

AGENDA WITH ANALYSIS

STATE PUBLIC WORKS BOARD

**Monday, June 12, 2017, at 10:00 a.m. in
Room 113, State Capitol
Sacramento, California**

I.	Roll Call		
II.	Bond Items	Page	2
III.	Approval of Minutes from May 12, 2017 Meeting		
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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 Patrice Coleman at (916) 445-9694 or e-mail to patrice.coleman@dof.ca.gov, five days prior to the meeting.

BOND ITEMS

BOND ITEM—1

**DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)
JAIL PROJECT
MONTEREY COUNTY**

Authority: Sections 15820.91 – 15820.917 of the Government Code

Consider adoption of a resolution to:

- a) **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.**
- b) **Authorize the sale of lease revenue bonds.**
- c) **Approve other related actions in connection with the authorization, issuance, sale, and delivery of said revenue bonds.**

Total Bond Allocation

\$80,000,000

BOND ITEMS

STAFF ANALYSIS—1

Department of Corrections and Rehabilitation
Jail Project
Monterey 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, approximately 135,000 square feet addition to the existing jail on approximately 2.6 acres of a greater 9± county-owned land located in the city of Salinas. The expansion will include housing and program space and provide approximately 576 beds.

This project will include eight two-tiered housing units, providing approximately 288 double-occupancy cells. The housing area will also include day rooms; control rooms; recreation yards; and program, treatment, interview, and storage space. This building will also include a support area which will provide visitation space; a central control room; a sally port; interview rooms; and training, storage, and staff support and administrative space.

This project will also include, but is not limited to, electrical; plumbing; mechanical; computerized heating, ventilation, and air conditioning; security; and fire protection systems; as well as an area of refuge and pathways, and all necessary appurtenances.

Funding and Project Cost Verification

This project is not within cost. Section 15820.913 of the Government Code (AB 900) appropriates \$870,074,000 lease revenue bond financing authority to partially finance the design and construction of local jail facilities. Award of this funding to individual counties is administered by the Board of State and Community Corrections (BSCC). The BSCC has conditionally awarded \$80,000,000 from this appropriation to Monterey County for this project. All acquisition/study and any design and construction costs in addition to this award amount will be paid by the county.

On September 13, 2013, the Board established the scope, cost, and schedule of this project, allocating \$36,295,000 of the \$870,074,000 lease revenue bond financing authority appropriated in section 15820.913 of the Government Code to partially finance the design and construction of this project. At the time of establishment, the total estimated project cost was \$40,328,000. On November 14, 2013, the BSCC took an action to approve an additional conditional funding award of \$43,705,000 for this project, for a new total award amount of \$80,000,000. On May 9, 2014, the Board recognized a scope change and revised project cost estimate for this project, for a total estimated project cost of \$88,900,000. On August 17, 2015, the Board approved the preliminary plans and an anticipated deficit for this project, for a total estimated project cost of \$88,968,000. Subsequent to that action, a new project cost estimate was prepared in association with the completion of working drawings. Based on this revised estimate, the current total estimated project cost is \$89,789,000, which includes a potential deficit of \$821,000.

- \$ 88,968,000 Total authorized project cost
- \$ 80,000,000 State costs previously allocated: \$376,000 for preliminary plans, \$2,434,000 for working drawings, and \$77,190,000 for construction (\$65,335,000 contract, \$6,465,000 contingency, \$1,383,000 A&E, \$2,951,000 other project costs, and \$1,056,000 agency retained items)
- \$ 8,968,000 Local costs previously allocated: \$1,328,000 for acquisition/study, \$2,688,000 for preliminary plans, \$2,006,000 for working drawings, and \$2,946,000 for construction (other project costs)

CEQA

A Notice of Determination was filed with the Monterey County Clerk on June 24, 2015, and the 30-day statute of limitations expired without challenge.

Real Estate Due Diligence

A Summary of Conditions Letter for this project was completed on September 16, 2015, and no issues that would adversely affect the beneficial use and quiet enjoyment of the project were identified.

Project Schedule

Approve preliminary plans	August 2015
Complete working drawings	March 2017
Start construction	July 2017
Complete construction	September 2019

Staff Recommendation: Adopt resolution.

