

**STATE PUBLIC WORKS BOARD**

915 L Street, Ninth Floor  
Sacramento, CA 95814-3701  
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**STATE PUBLIC WORKS BOARD**

February 19, 1999

**MINUTES****PRESENT:**

Dennis Hordyk, Assistant Director, Department of Finance  
Cliff Allenby, Interim Director, Department of General Services  
James Roberts, Chief Deputy Director, Department of Transportation  
Barbara Lloyd, Deputy Treasurer, Treasurer's Office

**ABSENT:**

Barrett McInerney, State Controllers Office

**ADVISORY MEMBER:**

Director, Employment Development Department

**LEGISLATIVE ADVISORS:**

Assembly Member Kevin Shelley  
Assembly Member Dean Florez  
Assembly Member  
Senator Richard G. Polanco  
Senator  
Senator

**STAFF PRESENT:**

James E. Tilton, Administrative Secretary, State Public Works Board  
Peggy Palmertree, Executive Secretary, State Public Works Board

**OTHERS PRESENT:**

Liz Steller, Department of General Services, RESD  
Steven Keck, California Department of Forestry and Fire Protection  
Dale Prawalsky, Department of General Services, RESD  
Darlene Maston, California Department of Corrections

**CALL TO ORDER AND ROLL CALL:**

The meeting was called to order by Mr. Dennis Hordyk, Chairperson, Assistant Director, Department of Finance at 10:01 a.m. Mr. James E. Tilton, Administrative Secretary for the State Public Works Board called the roll. A quorum was established.

**APPROVAL OF MINUTES:**

Mr. Tilton reported staff had reviewed the January 15, 1999 minutes and believed them to accurately reflect the Board's proceedings at the meeting and recommended approval.

**Hearing no objections, the minutes of January 15, 1999 was unanimously approved.**

**BOND ISSUES:**

Mr. Tilton reported that there was one bond item which the Board had taken prior action on to authorize various series for refundings.

Mr. Tilton indicated that the State Treasurers Office had recently notified staff that they were reviewing refunding opportunities for the following candidates:

California Community Colleges	Series 1992A, 1993A, 1994A
California State University	Series 1990A, 1994A, 1995A
University of California	Series 1992A, 1994A
Department of Corrections	Series 1993B, 1993D
Franchise Tax Board	Series 1991A
Library and Courts Annex Building Complex	Series 1993A

Mr. Tilton noted that it is the Board's practice to proceed with refinancings which produce at least a three percent net present value savings over the original financings and in some instances this requirement is waived for a portion of the maturities within an issue. The issues proposed for refinancing will meet this general criteria at the time of financing or the State Treasurer will defer sale until market conditions are more favorable.

Mr. Tilton reported that recent discussions with bond counsel indicate the need to update the form of the Preliminary and Official Statement to reflect recent changes in the State's audited financial statements of June 30, 1998. Mr. Tilton also reported that the proposed resolution would authorize the requisite change in the form of these documents as well as amendments to equipment leases and standard language for the Administrative Secretary to take necessary action related to the bond sale.

Mr. Tilton noted that staff recommends approval of the resolution.

**A motion was made by Mr. Allenby and seconded by Ms. Lloyd to approve Agenda Item #1 of the bonds calendar. The motion was unanimously adopted by a 4-0 vote.**

**CONSENT CALENDAR:**

Mr. Tilton noted that the consent calendar included Items #2 through #9.

Mr. Tilton indicated that the consent calendar proposed two requests to approve resolutions, two requests for approval of preliminary plans, one request to recognize anticipated deficit for construction, three requests to recognize scope change, and one request to approve an augmentation.

Mr. Tilton reported that there were four 20-day notification letters to the Legislature. The first a scope change for \$2,654,000 for the Department of Developmental Services, for security improvements, the second scope change for the Department of Corrections for a statewide Electrified Fence Habitat Conservation Plan, multiple locations, the third a scope change for

the California State University, Fresno-Events Center, and the fourth an augmentation for Department of Veteran's Affairs, Veterans Home of California, Yountville, to remodel the main kitchen and food service. There were no negative responses to the letters and the 20-day period expired.

Mr. Tilton noted that staff recommends approval of the consent calendar, Items #2 through #9.

