

NOTICE OF MEETING
STATE PUBLIC WORKS BOARD

**Friday, October 14, 2016, at 10:00 a.m. in
Room 113, State Capitol, Sacramento, California**

I.	Roll Call		
II.	Approval of minutes from the September 9 and September 19, 2016 meetings		
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BOND ITEMS

BOND ITEM—1

DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225) 2016 SERIES E, LEASE REVENUE BONDS RJ DONOVAN CORRECTIONAL FACILITY: VARIOUS BUILDINGS

Projects: **Health Care Facility Improvement Projects**

Locations:

California Correctional Center
Lassen County

North Kern State Prison
Kern County

High Desert State Prison
Lassen County

Pleasant Valley State Prison
Fresno County

Kern Valley State Prison
Kern County

Wasco State Prison
Kern County

Leased Asset: **RJ Donovan Correctional Facility: Various Buildings**

Location: San Diego County

Authority: Sections 15817.1, 15819.40(b) and (c) and 15819.401 – 15819.404 of the Government Code

Consider adoption of a resolution to:

1. Authorize the sale of the State Public Works Board Lease Revenue Bonds, Department of Corrections and Rehabilitation, 2016 Series E, RJ Donovan Correctional Facility: Various Buildings, Tax-Exempt Bonds.
2. Approve the form of and authorize the execution of an indenture, between the Board and the State Treasurer.
3. Approve the form of and authorize the execution of a First Supplemental Indenture to incorporate the bonds into the Master Indenture pooled reserve fund.
4. Approve the form of and authorize the execution of a Site Lease between the Department of Corrections and Rehabilitation (CDCR) and the Board.
5. Approve the form of and authorize the execution of a Facility Lease between the Board and the CDCR.
6. Approve the form of and authorize the execution of a Continuing Disclosure Agreement by and among the Board, the CDCR, and the State Treasurer.
7. Approve the form of a Notice of Sale.
8. Approve the form of and authorize the delivery of a Preliminary Official Statement.
9. Authorize the preparation and delivery of an Official Statement.
10. Approve other related actions in connection with the authorization, issuance, sale, and delivery of said revenue bonds.

Estimated Project Costs to be Financed	\$158,232,000
Estimated Par Value of Bonds to be Issued	\$145,345,000
“Not To Exceed” Par Amount	\$167,900,000

BOND ITEMS

STAFF ANALYSIS ITEM—1

Department of Corrections and Rehabilitation
2016 Series E, Lease Revenue Bonds
RJ Donovan Correctional Facility: Various Buildings

Action Requested

If approved, the requested action would authorize the sale of the 2016 Series E lease revenue bonds and other related actions in connection with the issuance, sale, and delivery of said revenue bonds, including approving the forms of and authorizing the execution of an indenture, a supplemental indenture, a site lease, a facility lease, a notice of sale, a continuing disclosure agreement, and authorizing the delivery of a preliminary official statement and an official statement.

Scope Description and Funding

The Bonds are being issued by the Board to provide funds to finance and refinance the costs of the design and construction of all or a portion of the health care facility improvement projects at the following six institutions: California Correctional Center; High Desert State Prison; Kern Valley State Prison; North Kern State Prison; Pleasant Valley State Prison; and Wasco State Prison (collectively, the "Projects"). Proceeds will also be used for the reimbursement of interim loans from the state's Pooled Money Investment Account previously used to pay for certain of such costs, to pay the costs of issuance of the Bonds, and to fund a contribution to the Master Indenture Reserve Fund, if necessary.

The Projects are included within CDCR's authority to improve facilities in the health care components at each CDCR institution, and, in particular, to provide appropriate and adequate medical diagnostic and treatment space to the entire CDCR inmate population.

The RJ Donovan Correctional Facility (RJD) will be the Leased Property in the financing and will secure the payment on the Bonds. RJD is located in an unincorporated area of San Diego County, approximately 18 miles southeast of downtown San Diego. RJD provides housing for general population and sensitive needs yard inmates in all levels.

The Leased Property was completed in July 1987 and consists of a total of 20 housing unit buildings and the land upon which they are located, which together constitute only a portion of the facilities and property located at RJD. Nineteen of the housing units are each approximately 24,200 square feet and contain 100 cells (50 cells on the ground floor and 50 cells on the mezzanine). One housing unit for administrative segregation is approximately 24,900 square feet and contains 100 cells (50 cells on the ground floor and 50 cells on the mezzanine). A valuation was completed by an independent consultant as of August 12, 2016 for the Leased Property, valuing the Leased Property at \$167,900,000 as of that date.

