CALIFORNIA STATE
PUBLIC WORKS BOARD
EDMUND G. BROWN JR. • GOVERNOR
915 L STREET ■ NINTH FLOOR ■ SACRAMENTO CA ■ 95814-3706 ■ (916) 445-9694

NOTICE OF MEETING

STATE PUBLIC WORKS BOARD

Friday, June 13, 2014, at 10:00 a.m. in Room 113
State Capitol, Sacramento, California

AGENDA

I.	Roll Call		
II.	Bond Items	Page	2
III.	Approval of minutes from the May 9, 2014 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 Aurelia Bethea at (916) 445-9694 or e-mail to aurelia.bethea@dof.ca.gov five days prior to the meeting.

BOND ITEMS

BOND ITEM—1

DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)
JAIL PROJECT
KINGS COUNTY

Authority: *Sections 15820.91 – 15820.917 of the Government Code*

Consider adopting 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.

Total Bond Appropriation **$33,000,000**

BOND ITEMS

STAFF ANALYSIS ITEM—1

Department of Corrections and Rehabilitation
Jail Project
Kings 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 renovations to and an expansion of the existing county jail located in the city of Hanford on approximately 4± acres of a greater 15± acre of county-owned land. The expansion will create approximately 68,000 square feet (sf) of additional new housing, treatment, and program space for approximately 252 inmates.

The new two-story building will provide 8 medium and maximum security housing units—6 housing units containing a total of approximately 8 single-occupancy cells and 64 double-occupancy cells and 2 housing units containing a total of approximately 104 dormitory beds. All housing units will contain a dayroom and adjacent program space. A new recreation yard will also be constructed. The two-story building will be constructed primarily using steel and concrete for long-term durability.

The expansion will include a new medical infirmary to provide space for medical, dental, and mental health treatment and will provide approximately 12 infirmary/special use beds. In addition, the expansion will include, but is not limited to, new security and intake/booking space, administrative space, warehouse space, a central plant, laundry, and program space for rehabilitative, self-help, religion, and education programs.

The new and expanded buildings will be dependent upon the existing facility for several core operational components, including release, transportation, visiting, administration and staff support facilities.

Renovation will consist of minor alteration to approximately 2,000 sf of the existing county jail. These alterations will include the addition of an elevator, remodeling the existing laundry area into a dish room and expanding and upgrading the existing kitchen, relocating laundry equipment to the new laundry space, relocating a dental exam chair to the new medical suite and constructing multiple door openings in the existing walls for access from existing building to the new jail space.

The project will also include, but is not limited to, electrical; plumbing; mechanical; heating, ventilation, and air conditioning; security; and fire protection systems; as well as all necessary appurtenances. In addition, there will be secure fencing surrounding the facility to provide grounds security.

Funding and Project Cost Verification

This project is within cost. On January 11, 2013, the Board took an action establishing the scope, cost, and schedule of this project, allocating $33,000,000 of the $854,229,000 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 $41,581,000. Subsequent to that action, a new project cost estimate was prepared in association with approval of preliminary plans. Based on this new cost estimate, the project cost decreased by $22,000, for a total estimated project cost of $41,559,000.

$41,559,000	total authorized project cost
$41,559,000	total estimated project cost
$33,000,000	state funds previously allocated: $514,000 preliminary plans, $1,469,000 working drawings, and $31,017,000 construction ($27,493,000 contract, $1,706,000 contingency, $533,000 A&E, and $1,285,000 other project costs)
$ 8,559,000	local funds previously allocated: $836,000 preliminary plans, $431,000 working drawings, and $7,292,000 construction ($1,211,000 contract, $303,000 contingency, $365,000 A&E, $550,000 other project costs, and $4,863,000 agency retained)

CEQA

A Notice of Determination was filed with the State Clearinghouse on June 24, 2002, and the statute of limitations expired July 23, 2002, without challenge.

Real Estate Due Diligence

A Summary of Conditions Letter for this project was completed on April 10, 2014, and no issues that would adversely affect the quiet use and enjoyment of the project were identified.

Project Schedule

Approve preliminary plans	August 2013
Complete working drawings	May 2014
Start construction	July 2014
Complete construction	February 2016

Staff Recommendation: Adopt resolution.

CONSENT ITEMS

CONSENT ITEM—1

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

Authority: *Chapter 152, Statutes of 2012, Item 2665-306-0890(1)*
Chapter 152, Statutes of 2012, Item 2665-306-6043(1)

Consider approving site selection of eight parcels in full and/or in part

Construction Package 1A	
Assessor's Parcel Number	Authority's Parcel Number
508-020-03ST	MF-10-0261
508-051-03	MF-10-0262
466-214-17	FB-10-0670
466-215-20T	FB-10-0135
RR-BNSF-12.0	BNSF-12.0
450-020-08T	FB-10-0084
450-260-03T	FB-10-0531
Construction Package 1B	
Assessor's Parcel Number	Authority's Parcel Number
467-092-34	FB-10-0172

CONSENT ITEMS

STAFF ANALYSIS ITEM—1

Action Requested

If approved, the requested action would approve site selection for eight parcels in full and/or in part.

Scope Description

This project is within scope. The Initial Operating Segment, Section 1 (IOS-1) is expected to be approximately 130 miles starting near Madera (north of Fresno) and extending southward almost to Bakersfield. This initial section includes the realignment of Highway 99 in Fresno, and the construction of dozens of grade separations, and multiple bridges and viaducts. The IOS-1, also referred to as the First Construction Segment, 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) for acquisition of approximately 1,100 parcels and the construction of the 130-mile IOS-1.

Because of the geographical size of the HSTS, the environmental work for the HSTS was divided into multiple station-to-station geographical segments, two of which are Merced to Fresno and Fresno to Bakersfield. The 130 miles of the IOS-1 is broken into four construction packages, with the first construction package further divided into components A, B, and C. The first two components, A and B, of Construction Package 1 lie fully within the Merced to Fresno segment, where the environmental process was completed in September 2012. On January 11, 2013, June 14, 2013, July 12, 2013, November 8, 2013, and December 13, 2013, the Board approved site selection for a combined 402 parcels within Construction Package 1A and 1B that would provide a corridor extending approximately 24 miles from Avenue 17 east of the City of Madera to Santa Clara Street in the City of Fresno.

This action, if approved, would site select an additional eight parcels within Construction Package 1A and 1B, thereby bringing the overall total to 410 parcels. Of these eight parcels, seven were necessary due to recent design refinements for either the Golden State Boulevard re-alignment or for grade separations. One parcel is needed as the owner is requesting that the property be appraised as a full take, and that property includes this additional parcel.

In addition to the Construction Package 1A and 1B parcels, at the April 11, 2014 meeting, 144 parcels within Construction Package 1C were conditionally approved for site selection, and on May 9, 2014, 141 parcels reflecting within Construction Package 2-3 were conditional approved for site selection. These actions extend the corridor and additional 13 miles to East Mountain View Avenue.

Site selection for a transportation corridor, highway or rail alignment differs from traditional single-parcel Board requests. Parcels required for highway and rail alignments involve several miles comprising a longitudinal corridor, rather than a single, specific parcel where other location options may be considered. Because of the type of infrastructure for this project it is not possible to simply reject a parcel and move to the right or left. For instance, a high-speed train travelling at 200+ miles per hour requires 4 to 5 miles to perform a 90-degree turn. The alignment, as determined through the environmental processes, determines the sites that must be acquired. As is the case with this request, many of the sites selected reflect a need for road realignments and grade crossings necessary to ensure the safety of the train system.

