



**CALIFORNIA STATE
PUBLIC WORKS BOARD**

EDMUND G. BROWN JR. • GOVERNOR

915 L STREET ■ NINTH FLOOR ■ SACRAMENTO CA ■ 95814-3706 ■ (916) 445-9694

AGENDA WITH ANALYSIS

**NOTICE OF MEETING
STATE PUBLIC WORKS BOARD
Friday, July 8, 2016**

**The STATE PUBLIC WORKS BOARD will meet on
Friday, July 8, 2016, at 10:00 a.m. in Room 113,
CA State Capitol, Sacramento, California.**

Departments with requests for preliminary plan approval are reminded to contact their respective capital outlay analyst for an appointment to review plans. Plan review should be scheduled either on the screening meeting date or before that date.

Attachment

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 Karessa Belben at (916) 445-9694 or e-mail to karessa.belben@dof.ca.gov five days prior to the meeting.

STATE PUBLIC WORKS BOARD

Friday

July 8, 2016

10:00 a.m.

Room 113

State Capitol

Sacramento, California

I.	Roll Call		
II.	Bond Items	Page	3
III.	Approval of minutes from the June 13, 2016 meeting		
IV.	Consent Items	Page	6
V.	Action Items	Page	16
VI.	Other Business	Page	24
VII.	Reportables	Page	25

BOND ITEMS

BOND ITEM—1

DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)
JUVENILE PROJECT
HUMBOLDT COUNTY

Authority: Sections 1970 - 1978 of the Welfare and Institutions 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 Appropriation

\$12,931,000

BOND ITEMS

STAFF ANALYSIS ITEM—1

Department of Corrections and Rehabilitation
Juvenile Project
Humboldt County

Action Requested

If approved, the requested action will 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 includes a new, approximately 19,000 square feet (sf), single story building on approximately 0.6 acre of a greater 3 acres of county-owned land in two phases. During the first construction phase, the existing juvenile hall building will remain in use while the new juvenile facility is completed. The second phase will include the demolition and removal of the old juvenile hall building; construction of a new breezeway to connect the new juvenile facility with the existing regional center and probation wing, and construction of new recreation yards. This facility will provide housing, program, healthcare, custody, administrative, support space, recreation yard, and a secure vehicle yard.

The new medium/maximum security juvenile facility will include housing space of approximately 6,900 sf of a mix of single and double-occupancy dormitory-style rooms with common courtyard and dayroom areas. The proposed facility will also provide space for

administrative and support services including a new facility control room, education rooms, health services, food services, laundry, visitation and public lobby spaces, facility maintenance, staff and storage areas.

New heating, ventilation, and air conditioning; and electrical service upgrades to the existing probation office are proposed, as well as construction of a new breezeway access from the existing buildings to the new facility.

This project will include, but is not limited to, utilities; electrical; plumbing; mechanical; heating, ventilation, and air conditioning; security; and fire protection systems, as well as a new access road, a new parking area, loading dock, and all necessary appurtenances.

Funding and Project Cost Verification

This project is within cost. Section 1973 of the Welfare and Institutions Code (SB 81) appropriates \$300,000,000 Public Buildings Construction Fund lease revenue bond financing authority to partially finance the construction of local youthful offender rehabilitative facilities. Award of this funding to individual counties is administered through the Board of State and Community Corrections (BSCC) through a competitive bidding process. BSCC has conditionally awarded \$12,931,000 from this appropriation to Humboldt 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 April 11, 2014, the Board established the scope, cost and schedule of this project, allocating \$12,931,000 of the \$300,000,000 lease revenue bond financing authority appropriated in Section 1973 of the Welfare and Institutions Code to partially finance the construction of this juvenile project. At the time of establishment, the total estimated project cost was \$16,728,000. On December 12, 2014, the Board approved the preliminary plans for this project, for a total estimated project cost of \$16,667,000. Subsequent to these actions, a new project cost estimate was prepared in association with the approval of working drawings. Based on this revised estimate, the current total estimated project cost is \$17,646,000, which includes a potential deficit of \$979,000.

