



## **AGENDA WITH ANALYSIS**

### **STATE PUBLIC WORKS BOARD**

**Monday, June 11, 2018 at 10:00 a.m. in  
Room 2040, State Capitol, Sacramento, California**

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Pursuant to section 11125 of the Government Code, notice of all Board meetings will be given at least ten days in advance and such notice must include a copy of the agenda. Members of the Public may address the Board prior to it taking action on any matter in the agenda.

This notice and the Board agenda for the current month are available on the Internet at: <http://www.spwb.ca.gov>.

Individuals who need disability-related accommodation, including auxiliary aids for effective participation at this public meeting are invited to make their requests and preferences known to Marie Magdaleno at (916) 445-9694 or e-mail to [marie.magdaleno@dof.ca.gov](mailto:marie.magdaleno@dof.ca.gov), five days prior to the meeting.

## BOND ITEM

### BOND ITEM—1

**DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540)  
PASO ROBLES FOREST FIRE STATION: REPLACE FACILITY  
SAN LUIS OBISPO COUNTY**

*Authority: Chapter 171, Statutes of 2007, Item 3540-301-0660 (5), as reappropriated by the Budget Acts of 2008, 2009, 2010, 2011, 2013, and 2016*

Consider adoption of a resolution to:

- 1) Authorize actions to be taken to provide for interim financing and declare the official intent of the Board to reimburse certain capital expenditures from the Public Buildings Construction Fund from the proceeds of the sale of bonds.
- 2) Authorize the sale of lease revenue bonds.
- 3) Approve the form of and authorize the execution and delivery of a Project Delivery Agreement between the Department of Forestry and Fire Protection and the Board.
- 4) Approve and take actions and execute documents as may be needed to carry out the purposes of this resolution.

Total Bond Allocation

**\$6,994,000**

## BOND ITEM

### STAFF ANALYSIS ITEM—1

Department of Forestry and Fire Protection  
Paso Robles Forest Fire Station: Replace Facility  
San Luis Obispo County

Action Requested

**If approved, the requested action would adopt a resolution authorizing actions to be taken to provide for interim financing, authorize the sale of lease revenue bonds, and other related actions.**

Scope Description

**This project is within scope.** The approved project includes the demolition of the existing Paso Robles Forest Fire Station and the construction of a standard 14-bed barracks/messhall (approximately 4,100 square feet (sf)), a 3-bay apparatus storage building (approximately 2,000 sf) a vehicle wash rack with treatment/recycling equipment, a generator/pump/storage building (approximately 600 sf) with generator, transfer switch and fuel supply, a hose wash rack and fuel storage tanks, site perimeter fencing and gates, as well as utility and site work.

Funding and Cost Verification

**This project is within cost.** A total of \$8,115,000 (lease revenue bonds) has been appropriated for preliminary plans (\$567,000), working drawings (\$491,000), and construction (\$7,057,000) phases of this project.

\$ 8,115,000 Total authorized project costs

\$ 8,115,000 Total estimated project costs

\$ 1,058,000 Costs previously allocated: \$567,000 preliminary plans and \$491,000 working drawings

\$ 7,057,000 Costs to be allocated: \$7,057,000 Construction (\$6,152,000 contract, \$307,000 contingency, \$378,000 A&E, \$50,000 Agency Retained, and \$170,000 other project costs).

CEQA

A Notice of Determination was filed with the State Clearinghouse on November 15, 2008, and the 30-day statute of limitations expired without challenge. After project delays and proposed project changes, an addendum was prepared to reevaluate the project and a Notice of Determination was filed with the State Clearinghouse on August 12, 2015. The 30-day statute of limitations expired on without challenge.

Real Estate Due Diligence

The Department of General Services completed a Summary of Conditions memorandum on June 14, 2012 and no issues that would adversely affect the beneficial use and quiet enjoyment of the project were identified.

