



CALIFORNIA STATE  
**PUBLIC WORKS BOARD**

GRAY DAVIS, GOVERNOR

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STATE PUBLIC WORKS BOARD

May 3, 2002

**MINUTES**

**PRESENT:**

Ms. Annette Porini, Chief Deputy Director, Department of Finance  
Mr. Dennis Dunne, Chief Deputy Director, Department of General Services  
Mr. Bob Garcia, Chief Financial Officer, Department of Transportation

**ADVISORY MEMBER:**

Director, Employment Development Department

**LEGISLATIVE ADVISORS:**

Assembly Member, Darrell Steinberg  
Assembly Member Kevin Shelley  
Assembly Member Sally Havice  
Senator Richard G. Polanco  
Senator Betty Karnette  
Senator Wesley Chesbro

**STAFF PRESENT:**

James Tilton, Administrative Secretary, State Public Works Board, Department of Finance  
Jim Lombard, Principal Program Budget Analyst, Department of Finance  
Madelynn McClain, Executive Secretary, State Public Works Board  
Genevieve Frederick, Budget Analyst, Department of Finance

**OTHERS PRESENT:**

Cyndi Spita, Department of Parks and Recreation  
Kate Anderton, Save the Redwoods League  
Jerry Cochran, Assessor, Del Norte County  
Charles Blackburn, Chairman of the Board of Supervisors

**CALL TO ORDER AND ROLL CALL:**

Ms. Porini, Chairperson, Chief Deputy Director, Department of Finance at 10:00 am called the meeting to order. Mr. Tilton, Administrative Secretary for the State Public Works Board called the roll. A quorum was established.

**BOND ISSUES:**

Mr. Tilton reported that there were no bond items.

## **CONSENT CALENDAR:**

Mr. Tilton noted that the Consent Calendar covered Item #1. Department of General Services, Department of Parks and Recreation, Mill Creek. This item will authorize acquisition.

At the previous Public Works Board Meeting, the Mill Creek Item was removed from the agenda to allow negotiations on a side bar agreement related to, among other things, use and development of the property. Staff have worked with the different interested parties and have developed an agreement that we believe is acceptable to all parties.

Staff recommends approval of Consent Item #1, and authorization of the execution of the agreement between the Department of Parks and Recreation, the State Coastal Conservancy, Wildlife Conservation Board, the Department of Fish and Game, and Save the Redwoods League.

Jerry Cochran, Assessor of Del Norte County, introduced himself to the Board. Mr. Cochran was happy to report that our mitigation was very successful between the taxpayers and Save the Redwoods League and the County of Del Norte. I was just informed this morning that there was an agreement reached on Highway 101 corridor. My concern was when they decide to put a 4-lane highway through Del Norte County that we would not be able to get to the state park. We wanted to make sure that provision was in the agreement, even though Del Norte County was not included in that. We are still worried about our access to and from the 25,000 acres and whether or not that would be open to the public. This is one thing that my Board wanted to make certain that the public could access the 25,000 acres.

Mr. Charles Blackburn, Chairman of the Board of Supervisors, introduced himself. The current the highway that we have, the State has spent millions of dollars to keep, what we call a "last chance slide" area open. They have not spent that much money on the actual slide. We have tremendous rainfalls in our area. In fact, 1972-73 rainfall year (July 1-June 30), last chance slide area went out seriously and was the 2<sup>nd</sup> highest rainfall in the county. Half the highway disappeared and took a Crescent City family with it. It has been a major issue every winter, the potential of that slide going out by either earthquake or underground water created by some of these massive rain years. The rainfall totals for 1994-1999 were just unbelievably high, with a high 170 inches in 1997. Our roads have to tolerate this kind of weather. Our biggest fear has always been, when is this slide area going to go. We have been fortunate so far, but when it does go, it cuts off our whole source of transportation to Humboldt County and south. This is a serious issue in our county. We would like to have a corridor available. In the short term it would be an emergency situation, and in the long term where Cal Trans is actually going to put the highway back behind the bluff. It is important now that this issue be etched in stone so that when we run into this issue in a later situation, we don't have to jump through hoops. This area is quite serious and we wanted to bring this to your attention. We want to make sure that we can work with Cal Trans to avoid this situation in the future.