\$16,667,000	Total authorized project cost
\$17,646,000	Total estimated project cost
\$12,931,000	State costs previously allocated: \$12,931,000 construction (\$12,413,000 contract and \$518,000 contingency)
\$3,736,000	Local costs previously allocated: \$384,000 acquisition/study, \$222,000 preliminary plans, \$1,070,000 working drawings, and \$2,060,000 construction (\$233,000 contract, \$304,000 contingency, \$372,000 A&E, \$1,016,000 other project costs, and \$135,000 agency retained)
\$979,000	Local costs potential deficit: \$979,000 construction (an increase of \$1,113,000 contract and a decrease of \$134,000 contingency)

CEQA

A Notice of Exemption was filed with the Humboldt County Clerk's office on March 19, 2014, and the 35-day statute of limitations expired without challenge.

Real Estate Due Diligence

A Summary of Conditions Letter for this project was completed on May 26, 2016, and no issues that would adversely affect the beneficial use and quiet enjoyment of the project were identified.

Project Schedule

Approve preliminary plans	December 2014
Approve working drawings	June 2016
Start Construction	August 2016
Complete Construction	January 2018

Staff Recommendation: Adopt resolution.

CONSENT ITEM

CONSENT ITEM—1

CALIFORNIA HIGHWAY PATROL (2720)

VENTURA: AREA OFFICE REPLACEMENT – JOHNSON DRIVE SITE

VENTURA COUNTY

Assessor's Parcel Numbers: 132-0-090-035, 132-0-090-045 and 132-0-090-125

Authority: Budget Act of 2016, Item 2720-301-0044(4)

Consider authorizing site selection

CONSENT ITEMS

STAFF ANALYSIS ITEM—1

California Highway Patrol
Ventura: Area Office Replacement – Johnson Drive Site
Ventura County

Action requested

If approved, the request will authorize site selection.

Scope Description

This project is within scope. This request will authorize the California Highway Patrol (CHP) to pursue the purchase of approximately 6.19 acres of land in the City of Ventura, Ventura County, for the construction of a replacement area office. The parcel is located along the south side of Johnson Drive near Highway 101 (the Property). The replacement area office will include an office building, an auto service building with car wash bay, a fuel island, a property storage building, and miscellaneous areas to house HVAC equipment, a radio antenna tower, a generator, and gas tanks.

Funding and Cost Verification

This project is not within cost. Chapter 23, Statutes of 2016, Item 2720-301-0044(3) provides \$4,019,000 Motor Vehicle Account (MVA) for the acquisition phase and \$1,623,000 MVA for the performance criteria phase of the Ventura project. While this Property can be site selected with the funds available and in accordance with legislative intent, acquisition may require an augmentation or supplemental appropriation as the appraisal is approximately \$1.6 million greater than anticipated.

CEQA

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

Project Schedule

The anticipated close of escrow is November 2016.

Condition of Property Statement

In February 2015, the Department of General Services (DGS) visited the property. The site is bordered by a Motel 6 to the east and a Carl's Jr. fast food restaurant and Chevron gas station to the northwest. The site appeared undeveloped except for a private, concrete-paved road that enters the property from the northeast adjacent to a Motel 6 and exits to the southwest adjacent to a Chevron fueling station. The remainder of the site is covered with grass and small shrubs. Water and electrical connections were noted at the site, evidenced by three fire hydrants and an underground electrical enclosure, all located along the private roadway (Loop Road).

The site has never been developed with permanent structures, although it was used for agricultural purposes between 1947 and 1967. Consequently, there are no indications that the property has subsurface features commonly considered potential sources of contamination.

The site is approximately 1,500 feet east of the Montalvo West oil field and 2,000 feet northwest of the abandoned El Rio oil field. The closest oil well, an abandoned oil and gas well, is approximately 0.5 mile northeast of the site. There is no direct indication that the site has been impacted by oil and gas development.

Naturally occurring radon levels in the site vicinity are expected to be very low and within regulatory agency criteria. Review of the Geotracker database, maintained by the State Water Resource Control Board, revealed several closed leaking underground storage tanks in the area.

Phase I Environmental Site Assessment (ESA) Summary

A Phase I ESA was completed in June 2015 and reviewed by DGS-Environmental Services Unit staff. Based on the subject Phase I ESA, one Recognized Environmental Condition (REC) was identified at the site, as follows:

