

Attachment A

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MONTEREY COUNTY RESOURCE MANAGEMENT AGENCY

Carl P. Holm, AICP, Director



LAND USE & COMMUNITY DEVELOPMENT | PUBLIC WORKS & FACILITIES | PARKS

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March 5, 2020

Josh Metz, Executive Officer
Fort Ord Reuse Authority
920 2nd Avenue
Marina, CA 93933

Subject: FORA Bond Proceed Allocation and Inter-Agency Agreement

Dear Mr. Metz:

At its December 13, 2019 meeting, the FORA Board approved an allocation methodology for the bond proceeds that provided 4.5% (estimate \$1.3M - \$2.25M) proceeds to the County, and included a cost estimate of \$750,000 building removal costs for the Ammo Supply Point (E11b.8) and \$1,525,000 for 5 open space parcels (L23.3.2.2, L23.3.3.1, L23.3.3.2, L20.2.1, L20.2.2).

The County Board of Supervisors' Fort Ord Committee members conducted a site visit on October 1, 2019 to locations where County (and Successor Agency) have remaining buildings/structures that may benefit from funding derived if FORA issues a bond. Following up to that, County solicited cost estimates to demolish remaining buildings on County lands in the former Fort Ord (Enclosed). The total cost estimate for demolishing and disposing of County buildings on former Fort Ord lands is approximately \$13 million, which is far in excess of the FORA proposed maximum \$2.25M bond proceeds provided for to the County, which was used for the basis of current allocation ratios.

This new information was reviewed by the Fort Ord Committee at its February 2, 2020 Special Meeting, in which the Committee and staff identified 13 buildings that are high priority to the County for removal for a total estimated cost of about \$3.1 million (less than 25% of the estimated total cost for demolition).

Given these much higher than anticipated costs, more favorable bond climate, and in consideration that taxes generated from County lands will contribute approximately 33% toward payment of the bond debt service on the bonds while receiving only approximately 5% of the proceeds, County re-evaluated the allocation methodology (Enclosed). County's analysis provided shows our allocation using the methodology used by the FORA Board at its December 13, 2019 meeting, and proposed reallocation for consideration. The allocation calculations are based on three bond yield scenarios: \$40 million; \$42 million; and \$45 million. County proposes a formula where the bond proceed allocation is 12.5% of the total bond allocation, and not less than \$5 million, to go towards demolition and revitalization of structures within the unincorporated County area. County anticipates rehabilitating bunkers at the Ammo Supply

Point if there is funding available after demolishing our high priority items, but has not yet determined whether the remaining buildings/structures are to be demolished or renovated. For calculation purposes, the County achieved this increase in its allocation by including a corresponding decrease of 4% each to the Cities of Seaside and Marina, based on percentages of work to funding.

Additionally, County requests that an agreement be developed between the entities proposed to receive bond proceeds (County of Monterey, City of Marina, City of Seaside, TAMC, MCWD, and MST) that addresses post-FORA administration of the bond, collaboration to responsibly utilize the bond proceeds, and legal concerns minimize risk associated with the bond issuance and building removal implementation.

The County hopes that FORA and its relevant member jurisdictions agree to address these issues in a timely manner. I request that you include this correspondence with the agenda packet for the FORA Administrative Committee's meeting scheduled for Friday March 6, 2020 at 12:00 pm. Don't hesitate to contact me or Melanie Beretti (berettim@co.monterey.ca.us; 831-755-5285) if you have any questions.

Sincerely,



Carl P. Holm, AICP
RMA Director

Enclosures:

County Fort Ord Demolition Cost Estimates
County Fort Ord Demolition Location Maps
FORA Bond Proceeds Allocation Proposals

