



CALIFORNIA STATE  
**PUBLIC WORKS BOARD**

ARNOLD SCHWARZENEGGER, GOVERNOR

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

## MEETING AGENDA WITH ANALYSIS

NOTICE OF MEETING  
STATE PUBLIC WORKS BOARD  
**Friday July 11, 2008**

The **STATE PUBLIC WORKS BOARD** will meet on  
**Friday July 11, 2008, at 10:00 a.m. in Room 113,**  
**State Capitol, Sacramento, California.**

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

Greg Rogers  
Administrative Secretary

Attachment

**STATE PUBLIC WORKS BOARD**

**Friday**  
**July 11, 2008**  
**10:00 a.m.**  
**Room 113**

915 L Street  
Sacramento, California

**I. Roll Call**

Michael C. Genest, Director, Department of Finance  
Will Bush, Director, Department of General Services  
Will Kempton, Director, Department of Transportation  
John Chiang, State Controller  
Bill Lockyer, State Treasurer

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Patrick W. Henning, Director, Employment Development Department  
(Advisory Member)

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Assembly Member, Legislative Advisor  
Assembly Member, Legislative Advisor  
Assembly Member, Legislative Advisor  
Senator Darrell Steinberg, Legislative Advisor  
Senator, Denise Ducheny, Legislative Advisor  
Senator, Carole Migden, Legislative Advisor

**II. Approval of minutes from the June 13, 2008 meeting**  
Report on conditional approvals of last meeting.

<b>III. Bond Items</b>	Page 3
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## BOND ITEM

### BOND ITEM – 1

**DEPARTMENT OF VETERANS AFFAIR (8955)**  
**GREATER LOS ANGELES AND VENTURA COUNTY HOMES**  
Los Angeles and Ventura Counties

*Authority: Government Code Section, 15819.60 and 15819.65*

**Consider adopting an amended resolution to:**

1. Authorize the use of interim financing, to be repaid from the Public Buildings Construction Fund from the proceeds from the sale of bonds consistent with current project authority.
2. Authorize the sale of the State Public Works Board Bonds consistent with current project authority.

**Currently established lease revenue cost:**

**\$88,172,00**

## BOND ITEM

### STAFF ANALYSIS – ITEM

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

Action Requested

**The requested action, if approved, will adopt an amended resolution authorizing the use of interim financing, consistent with current project funding.**

Scope Description

The Greater Los Angeles and Ventura Counties (GLAVC) project will construct a 516-bed veterans' home offering various levels of care at three sites. The largest of the three facilities will have 396 beds in 373,000 gross square feet in West Los Angeles. The other two facilities, located in Lancaster and Ventura, will each have 60 beds in approximately 47,000 gross square feet and also contain a maximum 50 person adult daycare facility.

Funding and Project Cost Verification:

A total project cost of \$298,935,000 was established at the March 9, 2007 State Public Works Board (SPWB) meeting. Of this total, \$179,763,000 is Federal Funds, \$31,000,000 is general obligation bonds, and the remaining \$88,172,000 is lease revenue bonds.

\$298,935,000 total estimated project cost

\$298,935,000 project costs previously allocated: preliminary plans \$11,317,000; working drawings \$10,798,000; and construction \$276,820,000

CEQA

The Environmental Impact Report was filed with the State Clearinghouse on December 9, 2005, and the waiting period expired on January 8, 2006.

Project Schedule

Approved preliminary plans:	March 2006
Approved working drawings:	December 2006
Complete construction:	
Lancaster	February 2009
Saticoy (Ventura)	February 2009
West LA	February 2010

Real Estate Due Diligence

Due diligence for GLAVC was completed on February 1, 2007 with no concerns noted.

Other

- This action will amend the interim financing amount of \$106,945,000 that was established for the GLAVC project at the January 13, 2006 SPWB meeting in order to conform to the lease revenue portion of total project cost, \$88,172,000, that was established at the March 9, 2007 SPWB meeting.
- Values in the project cost table for each phase have been revised to reflect actual encumbrances.

**Staff Recommendation: Adopt amended resolution.**

## CONSENT ITEM

### CONSENT ITEM – 1

DEPARTMENT OF GENERAL SERVICES (1760)  
CALIFORNIA TAHOE CONSERVANCY (3125)  
LYONS RANCH EAST ACQUISITION PROJECT  
EL DORADO COUNTY  
CTC Project Number AR CTC507, DGS Parcel Number 10526

*Authority:* Government Code Section 66907

**Authorize acquisition**

## CONSENT ITEM

### STAFF ANALYSIS – ITEM

Department of General Services  
California Tahoe Conservancy  
Lyons Ranch East Acquisition

Action requested

**The requested action will authorize acquisition.**

Scope

**This project is within scope.** The Legislature has approved funding for land acquisition pursuant to Section 66907 of the Government Code, which includes the purchase of real property or interests therein for the purpose of protecting the natural environment. This request will authorize site selection of approximately 125 acres for acquisition of fee title for purposes of open space, public access and recreation, and restoration. The property is located in the unincorporated area of South Lake Tahoe in El Dorado County. The property abuts the Lake Tahoe Airport. Acquisition of the property involves little or no expansion of the existing uses on the parcel.