Project Schedule

Approve preliminary plans	June 2013
Complete working drawings	December 2017
Start construction	July 2018
Complete construction	August 2019

**Staff Recommendation: Adopt resolution.**

**BOND ITEM**

**BOND ITEM—2**

**BOARD OF STATE AND COMMUNITY CORRECTIONS (5227)  
ADULT LOCAL CRIMINAL JUSTICE FACILITIES PROJECT  
BUTTE COUNTY**

*Authority: Sections 15820.93 – 15820.936 of the Government Code*

**Consider adoption of a resolution to:**

- 1) Authorize actions to be taken to provide for interim financing and declare the official intent of the Board to reimburse certain capital expenditures from the Public Buildings Construction Fund from the proceeds of the sale of bonds.**
- 2) Authorize the sale of lease revenue bonds.**
- 3) Approve other related actions in connection with the authorization, issuance, sale, and delivery of said revenue bonds.**
- 4) Approve and take actions and execute documents as may be needed to carry out the purposes of this resolution.**

**Total Bond Allocation**

**\$40,000,000**

**BOND ITEM**

**STAFF ANALYSIS ITEM—2**

Board of State and Community Corrections  
Adult Local Criminal Justice Facilities Project  
Butte County

Action Requested

**If approved, the requested action would adopt a resolution authorizing actions to be taken to provide for interim financing, authorize the sale of lease revenue bonds, and other related actions.**

Scope Description

**This project is within scope.** This project will design and construct a new stand-alone building north of the existing main jail on county-owned land in the City of Oroville. The building will provide housing for 96 inmates which includes programming space; medical and mental health treatment; medical and dental clinic; intake/release unit; as well as support space. The new building will be dependent on the adjacent existing main jail for core operational components, including main kitchen, laundry, and staff support services.

The housing area will include dayrooms; recreation yards; program and training space, support and common space. The medical and mental health area will include a medical and dental clinic; exam rooms; holding rooms; pharmacy/lab area; and staff work areas. The new intake/release

area will include a secure sally port, holding cells, medical triage room, classification and processing area, administrative offices, interview rooms and a secure public lobby with visitation space.

The project will also include, but is not limited to, electrical, plumbing, mechanical, heating, ventilation, air condition, parking areas for staff and visitors, utilities, security fencing, grading, storm water management, security, and fire protection systems.

#### Funding and Project Cost Verification

**This project is within cost.** On June 20, 2016, the Board established the scope, cost and schedule of this project, allocating \$40,000,000 of the \$500,000,000 lease revenue bond financing authority to partially finance the design and construction of adult criminal justice facilities. At the time of establishment, the total estimated project cost was \$44,445,000. Subsequent to this action, a new project cost estimate was prepared in association with performance criteria and concept drawings approval. Based on this revised estimate the current total estimated project is \$44,534,000 which includes a potential deficit of \$89,000.

\$44,445,000	Total authorized project costs
\$44,534,000	Total estimated project costs
\$40,000,000	State costs previously allocated: \$864,000 for performance criteria, \$39,136,000 for design-build (\$32,723,000 contract, \$2,271,000 contingency, \$496,000 A&E, \$1,756,000 other project costs, and \$1,890,000 agency retained items)
\$4,445,000	Local costs previously allocated: \$844,000 for acquisition/study, \$648,000 for performance criteria, \$2,953,000 for design-build (\$1,942,000 contract, \$329,000 contingency, and \$682,000 other project costs)
\$89,000	Local costs anticipated deficit: \$89,000 for design-build (\$83,000 contract, and \$6,000 contingency)

#### CEQA

A Notice of Determination was filed with the State Clearinghouse on March 7, 2016, and the 30-day statute of limitations expired without challenge.

#### Due Diligence

A Summary of Conditions Letter for this project was completed on November 8, 2017, and no issues that would adversely affect the beneficial use and quiet enjoyment of the project were identified.

#### Project Schedule

Approve performance criteria	April 2018
Start design build	October 2018
Complete construction	October 2021

**Staff Recommendation: Adopt resolution.**

## BOND ITEM

### BOND ITEM—3

**BOARD OF STATE AND COMMUNITY CORRECTIONS (5227)  
ADULT LOCAL CRIMINAL JUSTICE FACILITIES PROJECT  
VENTURA COUNTY**

*Authority: Sections 15820.93 – 15820.936 of the Government Code*

**Consider adoption of a resolution to:**

- 1) **Authorize actions to be taken to provide for interim financing and declare the official intent of the Board to reimburse certain capital expenditures from the Public Buildings Construction Fund from the proceeds of the sale of bonds.**
- 2) **Authorize the sale of lease revenue bonds.**
- 3) **Approve other related actions in connection with the authorization, issuance, sale, and delivery of said revenue bonds.**
- 4) **Approve and take actions and execute documents as may be needed to carry out the purposes of this resolution.**

**Total Bond Allocation**

**\$55,137,000**

## BOND ITEMS

### STAFF ANALYSIS ITEM—3

Board of State and Community Corrections  
Adult Local Criminal Justice Facilities Project  
Ventura County

Action Requested

**If approved, the requested action would adopt a resolution authorizing actions to be taken to provide for interim financing, authorize the sale of lease revenue bonds, and other related actions.**

Scope Description

**This project is within scope.** This project consists of the design and construction of a new stand-alone jail facility on county-owned land, adjacent to the existing County jail in unincorporated land near the city of Santa Paula, CA. The new building will provide special use housing; medical and mental health treatment; a secure corridor to the existing jail; and support services.

