
<td>Tax Increment</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Surplus Land Revenue</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Total Revenues</td>
<td>10,506,365</td>
<td>311,586</td>
<td>237,263</td>
<td>5,186,628</td>
<td>22,075</td>
<td>216,833,527</td>
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<table>
<thead>
<tr>
<th>Capital Projects Cost: (b)</th>
<th>2017/18</th>
<th>2018/19</th>
<th>2019/20</th>
<th>2020/21</th>
<th>2021/22</th>
<th>Total</th>
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<tr>
<td>Transportation/Transit (c)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<td>102,719,352</td>
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<tr>
<td>Water Augmentation</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,245,015</td>
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<tr>
<td>Water Augmentation (additional)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>20,800,000</td>
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<tr>
<td>Habitat Management</td>
<td>-</td>
<td>-</td>
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<td>-</td>
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<td>35,000,000</td>
</tr>
<tr>
<td>Fire Rolling Stock</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>464,000</td>
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<tr>
<td>Total Project Costs</td>
<td>150,000</td>
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<td>150,000</td>
<td>150,000</td>
<td>150,000</td>
<td>1,725,000</td>
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<tr>
<td>Additional Project Costs (d)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>13,006,575</td>
</tr>
<tr>
<td>Contingency - Transportation (e)</td>
<td>150,000</td>
<td>150,000</td>
<td>150,000</td>
<td>150,000</td>
<td>150,000</td>
<td>14,731,575</td>
</tr>
<tr>
<td>Total Other Costs</td>
<td>150,000</td>
<td>150,000</td>
<td>150,000</td>
<td>150,000</td>
<td>150,000</td>
<td>196,259,942</td>
</tr>
<tr>
<td>Total Costs</td>
<td>150,000</td>
<td>150,000</td>
<td>150,000</td>
<td>150,000</td>
<td>150,000</td>
<td>214,556,661</td>
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<tr>
<td>Total: Ending Cash</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Support Future CFD Special Tax Analysis

CFD Special Tax is anticipated to decline under additional analysis:

- Adopting Option 2 with a CFD Special Tax of $29,571/new residential DU results a CIP surplus projected at $24.6 million.
- Habitat Management funding mechanisms are available providing more efficient means of mitigation funding.
- No offsetting revenues are assumed in the Option 2 CFD Special Tax rate.
  - Tax Increment
    - $315 million of tax increment is projected base-wide.
    - Projected CIP revenues assume *zero dollars* will be generated thru tax increment for CIP project funding.
  - Land Sales Surplus
    - Adopted CIP $36.8 million in surplus land revenue is projected.
    - Option 2 does not assume any of this surplus revenue is available for CIP funding.
Future Reduction Examples – Offsetting Revenue:

- Including just 10% of the approximately $315M of tax increment projected through 2022 and allocating it for CIP project funding would result in:
  CFD Special Tax would decline to $25,000 / new residential DU

Plus

- Add in half of the $36.8M already projected surplus land revenue:
  CFD Special Tax will decline to $22,400 / new residential DU

Plus

- With an alternative funding program and/or grants to Habitat Management:
  Special Tax could decline to $20,000 / new residential DU
CEQA is not Impacted

- The recommendation for CIP contingency adjustments, as outlined under Option 2 of the EPS report, does not impact FORA’s responsibility to meet CEQA obligations.
- No improvement cost have been reduced – Only reductions applied to additional contingencies.
- Option 2 recommendation does not change any mitigation programs.
- Option 2 recommendation captures 100% of base reuse program costs.

We are Discussing Mythical Pots of Money

- If nothing is done to update the program assumptions – permits will not be pulled and the infrastructure schedules will be delayed beyond 2017.
Fort Ord Capital Improvement Program Review

Presented by
David Zehnder
Economic & Planning Systems

Prepared for the Fort Ord Reuse Authority
March 17, 2011

Presentation Overview

- CIP Special Tax Reduction Options
- Response to Board Questions
- Special Tax Reduction – New Option 2B
- Discussion/Next Steps

CFD Special Tax Reduction Options

- Option 1: Initial Recommendation
  - Reduce the CIP Contingency to $70.9 million
  - Reduce CFD Special Tax -2.5%
  - Reduce residential SFR rate to $36.300
- Option 2: February Recommendation
  - Builds on Option 1
  - Further reduce transportation project contingency
  - Eliminate HCP contingency
  - Eliminate FORA loan repayment line-item
  - Reduce residential SFR rate to $29.600

CFD Special Tax Reduction Options (continued)

- Option 2B: Alternative Approach (March 2011)
  - Builds on Option 2
  - Reinstates FORA loan repayment line-item to CIP Contingency
  - Reduce residential SFR rate to $31.200
  - Extend CFD Tax reduction for life of FORA
- Option 3: Policy-Based Recommendation
  - Tax below the minimum justifiable CFD Special Tax Rate

Response to Board Questions

- Category #1: CIP Cost and Revenue Questions
  1. CEGA mitigation measures funded in all Options.
  2. No surplus revenues are assumed.
  3. TAMC satisfied transportation/transit would be funded in all Options.
  4. Land sale revenues and tax increment funding were considered.
  5. Land sales revenues considered adequate to fund building removal obligations.
  6. Funding for future CEGA mitigations not included.

Options Description CFD Special Tax Reduction Total Program Cost SFR CFD Special Tax

Option 1: Reduce the CIP Contingency to $70.9 million
- - $25.150 $46.195

Option 1 - Reduce Contingency to $59 million
- $21.850 $42.450

Option 2 - Combine with Option 1: Reduce Contingency to $29.5 million
20% $20.150 $39.950

Option 3: Policy-Based Recommendation
30% $27.900 $57.200

Option 4: New Option 2B
- - -

Option 5: Option 2B combines with Option 1
- - -

Option 6: Option 2B with Option 3: Policy-Based Recommendation
- - -
Response to Board Questions (continued)

- **Category #2: Present and Future CFD Tax Adjustments**
  1. CFD Tax adjustment could be implemented within 30-60 days.
  2. Revised CFD Tax will be considered new maximum amount.
  3. Future CFD tax reductions could be implemented by Board if justified.
  4. Future CFD tax increases may require voter approval.
  5. Phase II CIP review study detailed under a separate cover.

Response to Board Questions (continued)

- **Category #3: Equity and Fairness Issue**
  1. Not advisable to limit building permits by developer.
  2. Developers will build what market will support.
  3. Affordable housing benefits from reduced CFD Tax.
  4. CFD Tax reduction could be for life of FORA (see Option 2B).

Response to Board Questions (continued)

- **Category #4: Potential Base-wide Property Management Costs**
  1. **Alternative A** – Reinstate FORA Reimbursements to the CIP Contingency.
     * Repayment could be used for base-wide property management.
  2. **Alternative B** – Policy driven option to enable land sales revenues to fund property management costs if incurred.
     * FORA extension would lengthen time period to collect land sales revenues for this purpose.

Response to Board Questions (continued)

- **Category #5: FORA Transition/Extension**
  1. **FORA staff have identified several options.**
     - Current staff suggested potential alternative is FORA extension through June 30, 2020.
  2. **CFD Special Tax implications.**
     - "Special Taxes shall cease to be levied after FY 2013-14 or the termination of FORA, whichever is later..."
  3. **Other considerations.**

Alternative Option 2B

- Approach addresses "equity" and "uncertainty" concerns.
- **Option 2B: Alternative Approach (March 2011)**
  1. Build on Option 2
  2. Reinstate FORA loan repayment line item to CIP Contingency.
  3. Reduce residential SFR rate to $31,200
  4. Extend CFD Tax reduction for life of FORA.

Discussion/Next Steps

- **Discussion Questions regarding CIP Review/Special Tax Options**
- **Next Steps**
FORT ORD REUSE AUTHORITY BOARD REPORT

NEW BUSINESS

Subject: National Landscape Conservation System designation options

Meeting Date: March 11, 2011
Agenda Number: 7a

RECOMMENDATION(S):

Direct FORA staff and legislative representatives to work with Congressman Sam Farr to obtain a National Conservation Area designation for former Fort Ord Bureau of Land Management (“BLM”) public lands.

BACKGROUND:

FORA is on a path to receive approval of a completed base-wide HCP and 2081 permit in 2012, with the US Fish and Wildlife Service (“USFWS”) and California Department of Fish and Game (“CDFG”) issuing federal and state permits crucial to completion of the Base Reuse Plan. To this end, Chair/Supervisor Dave Potter, Executive Officer Michael A. Houlema, Jr., Director of Planning and Finance Steve Endsley, and Authority Counsel Jerry Bowden met in Sacramento with California Resources Secretary John Laird on January 24 to discuss outstanding issues. One issue that has been discussed but not yet resolved is whether federal designation of the former Fort Ord lands in some manner might prove helpful to both BLM and FORA efforts to implement and receive budgetary support for the HCP when it is put into effect. To this end, FORA and BLM staff have held preliminary conversations. BLM also gave an informational presentation to the Board at its February 11, 2011 meeting on examples of designs under the National Landscape Conservation System (“NLCS”).

DISCUSSION:

The FORA Legislative Work Plan includes an item supporting continued and enhanced efforts to seek a federal designation under the NLCS for the former Fort Ord Bureau of Land Management Natural Resource Management Area. Such designation is thought to be helpful in targeting budgetary resources from the federal government appropriate to the property’s unique ecological and recreational resources. The NLCS has four categories of federally designated areas; 1) National Monuments, National Conservation Areas, and similar designations; 2) Wilderness; 3) Wild and Scenic Rivers; and 4) National Trails. A detailed listing of these potential designations was provided to the Board by BLM staff at the February 11, 2011 Board meeting. Executive Officer Houlema, Acting Assistant Executive Officer Endsley, and Chair Potter intend to meet with BLM officials in Washington, D.C., mid-March 2011 to further flesh this concept out for Board consideration.

FISCAL IMPACT:

Reviewed by FORA Controller

Savings unknown but the designation is expected to ease budgetary pressures on BLM and FORA, incident to HCP implementation.

COORDINATION:

BLM, Executive Committee, Administrative Committee, Legislative Committee, HCP working group, USFWS and CDFG personnel, Jones & Stokes, DDA,

Prepared by: Steve Endsley
Approved by: Michael A. Houlema, Jr.
FORT ORD REUSE AUTHORITY BOARD REPORT

NEW BUSINESS

Subject: Veterans Cemetery – Confirm conceptual approval for Veterans Cemetery design
Meeting Date: March 11, 2011
Agenda Number: 7b

RECOMMENDATION(S):

Confirm conceptual approval for FORA to seek specific legislation that would allow the California Department of Veterans Affairs ("CDVA") to contract with FORA to complete California Central Coast Veterans Cemetery ("CCCVC") design.

BACKGROUND/DISCUSSION:

FORA representatives attended an ‘all hands’ meeting held February 23, 2011 in Sacramento, which included Assemblymember Bill Monning, FORA Chair/Supervisor Dave Potter, CDVA Deputy Secretary for Administration Jack Kirwan, and Executive Officer Michael A. Houlemand, Jr. among others, to discuss how to move forward with the CCCVC design and construction given current funding challenges. During the meeting, it became apparent that the cemetery design and other costs necessary to complete the Federal Veterans Administration Grant Application might be reduced if new legislation allowed CDVA to contract with another entity (such as FORA) to complete this work. Under current law, CDVA is only authorized to contract with the Department of General Services to complete such work. It is believed that, if the state legislature could pass new legislation to expand CDVA's contracting ability, FORA could complete the CCCVC design in a more cost-effective and expedited manner.

FISCAL IMPACT:
Reviewed by FORA Controller

If the proposed legislation were passed and CDVA contracted with FORA to complete the CDVA design, the local community would still need to identify funding to pay for this work. Several loan and private funding opportunities are under exploration. Marina Coast Water District ("MCWD") has offered to advance funds to keep the veterans cemetery moving ahead. Assuming agreements can be made among the various entities (CDVA and FORA to complete the design; FORA, MCWD, Seaside, and County to agree to a loan that would be refunded by the endowment parcel sale proceeds), it is anticipated that FORA would not bear any unreimbursable costs for this effort.