CONSENT ITEMS

CONSENT ITEM—1

DEPARTMENT OF PARKS AND RECREATION (3790)
SACRAMENTO RAILYARDS-RAILROAD TECHNOLOGY MUSEUM
OLD SACRAMENTO STATE HISTORIC PARK
SACRAMENTO COUNTY

Authority: Chapter 10, Statutes of 2015, 3790-301-6029(1)

Consider authorizing site selection

CONSENT ITEMS

STAFF ANALYSIS ITEM—1

Department of Parks and Recreation
Sacramento Railyards-Railroad Technology Museum/Old Sacramento SHP
Sacramento County

Action Requested

If approved, the request would authorize site selection.

Scope Description

This project is within scope. This request is for site selection of approximately 9.5 acres (the Property) within a 240 acre area north of downtown Sacramento known as the Sacramento Railyards (the Railyards) in Sacramento County to allow the Department of Parks and Recreation (Parks) to negotiate the acquisition of the real Property, an addition to the Old Sacramento State Historic Park. This acquisition may also include the acquisition of easements to facilitate the development of the greater site.

The Property is currently under a lease between the owner, Downtown Railyard Ventures (DRV), and Parks. The lease, executed on January 7, 1999, allows Parks control and access to the erecting shop and the boiler shops, both shops are being utilized to fix and repair Parks' existing railroad stock on a month to month basis with no written expiration date. The erecting and boiler shops are critical to Parks' mission and provide ongoing operational support for the Old Sacramento State Historic Park.

Funding and Cost Verification

This project is within cost. Chapter 10, Statutes of 2015, appropriates funding to allow Parks to purchase or accept real property throughout the State. The Legislature approved funding of \$700,000, and there are sufficient funds remaining in this appropriation to cover the overhead, title, and escrow costs associated with the acquisition:

\$50,000 Total authorized project costs

\$50,000 Total estimated project costs

\$25,000 Project costs previously allocated: Department of General Services (DGS) staff costs for appraisal and acquisition review

\$25,000 Project costs to be allocated: \$25,000 for acquisition, title, and escrow fees

CEQA

Environmental review and appropriate CEQA documentation will be completed prior to seeking Board approval to acquire the proposed site.

Project Schedule

The anticipated close of escrow is September 2017.

Condition of Property:

The Railyards is an approximately 240-acre site that was the location of a major railroad operation and maintenance facility from 1865 through the 1990s. Heavy industrial activities at the facility resulted in impacts to soil and groundwater across the majority of the Property. The California Department of Toxic Substances Control (DTSC) is the lead agency for regulatory oversight of environmental cleanup, with major involvement from the United States Environmental Protection Agency (US EPA) and the Central Valley Regional Water Quality Control Board (RWQCB). The Union Pacific Railroad Company (UPRR) is the current responsible party for the ongoing investigation and cleanup.

UPRR is currently remediating the Railyards under the Enforceable Agreement entered into in 1988 between the former owner, Southern Pacific Transportation Company, and DTSC. Based on historical usage and known soil and groundwater impacts, the Railyards were divided into several areas, including the Central Shops, which is part of the Property. As a result, interim soil and groundwater remediation systems were first installed at the Central Shops area in the early 1990s to primarily control the migration of contaminated groundwater. These interim removal actions included the removal of contaminated soils and the installation of groundwater treatment systems, which are still in operation and will remain in operation for many years.

On July 3, 2013, DTSC approved the conditional Remedial Action Plan (RAP) for toxic cleanup at the Railyards, which Parks is utilizing as its environmental agreement. The Enforceable Agreement places the responsibility of soils and groundwater cleanup on UPRR. Pursuant to the RAP, the below uses and activities are currently prohibited on the Property. Once the elements of the RAP are implemented and DTSC approves the completed work, the owner at that time will be required to abide by new, DTSC-approved environmental land use restrictions and activity use limitations (LUCs) that will supersede these LUCs:

- Any residential use
- Hospital for humans
- Public or private school for persons under the age of 18
- Day care center for children
- A park
- Ground disturbance activities, without DTSC approval
- Drilling for water, oil, or gas, without DTSC approval
- Extraction of groundwater, except for construction dewatering purposes
- Interference with remediation systems

Other:

- As part of the contemplated acquisition of the Property, Parks may be expected to assume environmental obligations and liabilities that are currently the responsibility of DRV under the existing Railyards Agreement, which was entered into between DRV and the prior owner, IA Sacramento Holdings (IAH) in 2015 in anticipation of DRV acquiring the Railyards from IAH. The Railyards Agreement, among other things, establishes the responsibilities and obligations of UPRR and DRV by setting forth terms of ongoing monitoring and compliance, the manner and means by which the parties will allocate specific environmental clean-up work, and specific ongoing liabilities of each party.