• **REC 1 – Dissolved Hydrocarbons in Groundwater.** Investigations at the adjoining former ExxonMobil service station, now a Chevron-branded station, have shown that groundwater immediately east of the shared property line has been impacted by fuel hydrocarbons, primarily methyl *tert*-butyl ether (MTBE), and the assumption is that fuel hydrocarbons have migrated beneath the subject site. ExxonMobil was not able to investigate the possible presence of dissolved hydrocarbons beneath the subject site because of the owner's unwillingness to agree on the terms of an access agreement, prompting the Ventura County Environmental Health Division to relieve ExxonMobil of its responsibility for offsite contamination and instead make the current site owner responsible. The likely presence of fuel hydrocarbons in groundwater beneath the subject site is considered a REC for Phase I ESA purposes, and the possible presence of hydrocarbons in soil vapor beneath the subject site and the associated potential for vapor intrusion has not been addressed. An investigation is currently underway to determine the baseline levels of contamination in the groundwater, if any. If during the Phase II site investigation there is a vapor intrusion concern, engineering controls, such as a vapor barrier, could be implemented to address the concern. The existing owners will continue to be responsible for all mitigation efforts should this property be acquired by the state.

Other Environmental Features (OEFs) are potential environmental features or conditions that do not meet the definition of a REC, but which may warrant mention in a comprehensive Phase I ESA. Based on the subject Phase I ESA, two OEFs have been identified at the site, as summarized below. To minimize possible confusion, the REC and OEF identification numbers are sequential.

• **OEF 2 – Residual Pesticides.** The site was used for agriculture as far back as 1938 and was planted with fruit trees for over 20 years, from sometime before 1947 through at least 1967. As such, it is possible that near-surface soil at and around the site may contain residual pesticides and/or herbicides. It is also possible that soil containing residual pesticides was removed or otherwise disturbed when the subject site was graded in the mid-1980s when Johnson and Northbank Drives were constructed. This is a common issue at sites throughout California. During the Phase II investigation, there were no obvious indications of significant impacts to soil or groundwater observed in the field (i.e. odors, staining of soil).

• **OEF 3 - Aerially Deposited Lead.** The site is located immediately adjacent to U.S. Route 101, currently the Ventura Freeway and previously a major arterial highway. As such, it is possible that near-surface soil at and around the site may have been impacted by aerially deposited lead (ADL) attributable to vehicles on U.S. Route 101 burning leaded gasoline. That said, it is also possible that ADL-impacted soil, if any, at the site was removed or otherwise disturbed when the subject site was graded in the mid-1980s when Johnson and Northbank Drives were constructed.

No Controlled RECs (CRECs) or Historical RECs (HRECs) were identified at the site. This is a common issue at sites throughout California near major roadways. As with OEF 2, the Phase II did not show any signs of significant impacts.

Phase II Site Investigation

Based on the available data from the Phase I ESA, DGS has contracted for a Phase II Site Investigation to be conducted at the site. The Phase II was recently completed and includes the collection of soil matrix and groundwater samples. However, DGS reports no obvious signs of contamination were observed. Additionally, vapor probes were set and near-surface soil matrix samples collected to assess impacts from former agricultural use and aerially deposited lead from the adjacent freeway. These results will be known later in July, but it is anticipated that any costs, if necessary, to mitigate (soil removal and haul to landfill) would likely be less than \$50,000.

Other:

- It is anticipated that the purchase price of the property shall not exceed the estimated fair market value of the property as determined by a DGS approved appraisal.
- The site meets the requirements of CHP.
- Gas (Southern California Edison), sewer and access (City of Ventura) easements exist in the center of the Property. DGS is currently working with the City of Ventura and First American Title Company to clear or relocate these easements prior to acquisition. Due to the fact that no live equipment has been installed in the easement area, it is anticipated that the easement holders will be amenable to a quitclaim or relocation of the easement.
- There are no historic issues and no implied dedication associated with these properties.
- No relocation assistance is required.
- DGS is not aware of any lawsuits pending concerning the properties. The Property Acquisition Agreement will require delivery of title to the property free and clear of any mortgages or liens.
- The 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

Staff Recommendation: Authorize site selection.

CONSENT ITEMS

CONSENT ITEM—2

**CALIFORNIA TAHOE CONSERVANCY (3125)
TAHOE PINES CAMPGROUND RESTORATION AND ACCESS PROJECT
EL DORADO COUNTY**

*Authority: Chapter 171, Statutes of 2007, Item 3125-101-6029 (1),
as reappropriated by the Budget Act of 2010
Chapter 171, Statutes of 2007, Item 3125-101-6051 (1)
Chapter 712, Statutes of 2010, Item 3125-301-0262 (1)
Chapter 25, Statutes of 2014, Item 3125-301-0262 (1)
Chapter 25, Statutes of 2014, Item 3125-301-0286 (1)
Chapters 10 and 11, Statutes of 2015, Item 3125-301-0286 (1)*

Consider approving preliminary plans

CONSENT ITEMS

STAFF ANALYSIS ITEM—2

California Tahoe Conservancy
Tahoe Pines Campground Restoration and Access Project
El Dorado County

Action Requested

If approved, the requested action will approve preliminary plans.