### Funding and Cost Verification

**This project is within cost.** Chapters 47 and 48, Budget Act of 2006, Item 3125-301-6029, provides \$7,183,000 for capital outlay and local assistance purposes, and Chapters 171 and 172, Budget Act of 2007, Item 3125-101-6051, provided \$12,382,000 for local assistance and capital outlay purposes. The property interest can be acquired with the funds available and in accordance with Legislative intent.

\$6,228,000 total estimated project costs

\$6,228,000 total authorized project costs

\$ 11,000 project costs previously allocated: staff and transaction costs

\$6,217,000 project costs to be allocated: staff costs \$1,000, acquisition \$6,200,000, transaction costs \$10,000, and title and escrow fees \$6,000.

### CEQA

A Notice of Exemption was filed with the State Clearinghouse on March 27, 2008. The 35-day litigation period expired on April 30, 2008.

### Project Schedule

The anticipated close of escrow is August 2008.

### Condition of Property

In April 2008, the Department of General Services (DGS), Environmental Services Section (DGS/ESS) staff conducted a Condition of Property site visit at Lyons Ranch East in El Dorado County. The property is approximately 125 acres in size and is heavily wooded with Jeffrey Pine and White Fir. The South Tahoe Public Utility District sewer export line runs through the property in a north/south direction. A dirt road runs in a north/south direction from the northern boundary to the southern boundary. During the site visit, minor trash and encroachment was observed immediately adjacent to the Montgomery Estate homes. These items will be removed prior to acquisition. No other environmental hazards or conditions were observed. A Phase 1 Environmental Site Assessment is not recommended because the site is essentially unimproved. The property appears compatible with its intended use as public assess/recreation, open space/water quality protection, and watershed protection land.

### Other:

- The purchase price shall not exceed estimated fair market value as determined by a DGS approved appraisal.
- The property is vacant and unimproved.
- There is no relocation assistance involved with this project.
- The California Tahoe Conservancy (CTC) is not aware of any lawsuits pending concerning the property.
- The Property Acquisition Agreement will require delivery of title to the property free and clear of any liens or encumbrances.
- Based upon DGS' appraisal review, there is likely implied dedication on the property. However, this situation does not negatively impact the value since any residential development would likely be required to incorporate public hiking trails within open space. Any implied dedication would not adversely impact the proposed use of the property.

- The CTC will, after acquisition, inventory the property for forest restoration and defensible space fuels reduction work, and allow dispersed public access through the property until such time as a long-term management plan is developed. CTC's ongoing management obligation in the near-term will be limited to periodic inspections of the property.
- Any public recreational improvements will be performed after necessary planning and environmental studies are completed and funding is secured. Funding for such improvement projects will be addressed through the normal budget process.

**Staff Recommendation: Authorize acquisition.**

## CONSENT ITEM

### CONSENT ITEM – 2

DEPARTMENT OF GENERAL SERVICES (1760)  
DEPARTMENT OF PARKS AND RECREATION (3790)  
MALIBU CREEK STATE PARK, CORRAL CANYON NORTH  
LOS ANGELES COUNTY  
DPR Parcel Number 014726, DGS Parcel Number 10531

*Authority: Chapter 379, Statutes of 2002, Item 3790-301-6029(6)  
as reappropriated by Chapter 38, Statutes of 2005, Item 3790-491-6029(6)  
Chapter 38, Statutes of 2005, Item 3790-301-0262(1)  
Chapters 47 and 48, Statutes of 2006, Item 3790-301-0262(1)  
Fish & Game Code Section 2786(a)(2)*

**Authorize site selection**

## CONSENT ITEM

### STAFF ANALYSIS – ITEM

Department of General Services  
Department of Parks and Recreation  
Malibu Creek State Park, Corral Canyon North

Action requested

**The requested action will authorize site selection for this project.**

Scope Description

**This project is within scope.** The Legislature has approved funding for the Department of Parks and Recreation (“DPR”) to purchase interests in lands consistent with Proposition 40 (California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2002) and Proposition 117 (Habitat Conservation Fund) for habitat acquisitions without specifying particular parcels. This request will authorize site selection of fee simple interest for approximately 196 acres as an addition to Malibu Creek State Park located in Los Angeles County. The property consists of eight contiguous parcels of land and provides a connection to a previously acquired land locked parcel.

The property contains valuable natural habitat consisting of rugged wooded canyons and scenic sandstone formations. The property qualifies for a unique natural resources area, extends the wildlife corridor, and provides an additional connection with other State and Federal Lands. The property also provides continuation of the Coastal Slope Trail from the canyon floor to a 1400 foot elevation. The property provides protection of the Malibu Canyon Viewshed and provides additional recreational opportunities to the Santa Monica Recreational Area.

#### Funding and Cost Verification

**This project is within cost.** Chapter 379, Statutes of 2002, Item 3790-301-6029 (6) and as reappropriated by Chapters 38 and 39, Statutes of 2005; Chapters 38 and 39, Statutes of 2005, Item 3790-301-0262(1); Chapters 47 and 48, Statutes of 2006, Item 3790-301-0262(1); and Fish and Game Code Section 2786(a)(2) provides \$4,100,000 for acquisition of high priority habitat parcels. The balance of the appropriations identified is sufficient to acquire the subject project in accordance with legislative intent.

