



CALIFORNIA STATE
PUBLIC WORKS BOARD

GRAY DAVIS, GOVERNOR

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STATE PUBLIC WORKS BOARD

October 10, 2003

MINUTES

PRESENT:

Ms. Shelley Mateo, Deputy Director, Department of Finance
Mr. Jeff Morales, Director, Department of Transportation
Mr. Cy Rickards, Deputy Director, Legal affairs, Department of General Services
Ms. Cindy Aronberg, Deputy Controller, State Controller's Office
Mr. Francisco Lujano, Director, Securities Management Division, State Treasurer's Office

ADVISORY MEMBER:

Director, Employment Development Department

LEGISLATIVE ADVISORS:

Assembly Member Darrell Steinberg
Assembly Member Wilma Chan
Assembly Member Fabian Nunez
Senator Betty Karnette
Senator Wesley Chesbro
Senator Gilbert Cedillo

STAFF PRESENT:

James Tilton, Administrative Secretary, State Public Works Board
Tamara Moss, Executive Secretary, State Public Works Board
Jim Martone, Budget Analyst, Department of Finance
Debbie Dills, Budget Analyst, Department of Finance
Genevieve Frederick, Budget Analyst, Department of Finance
Brian Dewey, Budget Analyst, Department of Finance

OTHERS PRESENT:

Chris Vance, State Treasurer's Office
Aaron Todd, State Treasurer's Office
Laurie Collins, Santa Monica Mountain Conservancy
R. Skei, Santa Monica Mountain Conservancy
Dale Clevenger, California Community Colleges
Tim Shelley, Senator Karnette's Office
Cheryl Larry, California Community Colleges
Gin Yang Staehlin, California Community Colleges
Joe Edmiston, Santa Monica Mountain Conservancy
Paul Edelman, Santa Monica Mountain Conservancy
Dottie Jensen, Washington Mutual
Geoffrey Golsen, Washington Mutual
Steve Craig, City Calabasa, Los Angeles County

CALL TO ORDER AND ROLL CALL:

Ms. Mateo, Chairperson, Deputy Director, Department of Finance at 10:04 am called the meeting to order. Mr. Tilton, Administrative Secretary for the State Public Works Board called the roll. A quorum was established.

APPROVAL OF MINUTES

Ms. Mateo asked that the Board not take action on the minutes from the September 22, 2003 Special meeting to allow staff additional time to add more detail. The Board will take action on these minutes at the next regularly scheduled meeting.

BOND ISSUES:

Mr. Tilton reported that there were eleven bond items.

Item #1, California Conservation Corps, Tahoe Base Center, El Dorado County-Relocate Facility. This item will authorize the use of interim financing consistent with staff analysis. Staff recommends approval.

A motion was made by Ms. Aronberg and Second by Mr. Rickards to adopt Bond Item #1.

Bond Item #1 was adopted by a 5-0 vote.

Item #2, Department of Forestry and Fire Protection, Alma Helitack Base, Santa Clara County-Replace Facility. This item will authorize the use of interim financing consistent with staff analysis. Staff recommends approval.

A motion was made by Mr. Rickards and Second by Mr. Lujano to adopt Bond Item #2.

Bond Item #2 was adopted by a 5-0 vote.

Item #3, Department of Forestry and Fire Protection, Baseline Conservation Camp-Remodel Facility. This item will authorize the use of interim financing consistent with staff analysis. Staff recommends approval.

Mr. Lujano asked if legal counsel had reviewed the lease assuring compliance.

Mr. Tilton stated yes. (Subsequent communication with Mr. Lujano has further clarified that while the lease terms for this project have been reviewed, it should be noted that a determination has not been made as to how well the lease terms for this project support debt financing).

A motion was made by Mr. Lujano and Second by Mr. Rickards to adopt Bond Item #3.

Bond Item #3 was adopted by a 5-0 vote.

Item #4, Department of Forestry and Fire Protection, Batterson Forest Fire Station, Madera County-Relocate Facility. This item was noticed with a dollar amount of \$2,456,000. The correct dollar amount is \$2,406,000 total estimated cost. This item will authorize the use of interim financing consistent with staff analysis. Staff recommends approval.

A motion was made by Mr. Rickards and Second by Mr. Lujano to adopt Bond Item #4.

Bond Item #4 was adopted by a 5-0 vote.

Item #5, Department of Forestry and Fire Protection, Lassen Lodge Forest Fire Station, Tehama County-Relocate Facility. This item will authorize the use of interim financing consistent with staff analysis. Staff recommends approval.

A motion was made by Mr. Lujano and Second by Mr. Rickards to adopt Bond Item #5.

Bond Item #5 was adopted by a 5-0 vote.

Item #6, Department of Forestry and Fire Protection, Warner Springs Forest Fire Station-Replace Facility. This item will authorize the use of interim financing consistent with staff analysis. Staff recommends approval.

A motion was made by Ms. Aronberg and Second by Mr. Rickards to adopt Bond Item #6.

Bond Item #6 was adopted by a 5-0 vote.

Item #7, Department of Mental Health, Patton State Hospital, San Bernardino County-Upgrade Electrical Generator Plant. This item will authorize the use of interim financing consistent with staff analysis. Staff recommends approval.