**A motion was made by Mr. Allenby, and Seconded by Mr. Roberts to adopt the consent calendar and to approve Agenda Items #2 through #9. The consent calendar was adopted by a 4-0 vote.**

**ACTION ITEMS:**

Mr. Tilton reported there were no action items.

**REPORTABLES:**

Mr. Tilton indicated there were eight reportables.

**OTHER BUSINESS:**

Mr. Tilton noted there was no other business.

**NEXT MEETING:**

Mr. Tilton noted that the next PWB meeting is set for March 12, 1999 at 10:00 a.m.

Having no further business, the meeting was adjourned at 10:05 a.m.

## **BOND ITEMS**

### **BOND – ITEM 1**

#### **REFUNDING LEASE REVENUE BONDS VARIOUS**

**a. Adopt a resolution to include the following:**

- 1) Approve a new form of and authorize the execution and delivery of one or more Preliminary Official Statements and Official Statements for refunding bonds authorized on March 13, 1998 and on October 9, 1998. The form of these documents shall be consistent with the State Public Works Board Official Statement dated November 1, 1998 for the refunding of the Department of Corrections 1998 Series C as modified to include information with respect to the State's audited financial statements dated June 30, 1998.

**APPROVED.**

## BOND ITEMS

### STAFF ANALYSIS – ITEM 1 Refunding Lease Revenue Bonds, Various

The Board took prior action on March 13, 1998, and on October 9, 1998, to authorize various series for refunding. The current resolutions authorize the State Treasurer's Office (STO) to evaluate the approved refunding candidates for refunding opportunities from time to time. The STO has recently notified staff that it is reviewing refunding opportunities for the following candidates:

- California Community Colleges Series 1992A, 1993A, 1994A
- California State University Colleges Series 1990A, 1994A, 1995A
- California Department of Corrections Series 1993B, 1993D
- University of California Series 1992A, 1994A
- Franchise Tax Board Series 1991A
- Library and Courts Annex Building Complex Series 1993A

It is the Board's practice to proceed with refinancings which produce at least a three percent net present value savings over the original financings. In some instances, this requirement is waived for a portion of the maturities within an issue if the balance of the maturities merit refinancing and it makes sense to refinance the entire issue. The issues proposed for refinancing will meet this general criteria at the time of financing, or the State Treasurer will defer sale until market conditions are more favorable.

Recent discussions with bond counsel indicate the need to update the form of the Preliminary and Official Statement to reflect recent changes in the State's audited financial statements of June 30, 1998. The proposed resolution would authorize the requisite change in the form of these documents.

**Staff Recommendation: Approve resolution.**

## **CONSENT ITEMS**

### **CONSENT – ITEM 2**

**DEPARTMENT OF GENERAL SERVICES (1760)  
REAL ESTATE SERVICES DIVISION  
DEPARTMENT OF JUSTICE (0820)  
ENCINO, LOS ANGELES COUNTY  
Sale of Surplus Land**

*Authority: Chapter 784/97*

**a. Approve resolution**

**APPROVED.**

## CONSENT ITEMS

### STAFF ANALYSIS – ITEM 2

Department of General Services, Real Estate Services Division  
Department of Justice, Sale of Surplus Land

#### Action Requested

**The requested action will adopt a resolution to approve the conveyance by the Director of General Services of certain unimproved surplus State-owned property located on Hayvenhurst Drive, Encino, County of Los Angeles.**

#### Scope Description

**This project is within scope.** The Department of General Services (DGS) has legislative authority to dispose of surplus State property as identified by specific departments. The Department of Justice determined that the property on Hayvenhurst Drive, Encino is no longer required by the Department. The Real Estate Services Division marketed subject property, held a sealed bid opening November 4 1998, and negotiated a final agreement with the successful bidder (buyer).

RESA recommends approval of this transaction.