Consistent with corridor based projects, minimal real estate due diligence has occurred to date as the alignment determines which properties must be acquired and any abatement or title issues will be resolved during or shortly after acquisition.

Staff Recommendation: Approve site selection of eight parcels in full and/or in part.

CONSENT ITEM—2

CALIFORNIA HIGHWAY PATROL (2720)
STATEWIDE SITE SELECTION
MULTIPLE COUNTIES

Authority: Chapter 20, Statutes of 2013, Item 2720-301-0044(3)

Consider authorizing site selection at the following locations:

a) Summer Lane Site, Crescent City, Del Norte County
b) Lee Road Site, Quincy, Plumas County
c) Kearny Villa Road Site, San Diego, San Diego County
d) Hollister Site, Goleta, Santa Barbara County
e) Donner Pass Site, Truckee, Nevada County

CONSENT ITEMS

STAFF ANALYSIS ITEM—2

Action Requested

If approved, the requested action would authorize site selection at the following locations:

a) Summer Lane Site, Crescent City, Del Norte County
b) Lee Road Site, Quincy, Plumas County
c) Kearny Villa Road Site, San Diego, San Diego County
d) Hollister Site, Goleta, Santa Barbara County
e) Donner Pass Site, Truckee, Nevada County

Scope Description

This project is within scope. This request will authorize site selection for five properties totaling 27.0 acres. Each site, if acquired, will be the location of a replacement California Highway Patrol (CHP) area office. More information regarding each site can be found in the section titled “Property Specific Information”.

Funding and Cost Verification

This project is within cost. The Budget Act of 2013 provided the CHP with $1.1 million Motor Vehicle Account for the statewide site selection of up to five properties. In addition, $34.1 million is proposed in the pending 2014 Budget Act for the acquisition of these properties and the development of performance criteria for replacement CHP area offices.

CEQA

Environmental review for each site is currently underway, and the appropriate CEQA documentation will be completed prior to seeking authorization for site acquisition.

Project Schedule

Close of escrow	December 2014

Project Specific Information

Crescent City: The 3.99-acre Crescent City parcel is located near the intersection of Summer Lane and Washington Boulevard near Highway 101. The rectangle shaped site is undeveloped but it is located in an area where other parcels are developed for commercial and industrial uses.

The topography is gently sloped and covered with low grasses and weeds. A rock-lined swale leading into a drainage culvert is located on site. Water in the swale was not observed at the time. The surface of the site was firm and dry and vegetation for riparian habitats or wetlands were not noted. The Sutter Coast Hospital, located near the parcel, includes a communications tower located in the rear parking lot to the west of the site, but this tower is not expected to interfere with CHP tower.

A Phase I environmental site assessment was not available for review. With the exception of the above-noted environmental conditions, the site appears to be compatible with CHP's proposed use of the property as a field office. DGS has commissioned for preparation of a Phase I ESA to further assess any potential subsurface issues as a result of the historical use of the property.

Quincy: The 6.63-acre Quincy parcel at 1097 Lee Road is bounded on the south by Lee Road and the County Fairgrounds, on the north by a housing tract and open fields, on the east by Industrial Way and a lumber mill, and by Sierra Park Road on the west. The parcel has been used as a conveyor belt fabrication plant for an unknown number of years. The owner of the parcel has indicated that he may wish to keep a portion of the property.

It was noted on the site visit that there was an abandoned well that was supposedly permitted and there are no known underground storage tanks. The owner has recently indicated an interest in retaining a portion of the property.

A Phase I environmental site assessment was not available for review. With the exception of the above-noted environmental conditions, the site appears to be compatible with CHP's proposed use of the property as a field office. DGS has commissioned for preparation of a Phase I ESA to further assess any potential subsurface issues as a result of the historical use of the property.

San Diego: The overall parcel, located at the northwest corner of the intersection of Kearny Villa and Ruffin Road in the Kearny Mesa Community Planning Area, is 9.5 acres, but only the eastern portion of the site, totaling 5.3 acres is proposed for site selected. This parcel is bounded on the south and east by Kearny Villa Road, on the north by State Route 52, and Marine Corps Air Station (MCAS) Miramar on the west.

The parcel is undeveloped, but the general land uses around the parcel include commercial and industrial development to the south and east, MCAS lands to the west and freeway to the north. The parcel is mostly flat, with a gentle slope from west to east. Surface drainages or prominent topographic features on the parcel were not observed. However, the western part of the parcel, while outside of the site selection area, contains undulations, dirt spoils, and debris piles that according to the developer's biological report form shallow swales and depressions which support small collection basins and vernal pools.

The developer's biological report mapped sensitive plant species on the parcel, some of which occur within the proposed development area. Mitigation for direct impacts could be accomplished through contribution to the City of San Diego's Habitat Acquisition Fund. The federally listed endangered San Diego fairy shrimp and the federally listed threatened coastal California gnatcatcher were detected in the western part of the parcel. None of these were observed in the proposed development part of the parcel.

A Phase I Environmental Site Assessment (ESA) was not available for review. With the exception of the above-noted environmental conditions, the site appears to be compatible with CHP's proposed use of the Property as a field office. DGS has commissioned for preparation of a Phase I ESA to further assess any potential subsurface issues as a result of the historical use of the Property.

Goleta (Santa Barbara area): The 5.71 acres Goleta site, located at 7780 Hollister Avenue, is bounded on the south by Hollister Avenue, on the west by Las Armas Road, to the north by a GenOn generating station and vacant land, and to the east by Via Jero.

Land uses around the property include residential condominiums to the west, residential and a golf course to the south across Hollister Avenue, a commercial storage facility across Via Jero to the east and a private utility facility with vacant land adjacent to the north. Railroad tracks are located close to the parcel but do not impede access to US 101. The utility facility and vacant land separate the subject parcel from the railroad tracks. The parcel is not within the Coastal Zone under jurisdiction of the California Coastal Commission.

The parcel is flat and completely fenced. There are no buildings on the site except for a large metal storage container. The perimeter is landscaped with ornamental trees and shrubs, which shield the site from the surrounding area. A road easement on the Property reduces the usable acreage amounts to 4.3 acres.

A Phase I Environmental Site Assessment (ESA) was not available for review. However, the California Department of Conservation's Division of Oil, Gas & Geothermal Resources Well Finder depicts a plugged oil well on the site. It is unknown at this time if the well has been properly abandoned. With the exception of the above-noted environmental conditions, the site appears to be compatible with CHPs proposed use of the property as a field office. DGS has commissioned for preparation of a Phase I ESA to further assess any potential subsurface issues as a result of the historical use of the property.

Truckee: The 5.39 acre Truckee site is located at the intersection of Pioneer Trail and Lincoln/Highway Donner Pass Road. The parcel is bounded on the north and west by Pioneer Trail, on the south by Interstate 80/State Route 89, and Lincoln Highway/Donner Pass Road on the east.

The parcel is developed with a two story office building, formerly used by the US Forest Service, paved surface parking and driveways accessing from an abandoned two-lane roadway that cuts through south part of the parcel traveling east and west connecting Lincoln Highway and

Pioneer Trail. The existing irregular shaped rectangle parcel of about 5.4 acres is relatively flat. The site includes tall evergreen trees and low lying vegetation. Surface drainages or prominent topographic features were not observed on the parcel.