#### CEQA

A Notice of Exemption was filed with the State Clearinghouse on April 1, 2008 and the statute of limitations expired on May 5, 2008.

#### Project Schedule

The anticipated close of escrow is August, 2008.

#### Condition of Property Statement

On March 18, 2008, staff from the Department of General Services ("DGS"), Environmental Services Section ("ESS") conducted a site visit of the proposed acquisition parcels consisting of approximately 196 acres located to the north of the City of Malibu, in an unincorporated area of Los Angeles County. The DPR is acquiring the property to consolidate parcels and promote management of the property for viewshed, habitat, and water quality conservation.

The subject properties are situated to the east and north of Corral Canyon Road. The subject properties are vacant, undeveloped land and consist of vegetated drainages and canyons with rolling to steep hillsides. Streams and unimproved roads/trails traverse the properties in varying directions. The area surrounding the subject properties consists of vacant land/open space and residential properties. The residential development (identified as Malibu Bowl) borders the property to the south and east. There are no known subsurface utilities or habitable structures on the properties.

Past and current use of the subject properties is not one that is indicative of the use, treatment, storage or generation of hazardous substances or petroleum products. An Environmental Site Assessment, Phase I (Phase I) was completed in August 2007 by Advantage Environmental Consultants, LLC. This Phase I was reviewed by DGS/ESS staff and found to be in accordance with the standards established under the American Society of Testing Materials (ASTM). This assessment has revealed no evidence of recognized environmental conditions in connection with the subject properties. ESS agrees with this finding and finds that no additional environmental investigation of the subject properties is warranted at this time.

#### Other:

- The purchase price does not exceed estimated fair market value as determined by a DGS approved appraisal.
- The DPR is not aware of any lawsuits pending concerning the property. The Property Acquisition Agreement will require delivery of title to the property free and clear of any mortgages or liens.
- The property is vacant and unimproved.

- There is no relocation assistance involved with this project.
- There is no implied dedication applicable to this property.
- The DPR will incorporate periodic patrols of this property with existing staff that now patrol the adjacent park property. Due to the mountain terrain, public access to the property will be limited. As such, no additional support needs are anticipated with this acquisition.
- The non-profit organization, The Trust for Public Lands, has secured additional funding for this acquisition from Los Angeles County through their Regional Park and Open Space District Grant program.
- Any changes to public access, use, development, or resources or habitat protection will be addressed through the normal budget process.

**Staff Recommendation:     Authorize site selection**

## CONSENT ITEM

### CONSENT ITEM – 3

DEPARTMENT OF GENERAL SERVICES (1760)  
DEPARTMENT OF PARKS AND RECREATION (3790)  
IRISH HILLS-MONTANA de ORO (TNC Properties)  
SAN LUIS OBISPO COUNTY  
DGS Parcel Numbers 10521 and 10529, DPR Parcel Number 6066

*Authority: Chapter 52, Statutes of 2000, Item 3790-301-0005(20), as reappropriated by Chapter 157, Statutes of 2003, and by Chapters 47 and 48, Statutes of 2006*

**Authorize site selection**

## CONSENT ITEM

### STAFF ANALYSIS – ITEM

Department of General Services  
Department of Parks and Recreation  
Irish Hills-Montana de Oro (TNC Properties)  
San Luis Obispo County

Action requested

**The requested action will authorize site selection.**

Scope Description

**This project is within scope.** This requested action will authorize acquisition of 1,279 acres of land, comprised of 10 legal parcels, as an addition to Montana de Oro State Park. The parcels, owned by The Nature Conservancy, represents State Parks' second of three intended acquisitions within a phased acquisition project for this park. Once all acquisitions have been completed, State Parks will be able to fulfill its plans for the development of a coastal trail from Montana de Oro State Park to Avila Beach in San Luis Obispo County. Acquisition of the 1,279 acres fulfills three of seven Department of Parks and Recreation (DR) acquisition guidelines by

providing for expanded outdoor recreation opportunities, cultural landscapes, and in-holdings and adjacent properties.

### Funding and Cost Verification

**This project is within cost.** A total of \$13,000,000 from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund (Proposition 12) for the purchase of parcels located within the Irish Hills near Montana de Oro State Park, without specifying specific parcels. The balance of the appropriation is sufficient to acquire the subject property in accordance with legislative intent.

\$3,912,000 total authorized project costs

\$3,912,000 total estimated project costs

\$ 30,000 project costs previously allocated: DGS staff costs for appraisal and acquisition review

\$3,882,000 project costs to be allocated: \$3,842,000 for acquisition and \$40,000 for title and escrow fees

### CEQA

A Notice of Exemption was filed with the State Clearinghouse on April 10, 2008. The 35-day litigation period expired on May 15, 2008.

### Project Schedule

The anticipated close of escrow is August 2008.

### Condition of Property

In April 2008, Environmental Services Section personnel conducted a Condition of Property visit of the above properties in San Luis Obispo County. The properties are approximately 1,279 acres in size and are characterized as steep sloped coastal chaparral habitat. The only improvements on the property are a cedar and shake home, two small wells, a small cabin, and a small storage shed. The home appears to be in good condition. One of the wells is not operational. No other hazards or environmental conditions were observed.