COORDINATION:

Executive Committee, Administrative Committee, Legislative Committee, CDVA, and CCVCF

Prepared by: Jonathan Garcia  Reviewed by: Steve Endsley

Approved by: Michael A. Houlemand, Jr.
RECOMMENDATION:

Receive a report from the U.S. Army on its environmental remediation activities.

BACKGROUND/DISCUSSION:

The U.S. Army conducts a remediation program that began before the closure of former Fort Ord in the early 1990's. Significant progress has been made since the program began including: landfill remediation, underground tank removals, groundwater and soil remediation, munitions and explosives of concern removal, beach range restoration and other investigation and remediation activities. The program has been successful in achieving regulatory concurrence in many of these remediation activities.

Success of the U.S. Army programs are directly tied to the success of the reuse programs of the former Fort Ord which has a financial impact on several of FORA’s activities.

FISCAL IMPACT:
Reviewed by FORA Controller

Staff time for this item is included in the approved FY 10-11 budget.

COORDINATION:

US Army and Fort Ord BRAC office.
US Army Fort Ord Cleanup Update

Fort Ord Reuse Authority
Board Meeting
March 11, 2011

Cleanup Mission

- Complete environmental requirements to support property transfer:
  - Identify clean parcels
  - Accelerate cleanup of contaminated land
  - Protect human health and the environment
  - Prioritize cleanup to support reuse
  - Clean up to level supporting identified reuse
Cleanup Update

- Groundwater (GW) Cleanup
- Soil Cleanup
- Prescribed Burns and Unexploded Ordnance Cleanup
- Property Transfer Status
Groundwater Cleanup

- Four gw plumes, located mainly in City of Marina jurisdiction
- Cleanup in progress; OU1 and 2/12 plumes are closest to meeting cleanup goals with plant shutdown likely in the next 5 years
- Groundwater monitoring will continue after plant shutdown to ensure cleanup is complete
<table>
<thead>
<tr>
<th></th>
<th>OU1</th>
<th>OU2</th>
<th>2/12</th>
<th>OUCTP</th>
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</thead>
<tbody>
<tr>
<td>Remedy (treatment type)</td>
<td>Pump &amp; treat</td>
<td>Pump &amp; treat</td>
<td>Pump &amp; treat</td>
<td>Bioremediation; pump &amp; treat; monitored natural attenuation</td>
</tr>
<tr>
<td>Contaminant</td>
<td>TCE</td>
<td>TCE</td>
<td>TCE</td>
<td>Carbon tetrachloride</td>
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<tr>
<td>Gallons treated</td>
<td>265 M</td>
<td>5.1 B</td>
<td>1.4 B</td>
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</tr>
<tr>
<td>Pounds of Contaminants Removed</td>
<td>7 lbs</td>
<td>674 lbs</td>
<td>433 lbs</td>
<td>Remedy recently constructed – no stats</td>
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<tr>
<td>Time to plant shutdown</td>
<td>5 years</td>
<td>25 years</td>
<td>5 years</td>
<td>Remedy recently constructed – no stats</td>
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**TCE Concentrations**
Sites 2 and 12
Upper 180-Foot Aquifer
West of the SVA
Key Army Outreach Events

April 13 Community Involvement Workshop, Marina Library
Topics: (1) Prescribed Burn Update (2) Environmental Services Cooperative Agreement

May 7-8 Information Booth at Marina Festival of the Winds

May 14 Guided Nature Walk Inside the Impact Area
Note: Registration required

June 25 Fort Ord Cleanup Bus Tour / Open House.
Focus: Munitions Clearance and Prescribed Burns

See www.FortOrdCleanup.com for details
FORT ORD REUSE AUTHORITY BOARD REPORT

EXECUTIVE OFFICER'S REPORT

Subject: Outstanding Receivables
Meeting Date: March 11, 2011
Agenda Number: 8a

INFORMATION/ACTION

RECOMMENDATIONS:

I. Receive a Fort Ord Reuse Authority (FORA) outstanding receivables update as of February 28, 2011.
II. Authorize the FORA Executive Officer to execute tax increment payment agreement with the City of Marina (Attachment A).

BACKGROUND/DISCUSSION:

FORA has several significant delinquent receivables. FORA Late Fee policy requires receivables older than 90 days be reported to the Board.

<table>
<thead>
<tr>
<th>PLL Loan Payments</th>
<th>Lease Revenue</th>
<th>CFD Fees</th>
<th>Tax Increment</th>
<th>Interest Reimburs.</th>
<th>Amount Outstanding</th>
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</thead>
<tbody>
<tr>
<td>FY 09-10</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>FY 10-11</td>
<td></td>
<td></td>
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<tr>
<td>City of Del Rey Oaks</td>
<td>182,874</td>
<td>256,023</td>
<td>11,631</td>
<td>124,232</td>
<td>343,902</td>
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<tr>
<td>City of Marina (Neeson Rd-2 owners)</td>
<td>11,631</td>
<td></td>
<td>268,830</td>
<td></td>
<td>268,830</td>
</tr>
<tr>
<td>City of Seaside</td>
<td>268,830</td>
<td></td>
<td>12,165</td>
<td></td>
<td>12,165</td>
</tr>
<tr>
<td>Total outstanding receivables</td>
<td>383,902</td>
<td></td>
<td></td>
<td></td>
<td>383,902</td>
</tr>
</tbody>
</table>

Payments received since reported to the Board:

- City of Seaside: 90,000
- City of Marina (Neeson Rd-1 owner): 12,165
- Monterey County: 13,465

1. City of Del Rey Oaks (DRO)
   - PLL insurance annual payments: In 2009, DRO cancelled its 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 the new developer is secured, and they are current.

   Payment status: At the February Board meeting, the DRO Mayor informed Board members about City of Del Rey Oaks plan to take a commercial loan within the next two months to pay off this obligation.

2. City of Marina (Marina)
   - CFD fee: Marina approved development entitlements for the Neeson Road projects in 2004 and 2008 without collecting the CFD fee. Following the Board discussion of this item in September 2010, Marina sent letters to the three owners of Neeson property about the FORA fee.

   Payment status: FORA staff were able to invoice two owners and collected payment from one; there has been no resolution regarding the third owner. FORA and City staff met on February 22 and discussed a cooperative approach to ensuring the payments are made.

   - Tax increment (TI): In the fall of 2010, as directed by the FORA Board during the Capital Improvement Program review, FORA conducted an audit of TI revenue that FORA collects from the Cities of Seaside, Marina and Monterey County. The results indicated that FORA is owed property TI payments from Seaside and Marina. Both cities acknowledged the debt.
Payment status: In December 2010, Marina informed FORA that it was working to identify resources to make the payment in the near term. FORA invoiced Marina on January 18. Marina did not respond to this invoice and on February 12 requested a payment plan. FORA sent a draft Memorandum of Agreement (MOA) to Marina on February 22. Marina staff informed FORA that because of the City staff overload, they may not be able to take the MOA to the City Council until mid April. FORA has not received comments from Marina regarding the MOA.

➢ Action: This receivable has been outstanding since early December 2010. Staff recommends that the Board approve the MOA (Attachment A) to enable timely principal and interest payments.

3. City of Seaside (Seaside)
   ▪ Tax increment: Please see paragraph 2 above regarding Seaside tax increment underpayment.

      At the February meeting, FORA Board approved an MOA with Seaside for a phased repayment of this obligation.

      Payment status: Seaside paid the first installment on time (by January 31, 2011). The next installment payment is due June 30, 2011.

FISCAL IMPACT:
Negative. FORA expends its own resources until these receivables are collected.

COORDINATION:
Executive Committee

Prepared by: Ivana Bednarik
Approved by: Michael A. Houlemonard, Jr.
MEMORANDUM OF AGREEMENT
BY AND BETWEEN
THE FORT ORD REUSE AUTHORITY AND
THE REDEVELOPMENT AGENCY OF THE CITY OF MARINA
FOR PAYMENT OF TAX INCREMENT PASS-THROUGH REVENUE

THIS MEMORANDUM OF AGREEMENT ("MOA"), dated for reference as March 1, 2011, by and between the Fort Ord Reuse Authority ("FORA"), a corporation of the State of California created, operated and existing under the laws of the State of California and the Redevelopment Agency of the City of Marina, (Agency), collectively referred to as “the Parties.”

I. RECITALS

1.1 State Law entities FORA to receive a percentage of the tax increment ("TI") revenue generated from redevelopment projects within the Agency’s jurisdiction on the former Fort Ord. This revenue is collected by the County of Monterey ("County") and paid to the Agency, and is referred to herein as the “pass-through TI.” The Agency pays the pass-through TI to FORA.

1.2 As a part of FORA’s Capital Improvement Program review, FORA conducted review of the TI revenue and retained an auditor who confirmed an underpayment in FY 08-09 by the Agency.

1.3 The balance due from the Agency to FORA is $124,232 (One Hundred Twenty-Four Thousand Two Hundred Thirty Two Dollars).

1.4 FORA must be repaid in FY 10-11 in order to meet its obligations, but recognizes the Agency’s request for a payment plan that compensates FORA for lost revenue on income.

1.5 The Agency proposes two payments to retire this balance due as set forth in this MOA.

II. TERMS AND CONDITIONS

2.1 The Agency agrees to pay FORA the outstanding pass-through TI balance due of $124,232 in two installment payments.

2.2 Interest: The outstanding principal balance shall bear simple interest at the rate of six percent (6%) per annum from February 1, 2011 until full repayment of the principal as noted below.

2.3 Principal: The Parties agree to the following payment schedule:

First Installment: March 31, 2011: $75,000.00
Second Installment: June 30, 2011: $49,232+interest

2.4 Late Payment Requirements: In the event the Agency fails to make any payment due under this MOA within thirty (30) days of the due date, the Agency shall pay to FORA a late payment fee equal to five percent (5%) of the payment due amount.

III. GENERAL TERMS

3.1 Further Actions. Each of the parties agrees to execute and deliver to the other such documents and instruments and to take such actions, as may reasonably be required to give effect to the terms and conditions of this Agreement.

3.2 Modification. This Agreement is not subject to amendment or modification except in writing and signed both the parties hereto.
3.3 **Assignment.** Neither party may assign all or portions of its rights and obligations under this Agreement without prior written approval from the other party. Any party shall not unreasonably withhold approval of an assignment.

3.4 **Interpretation.** This Agreement has been negotiated by and between representatives of each party hereto and their staffs, all persons knowledgeable in the subject matter of this Agreement, which was then reviewed by the respective legal counsel of each party. The provisions of this Agreement shall be interpreted in a reasonable manner to affect the purpose of the Parties and this Agreement.

3.5 **Attorney's Fees.** If any controversy, claim or dispute arises relating to this Agreement, or the breach thereof, the prevailing party shall be entitled to recover from the other party reasonable expenses, attorney's fees and costs. Monterey County will be the venue for hearing any disputes.

3.6 **Notice and Correspondence.** Any notice required to be given to any party shall be in writing and deemed given if personally delivered upon the other party or deposited in the United States mail, and sent certified mail, return receipt requested, postage prepaid and addressed to the other party at the address set forth below or sent via facsimile transmission during normal business hours to the party to which notice is given at the telephone number listed for fax transmission.

**Redevelopment Agency of the City of Marina:**
Tony Altfeld, Executive Director
Redevelopment Agency of the City Marina
211 Hillcrest Avenue
Marina, CA 93933
Telephone: (831) 884-1278
Facsimile: (831) 384-9148

**Ft. Ord Reuse Authority:**
Michael Houlemand, Executive Officer
Ft Ord Reuse Authority
100 12th St., Building 2880
Marina, California 93933
Telephone: (831) 883-3672
Facsimile: (831) 883-3675

3.7 **Areas of Non-Responsibility.** Neither party shall be liable for commitments made to a third party by the other party which are:
   a. contrary to this Agreement or
   b. not specifically included within the obligations of the parties hereto.

Each party shall defend, indemnify and hold the other harmless for any claims, costs, damages or other liability arising from such statements, representations or commitments.

3.8 **No Third Party Rights.** This Agreement shall not create any benefits or rights in or to a third party.

IN WITNESS WHEREOF, FORA and the Agency, by their duly authorized representatives, have executed this Agreement as of the date first written above.