FORT ORD - EAST GARRISON
Demolition Cost Estimates Per Structure

Structure	Square Feet	Project & Construction				35% Contingency	Total	TO BE REMOVED	PONTIAL REMOVE OR REHABILITATE
		Construction	Management	*Misc.					
Theater (Foundation Only)	14,400	\$ 405,311	\$ 84,913	\$ 15,192	\$ 141,859	\$ 647,275	\$ 647,275	N/A	
Shooting Range	7,500	\$ 241,330	\$ 50,559	\$ 19,674	\$ 84,466	\$ 396,028	\$ 396,028	N/A	
Marshal Station	6,600	\$ 54,133	\$ 11,341	\$ 15,544	\$ 18,946	\$ 99,964	\$ 99,964	N/A	
Subtotal		\$ 700,774	\$ 146,812	\$ 50,410	\$ 245,271	\$ 1,143,267	\$ 1,143,267	\$ -	
Ammunition Supply Area									
Warehouse #725	4,992	\$ 360,937	\$ 75,616	\$ 52,538	\$ 126,328	\$ 615,419	\$ -	TBD	
Warehouse #727	4,992	\$ 360,937	\$ 75,616	\$ 52,538	\$ 126,328	\$ 615,419	\$ -	TBD	
Warehouse #730	4,992	\$ 360,937	\$ 75,616	\$ 52,538	\$ 126,328	\$ 615,419	\$ -	TBD	
Warehouse #735	4,992	\$ 360,937	\$ 75,616	\$ 52,538	\$ 126,328	\$ 615,419	\$ -	TBD	
Ancillary Structure #740	1,058	\$ 160,451	\$ 33,615	\$ 53,020	\$ 56,158	\$ 303,243	\$ -	TBD	
Ancillary Structure #741	576	\$ 73,708	\$ 15,442	\$ 50,444	\$ 25,798	\$ 165,392	\$ -	TBD	
Ancillary Structure #742	100	\$ 40,347	\$ 8,453	\$ 50,458	\$ 14,121	\$ 113,379	\$ -	TBD	
Carport Structure #744	3,844	\$ 181,772	\$ 38,081	\$ 50,262	\$ 63,620	\$ 333,735	\$ -	TBD	
Propane Tank & Enclosure #745	625	\$ 50,110	\$ 10,498	\$ 49,778	\$ 17,538	\$ 127,924	\$ -	TBD	
Rocket Repair Structure #746	8,208	\$ 725,427	\$ 151,977	\$ 77,671	\$ 253,899	\$ 1,208,974	\$ 1,208,974	N/A	
Ancillary Structure #747	130	\$ 40,324	\$ 8,448	\$ 50,388	\$ 14,113	\$ 113,273	\$ -	TBD	
Warehouse #750	1,200	\$ 143,042	\$ 29,967	\$ 52,038	\$ 50,065	\$ 275,112	\$ -	TBD	
Electrical Building #752	540	\$ 83,237	\$ 17,438	\$ 50,748	\$ 29,133	\$ 180,556	\$ -	TBD	
Bunker #760	2,214	\$ 327,764	\$ 68,667	\$ 52,528	\$ 114,717	\$ 563,676	\$ -	TBD	
Bunker #761	2,214	\$ 327,764	\$ 68,667	\$ 52,528	\$ 114,717	\$ 563,676	\$ -	Rehabilitate	
Bunker #762	2,214	\$ 327,764	\$ 68,667	\$ 52,528	\$ 114,717	\$ 563,676	\$ -	Rehabilitate	
Bunker #763	2,214	\$ 327,764	\$ 68,667	\$ 52,528	\$ 114,717	\$ 563,676	\$ -	Rehabilitate	
Bunker #764	2,214	\$ 327,764	\$ 68,667	\$ 52,528	\$ 114,717	\$ 563,676	\$ -	Rehabilitate	
Bunker #765	2,214	\$ 327,764	\$ 68,667	\$ 52,528	\$ 114,717	\$ 563,676	\$ -	Rehabilitate	
Bunker #766	2,214	\$ 327,764	\$ 68,667	\$ 52,528	\$ 114,717	\$ 563,676	\$ -	Rehabilitate	
Bunker #767	2,214	\$ 327,764	\$ 68,667	\$ 52,528	\$ 114,717	\$ 563,676	\$ -	Rehabilitate	
Bunker #768	2,214	\$ 327,764	\$ 68,667	\$ 52,528	\$ 114,717	\$ 563,676	\$ -	Rehabilitate	
Bunker #769	2,214	\$ 327,764	\$ 68,667	\$ 52,528	\$ 114,717	\$ 563,676	\$ -	Rehabilitate	
Site Light Poles	Poles/Fixtu	\$ 135,541	\$ 28,396	\$ 20,380	\$ 47,439	\$ 231,755	\$ -	TBD	
Subtotal		\$ 6,355,344	\$ 1,331,445	\$ 1,240,619	\$ 2,224,371	\$ 11,151,779	\$ 1,208,974	\$ -	
Cul-de-Sac off of Barley Cyn									
Latrine	200	\$ 24,751	\$ 5,168	\$ 16,080	\$ 8,663	\$ 54,661	\$ 54,661	N/A	
Ancillary Structure	400	\$ 31,017	\$ 6,498	\$ 16,080	\$ 10,856	\$ 64,451	\$ 64,451	N/A	
Subtotal		\$ 55,768	\$ 11,666	\$ 32,160	\$ 19,519	\$ 119,112	\$ 119,112	\$ -	
Crescent Bluff									
Latrine	200	\$ 24,456	\$ 5,123	\$ 16,080	\$ 8,559	\$ 54,218	\$ 54,218	N/A	
Latrine	200	\$ 24,456	\$ 5,123	\$ 16,080	\$ 8,559	\$ 54,218	\$ 54,218	N/A	
Ancillary Structure	900	\$ 47,398	\$ 9,930	\$ 16,080	\$ 16,589	\$ 89,997	\$ 89,997	N/A	
Structure T659	900	\$ 52,618	\$ 11,023	\$ 16,080	\$ 18,416	\$ 98,138	\$ 98,138	N/A	
Structure T660	1,600	\$ 67,782	\$ 14,200	\$ 16,080	\$ 23,724	\$ 121,787	\$ 121,787	N/A	
Ancillary Structure	400	\$ 33,574	\$ 7,034	\$ 16,080	\$ 11,751	\$ 68,439	\$ 68,439	N/A	
Ancillary Structure	400	\$ 33,574	\$ 7,034	\$ 16,080	\$ 11,751	\$ 68,439	\$ 68,439	N/A	
Subtotal		\$ 283,858	\$ 59,468	\$ 112,560	\$ 99,350	\$ 555,237	\$ 555,237	\$ -	
Grand Total		\$ 7,395,745	\$ 1,549,391	\$ 1,435,749	\$ 2,588,511	\$ 12,969,395	\$ 3,026,590	\$ 9,942,804.84	