A Phase I environmental site assessment was not available for review. With the exception of the above-noted environmental conditions, the site appears to be compatible with CHP's proposed use of the property as a field office. DGS has commissioned for preparation of a Phase I ESA to further assess any potential subsurface issues as a result of the historical use of the property.

Other:

- Each proposed project location is consistent with the state's planning priorities in accordance with Government Code Section 65041 et seq, as the sites selected support efficient development patterns near existing developed areas with adequate transportation and other essential utilities and services.
- The purchase price of the properties shall not exceed the estimated fair market value of the property as determined by a DGS approved appraisal.
- No relocation assistance is required for any of the parcels. The San Diego and Crescent City sites are vacant and unimproved. The Goleta site has a parking lot, but is otherwise vacant. The Quincy and Truckee sites are developed.
- DGS is not aware of any lawsuits pending concerning the properties. For each location, the Property Acquisition Agreement will require delivery of title to the property free and clear of any mortgages or liens.
- The sites meet the requirements of CHP. However, the owner of the Quincy site has recently indicated a desire to retain a portion of the Lee Road site. To the extent the retain portion is too large, or the remaining portion has a non-standard shape, it is possible the Quincy site would need reevaluation.
- Truckee and Quincy require some additional acreage for snow to be removed from the parking areas. The proposed sites are of adequate size to accommodate snow removal.
- There are no historic issues and no implied dedication associated with these properties.

Staff Recommendation: Authorize site selection

CONSENT ITEM—3

CALIFORNIA TAHOE CONSERVANCY (3125)
ALTA MIRA ACQUISITION PROJECT
EL DORADO COUNTY

Authority: *Chapter 208, Statutes of 2004, Items 3125-101-6029 and 3125-301-6029 (3), as reappropriated by the Budget Acts of 2009 and 2011*
Chapters 38 and 39, Statutes of 2005, Item 3125-101-6029, as reappropriated by the Budget Acts of 2009 and 2011
Chapter 33, Statutes of 2011, Item 3125-301-0286(2)
Chapters 21 and 29, Statutes of 2012, Item 3125-301-0286(2)
Chapter 20, Statutes of 2013, Item 3125-301-6051(1)

Consider authorizing site selection and acquisition of real property through the exercise of an option agreement

CONSENT ITEMS

STAFF ANALYSIS ITEM—3

California Tahoe Conservancy
Alta Mira Acquisition
El Dorado County

Action Requested

If approved, the requested action would authorize site selection and acquisition of real property through the exercise of an option agreement.

Scope Description

This project is within scope. This request will authorize site selection and acquisition of approximately 0.87 acres of improved land (the property) for purposes of open space, public lake access, public recreation, and restoration. The property has a 5,402 square feet mixed-use commercial/residential structure and a storage basement, asphalt parking, concrete sidewalks, steps, and fencing. Prior to the close of escrow, the sellers are required to demolish the structural improvements and once all commercial and residential tenants have been relocated consistent with state law, remove a buried fuel oil tank (now filled with cement), remediate any contaminated soil that is observed, and decommission all monitoring wells.

The Tahoe Conservancy (Conservancy) is requesting site selection and acquisition concurrently because site selection was not authorized prior to the option agreement being entered into in December 2012. Typically, site selection would be authorized prior to the Conservancy entering into the option and prior to the authorization of acquisition. The Conservancy negotiated the option contract without consulting the State Public Works Board because it believed statute excluded it from this portion of the process, which is why this request is outside of the normal process and is to authorize both site selection and acquisition. The option agreement expires June 30, 2014, and the Conservancy is now requesting to exercise the option to purchase the property.

Funding and Cost Verification

This project is within cost. A total of $2,836,000 has been appropriated for this project. The balances of the appropriations are sufficient to acquire the subject parcel in accordance with legislative intent.

CEQA

A Notice of Determination was filed with the State Clearinghouse on May 12, 2014, and the statute of limitations expired on June 11, 2014, without challenge.

Project Schedule

Close of escrow	October 2014

Condition of Property

Department of General Services (DGS), Environmental Services Staff conducted a site visit on March 04, 2014, and no new sources of potential site contamination were observed during the visit. Additionally, in March 2014, the Conservancy requested an update to the 2010 Phase I Environmental Site Assessment (ESA) and no new hazards or sources of contamination had been reported or discovered. The update concluded remaining groundwater monitoring wells on the property should be closed.

An oil spill occurred on the property in 1995 and was remediated. The Regional Water Quality Control Board, Lahontan Region, closed the case on June 6, 2007, requiring no further abatement action. A Phase 1 (ESA) and an Asbestos-Lead Based Paint Survey for the property were completed in March 2010 and it was determined the potential for soil or groundwater contamination of the subject property from either on or off site sources is low. On the northeast side of the property, four groundwater monitoring wells are present. Asbestos was found in certain building materials but no lead-based paint was found.

The project site is surrounded by commercial properties to the east and south, by Lake Tahoe to the north, and by an unoccupied parcel of land to the west. A water well and four groundwater monitoring wells were noted at the northeast vicinity of the building. A Caltrans underground storm water vault and drainage system, for which Caltrans holds an easement to maintain and access, runs along the western border of the parcel. The system conveys treated storm water and runoff to Lake Tahoe. The drainage system appears to be causing a fair amount of erosion in the immediate vicinity of the discharge pipe near the lake shore and is visible due to low water levels.

Other:

- Pursuant to Government Code Section 66907.6, the Conservancy entered into an option agreement to purchase the property from the current owner for $2,500,000 and now desires to exercise that option.

- The Conservancy authorized exercising its option to acquire the property and the expenditure of $2,500,000 for the purchase at their May 12, 2014, meeting, along with the authorization to expend up to $336,000 for relocation assistance, staff time, and closing costs. A Relocation Assistance Plan was prepared for the Conservancy, circulated for public comment, and adopted by the Conservancy as part of their May 12, 2014 action to acquire the property. It is anticipated that the six commercial and two residential tenants will be given their 90-Day Notice to Vacate the property by July 2014.
- The purchase price of $2,500,000 does not exceed the estimated fair market value.
- Prior to the close of escrow the sellers are required to demolish the structural improvements, once all commercial and residential tenants have been relocated consistent with state law, remove a buried fuel oil tank (now filled with cement), remediate any contaminated soil that is observed, and decommission all monitoring wells. The Conservancy will reimburse the sellers for supplemental demolition work beyond seller's obligation as outlined in the Property Acquisition Agreement (PAA) to remove the building basement foundation and replace with clean fill dirt. The Conservancy has estimated the cost of this work as not to exceed $50,000. This work is considered part of the construction project and as such, is not included as a condition in the PAA.
- Once the property is acquired, approximately .43 acres will be transferred to the State Lands Commission (Commission). This portion of the property is a narrow strip approximately 10 feet in width along the eastern border of the property connecting U.S. Highway 50 with Lake Tahoe as well as the underlying fee title to all lands between the high and low water marks of Lake Tahoe. Compensation will be paid by the Commission to the Conservancy at fair market value at the time jurisdiction is transferred.
- The Conservancy is not aware of any lawsuits pending concerning the property. The PAA will require delivery of title to the property free and clear of any mortgages or liens.
- The proposed acquisition is consistent with the state's planning priorities in accordance with Government Code Section 65041 et seq. State ownership of these parcels will help ensure these open spaces are protected and limit incompatible development in this area.
- There is no implied dedication on the property due to the fencing and building obstructions that prevent the public from accessing the lake portion of the property from U.S. Highway 50. The public regularly traverses and uses the portion of the property between the high and low water marks of Lake Tahoe consistent with the rights afforded to them under the Public Trust Easement held for the public benefit by the Commission. This condition is common with lakefront properties in California and has been considered in the appraisal and property valuation.
- The Conservancy's ongoing management obligation in the near-term will be limited to periodic inspections of the property, maintenance of fencing, and property clean-up as necessary. The Conservancy can absorb these incremental additional costs within its annual property management budget, which is part of the Conservancy's support budget authorized annually by the legislature.