Scope Description

This project is within scope. This project consists of passive recreation improvements, such as picnic table and benches, a new vehicle and pedestrian bridge, and multiple upgrades to comply with the Americans with Disabilities Act.

Funding and Project Cost Verification

This project is within cost. A total of \$819,500 has been appropriated for the study, acquisition, preliminary plans, working drawings, and construction of this project.

\$819,500	Total estimated project costs
\$819,500	Total authorized project costs
\$169,500	Project costs previously allocated: \$48,400 study (Items 3125-101-6051 of 2007 and 3125-301-0262 of 2010), \$95,150 preliminary plans (Item 3125-301-0262 of 2010), and \$25,950 working drawings (Items 3125-101-6051 of 2007 and 3125-301-0262 of 2010)
\$650,000	Project costs to be allocated: \$77,500 working drawings (Item 3125-301-0262 of 2014), and \$572,500 construction (\$346,400 contract, \$79,134 A&E, \$122,766 other costs, \$24,200 contingency, Items 3125-301-0262 and 3125-301-0286 of 2014, and Item 3125-301-0286 of 2015)

CEQA

A Notice of Determination was filed with the State Clearinghouse on July 21, 2014, and the 30-day statute of limitations expired without challenge.

Real Estate Due Diligence

A Summary of Conditions letter was completed on June 1, 2016. We note that the letter contains a title exception for Covenants, Conditions, and Restrictions associated with the project property that should be cleared before the Board would approve the project to proceed to bid. Once the title exception is resolved, there will be no issues that would adversely affect the beneficial use and quiet enjoyment of the project.

Project Schedule

Approve preliminary plans	July 2016
Complete working drawings	March 2017
Start construction	May 2017
Complete construction	October 2017

Staff Recommendation: Approve preliminary plans.

CONSENT ITEMS

CONSENT ITEM—3

DEPARTMENT OF PARKS AND RECREATION (3790)
LOT 25, WILDER RANCH STATE PARK
SANTA CRUZ COUNTY
DPR Parcel Number 014998, DGS Parcel No. 010743

Authority: Chapters 10 and 11, Statutes of 2015, Item 3790-301-6029

Consider the acceptance of real property to make a correction

CONSENT ITEMS

STAFF ANALYSIS ITEM—3

Department of Parks and Recreation
Lot 25 – Wilder Ranch State Park
Santa Cruz County

Action requested

If approved, the request will authorize the acceptance of real property to make a correction.

Description of Action

This request will authorize the State Public Work Board to accept approximately 10 acres of land as an addition to Wilder Ranch State Park in Santa Cruz County.

The State Lands Commission (Commission) acquired a series of 25 subdivided parcels (collectively called Scaroni Ranch) from the Erickson Lumber Company (Erickson) on August 10, 1977. However, the owner previous to Erickson, A-S Development, made an error when it transferred the 25 parcels to Erickson, and only 24 were transferred. When Scaroni Ranch was first acquired by the state through the Commission in 1977, Lot 25 was again omitted from the title transfer documents; although both Erickson and the Commission believed all 25 lots were transferred. The Commission transferred jurisdiction of Scaroni Ranch to the Department of Parks and Recreation (Parks), via a patent, on March 31, 1999, and Parks has continually leased the 25 parcels to private agricultural entities since that date.

Recently, as a matter of research relating to a water pipeline project undertaken by the City of Santa Cruz that required easements across Scaroni Ranch, Parks and the Department of General Services (DGS) discovered the error. When Parks and DGS contacted the successor to A-S development, the Ingersoll Rand Corporation, and provided the information supporting the error, Ingersoll Rand immediately executed a quitclaim deed resolving the ownership of Lot 25. Approving the acceptance would allow Parks to record the quitclaim deed to effectively transfer title of Lot 25 to the state.

Funding and Cost Information

The minor costs associated with this transaction are for staff review time, recordation of the quitclaim deed, and the issuance of a title Insurance policy insuring the property at \$150,000.