* Misc. Includes: Estimates for Environmental Testing & Oversight, Ammunition Plans & Oversight, Permitting, & Biologist & Archeologist Oversight.
 Construction Cost Include: Demolition, Capping Utilities and Abatement

Project Cost Estimate Methodology:

Construction quotes were done by Jacob Construction (JOC contractor). Demolition and abatement are worse case, since haz mat reports are not currently available. Quotes are available upon request.

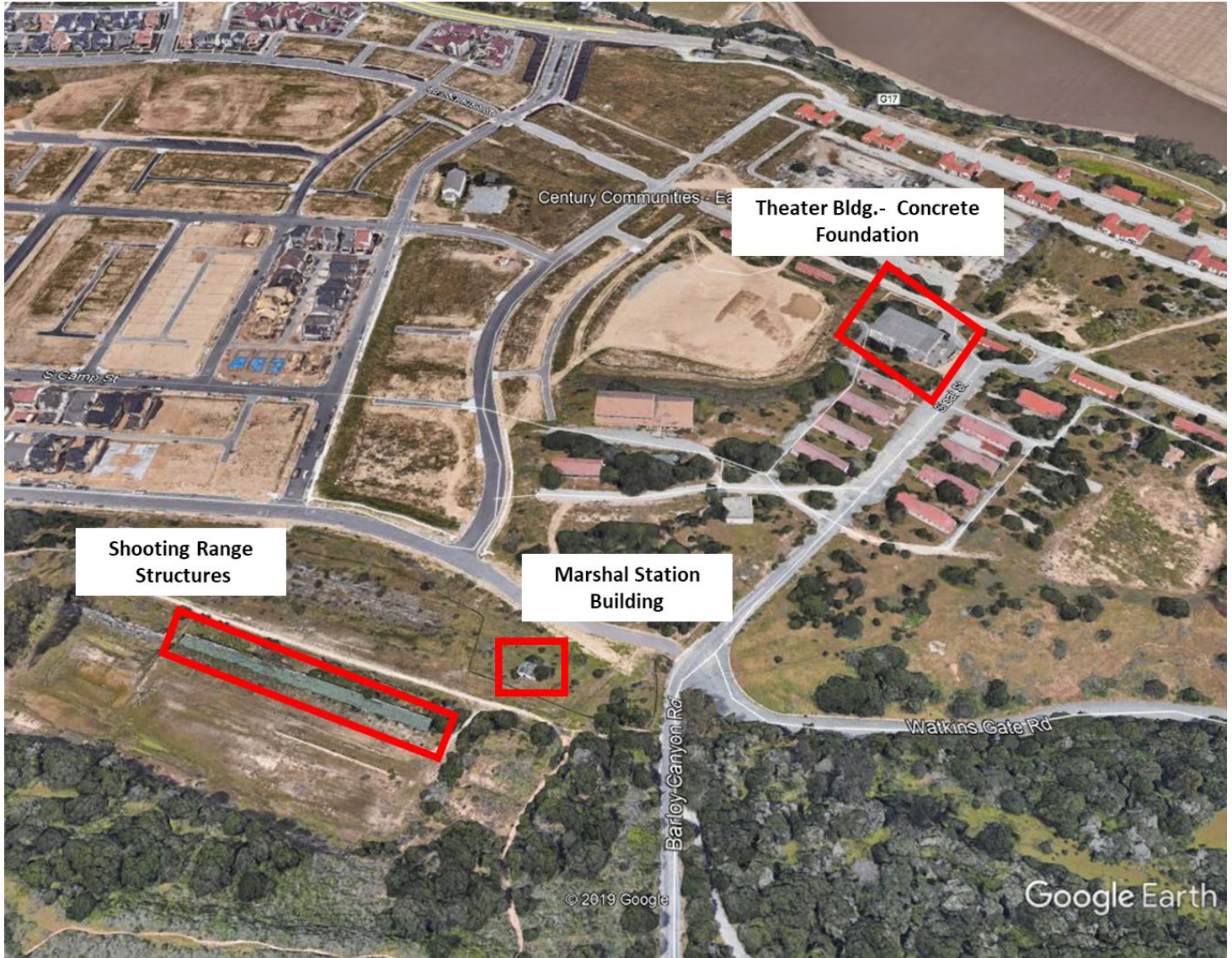
Environmental quotes (testing, oversight & clearance) were done by M3, a local vendor. Available upon request.