- Depending on the long-term use of the Property, Parks may be responsible for additional clean up and ongoing soil management and monitoring once the Property is cleaned up by UPRR, and approved by DTSC, pursuant to the RAP.
- Parks will negotiate an ongoing maintenance and operations agreement with the developer regarding the use of open space areas.
- There is a deed of trust on title in the amount of \$125 million. The owner has indicated that a full reconveyance will be recorded prior to the State taking title and the Trust would be removed from the State's Policy of Title Insurance.
- There is no implied dedication applicable to this property.
- Parks is not aware of any lawsuits pending on the Property. The Property Acquisition Agreement will require delivery of title to the State free and clear of any liens.
- The Property represents an inholding of historic nature.
- There is no relocation assistance involved with this project.

Staff Recommendation: Authorize site selection.

CONSENT ITEMS

CONSENT ITEM—2

DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)
JAIL PROJECT
LOS ANGELES COUNTY

Authority: Sections 15820.91 – 15820.917 of the Government Code

Consider recognizing:

- a) A scope change
- b) Revised project costs

CONSENT ITEMS

STAFF ANALYSIS ITEM—2

Department of Corrections and Rehabilitation
Jail Project
Los Angeles County

Action Requested

If approved, the requested action would recognize a scope change and recognize revised project costs.

Scope Description

This project is not within scope. Section 15820.913 of the Government Code (AB900, Phase II) appropriates \$870,074,000 lease revenue bond financing authority to partially finance the design and construction of local jail facilities. Award of this funding to individual counties is administered through the Board of State and Community Corrections (BSCC) through a competitive bidding process. The BSCC has conditionally awarded \$100 million from this appropriation to Los Angeles County for this project. All of the acquisition/study, design, and any construction costs in addition to this award amount will be paid by the county.

On August 17, 2015, the State Public Works Board (Board) established the scope, cost and schedule of this project with a total estimated project cost was \$123.4 million.

As established by the Board, this project includes two new buildings, as well as the expansion and renovation of the existing jail by adding approximately 309,000 square feet (sf). The renovations and expansion would provide custody control, visitation, laundry, warehouse, kitchen/dining, and additional day room space in approximately 20 existing dormitory-style housing barracks. Additionally, four existing modular buildings will be relocated within the project site.

The Department of Corrections and Rehabilitation, on behalf of the county, is requesting a scope change. The new scope will include six new buildings, as well as the expansion and renovation of the existing county jail located in the city of Lancaster on county-owned land. The renovations and expansion will provide housing, program, support, and administrative space. The new buildings will provide transitional housing space, an entry building, a medical clinic and inmate processing area, and warehouse storage. The housing and program space will be approximately 286,000 sf.

Renovations will include custody control, visitation, laundry, warehouse, and kitchen/dining space, as well as seismic and utility upgrades. Approximately 20 of the existing dormitory-style barracks will be renovated and expanded to provide additional day-room space. This project will add approximately 724 additional medium-security beds to the existing 880 beds.

On May 15, 2017, the Department of Finance notified the chairs of the Joint Legislative Budget, the Senate Appropriations, and Assembly Appropriations Committees of its intent to approve the scope change of this project and to recommend the board recognize it no sooner than 20 days from that date.

Funding and Project Cost Verification

This project is not within cost. Section 15820.913 of the Government Code (AB900, Phase II) appropriates \$870,074,000 lease revenue bond financing authority to partially finance the design and construction of local jail facilities. Award of this funding to individual counties is administered through the Board of State and Community Corrections (BSCC) through a competitive bidding process. The BSCC has conditionally awarded \$100,000,000 from this appropriation to Los Angeles County for this project. All of the acquisition/study, design and any construction costs in addition to this award amount will be paid by the county.

On August 17, 2015, the Board established the scope, cost and schedule of this project with a total estimated project cost was \$123,400,000. Subsequent to that action, a new project cost estimate was prepared in association with the completion of performance criteria and concept drawings, and this scope change request. Based on this revised estimate, the new total estimated project cost is \$136,600,000, an increase of \$13.2 million. Approximately \$9 million of the increase is due to the change of scope for the project or due to cost escalation as a result of the extra time needed to develop the new scope; the remaining \$4 million is attributable to a change of water supply to the project from on-site wells to a local agency water supply in order to ensure a stable supply of water to the project.