Staff Recommendation: Adopt the resolution.

CONSENT ITEMS

CONSENT ITEM—1

CALIFORNIA DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540)

BAKER FIRE STATION: REPLACE FACILITY

TEHAMA COUNTY

Project Number CDF 514, DGS Parcel Number 10830

Authority: Chapter 20, Statutes of 2013, Item 3540-301-0668(1), as reappropriated by the Budget Act of 2016

Consider authorizing acquisition

CONSENT ITEMS

STAFF ANALYSIS ITEM—1

Department of Forestry and Fire Protection

Baker Fire Station: Replace Facility

Tehama County

Action Requested

If approved, the requested action will authorize acquisition.

Scope Description

This project is within scope. The requested action will authorize the acquisition of an approximately 4-acre site at the intersection of Highway 36 and Bowman Road in unincorporated Tehama County (the Property), which is currently being leased by Department of Forestry and Fire Protection (CalFire) for the existing Baker Fire Station. The current term of the lease was renewed with the Property owner in 1994 and will expire May 31, 2044, or upon close of escrow in the event that CalFire acquires the Property. The existing fire station no longer meets CalFire's programmatic needs due to the age and size of the facilities. Therefore, CalFire requests to acquire the Property before making major capital improvements.

The new 2-engine fire station will be consistent with the 2014 Facility Program Policy Guidelines for fire stations and will include a barracks and apparatus building with a battalion chiefs office (approximately 7,200 square feet (sf)), a generator and pump building with a generator (approximately 700 sf), and various site improvements. The site improvements include demolition of the existing facility; grading; paving; curbs, gutters, and sidewalks; new utilities; a hose wash rack; wharf hydrant; above ground fuel vaults; site security with fencing; a trash enclosure; landscaping and irrigation; and all necessary appurtenances.

Funding and Cost Verification

This project is within cost. Chapter 20, Statutes of 2013, Item 3540-301-0668 (1), as reappropriated by the Budget Act of 2016, provided \$200,000 for acquisition of a site for this project. Based on the appraised value of the potential site, it is anticipated the Property can be acquired within the amount of the appropriated authority.

CEQA

A Notice of Exemption was filed with the State Clearinghouse on June 22, 2016 and the 35-day statute of limitations expired without challenge.

Condition of Property

The Department of General Services (DGS) conducted a site visit on July 23, 2014. The estimated 4-acre parcel is relatively flat with a ravine located along the northeast portion of the Property. The existing property has three buildings: a small house, an office/radio building, and an apparatus building. Also, the Property includes two above ground storage fuel tanks (AST): one AST contains diesel fuel with a 1,000 gallon capacity and the other AST includes a split tank containing 500-gallons each of gasoline and diesel fuel with two fuel dispensers. Both ASTs appear to be in good condition. Vegetation on the Property consists of mixed stands of trees including oaks, small shrubs, and grasses. DGS did not observe any other environmental concerns.

A phase I Environmental Site Assessment (ESA) was conducted in June 2016 for the Property. The ESA identified that monitoring wells were installed on the Property in February 1989, after an underground storage tank was removed. In April 1998, the monitoring wells were destroyed and the Regional Water Quality Control Board issued a no further action letter. Given that the Recognized Environmental Concerns have been addressed to the satisfaction of the applicable regulatory authority, without subjecting the Property to any required controls, such as, property use restrictions, activity and use limitations, institutional controls, and engineering controls, the likelihood is low that there have been any significant impacts to the soil or groundwater beneath the Property.

Project Schedule

The anticipated close of escrow is November 2016.