Project & Construction Management are based on industry standard - 20% of construction cost

Misc. costs are based on discussions with County Building and FORA staff

35% construction contingency was added to cover unforeseen expenditures.

FORT ORD – East Garrison
Theater Bldg. (Concrete Foundation), Marshal Station, Shooting Range



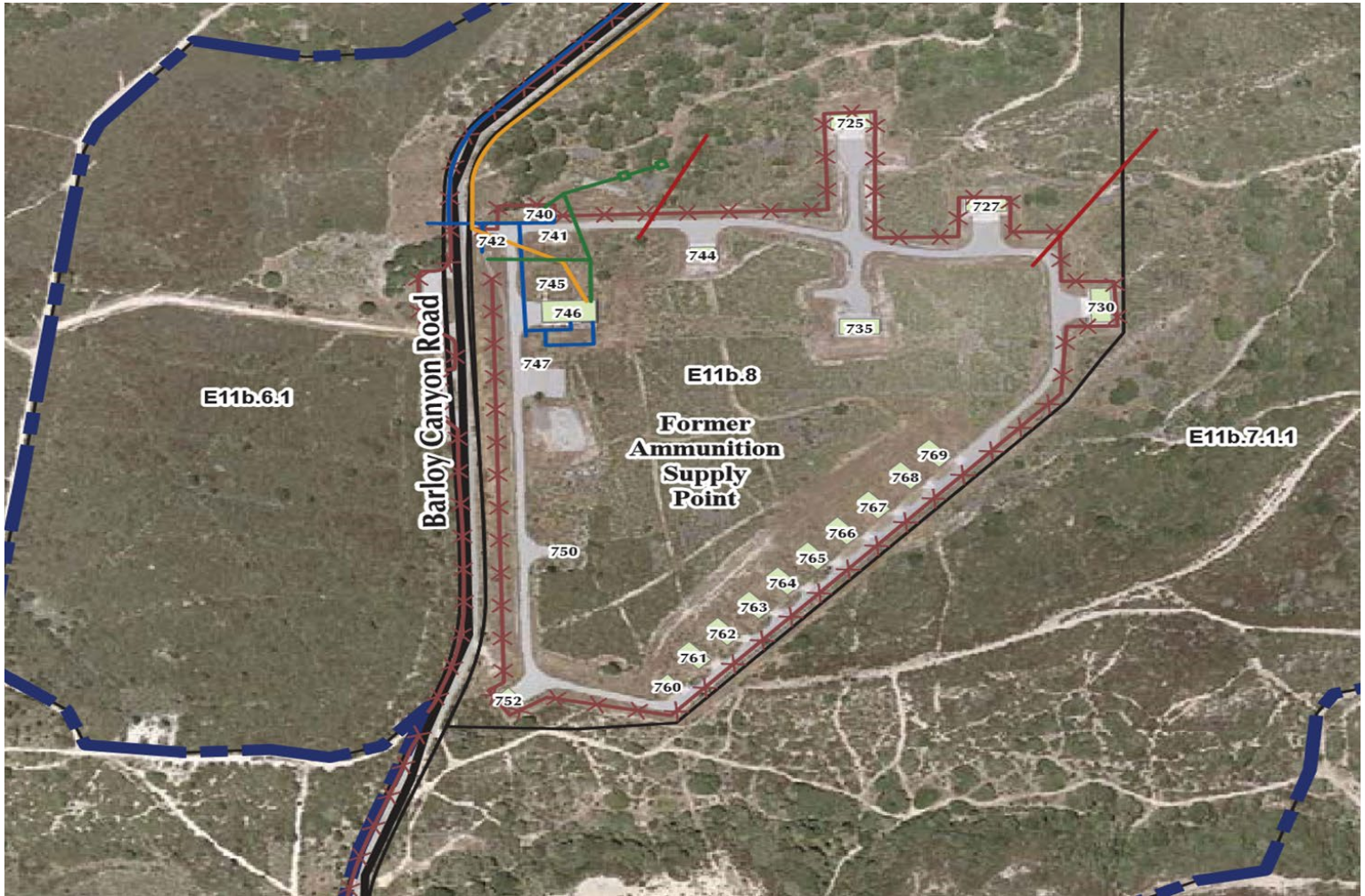
Structure		Square Feet
Theater Building – Concrete Foundation	-	14,400
Marshal Station - Structure & Foundation	-	6,000
Shooting Range – Structure & Foundation	-	7,500