Ms. Porini thanked him for his comments and would like to note to Mr. Cochran that this property is designated to be a park. It is for the restoration of habitat, the salmon habitat, and park activities that are compatible with that and will go through the general planning process that all state parks go through. That may help to resolve the concern you have about whether this property will be accessible to the public. Mr. Cochran replied that he wanted to make sure that Del Norte County is a large participant in that planning process. We have not been included in this process up to this point. Ms. Porini noted that the whole general planning process is a public process.

Mr. Garcia wanted to clarify the agreement on the potential highway realignment issue. I know this is part of the reason why the item was pulled from the meeting last time. What was the final agreement that was reached on this issue? Mr. Tilton replied that the concerns we had is to

make sure that this agreement didn't preempt any solutions to the highway. The agreement actually specifies there will be property set aside to allow for this highway realignment. In addition, the agreement allows for other public uses that may come up in the future as long as they are not inconsistent with the goal of setting up the park. The actual solution is not in the agreement in terms of where the highway goes. Our concern was to make sure that there was nothing in the agreement to prevent a solution to the highway. This issue is there so that it wouldn't prevent Cal Trans from finding a way to solve that problem. There are other public uses of the property as long as they don't detract from the primary goal of this acquisition.

Ms. Kate Anderton, Executive Director, Save the Redwoods League, introduced herself. To amplify in response to the comments made by representatives of the county, I want to assure you, that not only are the County's interests to the highway being met and addressed and a commitment by the League's part to see that it remain open as is reflected in this agreement. Also, in terms of access into the property, we are in the process of completing an interim management plan to assist Parks in getting the property open at the earliest time to the public by completing a planning process before the transfer of the property. We have notified the County of that and they have a representative participating in that process. We are looking forward to continuing working with them in the future.

**A motion was made by Mr. Dunne, and by Seconded Mr. Garcia to adopt the Consent Calendar, and to approve Agenda Item #1.**

**The consent calendar was adopted by a 3-0 vote.**

**ACTION ITEMS:**

Mr. Tilton noted that there were no Action Items.

**OTHER BUSINESS:**

Mr. Tilton noted that there were no items of other business.

**REPORTABLES:**

Mr. Tilton indicated there were no reportables.

**NEXT MEETING:**

Mr. Tilton noted that the next PWB meeting is scheduled for Friday, May 10, 2002, at 10:00 am in Room 112.

Having no further business, the meeting was adjourned at 10:15 a.m.

# **BOND ITEMS**

## **BOND – ITEM**

No Bond Items.

# **BOND ITEMS**

## **STAFF ANALYSIS – ITEM**

No Bond Items.

## CONSENT ITEMS

### CONSENT – ITEM 1

DEPARTMENT OF GENERAL SERVICES (1760)  
DEPARTMENT OF PARKS AND RECREATION (3790)  
MILL CREEK, DEL NORTE COUNTY  
DPR Project A37000, DGS Parcel 10086

*Authority: Chapter 106/01, Item 3790-301-0005(29)*  
*Chapter 106/01, Item 3600-301-6018(1)*  
*Chapter 106/01, Item 3760-301-0005(3)*  
*Chapter 52/00, Item 3640-302-0001*

a. **Authorize acquisition consistent with staff analysis**

**APPROVED.**

## CONSENT ITEMS

### STAFF ANALYSIS – ITEM 1

Department of General Services  
Department of Parks and Recreation  
Mill Creek Project, Del Norte County

#### Action requested

**The requested action will authorize acquisition consistent with staff analysis.**

#### Scope Description

**This project is within scope.** This project provides for the acquisition of approximately 25,000 acres adjacent to Jedediah Smith Redwoods State Park to the north and adjacent to Del Norte Coast Redwoods State Park to the south. The purpose of the acquisition is to provide public access and habitat protection in Del Norte County.

#### Funding and Cost Verification

**This project is within cost.** Save the Redwoods League (SRL) has entered into a purchase option agreement with the property owner to acquire the property. SRL will assign the purchase option to the Department of Parks and Recreation (DPR) and will provide private donations for a portion of the purchase price. The Federal government has allocated grant funds through the U.S. Fish and Wildlife Service toward this acquisition. The property can be acquired in accordance with Legislative intent by supplementing the private donations plus the Federal contribution with funds from Chapter 52, Budget Act of 2000, Item 3640-302-0001 and from Chapter 106, Budget Act of 2001, Items 3600-301-6018(1), 3760-301-0005(3), and 3790-301-0005(29).

#### CEQA

A Notice of Exemption was filed with the State Clearinghouse on October 4, 2001, and the waiting period expired on November 8, 2001.