\$123,400,000	Total authorized project cost
\$136,600,000	Total estimated project cost
\$100,000,000	State costs previously allocated: \$100,000,000 for design-build (\$87,248,000 contract, \$1,274,000 A&E, \$7,478,000 other project costs and \$4,000,000 agency retained)
\$23,400,000	Local costs previously allocated: \$5,847,000 for performance criteria, and \$17,553,000 for design-build (\$765,000 contract, \$7,041,000 contingency, \$396,000 A&E, \$8,451,000 other project costs and \$900,000 agency retained)
\$13,200,000	Local costs increase: \$84,000 for performance criteria and \$13,116,000 for design-build (\$6,400,000 contract, \$512,000 contingency, \$1,960,000 other project costs and \$4,244,000 agency retained)

CEQA

The Notice of Determination was filed with the Los Angeles County Clerk on October 26, 2016, and the 30-day statute of limitations expired without challenge.

Real Estate Due Diligence

A Summary of Conditions Letter for this project was completed on January 5, 2017. The Letter identified some previous bond funding, which has since been paid off, as possibly continuing to

encumber portions of the site. The county is working with outside counsel to clear up this issue. It is anticipated that this matter will be resolved within the next few months.

Project Schedule

Approve performance criteria	April 2017
Approve release of RFP	April 2017
Start design-build construction	November 2017
Complete construction	May 2020

Staff Recommendation: **Recognize scope change and recognize revised project costs.**

CONSENT ITEMS

CONSENT ITEM—3

**CALIFORNIA COMMUNITY COLLEGES (6870)
SANTA BARBARA COMMUNITY COLLEGE DISTRICT, SANTA BARBARA CITY COLLEGE,
CAMPUS CENTER SEISMIC AND CODE UPGRADES
SANTA BARBARA COUNTY**

*Authority: Chapter 25, Statutes of 2014, Item 6870-301-6049 (4)
Chapters 10 and 11, Statutes of 2015, Item 6870-301-6049 (5)*

Consider:

- a) **Recognizing a scope change**
- b) **Approving a reversion**

CONSENT ITEMS

STAFF ANALYSIS ITEM—3

California Community Colleges
Santa Barbara Community College District, Santa Barbara City College
Campus Center Seismic and Code Upgrades
Santa Barbara County

Action Requested

If approved, the requested action would recognize a scope change and approve a reversion.

Scope Description

This project is not within scope. As approved, the project will provide seismic and code upgrades for the 23,655 assignable square foot and 32,903 gross square foot, three-story building that supports the Journalism and Culinary Arts programs. The upgrades will address building deficiencies related to health and safety, seismic issues, accessibility, below grade water intrusion, and failing building infrastructure.

Funding and Project Cost Verification

This project is not within cost. The Budget Act of 2014 (Chapter 25, Statutes of 2014) appropriated \$1,627,000 General Obligation Bond funds for the preliminary plans and working drawings phases of the project, and the Budget Act of 2015 (Chapters 10 and 11, Statutes of 2015) appropriated \$18,805,000 General Obligation Bond funds for the construction phase of the project. The project also includes district funding for the preliminary plans phase in the amount of \$403,000, working drawings phase in the amount of \$364,000, and construction phase in the amount of \$8,610,000.

The preliminary plans phase of the project was completed March 16, 2015 and the working drawings phase was completed June 7, 2016. However, the project has been on hold since October 2016, following an unsuccessful contract bidding process. The lowest responsive, responsible bid of \$34,465,000 exceeded the amount available for construction by \$7,050,000. The district's Board of Trustees rejected all bids and voted unanimously to not proceed with the project. Consequently, in April 2017, the California Community Colleges, on behalf of the Santa

Barbara Community College District, requested a scope change to terminate the project and revert the unencumbered balance of the construction appropriation.

On May 19, 2017, the Department of Finance notified the chairs of the Joint Legislative Budget, the Senate Appropriations, and Assembly Appropriations Committees of its intent to approve the scope change of this project and to recommend the board recognize it no sooner than 20 days from that date. The review period has expired with no comments from the Legislature.