The special use housing will provide approximately 64 beds for mental health and medical treatment. The housing unit will include programming space, recreation areas, day rooms, medical/mental health treatment space and visitation, medical/mental health staff space and support services.

This project will also include, but is not limited to, electrical; plumbing; mechanical; heating, ventilation, and air conditioning; security; and fire protection systems; and all necessary appurtenances.

Funding and Project Cost Verification

**This project is not within cost.** Section 15820.932 of the Government Code appropriates \$500,000,000 lease revenue bond financing authority to partially finance the design and construction of adult local criminal justice facilities. The initial allocation of this funding to individual counties was administered through the Board of State and Community Corrections (BSCC) through a competitive public process. On May 1, 2017, the Board established the scope, cost and schedule of this project, allocating \$55,137,000 of the \$500,000,000 lease revenue bond financing authority. At the time of establishment, the total estimated project cost was \$61,647,000. Subsequent to this action, a new project cost estimate was prepared in association with performance criteria approval. Based on this revised estimate the current total estimated project is \$61,995,000 which includes the anticipated deficit of \$348,000.

\$61,647,000	Total authorized project cost
\$61,995,000	Total estimated project cost
\$55,137,000	State costs previously allocated: \$230,000 for performance criteria, \$54,907,000 for design-build (\$48,207,000 contract, \$2,410,000 contingency, \$2,500,000 A&E, and \$1,790,000 other project costs)
\$6,510,000	Local costs previously allocated: \$1,191,000 for acquisition/study, \$2,316,000 for performance criteria, \$3,003,000 for design-build (other project costs)
\$348,000	Local costs anticipated deficit: \$348,000 for design-build (\$331,000 contract and \$17,000 contingency)

CEQA

A Notice of Determination was filed with the County Clerk on November 8, 2013, and the 30-day statute of limitations expired without challenge.

Due Diligence

A Summary of Conditions Letter for this project was completed on December 6, 2017, and no issues that would adversely affect the beneficial use and quiet enjoyment of the project were identified.

Project Schedule

Approve performance criteria	April 2018
Start design build	October 2018
Complete construction	December 2020

**Staff Recommendation:      Adopt resolution.**

## MINUTES

**Consider approving the minutes from the May 11, 2018 meeting.**

Staff have reviewed the minutes from the May 11, 2018 meeting and recommend approval of those meeting minutes.

**Staff Recommendation: Approve minutes from the May 11, 2018 meeting.**

## CONSENT ITEM

### CONSENT ITEM—1

DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540)  
SAN LUIS OBISPO UNIT HEADQUARTERS - REPLACE FACILITY  
SAN LUIS OBISPO COUNTY

Authority: Chapters 10 and 11, Statutes of 2015, Item 3540-301-0668(1)

Consider recognizing:

1) a scope change

2) an anticipated deficit

**\$2,400,000**  
(6.5 percent, 6.5 percent cumulative)

## CONSENT ITEM

### STAFF ANALYSIS ITEM—1

Department of Forestry and Fire Protection  
San Luis Obispo Unit Headquarters - Replace Facility  
San Luis Obispo County

#### Action Requested

**If approved, the requested action will recognize a scope change and an anticipated deficit.**

#### Scope Description

**This project is not within scope.** The approved project scope includes construction of a new warehouse, administrative office building, combined barracks/mess hall/apparatus/dozer/self-contained breathing apparatus/physical training building, 4-bay auto shop, and generator building to replace the existing Unit Headquarters that was built in the 1930s. In addition to site work, the project scope includes off-site work to build a new access road.

The California Department of Forestry and Fire Protection (CalFire) requests a scope change for the San Luis Obispo Unit Headquarters Replacement project to increase the size of a new warehouse from approximately 2,900 square feet (sf) to 10,000 sf to meet operational needs that have expanded since the original project scope was approved. Additionally, this scope change will replace current storage capacity, as it was determined that an existing warehouse (2,400 sf) that was to remain in use should be demolished for better space configuration after building a required new access road.

On May 18, 2018, the Department of Finance notified the chairs of the Joint Legislative Budget and fiscal committees in each house of its intent to approve the scope change and recommend that the Board recognize this revised scope no sooner than 20 days from that date.