**FORT ORD REUSE AUTHORITY**
By: __________________________
    Michael A. Houlemand, Jr., Executive Officer
As to form: ______________________
    Gerald D. Bowden, Authority Counsel

**REDEVELOPMENT AGENCY OF THE CITY OF MARINA**
By: __________________________
    Anthony Altfeld, Executive Director
As to form: ______________________
    Rob Wellington, Agency Counsel
RECOMMENDATION:

Receive a report from the Administrative Committee.

BACKGROUND/DISCUSSION:

Joint Administrative Committee and Capital Improvement Program Committee meetings were held on February 16, and March 2, 2011. The approved minutes for the February 16 meeting are attached and the minutes for the March 2nd meeting will be presented at the Board meeting in April.

FISCAL IMPACT:

Reviewed by FORA Controller

Staff time for this item is included in the approved FY 10-11 budget.

COORDINATION:

Administrative Committee

Prepared by Daylene Alliman

Approved by Michael A. Houlemař, Jr.
Minutes of the
Joint Administrative/Capital Improvement Program Committee Meeting
Wednesday February 16, 2011

1. Call to Order at 8:15 A.M.
   Administrative Committee Co-chair Doug Yount called the meeting to order at 8:20 A.M. The following people, as indicated by signatures on the roll sheet, were present:

   Nick Nichols, Monterey County
   John Marker, CSUMB
   Bill Collins, BRAC
   Daniel Dawson, City of Del Rey Oak
   Graham Bice, UCMBEST
   Anya Spear, CSUMB
   Bob Schaffer, MCP
   Patrick Breen, MCWD
   Todd Muck, TAMC
   Jonathan Garcia, FORA
   Diana Ingersoll, City of Seaside
   Tim O’Halloran, City of Seaside
   Elizabeth Caraker, City of Monterey
   Jim Arnold, FORA
   Scott Hilk, MCP
   Steve Endsley, FORA
   Vicki Nakamura, MPC
   Beth Palmer, Monterey Downs
   Dustin Woomer, Diamond West
   Keith McCoy, UCP
   Debby Platt, City of Marina

2. Pledge of Allegiance
   Chair Yount intentionally omitted the pledge of allegiance due to a late start of the meeting.

3. Acknowledgements, Announcements and Correspondence - None

4. Public Comment Period - None

5. Approval of the February 2, 2011 Meeting Minutes
   On a motion made by City of Monterey representative Graham Bice and seconded by Dan Dawson, the meeting minutes were unanimously approved.

6. Follow-up to the February 11, 2011 FORA Board Meeting – Acting Assistant Executive Officer/Director of Planning and Finance Steve Endsley reported that although the Capital Improvement Program as presented by EPS (“Economic & Planning Systems, Inc.”) was supported by the Administrative Committee the Board was not ready to take action. Mr. Endsley said that the Board asked staff to answer more questions before moving forward. He also noted that there were concerns regarding the short time frame of FORA and that perhaps the best solution would be to push out the fee reductions to the end of FORA’s life (3 years and 4 months) rather than the recommendation of the 2-year interim. There was discussion among committee members regarding the life of FORA, that a specific timetable is needed, next steps in the process, and what kind of compromises would bring officials to a decision. Scott Hilk stated that the 2-year interim fee was misleading and that the fee would never go back up, that it would go down. Graham Bice commented that there was a concern about risk regarding too much of a fee reduction. Mr. Endsley said that there could be a limit on the number of permits pulled – i.e.: 20% and understood that there might be concern that someone would get good rates now and higher rates later. Bob Schaffer said the building community does not expect changes in fees, developers expect to take risks. Co-Chair Yount stated that at the last Administrative Committee meeting there was a strong
consensus about the need to have a period of time to "right size" the fee and then look at the cost side, for example: transportation. He further commented that the extra contingency was no longer needed and could be taken out of Phase II after the immediate adjustment. He said that an analysis of the fees could be completed in Phase II and adjustments could be made as needed. Co-Chair Yount also stated that there appears to be a strong consensus of the Board to move forward. Mr. Endsley said that the Board was unclear as to when Phase II begins and a time certain is warranted. He said that the Board is comfortable with the $29,600 fee and that the methodology works. Nick Nichols commented that this idea would only work if FORA was extended and that option was not presented to the Board. Mr. Endsley stated that the life of FORA question needs to be resolved. Mr. Hilk asked about the current FORA Community Facilities District ("CFD") and viable alternatives, especially after FORA sunsets in 2014. Mr. Endsley suggested that, since the Administrative Committee appeared to have consensus on a recommendation, briefing the elected officials on the facts was reasonable after we determine and address their concerns. Co-Chair Yount requested FORA staff develop a list of Board member questions for the Administrative Committee and that the consultant develop an outline of the proposed Phase II Study for the March 2, 2011 meeting. He concluded the discussion with the following three things that need to be addressed at the Administrative Committee prior to the March 11, 2011 Board meeting: (1.) Specific list of Board member Questions, (2.) Timeframe – what happens at the end of the 2-year interim fee period? (3.) List out scope of Phase II work. Additionally there was a brief discussion between members regarding the light rail/multimodal and roads under the Base Reuse Plan.

7. Old Business – Item 7a, Senior Planner Jonathan Garcia gave an oral report regarding the Land Use Covenants stating that University of California Santa Cruz ("UCSC") and the City of Monterey had completed their review and conversations were being held with the City of Seaside and California State University Monterey Bay ("CSUMB"). The Department of Toxic Substances Control has planned a site visit for February 25, 2011.

Mr. Garcia reported on Item 7b, regarding the Eastside Parkway Memorandum of Agreement ("MOA") timeline and said that comments received by February 28, 2011 would allow adequate time for scheduling meetings with policy makers to approve the MOA. Nick Nichols said the County was comfortable in moving forward and scheduled to move for approval. Vicki Nakamura said that Monterey Peninsula College ("MPC") thought the timeline was overly optimistic. She said MPC was concerned about the road and has hired an environmental consultant to study the impacts of the proposed roadway alignment. MPC said they would contact Mr. Garcia later regarding their anticipated schedule in providing comments. John Marker said that CSUMB is not sure about returning their comments by February 28, but would look into it. Todd Muck said that TAMC was curious as to why there was no Class 2 bike lane described in Exhibit B. Nick Nichols said that there are 8-foot shoulders (serving as a function of a Class 2 bike lane) and that the Sea Otter Classic and other stakeholders would be working with the County. There was brief discussion between members regarding the roadway.

Mr. Garcia completed his presentation to the members regarding Item 7c with a report from Resource Agencies meeting held February 9, 2011 stating he met with the Ventura office of the U.S. Department of Fish and Wildlife ("USFWS") and FORA's HCP Consultant Inner City Fund International ("ICF"). USFWS had comments regarding the conservation strategy and funding chapters (5 and 9). USFWS is requesting that there be a reorganization of chapters 5 and 9 including an update to the current cost model. The requested reorganization of these chapters would largely result in a re-wording and editing out redundancies. Mr. Garcia said that a follow-up conference call was scheduled for February 24, 2011 to bring California Department of Fish and Game ("CDFG") up to speed with the se requested changes. Co-Chair Yount requested a summary of the conference call be shared with the FORA Administrative Committee. Mr. Endsley reported that CDFG is now committing their staff to the HCP review.

8. New Business – Mr. Endsley reported that in accordance with the Operating Protocol for the
FORA Administrative Committee (document distributed), there shall be two officers of the Administrative Committee. They shall be the Co-Chairs: the FORA Executive Officer and a City or County Manager, or his or her designee. The City or County Manager Co-Chair, or his or her designee, may serve as Co-Chair for no more than six months at a time. The FORA Executive Officer will recommend a City or County Manager to serve as Co-Chair, and the members will approve, or disapprove, the recommendation. It is the intention of this protocol to allow each city manager or the county manager an opportunity to serve as Co-Chair of the Administrative Committee. On behalf of the Executive Officer, Michael Houlemard, Mr. Endsley recommended Del Rey Oaks City Manager Daniel Dawson. Nick Nichols motioned for acceptance of the recommendation, Graham Bice seconded and the vote was unanimous. Mr. Dawson said he would be honored to serve in this capacity and accepted the appointment.

9. **Adjournment** - The meeting was adjourned at 9:55 A.M.

Meeting minutes prepared by Daylene Alliman, Deputy Clerk
RECOMMENDATION(S):

Receive minutes from the February 3, 2011 Finance Committee (FC) meeting.

BACKGROUND/DISCUSSION:

The FC met on February 3, 2011 to discuss the FY 10-11 mid-year budget. Please refer to the attached FC minutes for more details.

FISCAL IMPACT:

Reviewed by FORA Controller

Staff time for this item is included in the approved FY 10-11 budget.

COORDINATION:

Finance Committee

Prepared by Marcela Fridrich

Approved by Michael A. Houlemand, Jr.
Finance Committee Meeting  
Thursday, February 3, 2011 at 2:00 pm

Action Minutes

Present: Chair Sue McCloud, Members: Graham Bice, Hunter Harvath  
Staff: Michael Houlemand, Ivana Bednarik, Steve Endsley, Marcela Fridrich  
Guest: Bill Kampe

AGENDA

The Finance Committee (FC) discussed the following agenda items:

1. Roll Call:  
   A quorum was achieved at 2:05 PM.

2. November 22, 2010 Minutes:  
   Approved (Motion Bice, Second Harvath), passed 3-0.  
   Chair McCloud requested adding appreciation of service to past FC Member Barnes to November 11, 2010  
   FC minutes as it was discussed during the November meeting and forwarding the minutes to Member  
   Barnes.

3. FY 10-11 Mid-Year Budget Update:  
   FC members received the FY 10-11 Mid-Year budget update electronically prior to the meeting. Michael  
   Houlemand introduced the item by summarizing major revenue and expenditure variances. Member Bice  
   asked about land sales revenue line item. Ivana Bednarik explained that payment FORA received from  
   Salinas Valley Memorial Hospital was initially included in the FY 09-10 budget, but delayed to the FY 10-11.  
   Michael Houlemand pointed out an increase in Tax Increment revenue due to a partial collection of past  
   years underpayments from Seaside and Marina. Chair McCloud asked about the status of the first  
   installment payment from Seaside, Ivana Bednarik confirmed receipt by the January 31 deadline. Michael  
   Houlemand informed that Marina staff is seeking a payment plan but has not submitted official request to  
   FORA. Ivana Bednarik pointed out reduced grant revenue and explained that a portion of EDA grant funds  
   will be carried over as the completion of General Jim Boulevard (GJMB) will conclude in the next FY. Michael  
   Houlemand informed members about City of Del Rey Oaks plan to take a commercial loan to pay off its PLL  
   insurance obligation. He clarified savings in salaries and benefits and explained that the increase in the  
   ending fund balance from 2.7M to 4.3M is mainly designated to provide a match to the EDA grant. Ivana  
   Bednarik further explained that all new expenditures were already approved by the FORA Board except for  
   the design of Eastside Parkway that will be presented to the FORA Board at its February 11 meeting. FC  
   discussed and recommended modifications to the staff report and budget charts. FC unanimously voted to  
   recommend to the FORA Board acceptance of the FY 10-11 Mid-Year budget report with the recommended  
   presentation adjustments. Approved (Motion Harvath, Second Bice), passed 3:0.

4. Next Meeting Date:  
   The next meeting was set for March 28, 2011 at 2:00 PM.

5. Adjournment:  
   The meeting adjourned at 2:45 PM.

Minutes prepared by Marcela Fridrich, Accounting Officer.
## EXECUTIVE OFFICER'S REPORT

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### RECOMMENDATION:

Receive a report from the Legislative Committee ("LC")

### BACKGROUND:

The LC focuses primarily on state and federal legislation that impacts former Fort Ord redevelopment. The Fort Ord Reuse Authority’s ("FORA’s") state and federal staff representatives give reports at each committee meeting, particularly when legislatures are in session. FORA legislative missions occur annually in the spring. Each fall the LC focuses on crafting FORA’s legislative agenda and work program for the coming year. This document offers legislative, regulatory, policy or resource allocation support actions to improve and/or enhance former Fort Ord redevelopment. The focus has been on federal and state legislation, property transfer and reuse, environmental remediation, habitat management, and infrastructure and mitigation funding. The items on the legislative agenda are considered priorities in achieving FORA’s objectives.