\$29,809,000	Total authorized project costs.
\$29,809,000	Total estimated project costs.
\$1,627,000	State funds previously allocated: \$855,000 for preliminary plans and \$772,000 for working drawings.
\$767,000	District funds previously allocated: \$403,000 for preliminary plans and \$364,000 for working drawings.
\$18,805,000	State construction funds proposed for reversion (\$16,916,000 contract, \$839,000 contingency, \$269,000 A&E, and \$781,000 other project costs).
\$8,610,000	District construction funds to be reverted (\$7,757,000 contract, \$395,000 contingency, \$126,000 A&E, and \$332,000 other project costs).

CEQA

The Notice of Exemption was filed with the State Clearinghouse on October 24, 2014, and the 35-day statute of limitations expired without challenge.

Real Estate Due Diligence

Community college districts have full responsibility for clearing due diligence issues for general obligation bond projects.

Project Schedule

Approve preliminary plans	March 2015
Complete working drawings	June 2016
Start construction	N/A
Complete construction	N/A

Staff Recommendation: Recognize a scope change and approve a reversion.

ACTION ITEMS

ACTION ITEM—1

HIGH SPEED RAIL AUTHORITY (2665) VARIOUS COUNTIES

Authority: Section 15770.2 of the Government Code

Consider approving updates to Exhibits to the Right-Of-Way Contracts authorized by Resolution at the November 6, 2015 Public Works Board Meeting

ACTION ITEMS

STAFF ANALYSIS ITEM—1

High Speed Rail Authority
Various Counties

Action Requested

The State Public Works Board (Board) is required by law to perform various functions or approvals in relation to its capital outlay oversight responsibilities and bond issuance obligations. In an effort to improve the efficiency of these processes, the Board has approved the delegation of certain functions and approvals to its duly appointed Executive Director and Deputy Directors.

At its November 6, 2012 meeting, the Board approved the adoption of a resolution approving a form acquisition agreement and the delegation of authority to execute certain contracts for the acquisition of property for the High Speed Rail Project. In addition, at its April 15, 2013 meeting, the Board approved a form of Agreement for Possession and Use, Optional Clauses, and Memorandum of Agreement for Possession and Use and the delegation of authority to execute agreements and memoranda for the possession and use of property for the California High Speed Rail Project. On November 6, 2015, the Board rescinded both of those resolutions and approved new resolutions providing for additional delegations, updating contract language, and adding new contract forms as necessary. On January 15, 2016, the Board approved minor updates to those Exhibits to the Right-Of-Way Contracts and Possession and Use Agreements. This request would further update the Exhibit B to the Right-Of-Way contracts authorized by Board resolution to include changes and clean-up edits as follows:

- Right-Of-Way Contract – Revise Exhibit B, Optional Clause 8.05.12.00 – Cost to Cure: Adds language to set a date certain on which any improvements specified in the right-of-way contract must be removed to allow unimpeded access to the property. If the work is not completed, this language clarifies that the Authority may remove the improvements, without liability.
- Right-Of-Way Contract – Revise Exhibit B, Optional Clause 8.09.08.00 – Owner Retaining Temporary Possession – Unimproved Property: Adds language to provide for

compensation to a property owner for unharvested crops, in the event that the state requires the property prior to the intended harvest date.

Staff Recommendation: Approve updates to Exhibit B to the Right-Of-Way Contracts authorized by Resolution at the November 5, 2015, Public Works Board Meeting.

ACTION ITEMS

ACTION ITEM—2

**HIGH SPEED RAIL AUTHORITY (2665)
INITIAL OPERATING SEGMENT, SECTION 1
FRESNO COUNTY
APN 072-170-39
HSR FB-15-0352**

*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*

Consider authorizing site selection of one assessor's parcel in full or in part.