Other

- The State Public Works Board approved site selection for this Property on November 18, 2015.
- The purchase price does not exceed the estimated fair market value of the property as determined by a DGS approved appraisal.
- The Property is subject to the Williamson Act. Non-renewal and cancellation of the land contract will be pursued upon site acquisition. We note that this fire station is not considered a compatible use under the Williamson Act provisions in this County. Therefore, cancellation of the land contract must occur before the construction of this project can be initiated.
- The Property Acquisition Agreement does not include the state's standard indemnification language. The state has occupied the site since 1948, and is therefore familiar with the historical use of the Property. DGS' site visit and review of the phase I ESA did not identify any environmental conditions that would likely pose exceptional risk to the state.
- At the request of the seller, and in accordance with Government Code section 15854.1, the State agrees to pay the purchase price of the Property in two separate payments, which will be memorialized in a promissory note.
- Consistent with the existing lease agreement between CalFire and the seller, CalFire will continue to maintain three fire access roads on the seller's larger parcel for no less than 15 years.
- CalFire will install a fence around the Property's boundary that will adjoin the seller's larger parcel.
- CalFire is not aware of any lawsuits pending concerning the Property.
- The proposed site meets the physical and location requirements of CalFire.
- There are no historic issues and no implied dedication associated with this Property.
- There is no relocation assistance involved with this project.
- The proposed acquisition is consistent with the State's planning priorities in accordance with Section 65041 et. seq., of the Government Code. State ownership of this Property will allow CalFire to better serve and continue to protect the state's properties and natural resources.

Staff Recommendation: Authorize acquisition.

ACTION ITEMS

ACTION ITEM—1

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

Consider authorizing site selection of 24 assessor’s parcels in full or in part.

Fresno and Kings County	
High Speed Rail Authority Parcel Number	Assessor Parcel Number or Property Location Description
Fresno County	
FB-10-0561	465-093-21
FB-10-0562	465-092-21
FB-10-0565	465-094-36U
FB-10-0881	465-091-36
MF-10-9041	SR-99 Adjacent to APN 504-010-16U
FB-10-0884	056-020-09S
Kings County	
FB-16-0125	014-410-004
FB-16-0126	014-410-005
FB-16-0127	014-390-003
FB-16-0128	014-390-004
FB-16-0129	014-390-007
FB-16-0130	014-390-008
FB-16-0131	014-390-009
FB-16-0132	014-390-010
FB-16-0426	014-390-001
FB-16-0427	014-390-002
FB-16-0428	014-390-005
FB-16-0429	014-390-006
FB-16-0430	014-410-006

Action Item 1 Continued	
Authority Parcel Number	Assessor Parcel Number
FB-16-0431	014-410-007
FB-16-0432	014-410-008
FB-16-0433	014-410-009
FB-16-0434	014-410-010
FB-16-0435	014-410-011

ACTION ITEMS

STAFF ANALYSIS ITEM—1

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

Action Requested

If approved, the requested action would authorize site selection of 24 assessor’s parcels in full or in part.

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, construction of a bridge over the San Joaquin River, several grade separations, two viaducts 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.

Of the six parcels to be site-selected in Fresno County, four are for roadway and sidewalk improvements related to the Tuolumne Street Bridge Construction, one is necessary to build a portion of span for the San Joaquin River viaduct, and one is necessary for the Fowler Avenue grade separation.

The eighteen parcels to be site-selected in Kings County are part of a rural residential development located east of Hanford, called Ponderosa Ranch. The neighborhood was identified in the Record of Decision (ROD) issued by the Federal Railroad Administration in 2014 as requiring mitigation measures due to the impacts to the neighborhood resulting from the close proximity of the approved HSTS route. The ROD requires that the Authority “make every effort to locate suitable replacement properties that are comparable to those currently occupied by those residents.” As a result, the Authority intends to conduct an appraisal of each of the affected properties and to provide each homeowner with an offer to purchase their property. The process is voluntary only, and will not involve a condemnation action if the property owner chooses not to sell.

Staff Recommendation: Authorize site selection of 24 assessor’s parcels in full or in part.

ACTION ITEMS

ACTION ITEM—2

**HIGH SPEED RAIL AUTHORITY (2665)
INITIAL OPERATING SEGMENT, SECTION 1
MADERA, FRESNO, AND KINGS 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. Esajian Property (Kings County)**
Authority Parcel Numbers: FB-16-0036-1 and FB-16-0037-1
Assessor Parcel Numbers: 002-200-039 and 002-200-040
- 2. Rodriguez Property (Fresno County)**
Authority Parcel Numbers: MF-10-0266-1 and MF-10-0266-2
Assessor Parcel Number: 504-105-05
- 3. Maloney Property (Madera County)**
Authority Parcel Numbers: MF-20-1169-1 and MF-20-1169-02-01
Assessor Parcel Number: 036-232-017
- 4. Gangbin Property (Madera County)**
Authority Parcel Numbers: MF-20-1193-1 and MF-20-1193-01-01
Assessor Parcel Number: 036-280-004