#### Funding and Project Cost Verification

**This project is within cost.**

#### CEQA

N/A

**Staff Recommendation: Approve resolution.**

## **CONSENT ITEMS**

### **CONSENT – ITEM 3**

**DEPARTMENT OF GENERAL SERVICES (1760)**  
**REAL ESTATE SERVICES DIVISION**  
**DEPARTMENT OF FISH AND GAME (3600)**  
**SOLANO COUNTY**  
Sale of Surplus Land

*Authority: Chapter 620/89*

**a. Approve resolution**

**APPROVED.**

## CONSENT ITEMS

### STAFF ANALYSIS – ITEM 3

Department of General Services, Real Estate Services Division  
Department of Fish and Game, Sale of Surplus Land

#### Action Requested

**The requested action will adopt a resolution to approve the conveyance by the Director of General Services of certain unimproved surplus State-owned property located in Solano County.**

#### Scope Description

**This project is within scope.** The Department of General Services (DGS) has legislative authority to dispose of surplus State property as identified by specific departments. The Department of Fish and Game determined that this subject property located in Solano County is no longer required by the Department. The Real Estate Services Division was unsuccessful in marketing this 1.0 acre parcel as it is partially submerged in a drainage canal. Due to its topography and heavy vegetation, it is virtually unusable and is therefore being sold to the adjoining property owner for a nominal price.

RESA recommends approval of this transaction.

#### Funding and Project Cost Verification

**This project is within cost.**

#### CEQA

N/A

**Staff Recommendation: Approve resolution.**

## **CONSENT ITEMS**

### **CONSENT – ITEM 4**

**DEPARTMENT OF GENERAL SERVICES (1760)**

**ENERGY ASSESSMENTS**

**DEPARTMENT OF CORRECTIONS (5240)**

**WASCO STATE PRISON, KERN COUNTY**

Energy Service Contract #5363.01

*Authority: Governmental Code Section 15814.12*

**a. Approve preliminary plans**

**APPROVED.**

## CONSENT ITEMS

### STAFF ANALYSIS – ITEM 4

Department of General Services, Energy Assessments, Department of Corrections  
Wasco State Prison

#### Action Requested

**The requested action will provide approval of preliminary plans for this project and release of working drawing funds.**

#### Scope Description

**The project is within scope.** Wasco State Prison will purchase and install a new electric substation and consolidate electrical services for the prison. The new equipment will be installed within facilities owned and operated by Wasco State Prison.

#### Funding and Project Cost Verification

**The project is within cost.**

\$1,638,000 total estimated project cost

\$389,000 project costs previously allocated: preliminary plans

\$157,000 to be allocated for working drawings: A&E \$68,000 and other project costs \$89,000

\$1,092,000 to be allocated for construction \$982,000 (\$935,000 contract, \$47,000 contingency); \$78,000 A&E, and other project costs \$32,000

#### CEQA

N/A

#### Project Schedule Summary

The project is behind schedule because of lengthy negotiations with PG&E regarding the interconnect fee.

Approve working drawings: June 1999

Complete construction: December 2000

**Staff Recommendation: Approve preliminary plans and release of working drawing funds.**

## CONSENT ITEMS

### CONSENT – ITEM 5

**DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540)  
STATEWIDE CONSTRUCT TELECOMMUNICATION TOWERS  
AND VAULTS PHASE 2**

Construct Telecommunication Towers and Vaults

*Authority: Chapter 324/98, Item 3540-301-0001(32)*

- a. **Approve preliminary plans**
- b. **Recognize anticipated deficit for construction** **\$164,000**  
**(2.4%)**

**APPROVED.**

## CONSENT ITEMS

### STAFF ANALYSIS – ITEM 5

Department of Forestry and Fire Protection, Statewide Communication  
Towers and Vaults Phase 2

Action Requested

**The requested action will approve preliminary plans and release of working drawing funds for this project, and recognize anticipated deficit.**

Scope Description

**This project is within scope.** The Department of Forestry and Fire Protection’s Communication Towers and Vaults, Phase 2 program includes improvements to nine sites located throughout the State. The project includes seven new galvanized steel towers ranging in height from 120 to 160 feet, depending on location. There will be nine new concrete block radio equipment vaults to house new analog and digital communication equipment. Nine new emergency generators, ranging in size from 30 kW to 60 kW, will be added to the communication sites.

Funding and Project Cost Verification

**This project is not within cost.** The Department is requesting that the Board recognize an anticipated deficit. Based on completed preliminary plans, the project has savings of \$54,000 within the preliminary plans, \$111,000 within working drawings, and a cost increase of \$164,000 in the construction phase. The future estimated construction amount is \$8,720,000 (2.4 percent over the estimate per the COBCP).