- \$19,000 Total estimated project costs
- \$19,000 Total authorized project costs
- \$14,000 Project costs previously allocated: DGS staff costs for appraisal and acquisition review
- \$5,000 Project costs to be allocated: \$5,000 for title and escrow fees

CEQA

A Notice of Exemption was filed with the State Clearinghouse on May 24, 2016, and the 35-day statute of limitations will expire on June 28, 2016.

Schedule

If approved, the deed for Lot 25 and the Certificate of Acceptance will be recorded in July 2016.

Condition of Property

On May 19, 2016, DGS staff visited the Wilder Ranch State park property located at 1401 Coast Road, Santa Cruz, California. Specifically, the site visit was to access Lot 25, a 10-acre parcel. Lot 25 has been operated by Parks since 1999. The property is currently being leased for agricultural purposes along with the other 24 lots that make up Scaroni Ranch.

Other:

- Lot 25 was believed to have been part of the original acquisition and was included in the General Plan and EIR analysis prepared by Parks in 1980.
- Acceptance of this real property will not create any additional workload for Parks. Parks has been managing the property since 1999. It is currently being leased as agricultural land.
- There is no implied dedication applicable to this property.
- Parks is not aware of any lawsuits pending on the property.
- The City of Santa Cruz has a water pipeline public works project proposal which directly impacts Lot 25. The water pipeline will also affect other lots within Scaroni Ranch. Parks has created easements on the other lots to accommodate the pipeline. If approved, Parks will also grant an easement to the city on Lot 25.
- There is no relocation assistance involved.
- The proposed acceptance is consistent with the state's planning priorities in accordance with Government Code Section 65041.1. State ownership of this parcel will protect environmental and agricultural resources.

Staff Recommendation: Approve the acceptance of real property to make a correction.

CONSENT ITEMS

CONSENT ITEM—4

DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)
ADULT LOCAL CRIMINAL JUSTICE PROJECT
ORANGE COUNTY

Authority: Sections 15820.92 – 15820.926 of the Government Code

Consider:

- a) approving preliminary plans
- b) recognizing a scope change
- c) recognizing an anticipated deficit

CONSENT ITEMS

STAFF ANALYSIS ITEM—4

Department of Corrections and Rehabilitation
Adult Local Criminal Justice Project
Orange County

Action Requested

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

Scope Description

This project is not within scope. This project will include the design and construction of an expansion of the county's new AB 900 Phase II jail on county-owned land. The expansion will include housing, program, and treatment space, and add approximately 384 new minimum and medium security beds.

The new housing area will include approximately twenty 8-person mini dorms; day rooms; and program, treatment, recreation, and storage space. The expansion will also include officer stations; interview rooms; and office, medical exam, video visitation and central support space.

The California Department of Corrections and Rehabilitation, on behalf of the county, is requesting a scope change to consolidate the two stand-alone buildings into one building that will include maintenance, storage, and administrative space.

The project will also include, but is not limited to, site improvements; additional staff parking spaces, site utilities and infrastructure; electrical; plumbing; computerized heating, ventilation, and air conditioning; security; emergency power; and fire protection systems.

On June 10, 2016, the Department of Finance notified the chairs of the Joint Legislative Budget, the Senate Appropriations, and Assembly Appropriations Committees of its intent to approve this 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 15820.922 of the Government Code (SB 1022) appropriates \$509,060,000 lease revenue bond financing authority to partially finance the design and construction of adult local criminal justice projects. 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 Orange County for this project. All acquisition/study and any design and construction costs in addition to this amount will be paid by the county.

On January 12, 2015, the Board established the scope, cost, and schedule of this project allocating \$80,000,000 of the \$509,060,000 lease revenue bond financing authority appropriated in section 15820.922 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 \$89,629,000. Subsequent to that action, a new project cost estimate was prepared in association with the completion of preliminary plans. Based on this revised estimate, the current total estimated project cost is \$90,075,000, which includes a potential deficit of \$446,000. At this stage of the project, adequate funding for design is available; if the deficit remains nearer to the start of the construction phase, increased county funding will be confirmed or deductive bid alternates could be approved before proceeding to bid.