Staff Recommendation: Authorize site selection and acquisition.

CONSENT ITEMS

CONSENT ITEM—4

DEPARTMENT OF PARKS AND RECREATION (3790)
CASPAR HEADLANDS STATE BEACH
MENDOCINO COUNTY
DPR Parcel Number 10612, DGS Parcel Number 10188

Authority: Chapter 379, Statutes of 2002, Item 3790-301-6029(6), as reappropriated By the Budget Acts of 2005, 2008, and 2011

Consider authorizing the acceptance of a Correction Deed

CONSENT ITEMS

STAFF ANALYSIS ITEM—4

Department of Parks and Recreation
Caspar Headlands State Beach
Mendocino County

Action requested

If approved, the requested action would authorize the acceptance of a Correction Deed.

Scope Description

This project is within scope. This property was approved for acquisition by the Board in September 2011 and was acquired from the Mendocino Land Trust (MLT) in February 2012. The legal description in the recorded Grant Deed is a compilation of three separate legal descriptions that were reviewed, approved and then combined into one single description to transfer property from MLT to the state. As part of this transfer, certain parcels were to be excepted from the legal description and retained by MLT as agreed to by all parties and written into the Property Acquisition Agreement. These exceptions were not correctly identified in the legal description filed by the title company and will need to be amended through a Correction Deed. Once corrected, the total acreage recorded (approximately 55 acres) will match what was previously approved by the Board on September 9, 2011 Board agenda.

Funding and Cost Verification

This project is within cost. The correction of the legal description can be accomplished with the remaining funds in the authority cited above, and in accordance with legislative intent.

CEQA

The Department of General Services filed a Notice of Exemption with the State Clearinghouse on February 10, 2011, and the 35-day statute of limitations expired on March 17, 2011, without comment.

Project Schedule

It is anticipated that the Correction Deed can be recorded in June 2014.

Other:

- The Department of Parks and Recreation is not aware of any lawsuits pending concerning the property. The Correction Deed will require delivery of title to the property free and clear of any mortgages or liens.
- Additional resources will not be required to perfect title to this property.
- The Correction Deed will be consistent with the Board's approval of the acquisition in September 2011.

Staff Recommendation: Authorize acceptance of a Correction Deed.

CONSENT ITEM—5

DEPARTMENT OF PARKS AND RECREATION (3790)
MORRO STRAND STATE BEACH – TORO LANE ACCESS
SAN LUIS OBISPO COUNTY
DPR Parcel Number 016802, DGS Parcel Number 10818

Authority: Chapter 38, Statutes of 2005, Item 3790-301-6029(5), as reappropriated by the Budget Acts of 2008 and 2011

Consider authorizing the acquisition of real property through the acceptance of an irrevocable offer to dedicate

CONSENT ITEMS

STAFF ANALYSIS ITEM—5

Department of Parks and Recreation
Morro Strand State Beach - Toro Lane Access
San Luis Obispo County

Action requested

If approved, the requested action will authorize acquisition of real property through the acceptance of an irrevocable offer to dedicate.

Scope Description

This project is within scope. The Department of Parks and Recreation (Parks) has been offered approximately 0.66 acres of land adjacent to the Morro Strand State Beach (Morro Strand SB) situated in San Luis Obispo County by means of an Irrevocable Offer to Dedicate Fee Title (OTD). The property is characterized as sandy beach land which will provide important coastal access from Toro Lane to Morro Strand SB and will help reduce some of the gaps in state-owned land between South Morro Stand SB and North Morro Strand SB. The entire parcel would be left undeveloped and kept open to the public for recreational activities.

Funding and Cost Verification

This project is within cost. The acceptance of the OTD can be accomplished with the remaining funds in the authority cited above, and in accordance with legislative intent.

CEQA

A Notice of Exemption was filed with the State Clearinghouse on March 27, 2014, and the 35-day statute of limitations expired on May 1, 2014, without challenge.

Project Schedule

The anticipated close of escrow is June 2014.

Condition of Property

On March 14, 2014, DGS visited the property located at Toro Lane, in Morro Bay, San Luis Obispo County, California. The parcel is bounded on the south by the Morro Strand State Beach & Campground, by the west by the Pacific Ocean, and by the east by the City of Morro Bay's North Point Natural Area and parking lot at the end of Toro Lane and Cabrillo Highway beyond. The parcel is an undeveloped strip of beach, and can be accessed from the parking lot at the end of Toro Lane via a staircase that traverses west down a bluff through the North Point Natural Area to the beach parcel. A single row of residential houses line the bluff immediately west and southwest of the parcel. The parcel is mostly flat, with a gentle slope from east to west. The vacant parcel is clear of vegetation. Surface drainages or prominent topographic features on the parcel were not observed.

Phase 1 Environmental Site Assessment (ESA)

A Phase I environmental site assessment was not completed due to the size and nature of the parcel. The parcel is a .66-acre undeveloped strip of beach along the high tide line. The site is compatible with the Department of Parks and Recreation's proposed use of the property as an extension of Morro Strand SB.

Other:

- The property owners officially dedicated the subject parcel in an OTD recorded on May 17, 1994. This OTD fulfilled a requirement placed upon the property owners by the State Coastal Commission, which approved the owners' permit for development on neighboring property in exchange for this OTD to Parks. The OTD will expire 21 years from the date of recordation, on May 17, 2015.
- The acceptance of the OTD will serve three important Parks missions: providing for the expansion of public recreational outdoor activities, sustaining beach ecosystems, and acquiring in-holdings and adjacent coastal property to existing state parks.
- Parks is not aware of any lawsuits pending concerning the property.
- The property is vacant and unimproved, and there is no relocation assistance involved with this project.
- Any changes to public access, use, development, resources or habitat protection will be addressed through the normal budget process.
- There is no implied dedication applicable to this property.

- This property is being acquired for habitat and natural resource protection, and also to provide additional access to Morro Strand SB from Toro Lane. This property represents a relatively small addition to an existing state beach. For that reason, the support costs for this acquisition are considered minimal and absorbable. Additional resources will not be required to manage the property.
- The proposed acquisition is consistent with the state's planning priorities in accordance with Government Code Section 65041 et seq., in that it preserves untouched natural beach that will not be developed in the future.

Staff Recommendation: Authorize the acquisition of real property through the acceptance of an irrevocable offer to dedicate.

CONSENT ITEMS

CONSENT ITEM—6

DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)
SALINAS VALLEY STATE PRISON
HEALTH CARE FACILITY IMPROVEMENT PROJECT
MONTEREY COUNTY

Authority: *Sections 15819.40(b) and (c) and 15819.401-15819.404 of the Government Code*

Consider approving preliminary plans

CONSENT ITEMS

STAFF ANALYSIS ITEM—6

Department of Corrections and Rehabilitation
Salinas Valley State Prison
Health Care Facility Improvement Project
Monterey County

Action Requested

If approved, the requested action would approve preliminary plans.