Fort Ord – East Garrison
 General Location Map
 9 Wooden Structures



Structures	Square Feet
Cul-de-Sac off Barley Canyon	
1 Ancillary Structure	- 400
1 Latrine	- 200
Crescent Bluff Road	
2 Latrines	- 200 ea
1 Ancillary Structure	- 900
2 Ancillary Structure	- 400 ea
1 Ancillary Structure (T659)	- 900
1 Ancillary Structure (T660)	- 1,600

Fort Ord Ammunition Supply Point



Structures

- 4 Warehouse (725, 727, 730, & 735)
- 1 Ancillary Structure (740)
- 1 Ancillary Structure (741)
- 1 Entrance Structure (742)
- 1 Carport Structure (744)
- 1 Propane Tank & Enclosure (745)
- 1 Rocket Repair Lab (746)
- 1 Ancillary Structure (747)
- 1 Warehouse (750)
- 1 Electrical Building (752)
- 10 Bunkers (760-769)

Square Feet

- 4,992 ea
- 1,058
- 576
- 100
- 3,844
- 625
- 8,208
- 130
- 1,200
- 540
- 2,214 ea

BOND PROCEEDS ALLOCATION

Jurisdiction	Original Allocation %*	Proposed Allocation %
Marina	50.00%	46.00%
Seaside	32.25%	28.25%
County	4.50%	12.50%
TAMC	6.25%	6.25%
MCWD	5.25%	5.25%
MST	1.75%	1.75%
	100%	100%

ORIGINAL ALLOCATIONS

Bond Yield	\$	40,000,000	\$	42,000,000	\$	45,000,000
Marina	\$	20,000,000	\$	21,000,000	\$	22,500,000
Seaside	\$	12,900,000	\$	13,545,000	\$	14,512,500
County	\$	1,800,000	\$	1,890,000	\$	2,025,000
TMC	\$	2,500,000	\$	2,625,000	\$	2,812,500
MCWD	\$	2,100,000	\$	2,205,000	\$	2,362,500
MST	\$	700,000	\$	735,000	\$	787,500

PROPOSED ALLOCATIONS

Bond Yield	\$	40,000,000	\$	42,000,000	\$	45,000,000
Marina	\$	18,400,000	\$	19,320,000	\$	20,700,000
Seaside	\$	11,300,000	\$	11,865,000	\$	12,712,500
County**	\$	5,000,000	\$	5,250,000	\$	5,625,000
TMC	\$	2,500,000	\$	2,625,000	\$	2,812,500
MCWD	\$	2,100,000	\$	2,205,000	\$	2,362,500
MST	\$	700,000	\$	735,000	\$	787,500

* December13 FORA Board

** County requests not less than \$5M should it be less than \$40M proceeds.

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