



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legislation Details (With Board Report)

File #:	RES 19-190	Name:	Adopt a resolution to: a. Authorize and direct the Auditor-Controller to amend Fiscal Year 2019-20 County Administrative Office Adopted Budget, General Fund, Fund 001, Appropriation Unit CAO004, to increase appropriations by \$100,000 to be used for mana
Type:	BoS Resolution	Status:	Passed - RMA Administration
File created:	12/18/2019	In control:	Board of Supervisors
On agenda:	1/7/2020	Final action:	1/7/2020
Title:	Adopt a resolution to: a. Authorize and direct the Auditor-Controller to amend Fiscal Year 2019-20 County Administrative Office Adopted Budget, General Fund, Fund 001, Appropriation Unit CAO004, to increase appropriations by \$100,000 to be used for management specialists and/or outside consultants and experts, as needed, regarding Fort Ord Reuse Authority transition matters, financed by a decrease in General Fund Contingencies, Fund 001, Appropriation Unit CAO020, of \$100,000 (4/5th vote required); and b. Authorize the County Administrative Officer or his designee to execute individual agreements for consultant services regarding Fort Ord Reuse Authority transition matters, not to exceed a cumulative total amount of \$100,000, and which may include non-standard insurance or indemnification provisions with the approval of the County Counsel-Risk Manager.		

Sponsors:

Indexes:

Code sections:

Attachments: 1. Board Report, 2. Attachment A-Draft Resolution, 3. Attachment B-12-13-2019 Fort Ord Committee Transition Report, 4. Completed Board Order and Resolution Item No. 36, 5. Fully Executed Agreement

Date	Ver.	Action By	Action	Result
1/7/2020	1	Board of Supervisors	adopted - rma administration	Pass

Adopt a resolution to:

- a. Authorize and direct the Auditor-Controller to amend Fiscal Year 2019-20 County Administrative Office Adopted Budget, General Fund, Fund 001, Appropriation Unit CAO004, to increase appropriations by \$100,000 to be used for management specialists and/or outside consultants and experts, as needed, regarding Fort Ord Reuse Authority transition matters, financed by a decrease in General Fund Contingencies, Fund 001, Appropriation Unit CAO020, of \$100,000 (4/5th vote required); and
- b. Authorize the County Administrative Officer or his designee to execute individual agreements for consultant services regarding Fort Ord Reuse Authority transition matters, not to exceed a cumulative total amount of \$100,000, and which may include non-standard insurance or indemnification provisions with the approval of the County Counsel-Risk Manager.

RECOMMENDATION:

It is recommended that the Board of Supervisors adopt a resolution to:

- a. Authorize and direct the Auditor-Controller to amend Fiscal Year 2019-20 County Administrative Office Adopted Budget, General Fund, Fund 001, Appropriation Unit CAO004, to increase appropriations by \$100,000 to be used for management specialists and/or outside consultants and experts, as needed, regarding

Fort Ord Reuse Authority transition matters, financed by a decrease in General Fund Contingencies, Fund 001, Appropriation Unit CAO020, of \$100,000 (4/5th vote required); and

b. Authorize the County Administrative Officer or his designee to execute individual agreements for consultant services regarding Fort Ord Reuse Authority transition matters, not to exceed a cumulative total amount of \$100,000, and which may include non-standard insurance or indemnification provisions with the approval of the County Counsel-Risk Manager.

SUMMARY/DISCUSSION:

Staff continues to identify and analyze key issues related to the Fort Ord Reuse Authority's (FORA's) dissolution on June 30, 2020, such as: FORA bonds for building removal; habitat management/conservation plans (HMP/HCP); Environmental Services Cooperative Agreement (ESCA); Land Use Controls (LUC) annual reporting; Pollution Legal Liability (PLL) first-named insured; and FORA Community Facilities District (CFD) replacement. Other issues that staff is evaluating with a potential impact to the County, depending on their outcome, include transportation; water and wastewater; FORA pending litigation; administrative issues; CalPERS liability; and landfill border parcels. See Attachment B for additional details regarding these FORA transition matters of concern.