Scope Description

This project is within scope. The health care facility improvement project at Salinas Valley State Prison (SVSP) will support SVSP's operation as a Basic institution as part of the California Department of Corrections and Rehabilitation Health Care Facility Improvement Program strategy to address statewide prison health care deficiencies. The purpose of the health care facility improvements at SVSP is to remedy deficiencies in primary care, laboratory, Administrative Segregation Unit (ASU) clinic, and pharmacy.

SVSP is one of seventeen institutions designated as a Basic institution. Basic institutions will have the capability of providing routine specialized medical services and consultation for the generally healthy inmate-patient population.

This project includes the design and construction of a new ASU primary care clinic, as well as renovations and additions to the pharmacy and the Facility A, B, C, and D primary care clinics.

The new ASU primary care clinic will provide separate clinical treatment space to provide primary care treatment and consultation consistent with the delivery of a Basic level of care for the ASU population at SVSP. The pharmacy renovation and addition will provide pharmacy services that meet the institution's pharmaceutical demands at a Basic level of care and the needs of SVSP's 128-bed Intermediate Care Facility. The renovations and additions to the primary care clinics in Facilities A, B, C, and D will provide space for primary health care treatment and consultations at a Basic level of care. Each of these four primary care clinics will also include space for lab draw activities to increase access to these services.

Funding and Cost Verification

This project is within cost. On July 12, 2013, the Board took an action allocating $12,585,000 of the $900,419,000 lease revenue bond authority appropriated in section 15819.403(a) of the Government Code to complete design and construction for this project. A revised project estimate prepared in association with the completion of preliminary plans remains at $12,585,000, with potential project savings of $357,000.

$12,585,000	total authorized project costs
$12,585,000	total estimated project costs
$12,585,000	project costs allocated: $610,000 preliminary plans, $760,000 working drawings, and $10,858,000 construction ($7,362,000 contract, $442,000 contingency, $664,000 A&E, $821,000 other project costs, and $1,569,000 agency retained items), and $357,000 potential project savings

CEQA

A Notice of Exemption was filed with the State Clearinghouse on January 24, 2014, and the statute of limitations expired on February 28, 2014, without challenge.

Real Estate Due Diligence

Due Diligence was completed for this institution in July 2013, and no issues that would adversely affect the quiet use and enjoyment of this project have been identified.

Project Schedule

Approve preliminary plans	June 2014
Complete working drawings	December 2014
Start construction	April 2015
Complete construction	June 2016

Staff Recommendation: Approve preliminary plans.

CONSENT ITEM—7

DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)
CORRECTIONAL TRAINING FACILITY
HEALTH CARE FACILITY IMPROVEMENT PROJECT
MONTEREY COUNTY

Authority: *Sections 15819.40(b) and (c) and 15819.401-15819.404 of the Government Code*

Consider approving preliminary plans

CONSENT ITEMS

STAFF ANALYSIS ITEM—7

Department of Corrections and Rehabilitation
Correctional Training Facility
Health Care Facility Improvement Project
Monterey County

Action Requested

If approved, the requested action would approve preliminary plans.

Scope Description

This project is within scope. The health care facility improvement project at Correctional Training Facility (CTF) will support CTF's operation as a Basic institution which is part of the California Department of Corrections and Rehabilitation's Health Care Facility Improvement Program strategy to address statewide prison health care system deficiencies. The purpose of the health care facility improvements at CTF is to remedy deficiencies in medication distribution, primary care, specialty care, health care administration, and laboratory.

CTF is one of seventeen institutions designated as a Basic institution. Basic institution will have the capability of providing routine specialized medical services and consultation for the generally healthy inmate-patient population.

The project at CTF includes the design and construction of three new primary care clinics at Facilities A, C and D, as well as renovations to the Facility B primary care clinic, the Facility C triage and treatment area, the specialty care clinic, and an existing building to provide health care administration space.

The new primary care clinic for Facilities A, C, and D and the renovations to the Facility B primary care clinic will provide appropriate space for primary health care treatment and consultations at a Basic level of care. Each of these four primary care clinics will also include space for lab draw activities to increase access to these services. The renovations to the Facility C triage and treatment area will provide a central triage and treatment area for emergency services readily accessible to all inmate-patients at CTF. The specialty care clinic renovations will provide appropriate clinical space to accommodate specialty clinical services and Administrative Segregation Unit primary care services. The health care administration renovations will provide space for the health care administration staff displaced by improvements to the Q-Wing specialty care clinic located in Facility C.

Funding and Cost Verification

This project is not within cost. On July 12, 2013, the Board took an action allocating $26,431,000 of the $900,419,000 lease revenue bond authority appropriated in section 15819.403 (a) of the Government Code to complete design and construction of this project. A revised project estimate was prepared in association with the completion of the preliminary plans. This estimate includes changes resulting from typical project refinements identified as a result of the more detailed information generated during the development of preliminary plans. These refinements consist primarily of more precise scope detail, more accurate information regarding quantities of necessary materials, and updates to the associated unit prices.

Based on this new estimate, the total project cost is $28,781,000, an increase of $2,350,000. This increase of $2,350,000 is a result of other project refinements identified during the development of preliminary plans, as outlined above. However, CDCR has notified the Board that one of the sub-projects may no longer be needed and may need to be removed through a future scope change. CDCR estimates the removal of this sub-project could result in reducing the total project cost by approximately $1,202,000, resulting in an updated total project cost of $27,579,000. Given the deductive nature of this potential change and expected decrease in the project cost estimate at this time the additional increase in cost will not be recognized.

$26,431,000	total authorized project costs
$26,431,000	total estimated project costs
$26,431,000	project costs previously allocated: $1,472,000 preliminary plans, $1,514,000 working drawings, and $23,445,000 construction ($17,141,000 contract, $1,028,000 contingency, $1,234,000 A&E, $1,723,000 other project costs, and $2,319,000 agency retained items)
$2,350,000	project cost increase: a decrease of $164,000 preliminary plans and $1,000 working drawings, and an increase of $2,515,000 construction ($2,401,000 contract, $144,000 contingency, and a decrease of $30,000 other project costs)
$2,350,000	anticipated project deficits

CEQA

A Notice of Exemption was filed with the State Clearinghouse on January 24, 2014, and the statute of limitations expired on February 28, 2014, without challenge.

Real Estate Due Diligence

Due Diligence was completed for this institution in July 2013, and no issues that would adversely affect the quiet use and enjoyment of this project have been identified.

Project Schedule

Approve preliminary plans	June 2014
Complete working drawings	December 2014
Start construction	April 2015
Complete construction	December 2016

Staff Recommendation: Approve preliminary plans.

CONSENT ITEMS

CONSENT ITEM—8

DEPARTMENT OF VETERANS AFFAIRS (8955)
GREATER LOS ANGELES AND VENTURA COUNTY VETERANS HOMES
LOS ANGELES AND VENTURA COUNTIES

Authority: *Government Code Sections 15819.60 and 15819.65*
Military and Veterans Code Section 1104.1

Consider approving:

a) preliminary plans

b) an augmentation **$825,000**

(0.25 percent total project)

(9.1 percent cumulative)

ACTION ITEMS

STAFF ANALYSIS ITEM—8

Department of Veterans Affairs
Greater Los Angeles and Ventura County Veterans Homes
Los Angeles and Ventura Counties

Action Requested

If approved, the requested action would approve preliminary plans and an augmentation for this project.

