



FORT ORD REUSE AUTHORITY

BOARD OF DIRECTORS REGULAR MEETING MINUTES

Friday, May 8, 2015 at 2:00 p.m.

910 2nd Avenue, Marina, CA 93933 (Carpenters Union Hall)

1. CALL TO ORDER

Chair O'Connell called the meeting to order at 2:00 p.m.

2. PLEDGE OF ALLEGIANCE

Chair O'Connell led the Pledge of Allegiance.

3. CLOSED SESSION

The Board adjourned into closed session at 2:02 p.m.

a. Conference with Legal Counsel - Existing Litigation, Gov Code 54956.9(a) – 2 Cases

i. Keep Fort Ord Wild v. Fort Ord Reuse Authority (FORA), Case Number: M114961

ii. The City of Marina v. Fort Ord Reuse Authority, Case Number: M11856

4. ANNOUNCEMENT OF ACTION TAKEN IN CLOSED SESSION

The Board reconvened into open session at 2:09 p.m. and Authority Counsel Jon Giffen announced that a settlement agreement had been signed in the City of Marina v. Fort Ord Reuse Authority case. While there were conditions to settlement, the Fort Ord Reuse Authority anticipated they would be satisfied.

5. ROLL CALL

Voting Members Present: (**alternates*)(*AR: entered after roll call*)

Chair/Mayor Pro-Tem O'Connell (City of Marina)

Mayor Pro-Tem Beach (City of Carmel-by-the-Sea)

Mayor Edelen (City of Del Rey Oaks)

Mayor Gunter (City of Salinas)

Councilmember Haffa (City of Monterey)

Councilmember Lucius (City of Pacific Grove)

Councilmember Morton (City of Marina)

Councilmember Oglesby (City of Seaside)

Supervisor Parker (County of Monterey)

Mayor Pendergrass (City of Sand City)

Supervisor Phillips (County of Monterey)

Supervisor Potter (County of Monterey)

Mayor Rubio (City of Seaside)

Absent: None.

Ex-officio (Non-Voting) Board Members Present: Congressman Farr *AR*/later replaced by Alec Arago* (20th Congressional District), Senator Monning/later replaced by Nicole Charles* (17th State Senate District), Assemblymember Stone/later replaced by Erica Parker* (29th State Assembly District), Donna Blitzer (University of California, Santa Cruz), Eduardo Ochoa (California State University, Monterey Bay), Walter Tribbley (Monterey Peninsula College), Lisa Rheinheimer* (Monterey-Salinas Transit), Todd Muck* *AR* (Transportation Agency for Monterey County), and Director Le (Marina Coast Water District).

6. ACKNOWLEDGEMENTS, ANNOUNCEMENTS, AND CORRESPONDENCE

None.

7. 2015 ANNUAL LEGISLATIVE SESSION

Chair O'Connell took the legislative reports out of order, as Congressman Farr had not yet arrived.

b. Report from State Senator Bill Monning - 17th State Senate District

Executive Officer Houlemard introduced Senator Monning. Senator Monning discussed the collaborative effort that culminated in the veterans cemetery groundbreaking and the work ahead to fulfill the vision. He noted his recent work with FORA to explore loan options to fund blight removal, leading to FORA's current efforts to obtain a low interest loan from the California i-bank. Senator Monning briefly reviewed the proposed state budget and provided an overview of the legislative budget process leading up to the June 15th deadline. He commented that projections showed higher than anticipated revenue. Senator Monning discussed recent mandatory state water reduction measures and regional water issues.

c. Report from Assembly member Mark Stone - 29th State Assembly District

Executive Officer Houlemard introduced Assemblymember Stone. Assemblymember Stone explained that his main policy focus this year would be infrastructure investment and poverty reduction. He discussed coalition efforts to secure a permanent funding source for affordable housing and provided an overview of the Assembly Speaker's Task Force's efforts to explore energy and climate change. Assemblymember Stone provided an overview of his current proposed legislation, including a significant child welfare reform bill and a broadband communication bill that would promote additional coalition building around that important issue.