### DISCUSSION:

The LC met on February 28, 2011 and the members reviewed the reports from the legislative offices, JEA & Associates, and discussed meetings scheduled in Washington, DC during the upcoming Legislative Mission March 14-17, 2011.

### FISCAL IMPACT:

Reviewed by FORA Controller

Staff time for this item is included in the approved FY 10-11 budget.

### COORDINATION:

Legislative, Administrative and Executive Committees; FORA’s state and federal elected legislators and their district representatives; and JEA & Associates.

Prepared by [Signature]  
Daylene Alliman

Approved by [Signature]  
Michael A. Houlemond, Jr.
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**LEGEND:**
- Tentative
- MH = Michael Houlemond, SE = Steve Endsley, DP = Dave Potter
- John Arriaga

**PENDING:**
- Bureau Office of Reclamation - Joint FORA/MCWD meeting
- Tom Lederle - ESCA/Life of FORA/RQA - MH & SE
- Don Morgan and Megan Kelhart - US Fish & Wildlife Service - MH, SE & DP
EXECUTIVE OFFICER'S REPORT

Subject: Executive Officer’s Travel report
Meeting Date: March 11, 2011
Agenda Number: 8e

RECOMMENDATION:

i. Receive a travel report from the Executive Officer.
ii. Approve Acting Assistant Executive Officer Steve Endsley’s travel to Washington, DC for the Legislative Mission March 13-17, 2011.

BACKGROUND/DISCUSSION:

The Executive Officer regularly submits reports to the Executive Committee providing details of his travel requests, including those by the Fort Ord Reuse Authority ("FORA") staff and board members. Travel expenses may be paid or reimbursed by FORA, outside agencies/jurisdictions/organizations, or a combination of these sources. The Executive Committee reviews and approves these requests, accordingly, and the travel information is reported to the Board.

i. Mr. Houlemard travelled to Sacramento and San Francisco February 23 - 25 for meetings with John Arriaga & Associates; Deputy Secretary for Administration Jack Kirwan regarding the Veterans Cemetery; Jay Wallace, Wallace & Associates regarding ADC and Redevelopment; and Greg Shilz, AON regarding ESCA insurance contracts.

ii. Staff requests Mr. Endsley join Executive Officer Houlemard to Washington, DC for the Legislative Mission March 13-17, 2011. Mr. Endsley’s attendance to these meetings is crucial to implementing Habitat Conservation Plan components of the Capital Improvement Program, United States Environmental Protection Agency project reviews, Bureau of Land Management designation proposals, and US Army water resource coordination issues.

FISCAL IMPACT:
Reviewed by FORA Controller.

Travel expenses for this item are included in the approved FY 10-11 budget.

COORDINATION:


Prepared by Daylene Alliman

Approved by Michael A. Houlemard, Jr.
FORT ORD REUSE AUTHORITY BOARD REPORT
EXECUTIVE OFFICER’S REPORT

Subject: Habitat Conservation Plan – status report

Meeting Date: March 11, 2011
Agenda Number: 8f

INFORMATION

RECOMMENDATION(S):

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

BACKGROUND/DISCUSSION:

The Fort Ord Reuse Authority ("FORA"), with the support of its member jurisdictions and consultant team, is on a path to receive approval of a completed basewide HCP and 2081 permit in 2012, concluding with the US Fish and Wildlife Service ("USFWS") and California Department of Fish and Game ("CDFG") issuing crucial federal and state permits.

ICF International (formerly Jones & Stokes), FORA’s HCP consultant, completed a pre-public administrative draft HCP on December 4, 2009. FORA member jurisdictions completed a comment and review period, which ended February 26, 2010. At this time, USFWS has commented on all draft HCP sections except for the Alternatives section, while CDFG has not submitted comments.

On January 24, 2011, Chair/Supervisor Dave Potter, Executive Officer Michael A. Houlemand, Jr., Acting Assistant Executive Officer Steve Endsley, and Authority Counsel Jerry Bowden met with John Laird, the newly appointed Natural Resources Secretary, in Sacramento. During the meeting, FORA legislative representatives described the year-long delay in CDFG’s review of the draft HCP and requested immediate feedback and a commitment to meeting HCP approval schedule milestones. CDFG has been more cooperative since this meeting, has engaged FORA and USFWS staff in several conference calls, and their HCP comments are anticipated to be met in March 2011.

The next critical milestones for completing the HCP are receiving all HCP comments from USFWS and CDFG, resolving any outstanding issues, and drafting the National Environmental Policy Act/California Environmental Quality Act ("NEPA/CEQA") documents. FORA staff is working on two outstanding issues [1] Allowing Permittees to include the Monterey Ornate Shrew as a covered species and 2] Identifying and certifying an endowment holder that can guarantee an acceptable earnings rate for the HCP endowment] and holding regular meetings with ICF International, Denise Duffy & Associates, USFWS, and CDFG. FORA has made significant headway in addressing USFWS comments to reorganize/rewrite section 5 Conservation Strategy, section 9 Funding, and appendix M Cost Model. Due to the level of consultant work required to address these comments, FORA anticipates bringing an ICF International contract amendment for Board consideration in April.

FISCAL IMPACT:
Reviewed by FORA Controller
ICF International and Denise Duffy and Associates’ (FORA’s NEPA/CEQA consultant) contracts have been funded through FORA’s annual budgets to accomplish HCP preparation. Staff time for this item is included in the approved FY 10-11 budget.

COORDINATION:

Executive Committee, Administrative Committee, Legislative Committee, HCP working group, HCP Permit Completion working group, FORA Jurisdictions, USFWS and CDFG personnel, ICF International, Denise Duffy and Associates, and various development teams.

Prepared by Jonathan Garcia Reviewed by Steve Endsley
Approved by Michael A. Houlemand, Jr.
FORT ORD REUSE AUTHORITY BOARD REPORT
EXECUTIVE OFFICER’S REPORT

Subject: ADMINISTRATIVE CONSISTENCY DETERMINATION FOR ENTITLEMENT: Marina Coast Water District Cell Tower

Meeting Date: March 11, 2011
Agenda Number: 8g

INFORMATION/ACTION

RECOMMENDATION(S):

1. Receive a report from the Executive Officer regarding Marina Coast Water District’s ("MCWD") Cell Tower Project Administrative Consistency Determination per Section 8.02.030 of the Fort Ord Reuse Authority (“FORA”) Master Resolution; OR

2. Conduct a hearing and consider the Executive Officer’s concurrence MCWD’s development entitlement consistency determination if:
   a. an appeal is received within the 10-day (Master Resolution Section 8.01.050) or 15-day (Master Resolution Section 8.03.070) appeal response terms; OR
   b. a Board member requests that a hearing be conducted on this project within the 35-day response term (Master Resolution Section 8.01.040).

BACKGROUND:

MCWD submitted the Cell Tower project for consistency determination on February 24, 2011 (Attachment A). The Cell Tower project consists of a 2007 lease amendment between MCWD and Sprint Nextel allowing Sprint Nextel to build a new cell phone tower at the D/E Reservoir Site (DER Site) for commercial purposes and to host antennae installation to improve MCWD’s operational radio communications. MCWD requested Development Entitlement Consistency review of the project in accordance with section 8.02.030 of the FORA Master Resolution, which does not require Board approval. Under state law, (as codified in FORA’s Master Resolution) legislative land use decisions (plan level documents such as General Plans, Zoning Codes, Specific Plans, Redevelopment Plans, etc.) differ from development entitlement (a project under an approved General Plan and Zoning designation) consistency determinations. By law, legislative land use decisions must be scheduled for FORA Board review under strict timeframes. Development entitlements are treated differently by the law; unless appealed to the FORA Board, they are reviewed by staff to determine consistency with the Base Reuse Plan (“BRP”). The legislative framers wrote the law this way in recognition of the high volume of development entitlements expected to be processed by member jurisdictions.

As a development entitlement consistency determination, FORA staff does not require the jurisdiction to furnish hard copies of their submittal unless specifically requested by the Board or formally appealed. Staff distributed electronic copies of MCWD’s submittal to the FORA Board in advance of the March 11, 2011 meeting. It is important to note that the Community Facilities District (“CFD”) fees for this project will be paid. The Executive Officer concurs with MCWD that the Cell Tower project is consistent with the BRP and the FORA Master Resolution.

DISCUSSION:

Rationale for consistency determinations: FORA staff finds that there are several defensible rationales for making an affirmative consistency determination. Sometimes additional information is provided to buttress those conclusions. In general, it is noted that the BRP is a framework for development, not a precise plan to be mirrored. However, there
are thresholds set in the resource constrained BRP that may not be exceeded without other actions, most notably 6,150 new residential housing units and a finite water allocation. More particularly, the rationales for consistency analyzed are (also included in the consistency summary table ["Attachment B"]):

DEVELOPMENT ENTITLEMENT CONSISTENCY FROM SECTION 8.02.030 OF THE FORA MASTER RESOLUTION

(a) In the review, evaluation, and determination of consistency regarding any development entitlement presented to the Authority Board pursuant to Section 8.01.030 of this Resolution, the Authority Board shall withhold a finding of consistency for any development entitlement that:

(1) Provides an intensity of land uses, which is more intense than that provided for in the applicable legislative land use decisions, which the Authority Board has found consistent with the Reuse Plan;

The Cell Tower project is located on an approximately 2.3-acre site southeast of Chartwell School in Seaside. This project is located within a military enclave land use designation area of the BRP and is owned by MCWD to provide water services to the former Fort Ord. This development is not more intense than permitted under the current land use designation.

(2) Is more dense than the density of development permitted in the applicable legislative land use decisions which the Authority Board has found consistent with the Reuse Plan;

MCWD's submittal correctly asserts that the intensity of the Cell Tower project is consistent with the BRP thresholds. Table 3.3-1 Summary Land Use Capacity: Ultimate Development in the BRP assumes 204 acres of land dedicated to Public Facilities within Seaside's area of the former Fort Ord. After subtracting previously approved projects within Seaside's portions of former Fort Ord, the Cell Tower project is well below that threshold.

(3) Is not conditioned upon providing, performing, funding, or making an agreement guaranteeing the provision, performance, or funding of all programs applicable to the development entitlement as specified in the Reuse Plan and in Section 8.02.020 of this Master Resolution, and consistent with local determinations made pursuant to Section 8.02.040 of this Resolution;

These conditions are imposed on the project.

(4) Provides uses which conflict or are incompatible with uses permitted or allowed in the Reuse Plan for the affected property or which conflict or are incompatible with open space, recreational, or habitat management areas within the jurisdiction of the Authority;

The Cell Tower project does not impact open space, recreational, or habitat management areas within FORA's authority.

(5) Does not require or otherwise provide for the financing and installation, construction, and maintenance of all infrastructure necessary to provide adequate public services to the property covered by the applicable legislative land use decision;

The Cell Tower project will pay its fair share of the basewide costs through the developer fees that will accrue to FORA and 5% of MCWD's lease revenues to FORA.
(6) Does not require or otherwise provide for implementation of the Fort Ord Habitat Management Plan:

The Fort Ord Habitat Management Plan ("HMP") designates certain parcels for "Development," in order to allow economic recovery through development while promoting preservation, enhancement, and restoration of special status plant and animal species in designated habitats. The Cell Tower project only affects lands that are located within areas designated for "Development" under the HMP. Lands designated for "Development" have no management restrictions placed upon them as a result of the HMP. The Cell Tower project would not conflict with implementation of the Fort Ord HMP.

(7) Is not consistent with the Highway 1 Scenic Corridor design standards as such standards may be developed and approved by the Authority Board; and

The project is outside of the Highway 1 Scenic Corridor.

(8) Is not consistent with the jobs/housing balance requirements developed and approved by the Authority Board as provided in Section 8.02.020(t) of this Master Resolution.

The project increases employment opportunities on the former Fort Ord and supports redevelopment activities. This is consistent with the jobs/housing balance approved by the FORA Board.

