



**CALIFORNIA STATE
PUBLIC WORKS BOARD**

EDMUND G. BROWN JR. • GOVERNOR

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AGENDA WITH ANALYSIS

**NOTICE OF SPECIAL MEETING
STATE PUBLIC WORKS BOARD
Friday, November 1, 2013**

The **STATE PUBLIC WORKS BOARD** will meet on **Friday, November 1, 2013 at 10:00 a.m. in Room 113, State Capitol, Sacramento, California.**

In accordance with provisions of section 11125 of the Government Code, a copy of the Agenda is attached.

Greg Rogers
Executive Director

Attachment

STATE PUBLIC WORKS BOARD

Friday

November 1, 2013

10:00 a.m.

Room 113

State Capitol

Sacramento, California

I. Roll Call

II. Bond Items

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BOND ITEM

BOND ITEM—1

**2013 SERIES I
LEASE REVENUE BONDS
VARIOUS CAPITAL PROJECTS**

Judicial Council (0250)

Project: **San Diego Central Courthouse**
Location: San Diego County
Authority: *Chapters 20, Statutes of 2013, Item 0250-301-0668 (1)*

Department of Food and Agriculture (8570)

Project: **Animal Health and Food Safety Laboratory**
Location: Tulare County
Authority: *Chapters 268 and 269, Statutes of 2008, Item 8570-301-0660 (1), as reappropriated by the Budget Acts of 2010, 2011 and 2012*

Consider adoption of a resolution to:

1. Authorize the sale of the State Public Works Board Lease Revenue Bonds, 2013 Series I, Various Capital Projects, Tax-Exempt Bonds.
2. Approve the form of and authorize the execution of a One Hundred Twenty-Second Supplemental Indenture to the Master Indenture, between the State Treasurer and the Board.
3. Approve the form of and authorize the execution of Site Leases between the Board and a) the Judicial Council and, b) The Regents.
4. Approve the form of and authorize the execution of Facility Leases between the Board and a) the Judicial Council and, b) Department of Food and Agriculture.
5. Approve the form of and authorize the execution of Project Delivery Agreements between the Board and a) the Judicial Council and, b) The Regents.
6. Approve the form of and consent to and acknowledge a Facility Sublease between the Department of Food and Agriculture and The Regents.
7. Approve the form of and authorize the execution of a Continuing Disclosure Agreement.
8. Approve the form of and authorize the execution of a Purchase Contract by and among the Board, the State Treasurer and the underwriters named therein.
9. Approve the form of and authorize the delivery of a Preliminary Official Statement.
10. Approve and authorize the delivery of an Official Statement.

11. Approve other related actions in connection with the authorization, issuance, sale, and delivery of said revenue bonds.

Estimated Project Costs to be Financed	\$556,769,000
Estimated Par Value of Bonds to be Issued	\$624,995,000
“Not To Exceed” Par Amount	\$753,525,000

BOND ITEM

STAFF ANALYSIS—1

2013 Series I

Various Capital Projects

Action Requested

The requested action would authorize the sale of the 2013 Series I lease revenue bonds and other related actions in connection with the issuance, sale, and delivery of said revenue bonds, including approving the forms of and authorizing the execution and delivery of a supplemental indenture, site leases, facility leases, project delivery agreements, a sublease, a continuing disclosure agreement, and authorizing the delivery of a preliminary official statement, and an official statement.

Scope Descriptions and Funding

The projects are within scope and cost.

Department of Food and Agriculture Project

The Animal Health and Food Safety Laboratory Project (the “Laboratory”)

The Laboratory will provide laboratory and administrative space for veterinary diagnostic testing laboratories funded by the California Department of Food and Agriculture (CDFA) and managed and operated by the Regents in Tulare County on a site that is owned by The Regents. The Laboratory will be equipped to process avian and livestock sample submissions for complex diagnostic procedures to support ongoing food production, food safety and animal welfare programs. The Laboratory will be approximately 47,500 square feet and will consist of a single-story building with a partial basement and an interstitial penthouse floor to house mechanical equipment. The building will be of steel-frame and brace-frame construction, with concrete block non-bearing walls. The exterior will be clad in a combination of stone, stucco and metal panels. In addition to the laboratory, office space, parking lot and other site improvements, the Laboratory will include a cremator and effluent decontamination system to support the laboratory functions, a back-up generator, on-site domestic water well, a storm water retention pond, and a new septic system for the disposal of wastewater. The Laboratory is also designed for maximum flexibility in the response to major emergencies and outbreaks of infectious disease.

Design of the Laboratory is complete and bids were received in late September. While the bids are still being evaluated, initial bid results indicate construction costs will be in-line with the appropriation. The construction contract for the Laboratory will be awarded in November 2013.

Construction of the Laboratory is expected to start in January 2014, last 25 months, and is estimated to be ready for occupancy in February 2016. The total cost of the Laboratory is \$47,452,000, of which \$42,421,805 will be funded with the proceeds of the Bonds. In addition, a construction reserve of \$3,000,000 will be funded with the proceeds of the bonds to help ensure timely project completion. The costs of the project not being financed by Bond proceeds have been paid for from cash appropriations to the CDFA.

Judicial Council Project

The San Diego Central Courthouse Project (the "San Diego Courthouse")

The San Diego Courthouse consists of the demolition of existing improvements and the construction of a new courthouse for the Superior Court of California, County of San Diego. The San Diego Courthouse will consist of an approximately 704,000 square foot facility with 71 courtrooms, and an elevated public circulation bridge connecting the new courthouse to the adjacent County of San Diego-owned Hall of Justice ("HOJ") across the street. The San Diego Courthouse building will be 22 stories over a basement that includes 80 secure underground parking spaces, a secure underground in-custody transfer and holding space that will be located on approximately 2.0 acres of state-owned land. The San Diego Courthouse is a seismically-enhanced design, steel moment brace frame with viscous damping on a cast-in place-foundation enclosed with architectural concrete cast panels and curtain wall glazing that is ballistic-reinforced in key areas. The San Diego Courthouse is designed for sustainability with a goal of achieving a Leadership in Energy and Environmental Design Silver rating from the United States Green Building Council.

The San Diego Courthouse went out to bid in September 2013 and will be delivered by the construction manager at risk method. Bids were received on October 22nd and an approved guaranteed maximum price is expected to be finalized by the end of November 2013. Based on the initial review of the bid results, it appears construction costs will be in-line, if not slightly below the state's budget estimate. The construction contract is expected to include a liquidated damages provisions if certain milestones under the construction contract are not completed on or before the dates set forth therein, including, but not limited to, a delay amount of \$6,000 for each calendar day of delay until the San Diego Courthouse is completed or accepted. Construction is expected to commence by February 2014, last 34 months, and is expected to be available for occupancy in October 2016. The total cost of the San Diego Courthouse is estimated to be \$555,564,000, of which approximately \$511,374,000 is expected to be financed from the Bonds. The balance of the costs of the San Diego Courthouse, including costs for acquisition and design, were paid with cash. In addition, a total of \$4,623,000 has been appropriated from the Immediate and Critical Needs Account (ICNA) to pay certain construction costs not being financed, primarily associated with the connecting bridge to the HOJ and other improvements within the HOJ. The amount being financed with the bonds does not include a construction reserve, as the Judicial Council plans to cover any necessary augmentations from the ICNA, which is expected to have sufficient funds to address any likely unforeseen costs.

Staff Recommendation: Adopt the resolution.