a. Report from Congressman Sam Farr - 20th Congressional District

Executive Officer Houlemard introduced Congressman Farr. Congressman Farr discussed how continuing Department of Defense requests to congress for further Base Realignment and Closure (BRAC) rounds could affect the Monterey region. He emphasized the importance of implementing new BRAC criteria and a more effective selection system. Congressman Farr discussed the difficulty in quantifying intellectual the capital offered by the region's military missions. He explained that avoiding regional losses in future BRAC rounds would require a method to quantify the benefit that proximity offers our military missions in terms of shared intellectual capacity. He stated that he planned to be active in trying to shape the new BRAC legislation. He noted that the General Gourley Clinic was on schedule to receive its first patients in 2016 and stressed the importance of moving forward with affordable housing projects to accommodate the facility's workers. Congressman Farr answered questions from the Board and public.

Senator Monning and Assemblymember Stone left the meeting and were replaced by their respective alternates.

d. Approve Positions on Current State Legislation

Chair O'Connell stated that the item was distributed to the Board and public earlier in the week and was available on the back table. The Legislative Committee met on May 1st to review current state legislation affecting FORA and unanimously recommended Board approval of the positions included in the report.

MOTION: Supervisor Potter moved, seconded by Mayor Rubio, to approve the positions on current state legislation, as presented.

MOTION PASSED UNANIMOUSLY

8. CONSENT AGENDA

a. Approve April 10, 2015 Board Meeting Minutes

MOTION: Mayor Rubio moved, seconded by Supervisor Potter, to approve the Board meeting minutes as presented.

MOTION PASSED UNANIMOUSLY

9. BUSINESS ITEMS

a. 2nd Vote: Consider FORA Prevailing Wage Program: Seek Department of Industrial Relations SB 854 Determination

Chair O'Connell announced that the Board would only receive comments on the matter at hand, which was a second vote to continue to pursue staff report Option C, seeking a SB 854 determination for the Department of Industrial Relations (DIR).

The Board asked clarifying questions of Authority Counsel and received comments from members of the public.

2ND VOTE: Mayor Rubio moved, seconded by Councilmember Haffa, to approve staff report Option C, seeking a SB 854 determination for the Department of Industrial Relations (DIR).

Vice Mayor Haffa urged the Board to review a City of San Diego prevailing wage study, distributed to the Board and public at his request (*attached*).

MOTION PASSED: Ayes: Beach, Edelen, Gunter, Haffa, Lucius, O'Connell, Oglesby, Pendergrass, Phillips, Potter, Rubio. Noes: Morton, Parker. *Abstentions*: None. *Absent*: None.

b. Review/Adopt FORA FY 2015/16 Capital Improvement Program

Principal Planner Jonathan Garcia presented an overview of the Capital Improvement Program (CIP). Environmental Services Cooperative Agreement Remediation Program Manager Stan discussed the economics of building removal economics and reviewed former Fort Ord building removal work completed to date.

Todd Muck, Transportation Agency for Monterey County (TAMC), reiterated TAMC's request to return the Hwy 156 project to its previous funding schedule under 2018-19. He stated that the project was a top priority for the agency and that the FORA contribution to the project would be necessary to TAMC's current efforts to obtain outside funding. Mayor Rubio discussed the importance of prioritizing on-base projects, while supporting regional efforts. Mr. Houlemard and Mr. Garcia responded to Board member questions. The Board received comments from members of the public.

MOTION: Mayor Rubio moved, seconded by Mayor Pro-Tem Oglesby, to approve the FY 2015/16 Capital Improvement Program as presented.