Additional Considerations:
(9) Adoption of required programs from section 8.02.040 of the FORA Master Resolution and

MCWD has incorporated BRP programs and is consistent with the BRP EIR and mitigation monitoring plan. MCWD’s submittal conforms to the Development Resource Management Plan and FORA Master Resolution.

(10) Is not consistent with FORA’s prevailing wage policy, section 3.03.090 of the FORA Master Resolution.

MCWD will comply with FORA’s prevailing wage policies.

FISCAL IMPACT:
Reviewed by FORA Controller

This consistency review is regulatory in nature and should have no direct fiscal, administrative, or operational impact. Staff time for this item is included in the approved FY 10-11 budget. The Cell Tower project is subject to the FORA CFD fee, in addition, FORA will collect 5% of MCWD’s Cell Tower lease revenues.

COORDINATION:

MCWD, Administrative Committee, and Executive Committee.

Prepared by
Jonathan Garcia

Reviewed by
Steve Endsley

Approved by
Michael A. Houlemand, Jr.
Mr. Michael A. Houlemard, Jr.
Executive Officer
Fort Ord Reuse Authority
100 12th Street, Building 2880
Marina, CA 93933

February 24, 2011

Subject: Request for Consistency Determination for a Development Entitlement
Regarding MCWD’s Cell Tower Project Located at the D/E Reservoir Site

Dear Mr. Houlemard,

This letter serves as Marina Coast Water District’s (MCWD, District) formal request for a Consistency Determination for a Development Entitlement (Consistency Determination) regarding the District’s use of the D/E Reservoir Site for the installation of a cell phone tower and appurtenances, including antennae installation to improve MCWD’s operational radio communications.

The requested Consistency Determination is needed in order to maintain compliance with the 1998 Agreement between MCWD and the Fort Ord Reuse Authority (FORA), specifically section 3.3 which states “Any transfer, obligation, or encumbrance of any interest in the facilities shall require prior written approval of both parties.” Consistency between MCWD Board Resolution No. 2007-22 and FORA’s Master Resolution needs to be determined for this particular situation. The District Board adopted Resolution No. 2007-22 on March 14, 2007 and authorized the use of the D/E Reservoir Site (DER Site) for the installation of a cellular phone transmitting and receiving tower.

Other noteworthy considerations pertaining to the Consistency Determination are that in 2007 the City of Seaside was the owner of the DER Site property and that the 2007 action taken by MCWD to allow Sprint Nextel’s construction of the cell tower was categorically exempt from CEQA.

Background information, in the form of a chronology, is as follows:

- 1994: After Fort Ord’s closure, the Fort Ord Reuse Authority (FORA) was established, partly in order to transfer former military land into public use. The DER Site is located on land that was formerly part of the Fort Ord military reservation.
• 1998: FORA and MCWD enter into an Agreement for the operation of the water system and the wastewater collection system on the former Fort Ord military reservation.
• 1999: Nextel (now known as Sprint Nextel) and MCWD enter into agreement for the construction and operation of a cellular phone tower at the DER Site.
• 2004: The U.S. Army transfers the DER Site property to FORA and FORA transfer the DER Site property to the City of Seaside. The District continues use of DER Site under the 1998 Agreement between MCWD and FORA.
• 2006: MCWD approves demolition and construction activities on the re-development and improvement of the DER Site. (See EA/IS and Negative Declaration for Tanks D/E Reservoir Site Project, adopted in June 2006.)
• 2007: Amendment No. 1 to the 1999 Agreement between Sprint Nextel and MCWD was adopted, showing MCWD’s acceptance for Sprint Nextel to build a new cellular phone tower and for MCWD to install antennas for communication purposes on the proposed cell tower to be located at the DER Site. This is the action authorized by Resolution 2007-22. At that time, MCWD did not own the DER Site.
• 2009: E Zone Reservoir demolished at the DER Site and construction of the new D-zone tank begins.
• 2009: A temporary, trailer-mounted cellular tower (also known as Cell on Wheels, or COW) is set-up at the DER Site and a permanent cellular phone tower constructed.
• 2010: The DER Site property is transferred from the City of Seaside to MCWD through a Land Transfer Agreement.
• 2010: The District needs to install antennae on the existing cell tower but requires FORA’s acceptance of the action in order to maintain compliance with the terms of the 1998 Agreement.

The package enclosed with this cover letter requesting the Consistency Determination includes the following information:
3. The recorded Notice of Determination documenting MCWD’s environmental assessment of the current contemplated action.
4. A completed Matrix documenting the consistency with FORA’s Base Reuse Plan and Master Resolution for the contemplated action by the FORA Board.

Please do not hesitate to contact me at (831) 883-5925 or Mr. Brian True of my staff at (831) 883-5937 with any questions you may have or for any additional information you may need.

Sincerely,

Carl Niizawa
Deputy General Manager / District Engineer

Enclosures
Cc: Brian True – MCWD
    Alison Imamura – Denise Duffy & Associates
Resolution No. 2007-22
Resolution of the Board of Directors
Marina Coast Water District
Approving an Amendment to the District’s Agreement with
Sprint/Nextel for use of the D/E Tank Site

March 14, 2007

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on March 14, 2007 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS On August 5, 1999, the District entered into an Agreement with Nextel which permitted the installation of antenna and related infrastructure to be constructed at the District’s D/E Tank Site; and,

WHEREAS, the Agreement consists of one five-year term with five successive five-year terms which automatically renew, and expires on August 5, 2029; and,

WHEREAS, subsequent to the execution of the Agreement with Nextel, Sprint Communications and Nextel have merged their corporations; and,

WHEREAS, the District’s 2004 Ord Water Master Plan included a project to replace the “E” Zone and “D” Zone tanks due to their extremely poor condition; and,

WHEREAS, the District entered into negotiations with Sprint/Nextel in October 2004 to discuss relocation of the antenna; and,

WHEREAS, staff has completed those negotiations and is bringing an amendment to the original agreement to the Board for approval; and,

WHEREAS, completion of this agreement will permit the construction at the D/E Tank site to proceed which was authorized by the Board on January 10, 2007.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby authorize the General Manager to sign an Amendment to the District’s Agreement with Sprint/Nextel for installation of a radio tower and antenna at the District’s D/E Tank Site, in the form of Exhibit A attached hereto.

PASSED AND ADOPTED on March 14, 2007, by the Board of Directors of the Marina Coast Water District by the following roll call vote:

Ayes: Directors Brown, Moore, Nishi, Gustafson

Noes: Directors None

Absent: Directors Lee

Abstained: Directors None
CERTIFICATE OF SECRETARY

The undersigned Secretary of the Board of the Marina Coast Water District hereby certifies that the foregoing is a full, true and correct copy of Resolution No. 2007-22 adopted March 14, 2007.
Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-A

Meeting Date: March 14, 2007

Submitted By: Marc A. Lucca
Presented By: Marc A. Lucca

Agenda Title: Consider Adoption of Resolution No. 2007-22 to Approve an Amendment to an Agreement between the District and Sprint/Nextel for use of the D/E Tank Site

Detailed Description: The Board of Directors is requested to approve an Amendment to the District’s Agreement with Sprint/Nextel for use of the D/E Tank Site.

In August 5, 1999, the District entered into an Agreement with Nextel which permitted the installation of antenna and related infrastructure to be constructed at the District’s D/E Tank Site. The agreement consists of a five year term with 5-five year successive terms which automatically renew. The original 5-year lease term expired on August 5, 2004 and Nextel is currently in its first five-year successive term. Assuming that Nextel renews all of its 5-five year successive terms, the current agreement expires on August 5, 2029. Subsequent to the execution of the original agreement, Nextel entered into a merger with Sprint Communications and is referred to as Sprint/Nextel below.

The District’s 2004 Ord Water Master Plan included a project to replace the “E” Zone and “D” Zone tanks due to their extremely poor condition. As a result, the District entered into negotiations with Sprint/Nextel in October 2004 to discuss relocation of its antenna. Staff has completed those negotiations and is bringing an amendment to the original agreement to the Board for approval.

Key points of the agreement include the following:

a. Sprint/Nextel will construct one tower at the D/E tank site at its expense. The District will partially abate rent to Sprint/Nextel until such time as these expenses are recovered.
b. Sprint/Nextel affiliates will receive a reduced rent for a period of approximately 6.25 years.
c. Non-Sprint/Nextel affiliates and subsidiaries will pay full rent to the District.
d. The District shall receive at no charge space on the tower for placement of an antenna which can be used for District communications.
e. The amendment does not extend the current term of the agreement.

Completion of this agreement will permit the construction at the D/E Tank site to proceed. The Board approved that contract at its meeting on January 10, 2007. Mobilization has begun and the work is beginning.

Prior Committee or Board Action: The Board received several updates during staff’s negotiations and a detailed update in Closed Session at the Board meeting on February 14, 2007. The final agreement was presented to the Board in Open Session on February 28, 2007; however, the
Board had questions which required additional staff research. The Board wanted to know if there is a limit to the number of antenna that Sprint/Nextel can mount on the tower. There is no such limitation in the agreement. That point was discussed in detail during the negotiations; however, since no such provision was included in the original agreement, Sprint/Nextel would not agree to that condition in the amendment. The underlying agreement does not provide the District the ability to enforce such a condition. Also, the rent paid each month is not per antenna, but rather per user of the tower.

Board Goals/Objectives: 2006 Strategic Plan, Goal No. 2 – Improve/increase the District’s Water, Recycled Water and Sewer Infrastructure to meet the needs of the expanding service area.

Financial Impact:  
__X__ Yes  _____ No

Funding Source/Recap: The District shall continue to receive rent from Sprint/Nextel and non-Sprint/Nextel affiliates for use of the D/E Tank Site. In addition, the District will receive at no charge space on the tower for placement of an antenna which can be used for District communication.

Material Included for Information/Consideration: Resolution No. 2007-22; and, Amendment No. 1 to the MCWD/Nextel Agreement.

Recommendation: Approve an Amendment to the District’s Agreement with Sprint/Nextel for use of the D/E Tank Site

Action Required:  
__X__ Resolution  _____ Motion  _____ Review
(Roll call vote is required.)

Board Action

_____ Resolution No _____ Motion By _____ Seconded By _____

Ayes  ____________________________  Abstained  ____________________________

Noes  ____________________________  Absent  ____________________________

Reagendized  __________  Date  ______  No Action Taken  __________________
Resolution No. 2007-22
Resolution of the Board of Directors
Marina Coast Water District
Approving an Amendment to the District’s Agreement with
Sprint/Nextel for use of the D/E Tank Site

March 14, 2007

RESOLVED by the Board of Directors ("Directors") of the Marina Coast Water District ("District"), at a regular meeting duly called and held on March 14, 2007 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS On August 5, 1999, the District entered into an Agreement with Nextel which permitted the installation of antenna and related infrastructure to be constructed at the District’s D/E Tank Site; and,

WHEREAS, the Agreement consists of one five-year term with five successive five-year terms which automatically renew, and expires on August 5, 2029; and,

WHEREAS, subsequent to the execution of the Agreement with Nextel, Sprint Communications and Nextel have merged their corporations; and,

WHEREAS, the District’s 2004 Ord Water Master Plan included a project to replace the “E” Zone and “D” Zone tanks due to their extremely poor condition; and,

WHEREAS, the District entered into negotiations with Sprint/Nextel in October 2004 to discuss relocation of the antenna; and,

WHEREAS, staff has completed those negotiations and is bringing an amendment to the original agreement to the Board for approval; and,

WHEREAS, completion of this agreement will permit the construction at the D/E Tank site to proceed which was authorized by the Board on January 10, 2007.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby authorize the General Manager to sign an Amendment to the District’s Agreement with Sprint/Nextel for installation of a radio tower and antenna at the District’s D/E Tank Site, in the form of Exhibit A attached hereto.

PASSED AND ADOPTED on March 14, 2007, by the Board of Directors of the Marina Coast Water District by the following roll call vote:

Ayes: Directors  Brown, Moore, Nishi, Gustafson

Noes: Directors  None

Absent: Directors  Lee

Abstained: Directors  None
CERTIFICATE OF SECRETARY

The undersigned Secretary of the Board of the Marina Coast Water District hereby certifies that the foregoing is a full, true and correct copy of Resolution No. 2007-22 adopted March 14, 2007.