5. **Ruiz Property (Madera County)**
 Authority Parcel Numbers: MF-20-1220-1, MF-20-1220-2, and MF-20-1220-01-01
 Assessor Parcel Number: 037-010-032

6. **Carter Property 1 (Fresno County)**
 Authority Parcel Numbers: FB-10-0477-1, FB-10-0477-2, FB-10-0477-3, and
 FB-10-0477-4
 Assessor Parcel Number: 056-030-58S

7. **Carter Property 2 (Fresno County)**
 Authority Parcel Numbers: FB-10-0476-1, FB-10-0476-3, FB-10-0476-7, and
 FB-10-0476-8
 Assessor Parcel Number: 056-030-55S

8. **Iacobellis Property (Fresno County)**
 Authority Parcel Numbers: MF-10-0285-1 and MF-10-0285-2
 Assessor Parcel Number: 510-090-67 (formerly designated as 510-090-45)

9. **Center Point Property (Madera County)**
 Authority Parcel Numbers: MF-20-0921-1, MF-20-0922-1, MF-20-0922-2,
 MF-20-0922-3, MF-20-0923-1, MF-20-0923-2, MF-20-0925-1, MF-20-0929-1,
 MF-20-0929-2, MF-20-0929-01-01, MF-20-1043-1, MF-20-1044-1, MF-20-1044-2,
 MF-20-1045-1, and MF-20-1045-2
 Assessor Parcel Numbers: 047-132-010, 047-133-015, 047-133-016, 047-132-001,
 047-132-002, 047-132-003, 047-132-004, 047-132-005, 047-132-008, 047-132-009,
 047-132-011, 047-132-012, 047-132-013, 047-132-017, 047-132-018, 047-132-019,
 047-131-028, 047-131-029, 047-131-030, 047-131-032, 047-131-033, 047-131-034,
 047-131-035, 047-131-036 and 047-131-031 (formerly designated as 047-130-030,
 047-130-029, 047-130-028, 047-130-027, and 047-130-026)

ACTION ITEMS

STAFF ANALYSIS ITEM—2

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

Action Requested

Adopt ten Resolutions of Necessity authorizing the use of eminent domain to acquire properties in Madera, Fresno and Kings counties, totaling approximately 54 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 May 2016 and August 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 September 22, 2016, September 26, 2016, and September 27, 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. Esajian Property (Kings County)

Authority Parcel Numbers: FB-16-0036-1 and FB-16-0037-1

Assessor Parcel Numbers: 002-200-039 and 002-200-040

Partial Acquisition: Approximately 5.79 acres in fee

This property will be needed for street improvements to the Dover Avenue and 8th Avenue intersection and for the construction of the Dover Avenue grade separation.

2. Rodriguez Property (Fresno County)

Authority Parcel Numbers: MF-10-0266-1 and MF-10-0266-2

Assessor Parcel Number: 504-105-05

Partial Acquisition: Approximately 0.15 acre total (0.02 acre in fee and 0.13 acre in easement)

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

3. Maloney Property (Madera County)

Authority Parcel Numbers: MF-20-1169-1 and MF-20-1169-02-01

Assessor Parcel Number: 036-232-017

Full Acquisition: Approximately 0.62 acre in fee

This property will be needed for the construction of the HSTS between Avenue 18 ½ and Road 27.

4. Gangbin Property (Madera County)

Authority Parcel Numbers: MF-20-1193-1 and MF-20-1193-01-01

Assessor Parcel Number: 036-280-004

Full Acquisition: Approximately 1.79 acres in fee

This property will be needed for the construction of the Road 27 grade separation.

5. Ruiz Property (Madera County)

Authority Parcel Numbers: MF-20-1220-1, MF-20-1220-2, and MF-20-1220-01-01

Assessor Parcel Number: 037-010-032

Full Acquisition: Approximately 0.54 acre in fee

This property will be needed for the construction of the HSTS adjacent to Avenue 17.

6. Carter Property 1 (Fresno County)
Authority Parcel Numbers: FB-10-0477-1, FB-10-0477-2, FB-10-0477-3, and FB-10-0477-4
Assessor Parcel Number: 056-030-58S
Partial Acquisition: Approximately 6.93 acres total (5.55 acres in fee and 1.38 acres in easement)

This property will be needed for the construction HSTS adjacent to E. Davis Avenue and for the E. Davis Avenue grade separation.