### Other:

- These acquisitions are one part of a multi-phase project intended to link Montana de Oro with Avila Beach via a hiking trail through the acquisition of various parcels and easements. Although with one exception these particular parcels are not contiguous to the park's boundaries, once all acquisitions are completed and the necessary easements obtained, it will be possible to hike on DPR lands or easements from the current park to the ocean.
- Legal access for six of the parcels is via See Canyon Road, a county road, and for one parcel, from Montana de Oro State Park. The remaining three parcels, totaling 380.8 acres, do not have legal access. Technically, these parcels may have historical access, but that issue is still subject to further research.
- Both the US Bureau of Land Management (BLM), and the Pacific Gas and Electric Company (PG&E) have been approached by DPR concerning potential easements for the subject properties.
- The issue of access will be addressed as an Action Item when this and the other proposed acquisitions are presented to the State Public Works Board (Board) for acquisition authorization tentatively targeted for the August 8, 2008 Board meeting.
- The purchase price will not exceed the estimated fair market value as determined by an appraisal reviewed by DGS.
- There is no relocation assistance involved with this project.
- There is no implied dedication.

- The DPR is not aware of any lawsuits pending on the property. The Property Acquisition Agreement will require delivery of title to the property free and clear of any mortgages or liens.
- This acquisition is contiguous to current holdings in Montana de Oro State Park and is intended to provide trail connectivity. As such, the support costs for this acquisition should be minimal and can be managed with existing resources.
- Any changes to public access, use, development, resources or habitat protection will be addressed through the normal budget process.
- DPR will at a later date determine the status of the small cabin located on the property. For the time being it will remain on the property and left unoccupied.

**Staff Recommendation:     Authorize site selection.**

## CONSENT ITEM

### CONSENT ITEM – 4

DEPARTMENT OF GENERAL SERVICES (1760)  
DEPARTMENT OF PARKS AND RECREATION (3790)  
PROPOSED SANTA INES MISSION MILLS STATE PARK  
SANTA BARBARA COUNTY  
DPR Parcel No. 008443-77, DGS Parcel No.10533

*Authority: Chapter 157, Statutes of 2003, 3790-301-6029(10), as re-appropriated by Chapters 47 and 48, Statutes of 2006*

**Authorize site selection**

## CONSENT ITEM

### STAFF ANALYSIS – ITEM

Department of General Services  
Department of Parks and Recreation  
Proposed Santa Ines Mission Mills State Park

Action Requested

**The requested action will authorize site selection.**

Scope Description

**The project is within scope.** This request will authorize site selection of approximately 37.9 acres of land for a new proposed state park in Solvang, California. The property is representative of early Western industrial technology and is designated as a National Historic landmark. Two historic mills exist on the property, a grist mill and a fulling mill, that once served the Santa Ines Mission during the Mission period of early California. The acquisition and conversion of this unique property into the future home of the Santa Ines Mission Mills State Park will serve to contribute to the Department of Parks and Recreation's (DPR) mission to serve high-quality public recreational opportunities by protecting one of the State's most valued natural and cultural resources.

### Funding and Cost Verification

**This project is within cost.** The Legislature has approved funding from Proposition 40: Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund for new acquisitions for the State Park System without specifying particular parcels. The funding source for the acquisition is Chapter 157, Statutes of 2003, Item 3790-301-6029(10), as re-appropriated by Chapters 47 and 48, Statutes of 2006. It is estimated that the property can be acquired with a portion of the remaining funds in accordance with Legislative intent.

### CEQA

A Notice of Exemption was filed with the State Clearinghouse on April 23, 2008, and the statute of limitations expired on May 28, 2008.

### Project Schedule

The anticipated close of escrow is August or September 2008.

### Condition of Property Statement

In April 2008, Department of General Services (DGS) - Environmental Services Section personnel conducted a condition of property site visit at Santa Ines Mission Hill situated in Santa Barbara County. The property is located immediately east of the community of Solvang. It is approximately 38 acres in size with level to moderate sloping topography. It is dominated by native and non-native grasses and non-native trees. Improvements include a historical grist mill complex that was constructed in 1820. The grist mill complex is made of rock and masonry and appears to be in good condition considering its age. There is also a non-historic 600 sf house, currently occupied by the property's caretaker. No environmental hazards or conditions were observed during the site visit.

### Other:

- The purchase price shall not exceed the estimated fair market value as determined by a DGS approved appraisal.
- There is no implied dedication applicable to this property.
- The DPR is not aware of any lawsuits pending on the property. The Property Acquisition Agreement will require delivery of title to the property free and clear of any mortgages or liens.
- Access to the property is currently through several negotiated easements with neighboring property owners.
- The property will be acquired from the Santa Barbara Trust for Historic Preservation (Trust). Following the transfer of title to the State of California, the property will be leased back to the Trust. The Lease Agreement will stipulate that the Trust will manage and operate the new state park for DPR and cover expenses for the maintenance and operation of the park.
- Following the transfer of title to the State, DPR will discuss the possibility of converting the lease into an Operating Agreement with the Trust that will incorporate the provisions contained in the Lease Agreement for a longer period of time.
- Operating costs will be minimal due to the leaseback arrangement with the SBTHP. The management plan also calls for periodic patrols of the property as part of the routine patrols for adjacent parks in the district. As such, no additional support needs are anticipated with the acquisition of this property.
- While DPR does not foresee changes at this time to public access, development or resource needs, any such changes will be addressed through the normal budget process.
- There is a part-time tenant on the property that will remain on the property to assist the grantor, the Trust, to assist with the operation and management of the park. Because there will be no displacement of the tenant in this leaseback arrangement, it is believed that there will be no relocation assistance involved. DPR has consulted legal staff at the Department

of Housing and Community Development, who have agreed that based on the facts presented, relocation assistance is not required.