\$89,629,000	Total authorized project cost
\$90,075,000	Total estimated project cost
\$ 0	State costs adjustment: an increase of \$883,000 preliminary plans and a decrease of \$210,000 working drawings and \$673,000 construction (an increase of \$72,000 contract and \$25,000 other project costs, and a decrease of \$715,000 contingency and \$55,000 A&E)
\$80,000,000	State costs previously allocated: \$1,883,000 preliminary plans, \$2,711,000 working drawings, \$75,406,000 construction (\$66,628,000 contract, \$4,389,000 contingency, \$901,000 A&E, and \$3,488,000 other project costs)
\$9,629,000	Local costs previously allocated: \$8,585,000 acquisition, \$33,000 preliminary plans, \$31,000 working drawings, \$980,000 construction (\$901,000 contract, and \$79,000 other project costs)
\$446,000	Anticipated local costs net increase: \$446,000 construction contract

CEQA

A Notice of Determination (NOD) was filed with the State Clearinghouse on October 8, 2013. The City of Irvine challenged the NOD and filed a Petition for Writ of Mandate, which included a Complaint for Injunctive Relief on January 8, 2014. Judgment was entered in favor of the County on July 29, 2014. On September 26, 2014, the City of Irvine filed a Notice of Appeal. On October 7, 2015, the Court of Appeal, Fourth Appellate District, Division Three, issued its unpublished opinion affirming the trial court ruling. The time to petition for California Supreme Court review has passed without a petition being filed and the appellate ruling is now final.

Real Estate Due Diligence

A Summary of Conditions Letter was completed on May 18, 2016, and there is a solar license agreement and a water moratorium currently impacting the proposed project site. The County will not proceed to bid until these issues have been adequately resolved.

Project Schedule

Approve preliminary plans	July 2016
Complete working drawings	March 2017
Start construction	September 2017
Complete construction	November 2019

Staff Recommendation: **Approve preliminary plans, recognize a scope change, and recognize an anticipated deficit.**

ACTION ITEMS

ACTION ITEM—1

**HIGH SPEED RAIL AUTHORITY (2665)
INITIAL OPERATING SEGMENT, SECTION 1
FRESNO AND TULARE COUNTIES**

Assessor's Parcel Number (APN) or Property Location Description: 487-100-34 and southerly half of Avenue 144, adjacent to APN 291-030-036
High Speed Rail Authority Parcel Numbers: FB-10-0882 and FB-54-9002

*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

ACTION ITEMS

STAFF ANALYSIS ITEM—1

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

Action Requested

If approved, the requested action will authorize site selection.

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 1,400 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 I 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 I Blended System. The IOS-1 is a component of the Phase I Blended System.

Background

To date, the Board has site-selected approximately 1,400 parcels comprising approximately 120 miles from Madera to near Bakersfield. This total does not reflect properties associated with Right-of-Way transfer agreements with local government.

Site selection of APN 487-100-34 is necessary to complete acquisition of a greater parcel consisting of the subject parcel along with three other parcels that are directly affected by the HSTS. The owner indicates that the project will affect him to such an extent that he would be unable to continue his business and as a result has requested that APN 487-100-34 be included as a part of the full sale of the greater parcel. With the inclusion of APN 487-100-34, the Authority will be able to complete the acquisition.

Site selection of the Avenue 144 property is necessary to secure easements that will permit the construction of a rail overpass and allow the HSTS to cross both Avenue 144 and Highway 43.

For these properties, the CEQA and NEPA processes were completed in 2014. 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: Authorize site selection.

ACTION ITEMS

ACTION ITEM—2

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

Assessor's Parcel Numbers (APN) or Property Location Description: 504-010-19U, 504-010-18U, and within existing N. Golden State Boulevard from approximately one-quarter mile south of Herndon Avenue to middle of intersection at N. Cornelia Avenue. High Speed Rail Authority Parcel Numbers: MF-10-0263, MF-10-0273, and MF-10-0275.

*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 approving a Second Easement Acquisition Agreement for three Union Pacific Railroad parcels

ACTION ITEMS

STAFF ANALYSIS ITEM—2

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

Action Requested

If approved, the requested action will approve a Second Easement Acquisition Agreement for three Union Pacific Railroad parcels

On November 6, 2015, the SPWB adopted a resolution to delegate acquisition approval for HSTS acquisitions that conform to a SPWB-approved standard contract with non-substantive changes. Due to the complexity of the Easement Acquisition Agreements (Agreement) between Union Pacific Railroad (UPRR) and the High Speed Rail Authority (Authority), these contracts fall outside of the delegation and require SPWB approval. For similar reasons, any amendments to the Agreements also require SPWB approval.