## Project Schedule

### **The project schedule is as follows:**

The anticipated close of escrow is June 2002.

## Condition of Property

Staff of the RESD Environmental Services Section conducted a site visit to this property during site selection. ESS staff have also reviewed a substantial file of information on the condition of the Mill Creek property, including a Preliminary Site Assessment, Phase I, and various reports on the investigation and remediation of previous industrial areas within the property. Staff believe all of these materials and assessments have been professionally prepared to the standards for due diligence. ESS staff have also consulted with representatives of the North Coast Regional Water Quality Board concerning the measures needed to finalize abatement of all known hazardous conditions on the property. While acquisition of this property will require post-escrow monitoring, ESS staff conclude that the property has no known hazards that have not been disclosed in these reports, that any known hazardous conditions have been remediated and/or are in the process of being remediated, and that adequate disclosure of the remaining structures on the property has been provided by the owner/agent.

Based on the findings in the materials provided by the owner/agent, consultation with the Regional Board, and final disclosure agreements that will be prepared by the purchasing state agency, ESS staff recommend approval of site acquisition.

## Other

- The purchase price will not exceed the fair market value established by a Department of General Services (DGS) approved appraisal.
- On March 8, 2002, the County of Del Norte, the Property Owner and the Save the Redwoods League resolved all issues regarding the county's impending loss of taxation revenue related to timber yield and property tax associated with the property being put into public ownership.
- The proposed acquisition will include over 100 miles of logging roads, which are currently in good to excellent condition and will require ongoing maintenance for ongoing access and fire response. The road system currently costs \$200,000 annually to maintain.
- Additional operating costs may be incurred for security purposes to protect the property from vandalism, poaching, timber theft, etc. Requests for future staffing, operating and maintenance costs will be considered through the normal budget process. Operating costs may include on-going silvicultural responsibilities (thinning, vegetation control, insect infestations, etc.) of the second growth forests on the property.
- The property contains several former mill-related structures, including two substantial single-story buildings covering several thousand square feet, large areas of paving, and building foundations. The structures on the site are vacant and no relocation assistance will be necessary.
- All remaining structures and other improvements will be accepted in an "as is" condition. DGS staff have concluded that few, if any, of the buildings have immediate re-use capabilities because of their respective condition and the absence of a functional domestic water system. The structures on the site are vacant and no relocation assistance will be necessary. DPR plans to use the existing office for a visitor center and/ or DPR office and to restrict access to the rest of the structures by gating off road access to the mill site unless support funding becomes available. DPR anticipates that the costs to use the existing office are minimal and can be absorbed within the existing budget. If the buildings require modifications to meet existing codes and are unsuitable for use, DPR's estimated costs are probably understated.

- The property contains critical refugia for salmon and steelhead in Mill and Rock Creeks. The watershed and streams within the proposed purchase are essential to maintaining and improving North Coast salmonoid fisheries.
- The proposed 25,000-acre acquisition will include approximately 200 acres of old-growth redwoods and Douglas firs; the acquisition will secure a large acreage of second-growth redwood forest watershed situated between adjacent state and federal parks, and special protection areas. The site includes habitat for threatened and endangered species.
- The purchase agreement establishes post-acquisition abatement and monitoring responsibilities by the seller for the petroleum-contaminated areas associated with past fuel and lubricant usage at the mill. The purchase agreement also requires confirmation from the North Coast Regional Water Quality Board that all of the long-term water quality issues have been addresses, including the near-term remediation of the petroleum-contaminated areas and long-term protection against soil erosion.
- The property, especially the former mill area, presents future asset management opportunities (conservation camp, recreational facilities, equipment storage, movie production, etc.) if these uses are determined to be compatible with preservation of watershed values, old growth reserves, and endangered species habitat.
- There is no implied dedication involved with this project.
- DPR is not aware of any lawsuits pending concerning the property.
- DPR, The State Coastal Conservancy, The Wildlife Conservation Board, Save the Redwoods League, and The Department of Fish and Game have developed an agreement that controls the development and uses of this property.

**Staff Recommendation: Authorize acquisition consistent with staff analysis.**

## **ACTION ITEMS**

### **ACTION – ITEM**

No Action Items.

# **ACTION ITEMS**

## **STAFF ANALYSIS – ITEM**

No Action Items.

## **OTHER BUSINESS**

## **REPORTABLES**

**To be presented at meeting.**

Respectfully Approved,

JAMES E. TILTON  
Administrative Secretary

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