**Staff Recommendation: Authorize site selection**

## CONSENT ITEM

### CONSENT ITEM – 5

**DEPARTMENT OF TOXIC AND SUBSTANCES CONTROL (3960)  
STRINGFELLOW-RIVERSIDE MINING CONDEMNATION  
RIVERSIDE COUNTY**

*Authority: Chapter 50, Statutes of 1999, Item 3960-001-0001, as reappropriated by Chapter 106, Statutes of 2001  
Chapter 52, Statutes of 2000, Item 3960-001-0001, as reappropriated by Chapter 106, Statutes of 2001  
Chapter 379, Statutes of 2002, Item 3960-001-0001, and Chapter 157, Statutes of 2003, Item 3960-001-0001, as reappropriated by Chapters 38 and 39, Statutes of 2005, and Chapters 47 and 48, Statutes of 2006, and Chapters 171 and 172, Statutes of 2007  
Chapters 38 and 39, Statutes of 2005, Item 3960-301-0001, as reappropriated by Chapters 47 and 48, Statutes of 2006, and Chapters 171 and 172, Statutes of 2007*

**Approve augmentation**

**\$350,000**

**(8.6 percent total project)  
(11.0 percent cumulative)**

## CONSENT ITEM

### STAFF ANALYSIS – ITEM

Department of Toxic Substances Control  
Stringfellow-Riverside Mining  
Riverside County

Action requested

**The requested action will approve an augmentation.**

Scope

**This project is within scope.** The Stringfellow Pretreatment Plant project (PTP) authorizes the acquisition of property on which to construct the project. On December 14, 2007, the State Public Works Board (SPWB) adopted a Resolution of Necessity authorizing the use of eminent domain (condemnation) to acquire approximately 33 acres adjacent to the current State owned property known as the Stringfellow Federal Superfund Site (Stringfellow). Once possession of the Acquisition Property is obtained, the Department of Toxic Substances Control (DTSC) may proceed with replacing the existing, obsolete plant. Possession will also provide a means to control the existing monitoring and extraction wells located on the Acquisition Property.

The principal contaminants of concern include, but are not limited to: acids, heavy metals, Trichloroethylene and Perchlorate.

The SPWB at the same December 14, 2007, meeting authorized an augmentation of \$100,000 (2.5 percent of the project cost) in order to make \$1,000,000 (\$900,000 appropriated plus \$100,000 augmented) available for deposit into the State Controller's Condemnation Deposit Fund. These funds equate to the DGS appraised value of the Acquisition Property that must be available to the owners of the property at any time during the condemnation process.

#### Project history and background

From 1956 to 1972 the area that is known as Stringfellow was operated by the Stringfellow Quarry Company as a bulk liquid hazardous waste disposal area. During that period thousands of gallons of organic and inorganic liquid industrial wastes were deposited in open lagoons on the property. Subsequently, there were significant uncontrolled releases of hazardous substances from Stringfellow. In 1981, Stringfellow was declared a federal Superfund Site and under the direction of the United States Environmental Protection Agency (USEPA), a number of interim cleanup and containment activities were implemented. These activities included the installation of 430 groundwater extraction wells and monitoring wells, 30 of these wells are located on the Acquisition Property. The existing pretreatment plant was designed and constructed by the USEPA as an interim plant, with an operational life of three to five years; however, it has been in service for over 20 years and is badly in need of replacement.

In 1995, the Federal District Court for the Southern District of California held the State of California 100% liable for the cleanup costs at Stringfellow. The California Department of Toxic Substances Control (DTSC) is responsible for the remediation of Stringfellow on behalf of the State of California. The DTSC's activities are designed to protect and preserve the environment, including limiting contamination from Stringfellow in order to protect the public drinking water. The nearby communities have been negatively impacted due to the proximity to what has been termed one of the worst federal Superfund sites in the nation.

The existing pretreatment plant cannot meet the current needs and is clearly unable to meet future demands of treatment capacity and contaminant loading because its major treatment components are undersized or worn out. In addition, the USEPA has promulgated more restrictive land disposal requirements for hazardous waste since the pretreatment plant was built. These new requirements coupled with the aging existing pretreatment plant resulted in the need to send the contaminated, dewatered sludge out-of-state for treatment. The cost is approximately four times higher than in-state land disposal. Effective pretreatment will allow the state to dispose of wastes in-state, thus resulting in a significant cost savings. In addition to increasing costs, the transport of this contaminated material is inefficient and poses a level of risk to public health and safety along the transport route.

Construction of the PTP is essential for the ongoing remediation of the contaminated plume of groundwater flowing under the surrounding communities. It will also protect the riparian habitats along Pyrite Creek, which flows through the area.