Staff recommends that the Board authorize up to \$100,000 in funds to be used for management specialists and/or outside consultants and specialized services, as needed, to provide analysis and advise the County related to FORA's transition. These would be one-time funds managed out of the County Administrative Office (CAO) budget. Staff recommends using part of these funds to hire Carlos Urrutia, a retired annuitant as a Management Specialist, who offers significant expertise and knowledge of former Fort Ord, East Garrison, FORA issues, and general financial policy, to provide analysis and recommendations pertaining to various policy and financial matters. Mr. Urrutia has served as a Management Specialist providing critical support on other FORA matters, so he is well informed and would be able to hit the ground running. In addition, staff has identified the need to hire a third party with expertise in development fees and Community Facility District financing. Staff anticipates that there may be additional FORA transition-related matters that may require specific expertise of a Management Specialist and/or outside consultants to advise the County. Due to the complexity of the FORA transition matters and need to resolve these matters by or before June 30, 2020, staff also recommends that the Board authorize the CAO or his designee to execute individual agreements not to exceed a cumulative amount of \$100,000, and which may include non-standard insurance or indemnification provisions with the approval of the County Counsel-Risk Manager.

OTHER AGENCY INVOLVEMENT:

Supervisors Parker and Phillips serve on the County Board of Supervisors' Fort Ord Committee. Supervisors Adams, Parker, and Phillips serve on the FORA Board, and Supervisor Phillips serves as Chair of the FORA Legislative Committee. RMA represents the County on the FORA Administrative Committee, which is considering the bond issuance and FORA transition matters. The County Administrative Office, the Office of the County Counsel, and Resource Management Agency are part of the County's FORA transition team.

The Fort Ord Committee supported staff's recommendation that the Board of Supervisors provide funding to the CAO for as-needed management specialists and/or consulting services to advise the County regarding FORA transition matters. The Budget Committee Chair has been advised of this item and the desire to secure consulting services as soon as possible to advise the County on FORA's transition. The Budget Committee Chair approved bypassing the Budget Committee.

FINANCING:

On October 8, 2019, the Board authorized \$25,000, and on October 22, 2019, the Board authorized an

additional \$25,000, funded by General Fund Contingencies, to be used for financial analysis and to retain specialized bond counsel, respectively, to advise the County regarding FORA's proposed bond issuance to fund building removal on former Fort Ord lands.

The Resource Management Agency (RMA) is recommending that the Board authorize an additional \$100,000 to be used for outside consultants and experts as needed regarding FORA transition matters. This request would require a Fiscal Year (FY) 2019-20 budget modification to increase the General Fund, Fund 001, Intergovernmental and Legislative Affairs Appropriation Unit CAO004, by \$100,000, financed by a decrease in General Fund, Fund 001, Contingencies Appropriation Unit CAO020, of \$100,000. The current Contingencies balance is \$3,236,044. Expenditures for Management Specialists and/or consulting services will not exceed \$100,000 in FY 2019-20, and at the end of this fiscal year, CAO-IGLA will work with CAO-Budget to true up actual expenditures so that any unspent funds remain in General Fund Contingencies. Alternatively, if the Board prefers, it could increase appropriations by \$100,000 financed from the Cannabis Assignment funds. The Current Cannabis balance is \$27,792,652.

The funds being requested today are in addition to the \$50,000 previously approved by the Board. If approved, the County's total contribution toward FORA's transition matters which include the proposed bond issuance will be \$150,000.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Ensuring a smooth transition after FORA's dissolution supports the Board's 2015 Strategic Initiative for Economic Development by continuing to bolster and facilitate the redevelopment of the former Fort Ord area and economic recovery to the region for the base closure. It is also important that the County prepare for potential impacts resulting from this transition.

- ☒ Economic Development
- ☐ Administration
- ☐ Health & Human Services
- ☐ Infrastructure
- ☐ Public Safety

Prepared by: Melanie Beretti, Property Administration/Special Programs Manager (831) 755-5285

Approved by: Shawne Ellerbee, RMA Deputy Director of Administrative Services

Approved by: Carl P. Holm, AICP, RMA Director

Attachments

Attachment A-Draft Resolution

Attachment B-12/13/19 Fort Ord Committee FORA Transition Report

(Attachments are on file with the Clerk of the Board)