Scope Description

This project is within scope. The Greater Los Angeles and Ventura Counties (GLAVC) project consists of a 516-bed veterans home offering various levels of care at three sites. The largest of the three facilities, in West Los Angeles (WLA), has a capacity of 396 beds in 363,000 square feet (sf) plus a separate 8,600 sf central plant structure. It is located on 13.4 acres adjacent to the United State Department of Veterans Affairs (USDVA) WLA Medical Center. The other two facilities, located in Lancaster and Ventura, each have 60 beds and a maximum 50—person adult day health care center in approximately 47,000 gross sf and are located on parcels of approximately 20 acres each.

The WLA site does not include a central kitchen facility; however, there is approximately 5,000 sf of space for a 'future' kitchen facility with minimal mechanical, electrical and plumbing infrastructure provided (stub in). The project will incorporate a new prep line, cooking lineup, modifications to existing walk in refrigeration, exhaust hoods, dish washing facilities, employee locker rooms, kitchen equipment, and transport cart storage and washing areas. When completed, the kitchen will serve up to 396 residents 24 hours/7 days a week.

Funding and Project Cost Verification

This project is not within cost. The California Department of Veterans Affairs (CalVet) is requesting an augmentation of $825,000 (0.25 percent total project costs, 9.1 percent cumulative) in order to construct the main kitchen. The estimated cost for the main kitchen project is $4.7 million. The additional construction costs are based upon the final design required in order for the kitchen to be licensed, which include but are not limited to: demolition of the existing concrete floors to provide level surface to meet ADA requirements, interior cart washing area and associated infrastructure and expansion of the mechanical systems to support the new kitchen equipment. As a result, it is estimated that construction will cost $702,000 more than originally estimated.

A total of $325,055,000 has been authorized for this project, consisting of Veterans Homes Bonds of $31,000,000, lease-revenue bonds (2009 Series G) of $114,352,000 and federal funds of $179,703,000. This total includes prior augmentations of $26,275,000 on a base project of $298,780,000.

$325,055,000	total authorized project costs
$325,880,000	total estimated project costs
$325,055,000	project costs previously allocated: $8,711,000 preliminary plans, $10,170,000 working drawings, and $306,173,000 construction ($228,609,000 contract, $25,180,000 contingency, $11,954,000 A&E, $21,517,000 other project costs, and $18,913,000 agency retained).
$ 825,000	requested augmentation: $56,000 preliminary plans, $67,000 working drawings, and $702,000 construction ($507,000 contract, $36,000 contingency, $94,000 A&E, and $65,000 other project costs).

CEQA

The Department of General Services completed a Notice of Exemption which was filed on April 30, and will be published at the State Clearing House for 35 days.

Real Estate Due Diligence

A Summary of Conditions Letter was completed on February 1, 2007, and no issues that would adversely affect the quiet use and enjoyment of this project were identified.

Project Schedule (kitchen only)

Approve preliminary plans	June 2014
Complete working drawings	January 2015
Start construction	March 2015
Complete construction	February 2016

Other:

- The land for the WLA site was given to the state by the USDVA. Part of the land transfer agreement required the state to enter into a number of sharing agreements with the regional USDVA for a variety of services, one of which was for food service to the WLA home. The USDVA food service agreement would allow for the cooking, preparation, and delivery of food to accommodate all 396 residents of the home. Based on this agreement, the design of the WLA Home did not include a fully established kitchen, rather it provided for the "stub in" of infrastructure that would allow for the build out of a kitchen at a later date, if necessary.
- In January 2011, based on budgetary concerns, the USDVA elected to officially discontinue the food service sharing agreement. Since that time, CalVet has been contracting for food service on an emergency basis for the current residents of the home. However, the Department of Public Health requires the home to be self sufficient in food service. Therefore, CalVet has been working with the Department of Public Health to establish the licensing team for the kitchen in order to determine the facility and program requirements that would be needed for the skilled nursing residents to incorporate into the kitchen design. Finally, CalVet has worked with a kitchen consultant to ensure the 5,000 sf would be sufficient for the licensing demands of providing food service to all 396 residents on a long-term basis.
- Based on the work with the licensing group(s) and the kitchen consultant, the scope change will incorporate a new prep line, cooking lineup, revisions to walk in refrigeration, exhaust hoods, dish washing facilities, employee locker rooms, kitchen equipment, transport cart storage, and washing areas.

Staff Recommendation: Approve preliminary plans and an augmentation.

ACTION ITEMS

ACTION ITEM—1

JUDICIAL COUNCIL OF CALIFORNIA (0250)
ADMINISTRATIVE OFFICE OF THE COURTS
NEW EAST COUNTY HALL OF JUSTICE
ALAMEDA COUNTY
AOC Facility Number 01-J1

Authority: *Chapter 712, Statutes of 2010, Item 0250-301-3138(1) as reappropriated by Chapters 21 and 29, Statutes of 2012, as amended by Chapter 5, Statutes of 2013*

Consider authorizing acquisition consistent with conditions outlined in the property purchase agreement and contingent upon enactment of the 2014 Budget Act

ACTION ITEMS

STAFF ANALYSIS ITEM—1

Judicial Council of California
New East County Hall of Justice
Alameda County

Action Requested

If approved, the requested action would authorize acquisition consistent with the conditions outlined in the property purchase agreement and contingent upon enactment of the 2014 Budget Act.

Project Scope Description

The project is within scope. The requested action would authorize the acquisition of the state's portion of the project from the County of Alameda (County) upon completion of the construction of a five-story courthouse of approximately 152,685 building gross square feet (BGSF) with 13-courtrooms in the City of Dublin (Court Facility). Adjacent to the Court Facility will be a County facility that will provide offices for County staff (public defender, probation and district attorney) and will be approximately 42,276 BGSF (County Facility). The County Facility and the Court Facility will be connected by a shared elevator/security lobby of approximately 7,508 BGSF (Common Areas). Collectively these facilities are known as the "East County Hall of Justice Project".

The County will manage the design and construction of the combined project, located on County-owned land, which will be developed through a design-build delivery process. The County has selected Hensel-Phelps Construction Company as their design-builder for the combined project. The County intends to issue a Notice to Proceed to its design-builder in August 2014 and substantial completion of the East County Hall of Justice Project is anticipated in January 2017.

The Court Facility will consist of a five story structure; four stories will be above grade with a basement and will include both secured and general public parking areas. The Court Facility will be connected to the County Facility at the second level floor, with a single point of entry shared by both buildings. The County and the AOC will enter into a Project Delivery Agreement (PDA) which sets forth the terms and conditions for the funding, design, construction and delivery of this joint-use project. The PDA provides for the state funding to be disbursed to the County by a third party disbursement agent pursuant to instructions from the AOC. The buildings will be constructed as a steel moment frame with a glass curtain wall exterior subject to the 2013 California Building Code and will be designed to the 2006 Judicial Council California Trial Court Facilities Standards with 2011 proposed amendments, including USGBC LEED Silver criteria.