The footprint required for the new PTP will be quadruple the size of the existing pretreatment plant. The new PTP will not fit on the land where the existing PTP is located, even if the existing PTP is dismantled. Another important consideration is that the existing pretreatment plant must be kept in full operation while the new PTP is constructed and commissioned.

The portion of the Acquisition Property that does not contain the new PTP includes groundwater extraction and monitoring wells, and runoff control structures. The continued operation of these facilities is required to remediate Stringfellow and is mandated by one or more formal Records of Decision issued by the USEPA; acquisition of this property will assure the State maintains

control of these essential facilities. Plus, it is probable that the USEPA will require additional extraction and monitoring facilities be installed and unless the state has control of the land, it would be problematic, if not be impossible, to comply with this requirement and potentially could lead to a federal enforcement action.

The Acquisition Property is part of a larger 225 acre property owned by Riverside Mining Limited. A portion of the 225 acre property includes a working quarry; however the Acquisition Property is not suited for quarry operations because part of it was the original highly contaminated disposal site and all of the Acquisition Property is underlain by shallow highly contaminated groundwater. Thus, while separation of the Acquisition Property from the larger acreage should not have an impact on the existing quarry operations, it is the essential location for the PTP and DTSC's maintenance and remediation responsibilities at Stringfellow.

#### Funding and Cost Verification

**This project is not within cost.** An augmentation of \$350,000 (8.8 percent of project costs) is requested in order to proceed with the condemnation process. The State Attorney General's Office has estimated the cost of litigating the process at \$250,000. DGS has estimated the amount necessary to pay existing and anticipated staff costs during the condemnation at \$100,000. This augmentation along with the previous augmentation of \$100,000 will result in a cumulative augmentation of \$450,000 (11.0 percent of total project costs).

A 20-day letter was sent to the Legislature on **June 20, 2008**, and the notification period has expired without comment.

\$ 56,181,000	total authorized project cost
\$ 56,531,000	total estimated project cost
\$ 4,063,000	project costs previously allocated: acquisition \$1,000,000 and preliminary plans \$3,063,000
\$ 52,118,000	project costs to be allocated: working drawings \$3,235,000 and construction (contract \$42,326,000, contingency \$2,116,000, A&E \$2,075,000, other \$2,366,000)
\$ 350,000	\$250,000 augmentation for Attorney General legal fees during condemnation and \$100,000 for DGS staff costs.

#### CEQA

This acquisition is exempt from CEQA pursuant to Section 1, Chapter 784, Statutes of 1978; Section 1, Chapter 315, Statutes of 1979; and Section 3, Chapter 1302, Statutes of 1982. In addition to and in supplement of these above noted statutory exemptions from CEQA, this project also fits within categorical exemption 15061(b)(3) of the CEQA guidelines. The categorical exemption is referenced in order to provide an exhaustive listing of available exemptions, however, DTSC is of the position that the statutory exemptions alone are sufficient.

A Notice of Exemption was filed with the State Clearinghouse on November 5, 2007, and the waiting period has expired.

#### Project Schedule

Approve preliminary plans:	June 2009
Complete working drawings:	June 2010
Complete construction:	December 2012

Other

- On February 14, 2008, a proceeding in eminent domain was filed with the Superior Court in Riverside County. The filing was prepared and filed by the State Attorney General on behalf of the State of California, acting by and through the State Public Works Board.
- A deposit of \$1,000,000 has been made to the State Controller's Condemnation Deposit Funds. This represents the State's appraised value of the property. It will be made available to the property owners once the motion for an Order of Possession is filed with the court, which is anticipated to be in September 2008.
- The condemnation will deliver the property free and clear of any mortgages or liens.

**Staff Recommendation:**                      **Approve augmentation**

## CONSENT ITEM

### CONSENT ITEM – 6

DEPARTMENT OF DEVELOPMENTAL SERVICES (4300)  
PORTERVILLE DEVELOPEMENTAL CENTER  
UPGRADE PERSONAL ALARM LOCATING SYSTEM  
PORTERVILLE, TULARE COUNTY

*Authority: Chapters 171 and 172, Statutes of 2007, Item 4300-301-0001 (4)*

**Approve preliminary plans**

## CONSENT ITEM

### STAFF ANALYSIS – ITEM

Department of Developmental Services  
Porterville Developmental Center  
Upgrade Personal Alarm Locating System  
Porterville, Tulare County

Action Requested

**The requested action will approve preliminary plans.**

Scope Description

**This project is within scope.** The authorized project will upgrade the existing Personal Alarm System and expand coverage to exterior areas within the Secure Treatment Program fenced area. The project scope includes buildings 7 through 18 and the training building. The new equipment will include: infrared locators, personal transmitters, pagers, speakers, audio equipment and miscellaneous conduit and wire. Additional, items provided are mounting poles, repeaters, and miscellaneous devices for interior and exterior monitoring of staff.

Funding and Project Cost Verification

**This project is within cost.**

\$3,753,000 total estimated project costs  
\$3,760,000 total authorized project costs  
\$ 278,000 project costs previously allocated: preliminary plans  
\$3,475,000 project costs to be allocated: working drawings \$306,000, construction \$3,169,000 (\$2,537,000 contract, \$178,000 contingency, and \$454,000 administration, testing, inspection)

CEQA

A Notice of Exemption was submitted to the State Clearinghouse on May 2, 2008. The 35-day statute of limitation period expired without challenge on June 7, 2008.