MOTION PASSED UNANIMOUSLY

c. Adopt FORA FY 2015-16 Annual Budget

Mr. Houlemard presented the FY 2015-16 annual budget, noting the Executive Committee's recommendation for 2.5 percent cost-of-living adjustment for FORA staff. He explained that the Finance Committee had reviewed the budget and confirmed availability of funds. Mr. Houlemard responded to questions from the Board members. Eduardo Ochoa suggested staff provide a graphical depiction of FORA's remaining obligations for the next five years. Mr. Houlemard

responded that staff had already begun that task and planned to provide the results to the Finance Committee along with presentation of the annual audit this fall.

MOTION: Councilmember Lucius moved, seconded by Mayor Gunter, to approve the budget as presented with a 2.5 percent cost-of-living adjustment for FORA staff.

MOTION PASSED UNANIMOUSLY

d. Marina Coast Water District FY 2015-16 Ord Community Budget

i. Presentation by FORA

Mr. Houlemard stated that earlier in the week FORA staff received a letter from MCWD Board President Howard Gustafson, and yesterday the FORA Board received an email from Ex-officio Board member and MCWD Board member Peter Le. Both items were provided to the Board and available to the public. Mr. Houlemard stated that the Water and Wastewater Oversight Committee (WWOC) had reviewed the Ord Community budget at their April 29th meeting, recommending Board approval of the budget, but requesting referral of the \$500,000 conceptual design process expenditure to the Board for further review without a recommendation. He noted that staff had provided MCWD responses to questions posed by the WWOC and others regarding the item.

Assistant Executive Officer Steve Endsley discussed the distinction between the annual Ord Community budget process, Pure Water Monterey, and the MCWD water augmentation obligation/proposal. Mr. Garcia discussed the WWOC review of the item.

ii. Presentation by Marina Coast Water District

Bill Kocher, MCWD Interim General Manager, requested the Board consider adoption of the resolutions approving the budget as presented. He provided an overview of the compensation plan and Ord infrastructure system.

Mr. Kocher and Mr. Garcia responded to Board member questions. Congressman Farr posed questions to MCWD staff regarding the 2014 proposition 218 process that approved the 5-year rate increase and recommended Board postponement of the item until additional information could be provided.

iii. Consider Resolutions 15-XX and 15-XX Adopting a Compensation Plan for Base-wide Water and Sewer Services on the Former Fort Ord

The Board received comments from members of the public.

MOTION: Mayor Rubio moved, seconded by Mayor Gunter, to continue the item to the June 12, 2015 Board meeting.

Mayor Rubio stated his support of a continuation was based on lack of urgency and a need for a more full understanding of the issues.

SUBSTITUTE MOTION: Councilmember Morton moved, seconded by Councilmember Lucius, to approve the MCWD Ord Community budget without line item 25B-2 (pg. 15) allocating \$470,000 for a Regional Urban Water Augmentation Program (RUWAP) Desalination Project and without the included 9 percent increase to ratepayers.

Staff responded to comments from members of the public and Board.

SUBSTITUTE MOTION RECEIVED MAJORITY APPROVAL (2ND VOTE REQUIRED): Ayes: Beach, Edelen, Gunter, Haffa, Lucius, Morton, O'Connell, Oglesby, Parker, Pendergrass, Phillips, Potter. Noes: Rubio. *Abstentions*: None. *Absent*: None.

MOTION: Mayor Pro-Tem Beach moved, seconded by Supervisor Potter, to direct staff to reconsider their authority in establishing an augmented water project in consultation with marina coast water district and return analysis of suggestions made by board members pursuant to the reworking of the relationship between MCWD and FORA.

AMENDMENT: Direct authority counsel to provide an opinion regarding FORA'S authority to adopt an Ord Community budget without prop 218 approved water rate increases.

Mayor Gunter and Congressman Farr left the meeting at 5:16pm (Congressman Farr was replaced by alternate Alec Arago).

The Board received comments from members of the public. Mr. Houlemard asked whether the motion precluded staff from including other water stakeholders in coordination efforts. Board agreed that staff was not restricted.