Key Terms of the Acquisition

The County has subdivided an approximate 20.375 acre County-owned parcel of land into seven separate parcels. It is planned that the state will receive title to Parcel 1, the location of the Court Facility plus judges' parking area, and Parcels 4 and 5 for general public parking. Parcels 1, 4, and 5 are referred to collectively as the "state parcels". The County Facility will be located on Parcel 2 and County exclusive parking located on Parcel 3. Parcel 6 will provide shared parking for public and accessibility. Parcel 7 is the County-owned remnant parcel to be used by the AOC for access to the facility and parking areas.

The Property Acquisition Agreement (PAA) provides that upon satisfaction of the "Transfer Conditions", the County will convey title to the Court Facility to the state. Transfer Conditions include: AOC's performance under the PAA, including payment in full of the state's share of project costs, substantial completion of the Court Facility by the County through its design-builder and acceptance of the state parcels by the Board. Upon satisfaction of the Transfer Conditions, the County will transfer fee title to the state parcels "AS-IS, WHERE-IS, WITH ALL FAULTS", and subject to the following: a Building Common Areas Easement Agreement, a Land and Reciprocal Easement Agreement and a Declaration of Mutual Government Use Restrictions.

Under the Building Common Areas Easement Agreement, an easement is granted to the County over the Common Areas for access and utilities. The AOC is the "managing party" of this easement, meaning it will be responsible for the operation of the Common Areas. Under the Land and Reciprocal Easement Agreement, the AOC grants easements to the County as follows: (i) to parcels 4 and 5 to enable the County to manage the state parking areas and (ii) to parcel 1 to allow the County to manage landscaping on the state parcel and install and operate utilities that serve the County Facility. The County is the "managing party" under the Land and Reciprocal Easement Agreement. Additionally, at the time title is transferred, the AOC and County will execute mutual governmental use restrictions on both the state parcels and the parcels held in fee by the County, restricting use of the property for governmental purposes.

Under California law, this funding structure for the Court Facility vests equitable title to the Court Facility in the state at the time the PAA is validly executed. Legal title will remain with the County until the Transfer Conditions are satisfied and the Grant Deed and easement agreements discussed above are recorded. Delivery of fee title to the Court Facility, together with the Easement Agreements necessary for the quiet enjoyment and beneficial use of the Court Facility, will be deferred for approximately 2.5 years while the East County Hall of Justice Project is being constructed. The deferral period creates a degree of risk and the acquisition documents have been drafted to minimize the risk against intervening liens and encumbrances that are not "Permitted Encumbrances" as outlined in the PAA. Viewed as a whole, staff and the AOC believe the risk is not material.

Funding and Cost Verification

This project is within cost. The 2012 Budget Act reappropriated $50 million from the Immediate and Critical Needs Account (ICNA) to be used towards the acquisition of the New East County Hall of Justice project. The pending 2014 Budget Act, Item 0250-301-3138 will appropriate an additional $39.1 million towards the acquisition of the state courthouse. The total estimated cost to build the courthouse space is $122.013 million.

A total of $82.9 million is available to contribute towards direct project costs from a variety of sources: $49.4 million from the Immediate and Critical Needs Account (authorized in 2010–2011 and reappropriated in 2012–2013), $20.8 million from local court civil assessments, and $12.7 million from local courthouse construction funds (County funds). The remaining $39.1 million will be funded by ICNA. The $39.1 million appropriation from ICNA will be repaid over time from various county or local court fund sources.

$89,113,000	total authorized project costs
$89,113,000	total estimated project costs
$50,000,000	project costs previously allocated: $50,000,000 acquisition
$39,113,000	project costs to be allocated: $39,113,000 acquisition.

CEQA

As the lead agency for the East County Hall of Justice project, the County prepared an environmental impact report (EIR) in 2002 and certified it as final in 2003, including adoption of Findings and a Statement of Overriding Considerations. On December 8, 2009, the County certified an addendum to the EIR and recertified the EIR.

Following the County's recertification of the project EIR, the AOC, as a Responsible Agency, adopted the County's EIR on June 16, 2010. Specifically, based upon a staff report that contemplated that the Judicial Council would enter into a lease purchase agreement with the County for the use, occupancy, and eventual acquisition of the East County Courthouse.

The AOC adopted and approved the EIR, and a Notice of Determination was filed by the AOC with the State Clearinghouse on June 22, 2010. The statute of limitations expired on July 22, 2010 without challenge.

Real Estate Due Diligence

Real Estate Due Diligence was completed for this project on May 27, 2014, and no issues that would adversely affect the quiet use and enjoyment of the project were identified.

A Phase I was completed for the AOC by Professional Service Industries, Inc. on September 4, 2013. Following the Phase I, a Phase II was completed for the AOC by Bureau Veritas on November 13, 2013. The results of the Phase II included the identification of a small stockpile of material located in the southeastern quadrant of the site. The County retained SCA Environmental Inc., an environmental consultant, to test the stockpile in order to determine if hazardous waste was present. On June 4, 2014, SCA confirmed that the stockpile is not considered hazardous. Given there were no other recognized environmental conditions and the fact that the AOC will not be acquiring the site until Transfer Conditions are complete, the AOC is recommending accepting the property "AS-IS."

Project Schedule

Start of construction (Design/Build)	August 2014
Complete construction	January 2017
Title transfer to state	January 2017

Staff Recommendation: Approve acquisition consistent with the conditions outlined in the property purchase agreement and contingent upon enactment of the 2014 Budget Act.

ACTION ITEMS

ACTION ITEM—2

HIGH SPEED RAIL AUTHORITY (2665)
INITIAL OPERATING SEGMENT, SECTION 1
OBERTI PROPERTY CONDEMNATION
MADERA COUNTY
Assessor's Parcel Numbers: 048-270-008 and 048-270-009
Authority's Parcel Numbers: MF-20-1000-1, MF-20-1000-2, MF-20-1000-3, MF-20-1000-4, MF-20-1000-5, MF-20-1000-01-01, MF-20-1000-02-01, MF-20-1001-1, MF-20-1001-2, MF-20-1001-3 and MF-20-1001-01-01

Authority: *Chapter 152, Statutes of 2012, Item 2665-306-0890 (1)*
Chapter 152, Statutes of 2012, Item 2665-306-6043 (1)
Section 15854 of the Government Code

Consider adoption of a Resolution of Necessity authorizing the use of eminent domain (condemnation) to acquire a portion, comprised of approximately 11.70 acres in fee and 0.92 acre as a temporary construction easement, of the property located at 6764 Road 34 in the City of Madera.

ACTION ITEMS

STAFF ANALYSIS ITEM—2

High Speed Rail Authority
Initial Operating Segment, Section 1
Oberti Property Condemnation
Madera County

Action Requested

If approved, the requested action would approve the adoption of a Resolution of Necessity authorizing the use of eminent domain (condemnation) to acquire a portion, comprised of approximately 11.70 acres in fee and 0.92 acre as a temporary construction easement, of the property located at 6764 Road 34 in the City of Madera.

Scope Description

This project is within scope. The Initial Operating Segment, Section 1 (IOS-1) is expected to be approximately 130 miles starting near Madera (north of Fresno) and extending southward almost to Bakersfield. This initial section includes the realignment of Highway 99 in Fresno, construction of a bridge over the San Joaquin River, several grade separations, and two viaducts. 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) for acquisition of approximately 1,100 parcels and the construction of the 130-mile IOS-1.