Real Estate Due Diligence

DGS/ RESD, Transaction Review completed a review in March 2008. There are no unresolved issues or recommendations for resolution/ mitigation proposed.

Project Schedule

Approve preliminary plans: July 2008  
Approve working drawings: November 2008  
Complete construction: March 2010

**Staff Recommendation: Approve preliminary plans.**

## CONSENT ITEM

### CONSENT ITEM – 7

DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)  
CORRECTIONAL TRAINING FACILITY, SOLID CELL FRONTS  
SOLEDAD, MONTEREY COUNTY

*Authority: Chapters 171 and 172, Statutes of 2007, Item 5225-301-0001(4)*

**Approve preliminary plans**

## CONSENT ITEM

### STAFF ANALYSIS – ITEM

Department of Corrections and Rehabilitation  
Correctional Training Facility, Solid Cell Fronts  
Soledad, Monterey County

#### Action Requested

**The requested action will approve preliminary plans for this project.**

#### Scope Description

**This project is within scope.** The approved project will replace the existing barred cell fronts with solid cell fronts in the administrative segregation unit in the O-Wing. This wing contains 144 cells and 6 showers that currently do not have solid cell fronts. The existing barred cell fronts allow for physical assaults on staff, including “gassing” and “spearing” attacks. To promote the safety of staff and inmates, this project includes the replacement of the existing cell fronts with solid wall and door units with locking mechanisms to conform to Level IV Security Housing Unit design.

This project also includes modifications to the existing heating, ventilation, and air-conditioning system, the smoke evacuation system, and the fire alarm system. These modifications are necessary to conform to the Department of Corrections and Rehabilitation’s (CDCR) Design Criteria Guidelines. The O-Wing already has a ducted heating system but no cooling system. In order to ensure that these cells do not exceed a maximum indoor temperature of 90 degrees Fahrenheit after the new solid cell fronts are installed the addition of a cooling system is

necessary. A fire alarm system with a duct smoke detector for each cell, key operated pull stations, and audio/visual alarms are also included in the scope of this project. The smoke evacuation system and fire alarm system provide an alternate means of protection in lieu of an automatic fire sprinkler system.

#### Funding and Project Cost Verification

**This project is not within cost.** Chapters 171 and 172, Statutes of 2007, Item 5225-301-0001 (4) appropriated \$405,000 for preliminary plans for this project. At that time the Legislature recognized estimated future costs of \$6,081,000 for working drawings (\$426,000) and construction (\$5,655,000).

Based on an updated project cost estimate, the CDCR requested \$498,000 for working drawings for this project in the Fiscal Year (FY) 2008-09 budget, an increase in working drawings cost of \$72,000. At that time the estimated future construction cost was \$6,106,000, an increase of \$451,000. However, an estimate prepared in March 2008, after the completion of preliminary plans for this project, shows the estimated future construction cost to be \$6,479,000, an additional increase of \$373,000. The working drawings cost did not change in the March 2008 estimate. Based on the March 2008 estimate the total project cost has increased by \$896,000 for working drawings (\$72,000) and construction (\$824,000) since the enactment of the Budget Act of 2007. The CDCR anticipates requesting construction funding for this project in FY 2009-10.

\$6,486,000	total authorized project cost
\$7,382,000	total estimated project cost
\$ 405,000	project costs previously allocated: preliminary plans
\$6,081,000	project costs to be allocated: \$426,000 working drawings and \$5,655,000 construction (\$4,524,000 contracts, \$317,000 contingency, \$489,000 A&E, \$145,000 agency retained items, and \$180,000 other project costs)
\$ 896,000	anticipated deficit: \$72,000 working drawings and \$824,000 construction (\$360,000 contracts, \$25,000 contingency, -\$12,000 A&E, \$71,000 agency retained items, and \$380,000 other project costs)

#### CEQA

This project is exempt from CEQA. A Notice of Exemption has not yet been filed with the State Clearinghouse.

#### Real Estate Due Diligence

The project area for this project has been covered by due diligence previously completed at this institution for other projects. The Department of Corrections and Rehabilitation will compile the appropriate documentation for this project during the working drawings phase based on previously completed due diligence research.

#### Project Schedule

Approve working drawings:	February 2009
Complete construction:	November 2010

**Staff Recommendation:**                      **Approve preliminary plans**

## CONSENT ITEM

### CONSENT ITEM – 8

**UNIVERSITY OF CALIFORNIA (6440)  
DAVIS CAMPUS, UCDCM TELEMEDICINE RESOURCE CENTER AND  
RURAL-PRIME FACILITY  
SACRAMENTO COUNTY**

Authority: Chapters 171 and 172, Statutes of 2007, Item 6440-304-6048 (15)

**Approve preliminary plans**

## CONSENT ITEM

### STAFF ANALYSIS – ITEM

University of California, Davis  
UCDCM Telemedicine Resource Center and Rural-PRIME Facility  
Sacramento County

Action requested

**The requested action will approve preliminary plans.**

Scope Description

**This project is within scope.** The Telemedicine Resource Center and Rural-PRIME Facility project will provide 25,328 assignable square feet (asf) of research, instructional and administrative space to support expanded telemedicine activities and a growing medical school enrollment targeted for service to rural and underserved populations. Supporting programs in the Center for Health and Technology, the Telemedicine Learning Center and the Center for Virtual Care, the new facility will include “smart” classrooms, mock exam rooms, simulation and consultation suites, administrative and office support space, videoconferencing capabilities and production facilities for The Distance Education Program. The four-story, 52,141 gross square

feet building will be connected to the adjacent, recently completed Education Building on the Medical Center campus.