7. Carter Property 2 (Fresno County)
Authority Parcel Numbers: FB-10-0476-1, FB-10-0476-3, FB-10-0476-7, and FB-10-0476-8
Assessor Parcel Number: 056-030-55S
Partial Acquisition: Approximately 9.09 acres total (8.01 acres in fee and 1.08 acres in easement)

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

8. Iacobellis Property (Fresno County)
Authority Parcel Numbers: MF-10-0285-1 and MF-10-0285-2
Assessor Parcel Number: 510-090-67 (formerly designated as 510-090-45)
Partial Acquisition: Approximately 0.07 acre total (0.06 acre in fee and 0.01 acre in easement)

This property will be needed for an adequate turning radius to the driveway entrance for a common access easement.

9. Center Point Property (Madera County)
Authority Parcel Numbers: MF-20-0921-1, MF-20-0922-1, MF-20-0922-2, MF-20-0922-3, MF-20-0923-1, MF-20-0923-2, MF-20-0925-1, MF-20-0929-1, MF-20-0929-2, MF-20-0929-01-01, MF-20-1043-1, MF-20-1044-1, MF-20-1044-2, MF-20-1045-1, and MF-20-1045-2
Assessor Parcel Numbers: 047-132-010, 047-133-015, 047-133-016, 047-132-001, 047-132-002, 047-132-003, 047-132-004, 047-132-005, 047-132-008, 047-132-009, 047-132-011, 047-132-012, 047-132-013, 047-132-017, 047-132-018, 047-132-019, 047-131-028, 047-131-029, 047-131-030, 047-131-032, 047-131-033, 047-131-034, 047-131-035, 047-131-036 and 047-131-031 (formerly designated as 047-130-030, 047-130-029, 047-130-028, 047-130-027, and 047-130-026)
Partial Acquisition: Approximately 19.32 acres total (14.99 acres in fee and 4.33 acres in easement)

This property will be needed for the construction of the HSTS between Avenue 12 and Avenue 11 and for the construction of the Avenue 11 grade separation.

Staff Recommendation: Adopt nine Resolutions of Necessity authorizing the use of eminent domain to acquire properties totaling approximately 54 acres.

ACTION ITEMS

ACTION ITEM—3

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

Consider approving a Purchase and Sales Agreement for the acquisition of four Burlington Northern Santa Fe (BNSF) parcels within Construction Package 1 (CP1).

High Speed Rail Authority Parcel Number	Assessor Parcel Number or Property Location Description
FB-10-0238-1	487-140-22U
FB-10-0238-2	487-140-22U
FB-10-0238-3	487-140-22U
MF-20-1022-1	Westerly 100 ft. of BNSF between Ave 15 3/4 and Ave 15 1/2

ACTION ITEMS

STAFF ANALYSIS ITEM—3

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

Action Requested

If approved, the requested action would approve a Purchase and Sales Agreement for the acquisition of four BNSF Railway parcels within Construction Package 1 (CP1) of the High Speed Train System.

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.

CEQA

In order to choose the HSTS preferred alignment and identify the parcels to be acquired, the Authority, in accordance with CEQA and the National Environmental Protection Act (NEPA), has completed and certified both a Program level and Project level Environmental Impact Report/Environmental Impact Statement (EIR/EIS). The parcels subject to this Easement Acquisition Agreement are within either the Merced to Fresno or Fresno to Bakersfield design segment. For these two design segments, the CEQA and NEPA processes were completed in 2012 and 2014, respectively.

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 Purchase and Sales Agreement (Agreement) between BNSF Railway 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.

The four BNSF parcels that are the subject of this action are needed for the construction of overpasses and the HSTS in the County of Madera and the City of Fresno. The four parcels are located within CP1, and are valued at \$127,404. It is anticipated that similar Agreements will be presented for Board approval at a later date for the acquisition of BNSF Railway parcels within CP2/3 and CP4.

Staff Recommendation: Approve a Purchase and Sales Agreement for four BNSF Railway parcels within Construction Package 1.

OTHER BUSINESS

Consider authorizing an agreement with Stradling Yocca Carlson and Rauth, a Professional Corporation, for legal advice and services

This action will authorize an agreement with the firm Stradling Yocca Carlson and Rauth, a Professional Corporation to provide legal advice and services in connection with the Board's lease revenue bond program from October 1, 2016 through September 30, 2019.

Staff Recommendation: Authorize an agreement with Stradling Yocca Carlson and Rauth, a Professional Corporation for legal advice and services.