MOTION PASSED UNANIMOUSLY: Ayes: Beach, Edelen, Haffa, Lucius, Morton, O'Connell, Oglesby, Parker, Pendergrass, Phillips, Potter, Rubio. Noes: None. *Abstentions*: None. *Absent*: Gunter.

Mayor Rubio left the meeting at 5:24 p.m.

MOTION: Supervisor Parker moved, seconded by Mayor Pro-Tem Oglesby to extend the meeting to the sooner of 6 p.m. or completion of agenda items.

MOTION APPROVED UNANIMOUSLY: Ayes: Beach, Edelen, Haffa, Lucius, Morton, O'Connell, Oglesby, Parker, Pendergrass, Phillips, Potter, Rubio. Noes: None. *Abstentions*: None. *Absent*: Gunter.

Supervisor Potter and Supervisor Phillips left the meeting at 5:26 p.m.

e. Monterey Regional Water Pollution Control Agency (MRWPCA) – Groundwater Replenishment Project Update

Keith Israel, MRWPCA General Manager, provided an overview of the Pure Water Monterey project, discussed the history of the project, the required infrastructure, and the wastewater treatment process. Paul Sciuto, MRWPCA Deputy General Manager, discussed the timeline, noting that the project was currently undergoing a 45-day California Environmental Quality Act review period and that MRWPCA would be accepting comments on the proposed project until June 5, 2015. Mr. Scudo briefly discussed the RUWAP, noting that MRWPCA was currently in negotiations with MCWD on a RUWAP pipeline. The Board received comments from members of the public.

10. PUBLIC COMMENT PERIOD

The Board received comments from members of the public.

11. EXECUTIVE OFFICER'S REPORT

a. Outstanding Receivables

No report was provided on this item.

b. Habitat Conservation Plan Update

No report was provided on this item.

c. Administrative Committee

No report was provided on this item.

d. Finance Committee

No report was provided on this item.

e. Post Reassessment Advisory Committee

Mr. Houlemard briefly noted progress being made on several Committee items that would be making their way to the Board.

f. Regional Urban Design Guidelines Task Force

Mr. Houlemard stated that staff anticipated providing the “where do the guidelines apply” map to the Board at their next meeting.

g. Veterans Issues Advisory Committee

No report was provided on this item.

h. Water Wastewater Oversight Committee

No report was provided on this item.

i. Travel Report

Mr. Houlemard stated that the travel report contained details on the recently concluded federal legislative mission and the upcoming ADC National Summit in June. He explained that in addition to typical travel venues, this year FORA incurred travel expenses connected with the Base Reuse Plan reassessment, trails planning, and economic development activities. Mr. Houlemard stated that the \$20,000 travel budget was about 80 percent expended before the three remaining trips outlined in the travel report.

The estimated available balance of \$4,000 (pending the Federal Legislative Mission trip final accounting) would not be sufficient to cover remaining trips. *He requested the Board consider increasing the budget authority by \$3,500 to provide adequate funding through the fiscal year end.*

MOTION: Councilmember Morton moved, seconded by Mayor Edelen, to authorize a \$3,500 travel budget increase.

MOTION PASSED UNANIMOUSLY: Ayes: Beach, Edelen, Haffa, Lucius, Morton, O’Connell, Oglesby, Parker, Pendergrass. Noes: None. *Abstentions*: None. *Absent*: Gunter, Phillips, Potter, Rubio.

j. Public Correspondence to the Board

No report was provided on this item.

12. ITEMS FROM MEMBERS

Councilmember Morton announced that that the following day was Warhorse Day at the Marina Equestrian Center beginning at 10 a.m.

Supervisor Parker requested bring back a reevaluation of the timing of the Hwy 156 project in the CIP, as mentioned by Mayor Rubio. Mr. Houlemard stated the item could be returned to the Board at the June meeting.

13. ADJOURNMENT

Chair O’Connell adjourned the meeting at 4:26 p.m.