#### Funding and Cost Verification

**This project is not within cost.** A total of \$36,912,000 Public Buildings Construction Fund was appropriated for the preliminary plans (\$1,900,000), working drawings (\$1,900,000), and construction (\$33,112,000) phases of the SLO Unit Headquarters Replacement project.

This scope change is anticipated to cost an additional \$2,400,000 (6.5 percent appropriated funds, 6.5 percent cumulative) for construction, which will be requested in a future budget prior to the start of construction. There are no anticipated additional design costs.

\$ 36,912,000 Total authorized project costs

\$ 39,312,000 Total estimated project costs

\$ 1,900,000 Costs previously allocated: preliminary plans

\$ 35,012,000 Costs to be allocated: \$1,900,000 working drawings, \$33,112,000 construction (\$27,141,000 contract, \$1,357,000 contingency, \$1,900,000 A&E, \$80,000 agency retained, and \$2,634,000 other project costs).

\$ 2,400,000 Anticipated deficit: \$2,400,000 construction (contract)

#### CEQA

Environmental review and the appropriate CEQA documentation will be completed prior to approval of preliminary plans.

#### Real Estate Due Diligence

The Department of General Services completed a Summary of Conditions memorandum on September 20, 2017 and no issues that would adversely affect the beneficial use and quiet enjoyment of the project were identified.

#### Project Schedule

Approve preliminary plans	September 2018
Complete working drawings	September 2019
Start construction	September 2019
Complete construction	September 2021

**Staff Recommendation: Recognize a scope change and an anticipated deficit.**

## ACTION ITEM

### ACTION ITEM—1

**HIGH SPEED RAIL AUTHORITY (2665)  
INITIAL OPERATING SEGMENT, SECTION 1  
KINGS COUNTY**

*Authority: Chapter 152, Statutes of 2012, Item 2665-306-0890 (1)  
Chapter 152, Statutes of 2012, Item 2665-306-6043 (1)  
Chapter 25, Statutes of 2014, Item 2665-306-3228 (1)  
Section 39719(b)(2) of the Health and Safety Code  
Section 39719.1 of the Health and Safety Code  
Section 15854 of the Government Code*

**Consider the adoption of one amended Resolution of Necessity authorizing the use of eminent domain to acquire the following property:**

**Church Property (Kings County)  
Authority Parcel Number: FB-16-0476-1  
Assessor Parcel Number: 028-202-038**

## ACTION ITEM

### STAFF ANALYSIS ITEM—1

High Speed Rail Authority  
Initial Operating Segment, Section 1  
Kings County

Action Requested

**If approved, the requested action would adopt one amended Resolution of Necessity (RON) authorizing the use of eminent domain.**

*Church Property:* On May 11, 2018, the Board adopted RON 2018-0015, authorizing the use of eminent domain to acquire the Church property in King County. Subsequent to that action, it was determined that the RON incorrectly referenced Code of Civil Procedure section 140.510, when it should have referenced it as Code of Civil Procedure section 1450.510. The amended RON would correct that error.

On May 21, 2018, a Notice of Intent to adopt an amended RON was mailed to the property owner. This notice was sent in accordance with Code of Civil Procedure section 1245.235.

**Staff Recommendation: Adopt one amended RON authorizing the use of eminent domain.**

## ACTION ITEM

### ACTION ITEM—2

**HIGH SPEED RAIL AUTHORITY (2665)  
INITIAL OPERATING SEGMENT, SECTION 1  
VARIOUS COUNTIES**

*Authority: Chapter 152, Statutes of 2012, Item 2665-306-0890 (1)  
Chapter 152, Statutes of 2012, Item 2665-306-6043 (1)  
Chapter 25, Statutes of 2014, Item 2665-306-3228 (1)  
Section 39719(b)(2) of the Health and Safety Code  
Section 39719.1 of the Health and Safety Code  
Section 15854 of the Government Code*

**Consider the adoption of four Resolutions of Necessity authorizing the use of eminent domain to acquire the following properties:**