Funding and Project Cost Verification

**This project is within cost.**

\$35,000,000	total authorized project costs (State funds)
\$36,000,000	total estimated project costs
\$ 1,000,000	project costs previously allocated: preliminary plans \$600,000 (State funds), \$400,000 (campus funds)
\$35,000,000	project costs to be allocated: working drawings \$1,557,000 (State funds), construction \$26,822,000 (State funds), equipment \$6,061,000 (State funds), \$600,000 (campus funds)

CEQA

The University certifies that the project is in compliance with the requirements of CEQA. An earlier Environmental Impact Report (EIR), prepared for the education building adjacent to the project and certified by the Regents in July 2004, included an analysis of a future Phase 2 project, now constituted by the Telemedicine Resource Center and Rural PRIME Facility. In January 2008, the Regents adopted an addendum to the previous EIR, which cited that there were no new significant impacts not analyzed previously.

Real Estate Due Diligence

University of California (UC), on behalf of the Regents of the UC, is vested with the authority for management of the property for the benefit of the university and acknowledges that they have full responsibility for reviewing and clearing due diligence title issues for general obligation bond funded projects.

Project Schedule

Approve preliminary plans:	July 2008
Complete working drawings:	December 2008
Complete construction:	July 2010

Other

The campus plans to issue an early bid package covering site work and demolition, followed by a second bid package for the building itself. The preparation of construction documents for the first bid package is expected to require six weeks following approval of the preliminary plans. Construction documents for the second bid package will start at the same time and require approximately five months for completion.

**Staff Recommendation:                      Approve preliminary plans**

## CONSENT ITEM

### CONSENT ITEM – 9

UNIVERSITY OF CALIFORNIA (6440)  
SAN DIEGO CAMPUS  
MANAGEMENT SCHOOL FACILITY PHASE 2  
SAN DIEGO COUNTY

*Authority: Chapters 171 and 172, Statutes of 2007, Item 6440-301-6048 (11)*

**Approve preliminary plans**

## CONSENT ITEM

### STAFF ANALYSIS – ITEM

University of California, San Diego  
Management School Facility Phase 2  
San Diego County

Action Requested

**The requested action will approve preliminary plans.**

Scope Description

**This project is within scope.** The Management School Facility Phase 2 will provide 48,772 assignable square feet of new construction to accommodate programs leading to MBA and Ph.D. degrees, as well as continuing professional education for the business community. The project includes a 299-seat auditorium, medium and large classrooms, an open class laboratory, a behavioral laboratory area, faculty and administrative offices and support space, conference rooms, and student work and study areas. The five-story structure connects on four levels to the first Management School Facility and will complete the interior courtyard constructed as part of the earlier project.

Funding and Project Cost Verification

**This project is within cost.**

- \$ 1,000,000 total authorized project costs (State funds)
- \$47,219,000 total estimated project costs
- \$ 2,000,000 project costs previously allocated: preliminary plans \$1,000,000 (State funds), \$1,000,000 (campus funds)
- \$45,219,000 project costs to be allocated: working drawings \$1,304,000 (State funds), \$1,238,000 (campus funds), construction \$24,771,000 (State funds), \$15,866,000 (campus funds), equipment \$2,040,000 (campus funds)

CEQA

The University certifies that the project is in compliance with the requirements of the California Environmental Quality Act. An Environmental Impact Report was prepared for the Management School Facility (Phase 1) and certified by the Regents in September 2004. A Negative Declaration was prepared for this Phase 2 project, the Findings of which were certified by the Regents on March 18, 2008. A Notice of Determination was filed with the State Clearinghouse and accepted on March 21, 2008.

Real Estate Due Diligence

University of California (UC), on behalf of the Regents of the UC, is vested with the authority for management of the property for the benefit of the university and acknowledges that they have full responsibility for reviewing and clearing due diligence title issues for general obligation bond funded projects.

Project Schedule

Approve preliminary plans:	July 2008
Complete working drawings:	May 2009
Complete construction:	April 2011

**Staff Recommendation: Approve preliminary plans**

## ACTION ITEMS

NONE

## OTHER BUSINESS

Adopt a resolution authorizing execution of a contract with Lamont Financial to provide financial services.

The Board contracts for the services of a financial advisor ("FA") to assist it in analyzing a variety of market sensitive long-term financing matters that arise in the capital outlay and revenue bond arenas. The Board's current contract is with Lamont Financial Services which expired in June 2008.

Staff requests authorization to enter into a new contract with Lamont Financial (on a sole source basis) in order to continue giving financial advice on several significant ongoing projects. Staff further requests the Board waive application of the Disabled Veteran Business Enterprise (DVBE) program for this contract as the balance of the Board's contracts already meet its DVBE goal.

**Staff Recommendation:**

**Adopt a resolution authorizing the execution of a contract with Lamont Financial.**

## REPORTABLES

To be presented at meeting.