\$9,147,000 total estimated project cost

\$194,000 previously allocated for preliminary plans

\$8,953,000 to be allocated: working drawings \$233,000; and construction \$8,720,000 (\$6,436,000 contract, \$451,000 contingency, \$533,000 A&E, and \$1,300,000 agency retained items)

### CEQA

A Notice of Exemptions were filed with the State Clearinghouse March 1, 1996 and August 6, 1998 and the waiting periods expired April 1, 1996 and September 5, 1996. A Notice of Determination were filed with the State Clearinghouse on September 24, 1996 and January 14, 1997 and the waiting periods expired on October 24, 1996 and February 13, 1997.

### Project Schedule

**The project schedule is as follows:**

Approve working drawings:	July 1999
Complete construction:	January 2002

**Staff Recommendation: Approve preliminary plans and release of working drawing funds, and recognize anticipated deficit.**

## **CONSENT ITEMS**

### **CONSENT – ITEM 6**

**DEPARTMENT OF DEVELOPMENTAL SERVICES  
PORTERVILLE DEVELOPMENTAL CENTER, TULARE COUNTY**  
Security Improvements Phase II

*Authority Chapter 324/98, Item 4300-301-0001(3.5)*

**a. Recognize scope change**

**APPROVED.**

## CONSENT ITEMS

### STAFF ANALYSIS – ITEM 6

Department of Developmental Services, Porterville Developmental Center,  
Security Improvements Phase II

#### Action requested

**The requested action will recognize a scope change.**

#### Scope Description

**This project is not within scope.** During the course of preliminary planning, it was determined that the electronic security control (PBX) system currently located in the Administration building should be upgraded and combined with the new sallyport/guardhouse to provide a consolidated single point location for security controls. DDS has also requested the scope be modified to delete the upgrade to the yard personal alarm system in Units 13 through 18 due to conflicts in the radio frequency system. Measures will be taken to mitigate any security risks involved in this modification. A 20-day notification was sent to the Legislature on January 20, 1999.

#### Funding and Cost Verification

**This project is within cost.**

\$2,654,000 total estimated project cost

\$122,000 previously allocated for preliminary plans

\$2,532,000 to be allocated: working drawings \$145,000, construction \$2,387,000 (contracts \$2,041,000, contingency \$143,000, A& E \$203,000) at CCCI

#### CEQA

A Notice of Exemption was filed on November 10, 1998 and the waiting period expired on

#### Project Schedule

**The project schedule is as follows:**

Approve working drawings: June 1999

Complete construction: June 2000

**Staff Recommendation: Recognize scope change.**

## **CONSENT ITEMS**

### **CONSENT – ITEM 7**

**DEPARTMENT OF CORRECTIONS (5240)**  
**STATEWIDE ELECTRIFIED FENCE HABITAT CONSERVATION PLAN**  
Multiple Locations

*Authority: Chapter 324/98, Item 5240-302-0001(1)(11)(61.01.760-61.01.770)*

**a. Recognize scope change**

**APPROVED.**

## CONSENT ITEMS

### STAFF ANALYSIS – ITEM 7

Department of Corrections, Statewide Electrified Fence Habitat Conservation Plan  
Multiple Locations

#### Action Requested

**The requested action will recognize a scope change.**

#### Scope Description

**This project is not within scope.** The Budget Act of 1998 appropriated \$3,308,000 to implement the HCP, as submitted by the California Department of Corrections (CDC) to the United States Fish and Wildlife Service (USFWS) and the California Department of Fish and Game (CDFG). The project will mitigate impacts resulting from the installation of electrified fences at various institution locations.

As a result of recent negotiations between the CDC, USFWS, and the CDFG, the mitigation opportunities proposed in the original HCP have changed. Those changes reflect refined mitigation cost estimates and project replacements. In accordance with the Budget Act (Item 5240-302-0001, Provision 3), the Department of Finance submitted a scope change letter to inform the Legislature of these updates on January 8, 1999. The Committees have 30 days to respond back to the DOF, otherwise, the provision stipulated in the Budget Act provides the State Public Works Board the necessary authorization to approve any changes in the HCP. The 30 days expired on February 8, 1999. Both USFWS and CDFG have indicated that they are in agreement with the revised mitigation opportunities.