On May 20, 2015, the SPWB approved the first Agreement with UPRR for the acquisition of eight parcels. The Agreement provided a permanent easement to be used by the Authority.

A second Agreement is now needed to acquire three additional parcels to facilitate the grade separation of Herndon Avenue in the City of Fresno as part of an approved design change that has moved the high-speed rail alignment to the east side of the UPRR tracks.. This Agreement will also provide a permanent easement to be used by the Authority.

Staff Recommendation: Approve a Second Easement Acquisition Agreement for three Union Pacific Railroad parcels.

ACTION ITEMS

ACTION ITEM—3

**HIGH SPEED RAIL AUTHORITY (2665)
INITIAL OPERATING SEGMENT, SECTION 1
FRESNO, KINGS, TULARE, 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. Hagopian Property (Fresno County)**
Authority Parcel Numbers: FB-10-0216-1, FB-10-0216-2, FB-10-0216-3, and FB-10-0216-4
Assessor Parcel Number: 479-140-10

PROPERTY PULLED

- 2. Bank of America Property (Fresno County)**
Authority Parcel Numbers: FB-10-0136-1 and FB-10-0136-2
Assessor Parcel Number: 467-061-20
- 3. Family Tree Farms Property (Kern County)**
Authority Parcel Numbers: FB-15-0319-1, FB-15-0319-2, FB-15-0319-3, and FB-15-0319-4
Assessor Parcel Numbers: 072-180-05, 072-180-19, and 072-200-05
- 4. Atwal Brother Farming Property (Kings County)**
Authority Parcel Numbers: FB-16-0291-1, FB-16-0291-2, FB-16-0305-1, FB-16-0305-2, FB-16-0305-01-01, and FB-16-0357-1
Assessor Parcel Numbers: 034-060-018, 034-070-019, and 034-080-035
- 5. Raven Property (Fresno County)**
Authority Parcel Numbers: FB-10-0471-1, FB-10-0471-2, FB-10-0471-4, and FB-10-0472-1
Assessor Parcel Numbers: 056-030-42S and 056-030-43S
- 6. Global Ag Properties II Property (Kern County)**
Authority Parcel Number: FB-15-0016-1, FB-15-0016-2, FB-15-0016-3, and FB-15-0016-01-01
Assessor Parcel Numbers: 047-260-20, 047-260-21, and 047-260-22
- 7. Global Ag Properties I Property (Kern County)**
Authority Parcel Number: FB-15-0017-1
Assessor Parcel Number: 047-340-32

8. **Turner Property (Kings County)**
Authority Parcel Numbers: FB-16-0280-1 and FB-16-0280-2
Assessor Parcel Number: 028-260-028

9. **Jeffries Brothers Property (Kern County)**
Authority Parcel Number: FB-15-0163-1
Assessor Parcel Number: 487-020-13

10. **Church Property (Kings County)**
Authority Parcel Numbers: FB-16-0228-1, FB-16-0228-2, FB-16-0228-01-01, FB-16-0229-1, FB-16-0229-01-01, FB-16-0232-1, FB-16-0233-1, FB-16-0233-3, and FB-16-0233-4
Assessor Parcel Numbers: 028-202-034, 028-202-039, 028-202-015, and 028-202-013

11. **Manston Property (Tulare County)**
Authority Parcel Numbers: FB-54-0755-1, FB-54-0755-01-01, and FB-54-0755-02-01
Assessor Parcel Numbers: 333-065-023 and 333-065-027

ACTION ITEMS

STAFF ANALYSIS ITEM—3

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

Action Requested

If approved, the requested action will adopt 10 Resolutions of Necessity authorizing the use of eminent domain to acquire properties in Fresno, Kings, Tulare, and Kern counties, totaling approximately 91 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 1,400 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 I 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 I Blended System. The IOS-1 is a component of the Phase I 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 2015 and April 2016, 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 June 17, 2016, 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. Hagopian Property (Fresno County)
Authority Parcel Numbers: FB-10-0216-1, FB-10-0216-2, FB-10-0216-3, and
FB-10-0216-4
Assessor Parcel Number: 479-140-10

PROPERTY PULLED

2. Bank of America Property (Fresno County)
Authority Parcel Numbers: FB-10-0136-1 and FB-10-0136-2
Assessor Parcel Number: 467-061-20
Partial Acquisition: 0.02 acre total (0.002 acre in fee and 0.02 acre in TCE)

This property will be needed for the construction of the Fresno Street grade separation.