Marc A. Lucca, Secretary
AMENDMENT NO. 1

This Amendment No. 1 ("Amendment") is attached to and made a part of that certain Communications Site License Agreement dated July 3, 1997 (the "Agreement") entered into by and between NEXTEL OF CALIFORNIA, INC., a Delaware corporation, ("Lessee") and MARINA COAST WATER DISTRICT, a County Water District formed and operating under California law, ("Lessor").

WHEREAS, Lessee and Lessor desire to amend the Agreement to revise the existing Exhibit B and certain other provisions of the Agreement to reflect the terms and conditions pursuant to which Lessee will relocate the Lessee Facilities to accommodate Lessor's development plans for the Property, to provide for the partial abatement of Rent to offset some of the cost and expense incurred by Lessee in relocating the Lessee Facilities, to redefine the new Lessee's new temporary and long-term Premises and to update Lessee's notice address and Lessor's notice information.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. The terms in this Amendment shall have the same meaning as like terms in the Agreement. In case of any inconsistencies between the terms and conditions contained in the Agreement and the terms and conditions contained herein, the terms and conditions herein shall control. Except as set forth below, all provisions of the Agreement remain unchanged and in full force and effect.

2. The Exhibit B of the Agreement is hereby deleted in its entirety and replaced in full with the Revised Exhibit B attached hereto and incorporated herein by this reference (the "Revised Exhibit B"). Upon execution of this Amendment, all references in the Agreement to the Exhibit B shall hereinafter refer to and mean the Revised Exhibit B.

3. Lessee's and Lessor's notice addresses contained in Section 19(d) of the Agreement entitled "Miscellaneous" are hereby deleted in their entirety and replaced in full with the following:

   **Lessor:**

   Marina Coast Water District  
   11 Reservation Road  
   Marina, CA 93933  
   Attn: General Manager

   **Tenant:**

   Nextel of California  
   1255 Tread Boulevard, Suite 800  
   Walnut Creek, CA 94597  
   Attn: Property Services  
   Phone: 800-275-9084
With a copy to:

Nextel Communications  
2001 Edmund Halley Drive  
Reston, VA 20191-3436  
Attn: Contracts Manager – Legal

4. Lessee and Lessor hereby acknowledge, agree and consent to all of the follow:
   (a) Lessee will use diligence and good faith efforts to promptly remove the current Lessee Facilities as depicted on the Exhibit B to the Agreement and replace such facilities with the New Lessee Facilities (defined below) and as more particularly depicted on the Revised Exhibit B.

   (b) Lessee shall be allowed to install and operate a temporary cell-on-wheels ("COW") at a location depicted on the Revised Exhibit B (the “Lessee COW Location”) prior to installing the New Lessee Facilities within the area depicted on the Revised Exhibit B as the “New Premises”; provided, that Lessee will work diligently and use good faith efforts to insure that the COW will not interfere with any proposed construction or any of Lessor’s operations on the portion of the area described in Exhibit A to the Agreement outside the area depicted on the Revised Exhibit B as the “New Premises.”

   (c) Following installation and commencement of the commercial operation of the COW, all references in the Agreement to the “Premises” shall thereafter refer to and mean the “New Premises” and all references in the Agreement to the “Lessee Facilities” shall thereafter refer to and mean the “New Lessee Facilities” as defined immediately below. New references shall not change any of the times set forth in paragraph 4 of the Agreement.

   (d) The “New Lessee Facilities” shall consist of the right to erect, maintain and operate on the New Premises radio communications facilities, including a telecommunications tower and foundation, utility lines, transmission lines, air conditioned equipment shelter(s), electronic equipment, radio transmitting and receiving antennas, backup power batteries and supporting equipment, access roads or paths, and structures thereto.

   (e) The “New Premises” shall consist of approximately ___________________________ (_____) square feet of the Land and all access and utility easements as described in the Revised Exhibit B.

   (f) Removal of the former Lessee Facilities and installation of the COW and the New Lessee Facilities shall be performed by Lessee, or its agents, at its sole cost and expense in a prompt manner upon the full execution of this
Amendment provided that Lessee shall not be required to perform any such work unless and until, through the mutual good faith efforts of Lessee and Lessor (and at no out-of-pocket expense to Lessor), all environmental review, permits, consents and approvals necessary for the installation and operation of such facilities have been obtained by Lessee and all applicable appeal periods have expired.

(g) By virtue of executing this Agreement, Lessor expressly consents to the location of the access and utility easements depicted on the Revised Exhibit B and represents and warrants that such easements will not be disturbed by Lessor’s development of the Property.

(h) Notwithstanding anything to the contrary contained in the Agreement including Section 4 (i), Lessee shall have the right to sublet space on its new telecommunications tower and within its New Premises under the following conditions:

a. If the sublessee is a parent company, affiliate or subsidiary of Lessee, each sublet of the new telecommunications tower, the Premises or the New Premises to these entities shall require the Lessor’s prior written notification and an increase in the then current monthly Rent by an amount equal to One Thousand and Five Hundred and 00/100 Dollars ($1,500.00) per month with CPI adjustments made consistent with the Agreement. However, this increase in current monthly Rent by each parent company, affiliate or subsidiary sublet shall be abated until such time as the cumulative abated rent totals One Hundred and Ninety Thousand and 00/100 Dollars ($190,000) as reimbursement for a portion of its costs and expenses incurred in removing the Lessee Facilities and installing the New Lessee Facilities within the New Premises.

b. If the sublessee is not a parent company, affiliate or subsidiary of Lessee, each sublet of the new telecommunications tower, the Premises or the New Premises to these entities shall require the Lessor’s prior written approval and an increase in the then current monthly Rent by an amount equal to One Thousand and Five Hundred and 00/100 Dollars ($1,500.00) per month with CPI adjustments made consistent with the Agreement.

c. Lessor’s consent shall not be unreasonably, withheld conditioned or delayed. Lessor shall also allow Lessee to sublet the new telecommunications tower, the Premises or the New Premises in accordance with this Provision so long as the sublet equipment does not interfere with Lessor’s construction, operations, or maintenance work associated with its Premises and facilities as determined solely by the Lessor.

d. Additionally, Lessee agrees to provide the Lessor with space on its new telecommunications tower at no cost to the Lessor for one antennae during the term of this Agreement and subsequent Renewal Terms. Lessor shall coordinate antennae installation with Lessee so as
to avoid frequency or other physical interference with Lessee’s antennas.

(i) Upon the removal of the Lessee Facilities, the current Rent shall be immediately reduced by Eight Hundred and 00/100 Dollars ($800.00) per month until such time as Lessee has recouped Sixty Thousand and 00/100 Dollars ($60,000.00) in abated Rent as reimbursement for a portion of its costs and expenses incurred in removing the Lessee Facilities and installing the New Lessee Facilities within the New Premises.

(j) Change “Lessor” to “Lessee” and change “Lessee” to “Lessor” in Section 20 of the Agreement, so that Lessee shall have sole responsibility for all FAA marking and lighting requirements for the New Lessee Facilities and the COW.

(k) Lessee understands and acknowledges that Lessor’s principal intended use of the Premises is for facilities to provide water service and that the Lessor will be upgrading the storage and transmission facilities as described in the Lessor’s “D-Zone Reservoir and E-Zone Hydropneumatic Pump Station Project Plans and Specifications” and access at the Premises for such use. Lessee agrees that Lessee’s installation, field work and activities associated with its COW and New Lease Facilities will comply with all applicable laws, rules and regulations and will not unreasonably interfere with Lessor’s principal intended use of the Premises.

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed on this ___ day of __________________, 2007.

**LESSOR:**
MARINA COAST WATER DISTRICT, a California Water District

By: __________________________
Title: President
Date: __________________________

**LESSEE:**
NEXTEL OF CALIFORNIA, INC., a Delaware corporation,

By: __________________________
Title: __________________________
Date: __________________________

By: __________________________
Title: Secretary
Date: __________________________
REVISED EXHIBIT B

To Amendment No. 1 ("Amendment") is attached to and made a part of that certain Communications Site License Agreement dated July 3, 1997 (the "Agreement") entered into by and between NEXTEL OF CALIFORNIA, INC., a Delaware corporation, ("Lessee") and MARINA COAST WATER DISTRICT, a County Water District formed and operating under California law, ("Lessor").

DESCRIPTION OF THE NEW PREMISES

The New Premises are described and/or depicted as follows:
Notes:

1. Lessee may replace this Exhibit with a survey of the New Premises once Lessee prepares a survey and is reviewed and approved by Lessor.
2. The New Premises shall be setback from the boundaries of the Land and the New Premises as required by the applicable governmental authorities.
3. The access road’s width will be the width required by the applicable governmental authorities.
4. Without in any way limiting Paragraph 6 (or Lessee’s right to make future changes), Lessee intends to initially install up to twelve (12) antennas, fifteen (15) coaxial cables and three (3) GPS signal units and connections. The type, number, mounting positions and locations of antennas and transmission lines are illustrative only. The actual types, numbers, mounting positions and locations may vary from what is shown above. Lessee shall be responsible for securing all permits and approvals and complying with all necessary regulations for these antennae. The locations of any utility easements are illustrative only. The actual locations will be determined by the servicing utility company in compliance with all local laws and regulations.
Notice of Exemption

To: Office of Planning & Research
1400 Tenth Street, Room 121
Sacramento, CA 95814

From: Marina Coast Water District (Lead Agency)
11 Reservation Road
Marina, CA 93933

X County Clerk: County of Monterey

Project Title: D/E Reservoir Site Cell Tower Project (DER CTP)

Project Location - Specific: West of the intersection of Eucalyptus Road and Parker Flats Cutoff and East of General Jim Moore Boulevard, City of Seaside (former Fort Ord lands), Monterey County

Project Location - City: Seaside

Project Location - County: Monterey

Description of Nature, Purpose and Beneficiaries of Project: This Notice of Exemption (NOE) concerns the installation of two antennas to an existing cellular tower located at Marina Coast Water District’s (MCWD) D/E reservoir site in Seaside, CA (hereafter “the project”). The new antennas would be utilized by MCWD for radio communication uses. MCWD currently utilizes two antennae mounted on a pole located at the reservoir site for radio communications.

The two UMF antennas would be each 3 feet tall and 3/4 inch in diameter, composed of steel rods with wiring at each base. One antenna would be located at 65 feet and the other at 80 feet on the existing 82 foot cellular communications (cell-phone) tower. Use of the D/E Reservoir site for the cellular tower is under lease to Sprint Nextel, expiring in 2029, through MCWD.

The D/E Reservoir site is located on land that was formerly part of the Fort Ord military reservation. After Fort Ord’s closure in 1994, the Fort Ord Reuse Authority (FORA) was established in order to transfer former military land into public use.

MCWD became owners of the site recently, and therefore, pursuant to the 1998 agreement between Fort Ord Reuse Authority (FORA) and MCWD, MCWD has an obligation to engage FORA regarding consistency of the uses at the project site with the Fort Ord Base Reuse Plan.

Name of Public Agency Approving Project: Marina Coast Water District Board of Trustees

Name of Person or Agency Carrying Out Project: Marina Coast Water District
Notice of Exemption for
DER CTP

Exempt Status:
Ministerial (Sec. 21080(b)(1); 15268)
Declared Emergency (Sec. 21080(b)(3); 15269(a));
Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
✓ Categorical Exemption. (Class 1, Sec. 15301 and Class 2, Sec. 15302)
Statutory Exemptions.
Other (Sec. 15378(b))

Reasons why project is exempt: The proposed project is exempt from CEQA as the proposed alterations to the existing site classifies as a Class 1 Existing Facilities categorical exemption [Section 15301] and as a Class 2 Replacement or Reconstruction categorical exemption [Section 15302].

CEQA Guidelines Section 15301 stipulates that “the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency’s determination,” are exempt from CEQA, including Section 15301 (b) which stipulates that “existing facilities of both investor and publicly-owned utilities used to provide electric power, natural gas, sewerage, or other public utility service.” The addition of the two antennas to the existing cellular tower, which is utilized to provide a public utility service (radio telecommunications), would involve a negligible alteration to the existing facility.