Background

In order to adopt a Resolution of Necessity that is required to initiate the eminent domain (condemnation) 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, through Chapter 152, Statutes of 2012, the Legislature appropriated funds for the acquisition and design-build phases of the IOS-1 of the Project, extending from Madera to near 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.

This property, which is located within the right of way for IOS-1, was site-selected at the January 11, 2013 Board meeting. This site selection took place after an extensive environmental review process that led to the selection of a preferred alignment. The preferred alignment has been approved by both the High Speed Rail Authority Board and the Federal Railroad Administration. Acquisition of this property will allow the High Speed Rail Authority to move forward with construction of the HSTS. A portion of this property is needed for both the HSR alignment and to provide an outlet to the Avenue 7 grade separation in Madera.

On November 20, 2013, the owner was provided with a first written offer to purchase the subject property, as required by Government Code section 7267.2. Negotiations to acquire the property have been unsuccessful to date, thereby precipitating the need to adopt a Resolution of Necessity to authorize the use of eminent domain.

On May 27, 2014, a Notice of Intent (Notice) to adopt a Resolution of Necessity was mailed to the owner. This Notice was sent in accordance with Code of Civil Procedure section 1245.235.

Staff Recommendation: Approve the adoption of a Resolution of Necessity authorizing the use of eminent domain (condemnation) to acquire a portion, comprised of approximately 11.70 acres in fee and 0.92 acre as a temporary construction easement, of the property located at 6764 Road 34 in the City of Madera.

ACTION ITEMS

ACTION ITEM—3

HIGH SPEED RAIL AUTHORITY (2665)
INITIAL OPERATING SEGMENT, SECTION 1
BAINS AND BRAR PROPERTY CONDEMNATION
FRESNO COUNTY
Assessor's Parcel Number 459-023-55
Authority's Parcel Numbers FB-10-0091-1 and FB-10-0091-2

Authority: *Chapter 152, Statutes of 2012, Item 2665-306-0890 (1)*
Chapter 152, Statutes of 2012, Item 2665-306-6043 (1)
Section 15854 of the Government Code

Consider authorizing the rescission of a prior Resolution of Necessity and adoption of a new Resolution of Necessity authorizing the use of eminent domain (condemnation) to acquire a 0.31 acre property located at 476 N H Street in the City of Fresno.

ACTION ITEMS

STAFF ANALYSIS ITEM—3

Action Requested

If approved, the requested action would approve the rescission of a prior Resolution of Necessity and adoption of a new Resolution of Necessity authorizing the use of eminent domain (condemnation) to acquire a 0.31 acre property located at 476 N H Street in the City of Fresno.

Scope Description

This project is within scope. The Initial Operating Segment, Section 1 (IOS-1) is expected to be approximately 130 miles starting near Madera (north of Fresno) and extending southward almost to Bakersfield. This initial section includes the realignment of Highway 99 in Fresno, construction of a bridge over the San Joaquin River, several grade separations, and two viaducts. 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) for acquisition of approximately 1,100 parcels and the construction of the 130-mile IOS-1.

Background

In order to adopt a Resolution of Necessity that is required to initiate the eminent domain (condemnation) 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, through Chapter 152, Statutes of 2012, the Legislature appropriated funds for the acquisition and design-build phases of the IOS-1 of the Project, extending from Madera to near 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.

This property, which is located within the right of way for IOS-1, was site-selected at the January 11, 2013 Board meeting. This site selection took place after an extensive environmental review process that led to the selection of a preferred alignment. The preferred alignment has been approved by both the High Speed Rail Authority Board and the Federal Railroad Administration. The Environmental Impact Report identified a 0.09 acre portion of this property as being necessary for roadway improvements associated with the Belmont Avenue overcrossing in order to provide a proper turning radius for vehicles during construction and once the overcrossing is complete. However, the owner has consented to the purchase of the full 0.31 acre parcel.

On June 3, 2013, the owner was provided with a first written offer to purchase the subject property, as required by Government Code section 7267.2. Negotiations to acquire the property have been unsuccessful to date, thereby precipitating the need to adopt a Resolution of Necessity to authorize the use of eminent domain.

On March 21, 2014, a Notice of Intent (Notice) to adopt a Resolution of Necessity was mailed to the owner. However, that Notice was only for the 0.09 acres needed for the project, and therefore the existing Notice needs to be rescinded. On May 28, 2014, a new Notice was submitted for the full 0.31 acre property. This Notice was sent in accordance with Code of Civil Procedure section 1245.235.

Staff Recommendation: Approve the rescission of a prior Resolution of Necessity and adoption of a new Resolution of Necessity authorizing the use of eminent domain (condemnation) to acquire a 0.31 acre property located at 476 N H Street in the City of Fresno.

OTHER BUSINESS

OTHER BUSINESS ITEM—1

HIGH SPEED RAIL AUTHORITY (2665)
VARIOUS COUNTIES

Consider adopting a revised Resolution authorizing the delegation of authority to set just compensation amounts related to the acquisition of property for the California High Speed Rail Authority in order to accommodate the use of waiver valuations, in lieu of appraisals, for low-value, non-complex acquisitions.

OTHER BUSINESS

STAFF ANALYSIS ITEM—1

California High Speed Rail Authority
Various Counties

Action Requested

If approved, the requested action would adopt a revised Resolution authorizing the delegation of authority to set just compensation amounts related to the acquisition of property for the California High Speed Rail Authority in order to accommodate the use of waiver valuations, in lieu of appraisals, for low-value, non-complex acquisitions of property for the high speed train system (System).

Background

By law, all property necessary for the System must be acquired by the Board. The High Speed Rail Authority anticipates needing approximately 1,100 properties in order to complete a section of the System from Madera to Bakersfield. Thousands of additional properties will need to be acquired as the system extends first into the Los Angeles Basin and then towards the Bay Area. Prior to initiating the negotiation of the acquisition of real property, the Board is required to set the amount of just compensation for each subject property. The just compensation amounts are required to be used in negotiating the acquisition of the properties.

At the Board's May 11, 2012 meeting, the Board adopted a Resolution delegating the authority to set just compensation under Government Code Section 15770.2 to the Chair of the Board, the Assistant Administrative Secretary, and to the Chief of Real Property Services Section of the Department of General Services (DGS) and the Assistant Chiefs of Real Property Services Section of DGS. This request would amend that Resolution to accommodate the use of waiver valuations in lieu of appraisals for acquisitions deemed to be uncomplicated and where the anticipated value of the proposed acquisition is estimated at $10,000 or less. This request would also amend the Resolution to include other methodologies of fair market value

determination as approved by DGS, for properties for which there is no relevant, comparable market. The intent of these actions is to further expedite the acquisition process and to eliminate the cost of developing an appraisal for each property, for which the Authority currently spends approximately $20,000 per parcel.

This proposal would provide that a comparable book of sales be prepared for the System, and that based on these sales a range of values would be recommended for various types and sizes of properties that would be eligible for the waiver valuation process, as provided for in Title 49 Part 24.102(c)(2) of the Code of Federal Regulations. The book of values would require the approval of DGS as representing just compensation for these low-value parcels.

Staff Recommendation: **Approve the adoption of a revised Resolution authorizing the delegation of authority to set just compensation amounts related to the acquisition of property for the California High Speed Rail Authority in order to accommodate the use of waiver valuations for low-value, non-complex acquisitions.**

REPORTABLES

To be presented at the meeting.