3. Family Tree Farms Property (Kern County)
Authority Parcel Numbers: FB-15-0319-1, FB-15-0319-2, FB-15-0319-3, and FB-15-0319-4
Assessor Parcel Numbers: 072-180-05, 072-180-19, and 072-200-05
Partial Acquisition: 23.85 acres total (23.84 acres in fee and 0.01 acre in TCE)

This property will be needed for the construction of the HSTS between Jack Avenue and Merced Avenue and for the construction of the Merced Avenue grade separation.

4. Atwal Brother Farming Property (Kings County)
Authority Parcel Numbers: FB-16-0291-1, FB-16-0291-2, FB-16-0305-1, FB-16-0305-2, FB-16-0305-01-01, and FB-16-0357-1
Assessor Parcel Numbers: 034-060-018, 034-070-019, and 034-080-035
Partial Acquisition: 7.93 acres in fee

This property will be needed for the construction of the HSTS between Nevada Avenue and Niles Avenue and for a new road to connect Newark Avenue to Niles Avenue.

5. Raven Property (Fresno County)
Authority Parcel Numbers: FB-10-0471-1, FB-10-0471-2, FB-10-0471-4, and FB-10-0472-1
Assessor Parcel Numbers: 056-030-42S and 056-030-43S
Partial Acquisition: 8.53 acres total (8.50 acres in fee and 0.03 acre in TCE)

This property will be needed for the construction of the HSTS between E. Davis Avenue and SR 43 and for construction of the E. Davis Avenue grade separation.

6. Global Ag Properties II Property (Kern County)
Authority Parcel Number: FB-15-0016-1, FB-15-0016-2, FB-15-0016-3, and FB-15-0016-01-01
Assessor Parcel Numbers: 047-260-20, 047-260-21, and 047-260-22
Partial Acquisition: 37.31 acres in fee

This property will be needed for the construction of the HSTS between Magnolia Avenue and Pond Road, for the construction of the Pond Road grade separation, and for the realignment of Magnolia Avenue.

7. Global Ag Properties I Property (Kern County)
Authority Parcel Number: FB-15-0017-1
Assessor Parcel Number: 047-340-32
Partial Acquisition: 0.94 acre in fee

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

8. Turner Property (Kings County)
Authority Parcel Numbers: FB-16-0280-1 and FB-16-0280-2
Assessor Parcel Number: 028-260-028
Partial Acquisition: 0.11 acre in easement

This property will be needed for the construction of a service road to access the HSTS from State Route 43 between Lansing Avenue and Nevada Avenue.

9. Jeffries Brothers Property (Kern County)
Authority Parcel Number: FB-15-0163-1
Assessor Parcel Number: 487-020-13
Partial Acquisition: 0.22 acre in fee

This property will be needed for the construction of the HSTS between Gromer Avenue and State Route 46.

10. Church Property (Kings County)
Authority Parcel Numbers: FB-16-0228-1, FB-16-0228-2, FB-16-0228-01-01, FB-16-0229-1, FB-16-0229-01-01, FB-16-0232-1, FB-16-0233-1, FB-16-0233-3, and FB-16-0233-4
Assessor Parcel Numbers: 028-202-034, 028-202-039, 028-202-015, and 028-202-013
Partial Acquisition: 10.02 acres total (9.79 acres in fee and 0.23 acre in TCE)

This property will be needed for the construction of the HSTS between Kent Avenue and Kansas Avenue and for the construction of the Kansas Avenue grade separation.

11. Manston Property (Tulare County)
Authority Parcel Numbers: FB-54-0755-1, FB-54-0755-01-01, and FB-54-0755-02-01
Assessor Parcel Numbers: 333-065-023 and 333-065-027
Partial Acquisition: 2.03 acres in fee

This property will be needed for the construction of the HSTS between Avenue 16 and the Tulare-Kern County line.

Staff Recommendation: Adopt 10 Resolutions of Necessity authorizing the use of eminent domain to acquire properties totaling approximately 91 acres.

OTHER BUSINESS

1. Consider authorizing an interagency agreement with Department of General Services' Contracted Fiscal Services for accounting services.

The proposed interagency agreement with the Department of General Services' Contracted Fiscal Services will provide accounting services for the Board's lease revenue bond program. The proposed contract is valued at \$1,179,000 and is for a term of one year.

Staff Recommendation: Authorize entering into the annual contract with Contracted Fiscal Services.