Further, Section 15302 stipulates that “replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose and capacity as the structure replaced,” shall be exempt from CEQA including “(c) replacement or reconstruction of existing utility systems and/or facilities involving negligible or no expansion of capacity.” The addition of the two antennas would occur on the same site as an existing public utility structure and would serve a substantially similar purpose as the existing facility. Therefore, approval of the additional two antennas to the existing cellular tower does not require CEQA review pursuant to Section 15301 and Section 15302.

Summary: Approval of the installation of the two antennas to the existing cellular tower and FORA’s consideration of consistency with the Fort Ord Base Reuse Plan described above would not result in any direct, physical changes to the environment, would result in negligible expansion of an existing facility used for public utility purposes, and would be exempt to CEQA pursuant to CEQA Sections 15301 and 15302.

Lead Agency Contact Person: Brian True Area Code/Telephone/Extension: (831) 883-5937

__________________________________________________________________________

Signature of Lead Agency Date Title
### FORA Master Resolution

**Chapter 8 Sections 8.02.020 (a) to (t)**

<table>
<thead>
<tr>
<th>Natural Resources</th>
<th>MCWD D/E Reservoir Site Cell Tower Project Consistency</th>
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<tbody>
<tr>
<td>(a) Prior to approving any development entitlements, each land use agency shall act to protect natural resources and open spaces on Fort Ord territory by including the open space and conservation policies and programs of the Reuse Plan, applicable to the land use agency, into their respective general, area, and specific plans.</td>
<td>The MCWD D/E Reservoir Site Cell Tower Project (DER CTP) does not amend the Seaside General Plan Land Use Map and does not amend any of the existing General Plan policies.</td>
</tr>
<tr>
<td>1. Each land use agency shall review each application for a development entitlement for compatibility with adjacent open space land uses and require suitable open space buffers to be incorporated into the development plans of any potentially incompatible land uses as a condition of project approval.</td>
<td>The DER Site is not classified as a Borderlands parcel. The DER CTP within the DER Site is adjacent to vacant land that carries a General Plan Land Use Map designation for future development (RS-12).</td>
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<tr>
<td>2. When buffers are required as a condition of approval adjacent to Habitat Management areas, the buffer shall be designed in a manner consistent with those guidelines set out in the Habitat Management Plan. Roads shall not be allowed within the buffer area adjacent to Habitat Management areas except for restricted access maintenance or emergency access roads.</td>
<td>The CER CTP is not adjacent to any Habitat Management areas.</td>
</tr>
<tr>
<td>(b) Each land use agency shall include policies and programs in their respective applicable general, area, and specific plans that will ensure consistency of future use of the property within the coastal zone through the master planning process of the California Department of Parks and Recreation, if applicable. All future use of such property shall comply with the requirements of the Coastal Zone Management Act and the California Coastal Act and the coastal consistency determination process.</td>
<td>The DER CTP is not located within the Local Coastal Zone.</td>
</tr>
<tr>
<td>(c) Monterey County shall include policies and programs in its applicable general, area, and specific plans that will ensure that future development projects at East Garrison are compatible with the historic context and associated land uses and development entitlements are appropriately conditioned prior to approval.</td>
<td>The DER CTP is not located within the East Garrison area of Monterey County.</td>
</tr>
<tr>
<td>FORA Master Resolution</td>
<td>MCWD D/E Reservoir Site Cell Tower Project Consistency</td>
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<tr>
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<tr>
<td>Chapter 8 Sections 8.02.020 (a) to (t)</td>
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<tr>
<td>(d) Each land use agency shall include policies and programs in</td>
<td>The DER CTP does not amend the Seaside General Plan</td>
</tr>
<tr>
<td>their respective applicable general, area, and specific plans that shall</td>
<td>Land Use Map and does not amend any of the existing</td>
</tr>
<tr>
<td>limit recreation in environmentally sensitive areas, including, but not limited to,</td>
<td>General Plan policies.</td>
</tr>
<tr>
<td>dunes and areas with rare, endangered, or threatened plant or animal communities</td>
<td>The DER CTP replaces an existing utility service.</td>
</tr>
<tr>
<td>to passive, low intensity recreation, dependent on the resource and</td>
<td></td>
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<td>compatible with its long term protection. Such policies and programs shall prohibit</td>
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<td>passive, low-density recreation if the Board finds that such passive, low-density</td>
<td></td>
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<tr>
<td>recreation will compromise the ability to maintain an environmentally sensitive</td>
<td></td>
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<tr>
<td>resource.</td>
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</tbody>
</table>

**Historic Preservation**

| (e) Each land use agency shall include policies and programs in                         |                                                        |
| their respective applicable general, area, and specific plans that shall               | The DER CTP does not amend the Seaside General Plan   |
| encourage land uses that are compatible with the character of the surrounding districts | Land Use Map and does not amend any of the existing   |
| or neighborhoods and discourage new land use activities which are potential nuisances | General Plan policies.                                 |
| and/or hazards within and in close proximity to residential areas. Reuse of property   | The DER CTP replaces an existing utility service.      |
| in the Army urbanized footprint should be encouraged.                                  |                                                        |

| (f) Each land use agency with jurisdiction over property in                             |                                                        |
| the Army urbanized footprint shall adopt the cultural resources                          | The DER CTP does not amend the Seaside General Plan    |
| policies and programs of the Reuse Plan concerning historic                           | Land Use Map and does not amend any of the existing    |
| preservation, and shall provide appropriate incentives for                            | General Plan policies.                                 |
| historic preservation and reuse of historic property, as                                | The DER CTP replaces an existing utility service.      |
| determined by the affected land use agency, in their respective                        |                                                        |
| applicable general, area, and specific plans.                                          |                                                        |

| (g) The County of Monterey shall amend the Greater Monterey                             | The DER CTP is not located within the East Garrison    |
| Peninsula Area Plan and designate the Historic East Garrison Area as an historic       | area of Monterey County.                              |
| district in the County Reservation Road Planning Area. The East Garrison shall         |                                                        |
| be planned and zoned for planned development mixed uses consistent with the            |                                                        |
| Reuse Plan. In order to implement this aspect of the plan, the County shall adopt     |                                                        |
| at least one specific plan for the East                                                 |                                                        |
| Garrison area and such specific plan shall be approved before any development         |                                                        |
| entitlement shall be approved for such area.                                          |                                                        |

**Water, Sower, Drainage & Waste**

| (h) Each land use agency shall include policies and programs in                         | The DER CTP does not amend the Seaside General Plan   |
| their respective applicable general, area, and specific plans that shall               | Land Use Map and does not amend any of the existing    |
| support all actions necessary to ensure that sewage                                    | General Plan policies.                                 |
| treatment facilities operate in compliance with waste discharge                       | The DER CTP replaces an existing utility service that    |
| requirements adopted by the California Regional Water Quality                         | supports the permitted sewage conveyance within the     |
| Control Board.                                                                        | Ord Community.                                         |

| (i) Each land use agency shall adopt the following policies and programs:             | The DER CTP does not amend the Seaside General Plan   |
| 1. A solid waste reduction and recycling program applicable                           | Land Use Map and does not amend any of the existing    |
| to Fort Ord territory consistent with the provisions of the California                | General Plan policies.                                 |
### MCWD D/E Reservoir Site – Cell Tower Project

**CONSISTENCY WITH FORT ORD REUSE PLAN AND MASTER RESOLUTION CHAPTER 8**

**November 1, 2010**

<table>
<thead>
<tr>
<th>FORA Master Resolution</th>
<th>MCWD D/E Reservoir Site Cell Tower Project Consistency</th>
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<tbody>
<tr>
<td>Chapter 8 Sections 8.02.020 (a) to (t)</td>
<td>that supports the permitted sewage conveyance, potable water supply, and potable and non-potable water distribution and storage within the Ord Community.</td>
</tr>
</tbody>
</table>

| 2. | (2) A program that will ensure that each land use agency carries out all action necessary to ensure that the installation of water supply wells comply with State of California Water Well Standards and well standards established by the Monterey County Health Department. |

| 3. | A program that will ensure that each land use agency carries out all actions necessary to ensure that distribution and storage of potable and non-potable water comply with State Health Department regulations. |

| () Each land use agency shall include policies and programs in their respective applicable general, area, and specific plans to address water supply and water conservation. Such policies and programs shall include the following: |

| 1. | Identification of, with the assistance of the Monterey County Water Resources Agency and the Monterey Peninsula Water Management District, potential reservoir and water impoundment sites and zoning of such sites for watershed use, thereby precluding urban development. |

| 2. | Commence working with appropriate agencies to determine the feasibility of developing additional water supply sources, such as water importation and desalination, and actively participate in implementing the most viable option or options. |

| 3. | Adoption and enforcement of a water conservation ordinance which includes requirements for plumbing retrofits and is at least as stringent as Regulation 13 of the Monterey Peninsula Water Management District, to reduce both water demand and effluent generation. |

| 4. | Active participation in the support of the development of reclaimed or recycled water supply sources by the water purveyor and the Monterey Regional Water Pollution Control Agency to ensure adequate water supplies for the territory within the jurisdiction of the Authority. |

| 5. | Promotion of the use of on-site water collection, incorporating measures such as cisterns or other appropriate improvements to collect surface water for intract irrigation and other non-potable use. |

| 6. | Adoption of policies and programs consistent with the Authority’s Development and Resource Management Plan to establish programs and monitor development in territory within the jurisdiction of the Authority to assure that it does not exceed resource constraints posed by water supply. |

| 7. | Adoption of appropriate land use regulations that will ensure that development entitlements will not be approved until there is verification of an assured long-term water supply for such development entitlements. |

| | The DER CTP does not amend the Seaside General Plan Land Use Map and does not amend any of the existing General Plan policies. The DER CTP replaces an existing utility service. |

| | The DER CTP does not amend the Seaside General Plan Land Use Map and does not amend any of the existing General Plan policies. The DER CTP replaces an existing utility service that supports MCWD's storage of potable and non-potable water within the Ord Community. |

| | The DER CTP does not amend the Seaside General Plan Land Use Map and does not amend any of the existing General Plan policies. The DER CTP replaces an existing utility service that supports MCWD's development of potable and non-potable water supplies within the Ord Community. |

| | The DER CTP is consistent with the MCWD water conservation standards that are at least as stringent as the Monterey Peninsula Water Management District’s Regulation 13. |

| | The DER CTP replaces an existing utility service that supports MCWD’s development of potable and non-potable water supplies within the Ord Community. The DER CTP is subject to the FORA Community Facilities District (CFD) fee. |

| | The DER CTP is incorporated with the development of the DER Site for storing and conveying potable and non-potable water. The DER Site improvements are generally consistent with this provision. |

| | The DER CTP does not amend the Seaside General Plan Land Use Map and does not amend any of the existing General Plan policies. The DER CTP replaces an existing utility service and does not require a water supply allocation. |