ACTION ITEMS

STAFF ANALYSIS ITEM—2

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

ITEM PULLED

ACTION ITEMS

ACTION ITEM—3

**HIGH SPEED RAIL AUTHORITY (2665)
INITIAL OPERATING SEGMENT, SECTION 1
MADERA, FRESNO, KINGS, AND KERN 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 Resolutions of Necessity authorizing the use of eminent domain to acquire the following properties:

- 1. Pond Ranch—1 Property (Kern County)**
Authority Parcel Numbers: FB-15-0006-1 and FB-15-0006-2
Assessor Parcel Numbers: 047-190-01 and 047-190-02
- 2. Pond Ranch—2 Property (Kern County)**
Authority Parcel Numbers: FB-15-0024-1, FB-15-0024-2, and FB-15-0024-3
Assessor Parcel Number: 059-210-21
- 3. Fabbri Property (Kern County)**
Authority Parcel Numbers: FB-15-0014-1 and FB-15-0014-2
Assessor Parcel Number: 047-290-11
- 4. Long Property (Kings County)**
Authority Parcel Numbers: FB-16-0129-1, FB-16-0129-2, and FB-16-0129-01-01
Assessor Parcel Number: 014-390-007
- 5. Tapia Property (Madera County)**
Authority Parcel Number: MF-20-1106-1
Assessor Parcel Number: 032-011-012
- 6. Jackson Property (Fresno County)**
Authority Parcel Numbers: FB-10-0479-1, FB-10-0479-3, FB-10-0479-4, FB-10-0479-5,
FB-10-0479-6, FB-10-0479-7, FB-10-0479-8, FB-10-0479-9, FB-10-0479-10, and
FB-10-0873-1
Assessor Parcel Numbers: 056-090-15s and 056-090-16s
- 7. Irigoyen Farms Property (Fresno County)**
Authority Parcel Numbers: FB-10-0443-1, FB-10-0443-2, FB-10-0443-3, FB-10-0454-1,
FB-10-0454-2, FB-10-0454-3, FB-10-0454-4, FB-10-0454-5, and FB-10-0875-1
Assessor Parcel Numbers: 385-140-20, 385-140-24s, and 385-140-10s

8. **Nesheiwat Property (Kern County)**
Authority Parcel Numbers: FB-15-0019-1 and FB-15-0019-01-01
Assessor Parcel Numbers: 047-350-03 and 047-350-04

9. **Rainbow Orchards Property (Kern County)**
Authority Parcel Number: FB-15-0041-1
Assessor Parcel Number: 047-220-39 (formerly designated as 047-220-12)

10. **Wasco Real Properties Property (Kern County)**
Authority Parcel Numbers: FB-15-0307-1, FB-15-0307-2, FB-15-0307-3, and FB-15-0307-01-01
Assessor Parcel Number: 072-120-04

11. **Torres Property (Kings County)**
Authority Parcel Numbers: FB-16-0132-1, FB-16-0132-2, and FB-16-0132-01-01
Assessor Parcel Number: 014-390-010

12. **Thiesen Property (Fresno County)**
Authority Parcel Numbers: FB-10-0475-1, FB-10-1295-1 (formerly designated as FB-10-0475-3), and FB-10-1295-2 (formerly designated as FB-10-0475-4)
Assessor Parcel Number: 056-030-51S

ACTION ITEMS

STAFF ANALYSIS ITEM—3

High Speed Rail Authority
 Initial Operating Segment, Section 1
 Madera, Fresno, Kings, and Kern Counties

Action Requested

Adopt 12 Resolutions of Necessity authorizing the use of eminent domain to acquire properties totaling approximately 137 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

In order 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 October 2016 and March 2017, 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, in order to keep the project on schedule, the adoption of Resolutions of Necessity to authorize the use of eminent domain is required.

On May 19, 2017 and May 22, 2017, 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. Pond Ranch–1 Property (Kern County)

Authority Parcel Numbers: FB-15-0006-1 and FB-15-0006-2

Assessor Parcel Numbers: 047-190-01 and 047-190-02

Partial Acquisition: Approximately 21.08 acres total (18.86 acres in fee and 2.22 acres in easement)

This property will be needed for the construction of the HSTS between Garces Highway and Woollomes Avenue.

2. Pond Ranch–2 Property (Kern County)

Authority Parcel Numbers: FB-15-0024-1, FB-15-0024-2, and FB-15-0024-3

Assessor Parcel Number: 059-210-21

Partial Acquisition: Approximately 22.04 acres total (17.84 acres in fee and 4.20 acres in easement)

This property will be needed for the construction of the HSTS between Peterson Road and W. Sherwood Avenue.