- 1. Certis USA Property (Kern County)**  
Authority Parcel Numbers: FB-15-0167-1, FB-15-0167-2, FB-15-0167-3, FB-15-0167-5,  
FB-15-0168-1, and FB-15-0168-2  
Assessor Parcel Numbers: 030-042-01, 030-042-02, and 030-052-02
- 2. Pond Poso Improvement District of the Semitropic Water Storage  
District Property (Kern County)**  
Authority Parcel Numbers: FB-15-0007-1, FB-15-0007-2 and FB-15-0007-3  
Assessor Parcel Number: 047-220-02
- 3. Baker Commodities Property (Kings County)**  
Authority Parcel Numbers: FB-16-0482-1, FB-16-0482-2, FB-16-0482-3,  
FB-16-0482-4, FB-16-0482-5, FB-16-0482-01-01; FB-16-0483-1,  
FB-16-0483-2, FB-16-0483-3, FB-16-0483-4; FB-16-0484-1,  
FB-16-0484-2, FB-16-0484-3, and FB-16-0484-4  
Assessor Parcel Number: 016-070-012 and 016-070-013
- 4. Gabriel Martin Dias (Kings County)**  
Authority Parcel Number: FB-16-0472  
Assessor Parcel Number: 016-200-043

## ACTION ITEM

### STAFF ANALYSIS ITEM—2

High Speed Rail Authority  
Initial Operating Segment, Section 1  
Various Counties

Action Requested

**Adopt four Resolutions of Necessity authorizing the use of eminent domain to acquire properties totaling approximately 23.3 acres.**

### Scope Description

**This project is within scope.** The Initial Operating Segment, Section 1 (IOS-1) is expected to be approximately 120 miles starting from Madera and extending southward almost to Bakersfield. This initial section includes the realignment of Highway 99 in Fresno and relocation of railroad lines, the construction of bridges over the San Joaquin and Fresno Rivers as well as other waterways, several dozen grade separations, multiple viaducts and trenches, and the acquisition of approximately 1,600 parcels. The IOS-1 is the first construction phase of the High Speed Train System (HSTS). The HSTS consists of Phase 1, which would provide 520 miles of the HSTS extending from San Francisco to Los Angeles/Anaheim, and Phase 2, which would extend the system to Sacramento and San Diego.

### Funding and Cost Verification

**This project is within cost.** Chapter 152, Statutes of 2012, appropriated \$5.850 billion (\$2.609 billion High Speed Passenger Train Fund and \$3.241 billion federal funds) and Chapter 25, Statutes of 2014 provided an additional \$191.4 million Greenhouse Gas Reduction Fund for the IOS-1. In addition, Health and Safety Code section 39719 (b)(2) appropriates 25 percent of the annual proceeds of the Greenhouse Gas Reduction Fund for the Phase 1 Blended System and Health and Safety Code section 39719.1 authorizes repayment of a \$400 million General Fund loan from the Greenhouse Gas Reduction Fund for the Phase 1 Blended System. The IOS-1 is a component of the Phase 1 Blended System.

### Background

To adopt a Resolution of Necessity that is required to initiate the eminent domain proceedings, the Board must consider that the following conditions have been met:

- (A) The public interest and necessity require the project;
- (B) The project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury;
- (C) The property sought to be acquired is necessary for the project; and,
- (D) The offer required by Government Code section 7267.2 has been made to the owner or owners of record.

In 2008 the voters of California approved Proposition 1a, authorizing monies from the High-Speed Passenger Train Bond fund in support of this Project. In 2009 and 2010 the federal government approved funds in support of the portion of this Project extending from San Francisco to Anaheim, and in 2012 and 2014, through Chapter 152, Statutes of 2012 and Chapter 25, Statutes of 2014, the Legislature appropriated funds for the acquisition and design-build phases of the IOS-1 of the Project, extending from Madera to just north of Bakersfield.

The Property Acquisition Law, commencing with section 15850 of the Government Code, authorizes the Board to select and acquire in the name of the State of California (State) with the consent of the State agency concerned, the fee or any lesser right or interest in any real property necessary for any State purpose or function. This law also authorizes the Board to acquire property by condemnation, in the manner provided for in Title 7 (commencing at section 1230.010) of Part 3 of the Code of Civil Procedure.

Each of the properties is within the right of way for IOS-1 and was site selected at previous Board meetings. The site selections took place after an environmental review process where it was determined that any alternative alignment would include the selected parcels, or where a preferred alignment had already been approved by both the High Speed Rail Authority Board and the Federal Railroad Administration. Acquisition of these properties will allow the High Speed Rail Authority to move forward with construction of the HSTS.

Between February 2018 and April 2018, the various owners were provided with a first written offer to purchase the subject property, as required by Government Code section 7267.2. Negotiations to acquire the properties are continuing; however, to keep the project on schedule, the adoption of Resolutions of Necessity to authorize the use of eminent domain is required.