<p>| | The DER CTP does not amend the Seaside General Plan Land Use Map and does not amend any of the existing General Plan policies. The DER CTP replaces an existing utility service and does not require a water supply allocation. |</p>
<table>
<thead>
<tr>
<th>FORA Master Resolution Chapter 8 Sections 8.02.020 (a) to (t)</th>
<th>MCWD D/E Reservoir Site Cell Tower Project Consistency</th>
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</thead>
<tbody>
<tr>
<td>8. Participation in the development and implementation of measures that will prevent seawater intrusion into the Salinas Valley and Seaside groundwater basins.</td>
<td></td>
</tr>
<tr>
<td>The DER CTP does not amend the Seaside General Plan Land Use Map and does not amend any of the existing General Plan policies. The DER CTP replaces an existing utility service and does not require a water supply.</td>
<td></td>
</tr>
<tr>
<td>9. Implementation of feasible water conservation methods where and when determined appropriate by the land use agency, consistent with the Reuse Plan, including: dual plumbing using non-potable water for appropriate functions; cistern systems for roof-top run-off; mandatory use of reclaimed water for any new golf courses; limitation on the use of potable water for golf courses; and publication of annual water reports disclosing water consumption by types of use.</td>
<td></td>
</tr>
<tr>
<td>The DER CTP does not amend the Seaside General Plan Land Use Map and does not amend any of the existing General Plan policies. The DER CTP replaces an existing utility service and does not require a water supply. The DER CTP is consistent with the MCWD water conservation standards.</td>
<td></td>
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<tr>
<td>(k) Each land use agency shall include policies and programs in their respective applicable general, area, and specific plans that will require new development to demonstrate that all measures will be taken to ensure that storm water runoff is minimized and infiltration maximized in groundwater recharge areas. Such policies and programs shall include:</td>
<td></td>
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<tr>
<td>The DER CTP does not amend the Seaside General Plan Land Use Map and does not amend any of the existing General Plan policies. The DER CTP replaces an existing utility service.</td>
<td></td>
</tr>
<tr>
<td>1. Preparation, adoption, and enforcement of a storm water detention plan that identifies potential storm water detention design and implementation measures to be considered in all new development, in order to increase groundwater recharge and thereby reduce potential for further seawater intrusion and provide for an augmentation of future water supplies.</td>
<td></td>
</tr>
<tr>
<td>The DER CTP is incorporated with the development of the DER Site for storing and conveying potable and non-potable water. The DER Site improvements are generally consistent with these provisions and the DER CTP action herein does not increase runoff to the existing and improved storm drain system installed to serve the DER Site.</td>
<td></td>
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<tr>
<td>2. Preparation, adoption, and enforcement of a Master Drainage Plan to assess the existing natural and man-made drainage facilities, recommend area-wide improvements based on the approved Reuse Plan, and develop plans for the control of storm water runoff from future development. Such plans for control of storm water runoff shall consider and minimize any potential for groundwater degradation and provide for the long term monitoring and maintenance of all storm water retention ponds.</td>
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<tr>
<td>(l) Each land use agency shall adopt policies and programs that ensure that all proposed lands use on the Fort Ord territory are consistent with the hazardous and toxic materials clean-up levels as specified by state and federal regulation.</td>
<td></td>
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<tr>
<td>The DER CTP does not amend the Seaside General Plan Land Use Map and does not amend any of the existing General Plan policies. The DER CTP replaces an existing utility service.</td>
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<tr>
<td>(m) Each land use agency shall adopt and enforce an ordinance acceptable to the California Department of Toxic Substances Control (DTSC) to control and restrict excavation or any soil movement on those parcels of the Fort Ord territory, which were contaminated with unexploded ordnance and explosives. Such ordinance shall prohibit any digging, excavation, development, or ground disturbance of any type to be caused or otherwise allowed to occur without compliance with the ordinance. A land use agency shall not make any substantive change to such ordinance without prior notice to and approval by DTSC.</td>
<td></td>
</tr>
<tr>
<td>The DER CTP does not amend the Seaside General Plan Land Use Map and does not amend any of the existing General Plan policies. The DER CTP replaces an existing utility service.</td>
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<tr>
<td><strong>Traffic &amp; Circulation</strong></td>
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<tr>
<td>(n) Each land use agency shall include policies and programs in their respective</td>
<td>The DER CTP does not amend the Seaside General Plan Land Use Map and does not amend any of the existing General Plan policies or any of the existing City's circulation policies.</td>
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<tr>
<td>applicable general, area, and specific plans that will help ensure an efficient</td>
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<tr>
<td>regional transportation network to access the territory under the jurisdiction of</td>
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<tr>
<td>the Authority, consistent with the standards of the Transportation Agency of</td>
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<tr>
<td>Monterey County. Such policies and programs shall include:</td>
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</tr>
<tr>
<td>1. Establishment and provision of a dedicated funding mechanism to pay for the</td>
<td>The DER CTP replaces an existing utility. The DER CTP is subject to the FORA Community Facilities District (CFD) fee. A portion of the CFD fee will be used to meet the project's impact on the regional transit system.</td>
</tr>
<tr>
<td>fair share of the impact on the regional transportation system caused or contributed</td>
<td></td>
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<tr>
<td>by development on territory within the jurisdiction of the Authority.</td>
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</tr>
<tr>
<td>2. Support and participate in regional and state planning efforts and funding</td>
<td>The DER CTP replaces an existing utility. The DER CTP is subject to the FORA Community Facilities District (CFD) fee. A portion of the CFD fee will be used to meet the project's impact on the regional transit system.</td>
</tr>
<tr>
<td>programs to provide an efficient regional transportation effort to access Fort Ord</td>
<td></td>
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<tr>
<td>territory.</td>
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<tr>
<td>(o) Each land use agency shall include policies and programs in their respective</td>
<td>The DER CTP does not amend the Seaside General Plan Land Use Map and does not amend any of the existing General Plan policies or any of the existing City's circulation policies.</td>
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<tr>
<td>applicable general, area, and specific plans that ensure that the design and</td>
<td></td>
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<tr>
<td>construction of all major arterials within the territory under the jurisdiction of</td>
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<tr>
<td>the Authority will have direct connections to the regional network consistent with</td>
<td></td>
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<tr>
<td>the Reuse Plan. Such plans and policies shall include:</td>
<td></td>
</tr>
<tr>
<td>1. Preparation and adoption of policies and programs consistent with the Authority's</td>
<td>The DER CTP replaces an existing utility. The DER CTP is subject to the FORA Community Facilities District (CFD) fee. A portion of the CFD fee will be used to meet the project's impact on the regional transit system.</td>
</tr>
<tr>
<td>Development and Resource Management Plan to establish programs and monitor</td>
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<tr>
<td>development to assure that it does not exceed resource constraints posed by</td>
<td></td>
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<tr>
<td>transportation facilities.</td>
<td></td>
</tr>
<tr>
<td>2. Design and construction of an efficient system of arterials in order to connect</td>
<td>The DER CTP replaces an existing utility. The DER CTP is subject to the FORA Community Facilities District (CFD) fee. A portion of the CFD fee will be used to meet the project's impact on the regional transit system.</td>
</tr>
<tr>
<td>to the regional transportation system.</td>
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<tr>
<td>3. Designate local truck routes to have direct access to regional and national</td>
<td>The DER CTP replaces an existing utility. The DER CTP is subject to the FORA Community Facilities District (CFD) fee. A portion of the CFD fee will be used to meet the project's impact on the regional transit system.</td>
</tr>
<tr>
<td>truck routes and to provide adequate movement of goods into and out of the territory</td>
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<tr>
<td>under the jurisdiction of the Authority.</td>
<td></td>
</tr>
<tr>
<td>(p) Each land use agency shall include policies and programs in their respective</td>
<td>The DER CTP does not amend the Seaside General Plan Land Use Map and does not amend any of the existing General Plan policies or any of the existing City's circulation policies.</td>
</tr>
<tr>
<td>applicable general, area, and specific plans to provide regional bus service and</td>
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<tr>
<td>facilities to serve key activity centers and key corridors within the territory</td>
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<td>under the jurisdiction of the Authority in a manner consistent with the Reuse Plan.</td>
<td></td>
</tr>
<tr>
<td>(q) Each land use agency shall adopt policies and programs that ensure development</td>
<td>The DER CTP does not amend the Seaside General Plan Land Use Map and does not amend any of the existing General Plan policies or any of the existing jurisdictional law enforcement policies.</td>
</tr>
<tr>
<td>and cooperation in a regional law enforcement program that promotes joint</td>
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<tr>
<td>efficiencies in operations, identifies additional law enforcement needs, and</td>
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<td>identifies and seeks to secure the appropriate funding mechanisms to provide the</td>
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<td>required services.</td>
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</tr>
<tr>
<td>Fire Protection</td>
<td>Fire Protection</td>
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<tr>
<td>(f) Each land use agency shall include policies and programs in their respective applicable general, area, and specific plans that ensure development of a regional fire protection program that promotes joint efficiencies in operations, identifies additional fire protection needs, and identifies and seeks to secure the appropriate funding mechanisms to provide the required services.</td>
<td>The DER CTP does not amend the Seaside General Plan Land Use Map and does not amend any of the existing General Plan policies or any of the existing jurisdictional fire protection policies.</td>
</tr>
<tr>
<td>(a) Each land use agency shall include policies and programs in their respective applicable general, area, and specific plans that will ensure that native plants from on-site stock will be used in all landscaping except for turf areas, where practical and appropriate. In areas of native plant restoration, all cultivars, including, but not limited to, manzanita and ceanothus, shall be obtained from stock originating on Fort Ord territory.</td>
<td>The DER CTP does not amend the Seaside General Plan Land Use Map and does not amend any of the existing General Plan policies or any of the existing jurisdictional landscape policies.</td>
</tr>
<tr>
<td>Jobs/Housing Balance</td>
<td>Jobs/Housing Balance</td>
</tr>
<tr>
<td>(f) Each land use agency shall include policies and programs in their general, area, and specific plans that will ensure compliance with the 1997 adopted FORA Reuse Plan jobs/housing balance provisions. The policies and programs for the provision of housing must include flexible targets that generally correspond with expected job creation on the former Fort Ord. It is recognized that, in addressing the Reuse Plan jobs/housing balance, such flexible targets will likely result in the availability of affordable housing in excess of the minimum 20% local jurisdictional inclusionary housing figure, which would result in a range of 21% - 40% below market housing. Each land use agency should describe how their local inclusionary housing policies, where applicable, address the Reuse Plan jobs/housing balance provisions.</td>
<td>The DER CTP does not amend the Seaside General Plan Land Use Map and does not amend any of the existing General Plan policies.</td>
</tr>
<tr>
<td>Other Consistency Considerations</td>
<td>Other Consistency Considerations</td>
</tr>
<tr>
<td>Each land use agency shall ensure that its projects, programs, and policies are consistent with the Highway One Scenic Corridor design standards as such standards may be developed and approved by the Authority Board.</td>
<td>The DER CTP is not within the proposed Highway One Scenic Corridor.</td>
</tr>
<tr>
<td>Each land use agency shall ensure that its projects, programs, and policies are consistent with FORA’s prevailing wage policy, section 3.03.090 of the FORA Master Resolution.</td>
<td>MCWD complies with the prevailing wage laws applicable to Special Districts under State Law and generally complies with FORA’s prevailing wage policies.</td>
</tr>
<tr>
<td>Finding of Consistency</td>
<td>Justification for finding</td>
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<tr>
<td>------------------------</td>
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</tr>
<tr>
<td>Yes</td>
<td>This development is not more intense than permitted under the current land use designation. See MCWD's Cell Tower Project Analysis (&quot;MCWD's Analysis&quot;) items (a) through (e) pg. 1-2.</td>
</tr>
<tr>
<td>Yes</td>
<td>The project's expansion is well below the 204-acre Public Facilities threshold. See MCWD 2007 agenda transmittal.</td>
</tr>
<tr>
<td>Yes</td>
<td>These conditions are imposed on the project. See MCWD's Analysis items (a) to (t) pg. 1-6.</td>
</tr>
<tr>
<td>Yes</td>
<td>The project does not impact open space, recreational, or habitat management areas. See MCWD's Analysis item (a) pg. 1.</td>
</tr>
<tr>
<td>Yes</td>
<td>The project will pay its fair share of basewide costs through payment of developer fees and sharing of lease revenue proceeds. See MCWD's Analysis item (n) pg. 5.</td>
</tr>
<tr>
<td>Yes</td>
<td>The project does not conflict with implementation of the Fort Ord Habitat Management Plan. See MCWD's Analysis item (a) pg. 1.</td>
</tr>
<tr>
<td>Yes</td>
<td>The project is not within the Highway 1 Scenic Corridor. See MCWD's Analysis Other Consistency items pg. 6.</td>
</tr>
<tr>
<td>Yes</td>
<td>The project complies with the 1997 Reuse Plan jobs/housing balance provisions. See MCWD's Analysis item (t) pg. 6.</td>
</tr>
<tr>
<td>Yes</td>
<td>The submittal conforms to DRMP and BRP EIR. See MCWD's Analysis items (j) 6, 7 pg. 3.</td>
</tr>
<tr>
<td>Yes</td>
<td>The project will comply with FORA's prevailing wage policy. See MCWD's Analysis Other Consistency items pg. 6.</td>
</tr>
</tbody>
</table>