3. Fabbri Property (Kern County)

Authority Parcel Numbers: FB-15-0014-1 and FB-15-0014-2

Assessor Parcel Number: 047-290-11

Partial Acquisition: Approximately 9.39 acres total (9.31 acres in fee and 0.08 acre in easement)

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

4. Long Property (Kings County)

Authority Parcel Numbers: FB-16-0129-1, FB-16-0129-2, and FB-16-0129-01-01

Assessor Parcel Number: 014-390-007

Full Acquisition: Approximately 1.49 acres in fee

Property Pulled From Agenda

5. Tapia Property (Madera County)

Authority Parcel Number: MF-20-1106-1

Assessor Parcel Number: 032-011-012

Partial Acquisition: Approximately 2.48 acres in fee

This property will be needed for the construction of the Road 26 grade separation.

6. Jackson Property (Fresno County)

Authority Parcel Numbers: FB-10-0479-1, FB-10-0479-3, FB-10-0479-4, FB-10-0479-5, FB-10-0479-6, FB-10-0479-7, FB-10-0479-8, FB-10-0479-9, FB-10-0479-10, and FB-10-0873-1

Assessor Parcel Numbers: 056-090-15s and 056-090-16s

Partial Acquisition: Approximately 14.52 acres total (11.85 acres in fee and 2.67 acres in easement)

This property will be needed for the construction of the HSTS between SR 43 and Cole Slough and to provide access from SR 43 to the HSTS.

7. Irigoyen Farms Property (Fresno County)

Authority Parcel Numbers: FB-10-0443-1, FB-10-0443-2, FB-10-0443-3, FB-10-0454-1, FB-10-0454-2, FB-10-0454-3, FB-10-0454-4, FB-10-0454-5, and FB-10-0875-1

Assessor Parcel Numbers: 385-140-20, 385-140-24s, and 385-140-10s

Partial Acquisition: Approximately 14.26 acres total (13.13 acres in fee and 1.13 acres in easement)

This property will be needed for the construction of the HSTS between S. Peach Avenue and E. Clarkson Avenue.

8. Nesheiwat Property (Kern County)

Authority Parcel Numbers: FB-15-0019-1 and FB-15-0019-01-01

Assessor Parcel Numbers: 047-350-03 and 047-350-04

Partial Acquisition: Approximately 20.79 acres in fee

This property will be needed for the construction of the HSTS between Pond Road and Peterson Road.

9. Rainbow Orchards Property (Kern County)

Authority Parcel Number: FB-15-0041-1

Assessor Parcel Number: 047-220-39 (formerly designated as 047-220-12)

Partial Acquisition: Approximately 0.94 acre in fee

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

10. Wasco Real Properties Property (Kern County)

Authority Parcel Numbers: FB-15-0307-1, FB-15-0307-2, FB-15-0307-3, and FB-15-0307-01-01

Assessor Parcel Number: 072-120-04

Partial Acquisition: Approximately 23.43 acres total (23.41 acres in fee and 0.02 acre in easement)

This property will be needed for the construction of the Kimberlina Road grade separation and for the construction of the HSTS between Prospect Avenue and Kimberlina Road.

11. Torres Property (Kings County)

Authority Parcel Numbers: FB-16-0132-1, FB-16-0132-2, and FB-16-0132-01-01

Assessor Parcel Number: 014-390-010

Full Acquisition: Approximately 1.53 acres in fee

This property will be needed for the construction of the HSTS between Mountain View Avenue and E. Lacey Boulevard.

12. Thiesen Property (Fresno County)

Authority Parcel Numbers: FB-10-0475-1, FB-10-1295-1 (formerly designated as FB-10-0475-3), and FB-10-1295-2 (formerly designated as FB-10-0475-4)

Assessor Parcel Number: 056-030-51S

Partial Acquisition: Approximately 5.46 acres total (4.30 acres in fee and 1.16 acres in easement)

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

Staff Recommendation: Adopt 12 Resolutions of Necessity authorizing the use of eminent domain to acquire properties totaling approximately 137 acres.

OTHER BUSINESS

- 1. Consider authorizing the State Public Works Board's Executive Director and Deputy Directors to take actions necessary to execute on behalf of the Board a one-year extension to the agreement between the Board and the Department of Transportation for legal services related to the acquisition of property for the High Speed Rail project.**

The proposed agreement extension adds one year to the existing contract term. The new term of the agreement after this amendment is from October 1, 2012 through June 30, 2018.

Staff Recommendation: Authorize a one year extension to the agreement between the State Public Works Board and the Department of Transportation.

REPORTABLES

TO BE PRESENTED AT MEETING