On May 21, 2018, Notices of Intent to adopt a Resolution of Necessity were mailed to the respective property owners. These notices were sent in accordance with Code of Civil Procedure section 1245.235.

***Property Specific Information:***

1. Certis USA Property (Kern County)  
Authority Parcel Numbers: FB-15-0167-1, FB-15-0167-2, FB-15-0167-3, FB-15-0167-5, FB 15-0168-1, and FB-15-0168-2  
Assessor Parcel Numbers: 030-042-01, 030-042-02, and 030-052-02  
Partial Acquisition: Approximately 2.43 acres total (2.18 acres in fee and .25 acres in easement).

This property will be needed for the construction of the HSTS between Highway 46 and 6<sup>th</sup> Street in the City of Wasco.

2. Pond Poso Improvement District of the Semitropic Water Storage District Property (Kern County)  
Authority Parcel Numbers: FB-15-0007-1, FB-15-0007-2 and FB-15-0007-3  
Assessor Parcel Number: 047-220-02  
Partial Acquisition: Approximately 9.65 acres total (5.64 acres in fee and 4.01 acres in easement).

This property will be needed for the construction of the HSTS between Woollomes Avenue and Schuster Road.

3. Baker Commodities Property (Kings County)  
Authority Parcel Numbers: FB-16-0482-1, FB-16-0482-2, FB-16-0482-3, FB-16-0482-4, FB-6-0482-5, FB-16-0482-01-01; FB-16-0483-1, FB-16-0483-2, FB-16-0483-3, FB-16-0483-4; FB-16-0484-1, FB-16-0484-2, FB-16-0484-3, and FB-16-0484-4  
Assessor Parcel Number: 016-070-012 and 016-070-013  
Partial Acquisition: Approximately 9.48 acres total (8.11 acres in fee and 1.37 acres in easement).

This property will be needed for the construction of the HSTS between Highway 198 and Hanford-Armona Road and for the Hanford-Armona Road grade separation.

4. Gabriel Martin Dias (Kings County)  
Authority Parcel Number: FB-16-0472  
Assessor Parcel Number: 016-200-043  
Partial Acquisition: Approximately 1.76 acres total (all in fee).

This property will be needed for the construction of the Houston Avenue grade separation.

**Staff Recommendation:**      **Adopt four Resolutions of Necessity authorizing the use of eminent domain to acquire properties totaling approximately 23.3 acres.**

## OTHER BUSINESS

### OTHER BUSINESS—1

#### RESOLUTION OF THE STATE PUBLIC WORKS BOARD AUTHORIZING STAFF TO SELECT, NEGOTIATE, AND ENTER INTO A CONTRACT WITH BOND COUNSEL AND DISCLOSURE COUNSEL FOR SERVICES RELATED TO THE ISSUANCE OF SPWB LEASE REVENUE BONDS

Consider the adoption of a resolution authorizing:

- 1) Staff to select both bond counsel and disclosure counsel for services related to the issuance of Public Works Board Bonds;
- 2) Staff to negotiate the terms and conditions of the agreements with bond counsel and disclosure counsel for such services with the term of the agreements not to exceed three years; and
- 3) The Executive Director and Deputy Directors to execute such agreements.

## OTHER BUSINESS

### STAFF ANALYSIS ITEM—1

#### Background

The State Treasurer's Office, from time to time, contracted on behalf of the Board for bond counsel and disclosure counsel services related to the issuance of Public Works Board lease revenue bonds. The term for the most recent contracts entered into by the State Treasurer's Office for bond counsel and disclosure counsel services will end on June 30, 2018. Board staff has determined that contracting directly for these services by staff will aid in the efficient administration of the Board's lease revenue bond program.

This proposed resolution would authorize the Executive Director and Deputy Directors to select bond counsel and disclosure counsel, negotiate the terms and conditions of the agreements for those services, and to execute such agreements. This proposed resolution would also authorize the Executive Director to take all actions necessary to carry out the intent of the resolution. Based on past experience, Board staff estimates the cost of both contracts over a three year term will be approximately \$2 million. It is the intent that bond counsel and disclosure counsel fees will be paid out of the cost of issuance of the Board's lease revenue bonds. If bonds are not successfully issued it is the intent that these fees be paid from the cost of issuance from the Board's subsequent bond sale as appropriate or from the Board's operating fund, as determined at the sole discretion of the Board.

**Staff Recommendation: Adopt resolution.**

**REPORTABLES**

**TO BE PRESENTED AT MEETING**