#### Funding and Project Cost Verification

**This project is within cost.**

#### CEQA

N/A

**Staff Recommendation: Recognize scope change.**

## CONSENT ITEMS

### CONSENT – ITEM 8

**CALIFORNIA STATE UNIVERSITY (6610)**  
**FRESNO CAMPUS, FRESNO COUNTY**  
Fresno Event Center

*Authority: Chapter 324/98, Item 6610-302,0001*

**a. Recognize scope change**

**APPROVED.**

## CONSENT ITEMS

### STAFF ANALYSIS – ITEM 8

California State University, Fresno, Event Center

Action Requested

**The requested action will recognize a scope change.**

Scope Description

**This project is not within scope.** The 1998 budget provides \$4,000,000 for a feasibility study of an environmental impact report on and the design of the Events Center. Supplemental Language stipulates that the appropriation is for planning and feasibility funds to construct an on-campus multipurpose event center (15,000 to 18,000 seats) that would provide a venue for athletic events, concerts, family shows, commencement, and other commercial and academic events. The language also states that these funds will be used to conduct various studies and procure services such as project management, completion of an environmental impact report (EIR), financial feasibility, completion of preliminary plans by the concept architect, and completion of 50 percent of the working drawings by the design-build team.

The requested scope change would provide for all the necessary studies and related services to determine the project's feasibility but would not include preparation of preliminaries or 50 percent of the working drawings. This scope would provide the University with the ability to complete the necessary feasibility, programming, and conceptual design activities so that they may reach a point where preliminary plans and working drawings can be completed with nonstate funds and corporate sponsorship fees. A 20-day letter was sent to the Legislature on November 20, 1998. The issues identified by the Legislature have been addressed and confirmed in a letter dated January 14, 1999.

Funding and Project Cost Verification

**This project is within cost.**

\$4,000,000 total project cost

\$4,000,000 to be allocated: feasibility study

CEQA

An Environmental Impact Report will be done as part of this planning and feasibility phase.

Project Schedule

**The project schedule is as follows:**

N/A

**Staff Recommendation: Recognize scope change.**

## CONSENT ITEMS

### CONSENT – ITEM 9

**DEPARTMENT OF VETERANS AFFAIRS (8950)**  
**VETERANS HOME OF CALIFORNIA, YOUNTVILLE (8960)**  
Remodel Main Kitchen and Food Service

*Authority:* 1995 Budget Act, Item 8960-301-001(4)  
1995 Budget Act, Item 8960-301-890(1)  
1992 Budget Act, Item 1970-301-036(4)  
1987 Budget Act, Item 1970-301-036(11)

<b>a. Approve augmentation</b>	<b>\$571,000</b> <b>(15.7%)</b>
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**APPROVED.**

## CONSENT ITEMS

### STAFF ANALYSIS – ITEM 9

Department of Veterans Affairs, Veterans Home of California,  
Yountville, Remodel Main Kitchen and Food Service

Action Requested

**The requested action will provide approval for augmentation of construction funds for this project.**

Scope Description

**This project is within scope.** This project is renovating the main kitchen, built in 1944, and the Holderman Hospital kitchen, built in 1931, to upgrade the food service system from “cook-serve” to “cook-chill”. Construction consists of new partitions, ceilings, flooring, doors, frames, plumbing, fire protection alarms and sprinklers, electrical, heating and cooling systems, and new kitchen equipment.

Funding and Project Cost Verification

**This project is not within cost.**

\$11,472,000 total estimated project cost

\$10,901,000 project costs previously allocated: study \$135,000; preliminary plans \$129,000; working drawings \$481,000; construction \$10,156,000 (\$7,405,000 contract, \$529,000 contingency, \$1,175,000 A&E costs, \$1,047,000 equipment)

\$571,000 proposed funding necessary: construction (\$331,000 contract, \$240,000 A&E costs)

A 20-day letter was sent to the Legislature on January 20, 1999. The 20 day review period expired on February 9, 1999.

CEQA

Notice of Exemption was filed January 25, 1996 and the waiting period has expired.

Project Schedule

The project schedule for completion of construction has been delayed six months. **The project schedule is as follows:**

Approve working drawings:	June 1999
Complete construction:	February 1999

**Staff Recommendation: Approve augmentation.**

## **ACTION ITEMS**

### **ACTION – ITEM**

No action items.

## **OTHER BUSINESS**

No other business.

## **REPORTABLES**

To be presented at meeting.

Date:

Respectfully Submitted,

JAMES E. TILTON  
Administrative Secretary