Ms. Aronberg asked if cor-generator would be used in upgrading this generator plant.

A representative from the Department of Mental Health stated that parallel service switchgear would be created for the facility, which is not cor-generated

A motion was made by Mr. Rickards and Second by Mr. Lujano to adopt Bond Item #7.

Bond Item #7 was adopted by a 5-0 vote.

Item #8, Department of Corrections, California State Prison, San Quentin, Marin County-Condemned Inmate Complex. This item will authorize the use of interim financing consistent with staff analysis. Staff recommends approval.

A motion was made by Mr. Rickards and Second by Mr. Morales to adopt Bond Item #8.

Bond Item #8 was adopted by a 3-0 (2 Abstain) vote.

Item #9, University of California, Davis Campus, Sacramento County-UCDMC Surgery and Emergency Service Pavilion. This item will authorize the use of interim financing consistent with staff analysis. Staff recommends approval.

A motion was made by Ms. Aronberg and Second by Mr. Rickards to adopt Bond Item #9.

Bond Item #9 was adopted by a 5-0 vote.

Item #10, University of California, Irvine Campus, Orange County-UCI Medical Center SB 1953 Upgrades. This item will authorize the use of interim financing consistent with staff analysis. Staff recommends approval.

A motion was made by Mr. Lujano and Second by Ms. Aronberg to adopt Bond Item #10.

Bond Item #10 was adopted by a 5-0 vote.

Item #11, California Community Colleges, San Luis Obispo County Community College District, Cuesta College-Library Addition Reconstruction. This item will authorize the use of interim financing consistent with staff analysis. Staff recommends approval.

A motion was made by Mr. Rickards and Second by Ms. Aronberg to adopt Bond Item #11.

Bond Item #11 was adopted by a 5-0 vote.

CONSENT CALENDAR:

Mr. Tilton noted that the Consent Calendar covers Items #12 through #28. However we are pulling Item #14, DGS-Department of Parks and Recreation, Anza Borrego Desert State Park, Vallecito Ranch Acquisition and Item #15, DGS, Department of Parks and Recreation, Folsom Lake State Recreation Area, Snipes Pershing project to allow staff time to complete sue diligence; and moving Item #16, DGS, Santa Monica Mountain Conservancy, Ahmanson Ranch Acquisition to an Action Item. There are a number of issues that staff would like to make the Board aware of.

The revised Consent Calendar covers Items #12, #13 and #17 through #28.

In summary, the consent calendar proposes: eleven requests to approve preliminary plans, two requests to an authorize acquisition and one request to recognize a scope change.

Mr. Tilton stated that there were two 20-day letters. **Department of Motor Vehicles**, Sacramento Headquarters: 6th and 7th Floor Asbestos Removal and Seismic Retrofit, project termination. A 20-day letter was sent to the Legislature on September 19, 2003, without comment. **University of California**, San Francisco, Medical Sciences Building Improvements, Phase 2, scope change. A 20-day letter was sent to the Legislature on September 19, 2003, without comment.

Staff recommends approval of the revised consent calendar Items #12, #13 and #17 through #28.

A motion was made by Mr. Rickards, and Second by Mr. Morales to adopt the revised Consent Calendar and to approve Items #12, #13 and #17 through #28.

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

ACTION ITEMS:

Mr. Tilton stated that there were three Action Items. Item #29, Department of General Services, Department of Rehabilitation/Business Enterprise Program (BEP) Vendor Permit, Sacramento County-Capitol East End Complex Retail Space. This is a follow up item to the East End project, which the Board has approved. In the building of block 173, BEP will be exercising their authority to establish a food service operation. Typically BEP provides cafeterias in State buildings during

normal business hours of 8 am to 5 pm, but in this case we have a report issued by the Joint Rules Committee to consider after hours activities for the project. BEP is establishing a full service restaurant and bar at the facility (Block 173). Because of the issue of this being after hours, we have worked out an agreement with the Department of Rehabilitation to where rent will be free before 5 pm, Monday thru Friday, and we've identified a process that is agreeable to all parties to charge rent and utilities for the after hours activities. This action is a bit unusual, but it is consistent with the report issued by the Joint Rules Committee and all issues have been resolved. One issue remaining is that the Administration has been trying to get this facility open because of vast retail space. The agreement established with BEP is that they will waive their priority to all remaining commercial space except for a 90-day opportunity to exercise its priority in Block 174 if we in fact get proposals to put additional food service operations in Block 174. Staff recommends that the Board authorize the permit for the after hours as well as authorizing the Administrative Secretary to authorize any additional permits.

A motion was made by Mr. Rickards and Second by Mr. Morales to adopt Action Item #29.

Action Item #29 was adopted by a 3-0 vote.

Item #30, Department of Motor Vehicles, Sacramento Headquarters—6TH and 7TH Floor Asbestos Removal and Seismic Retrofit. This project is significantly over budget. When a project is 20 percent over the allotted budget amount, we are required to stop the project. We will go forward in future budgets to request further authorizations for this project. Staff recommends approval of terminating the project and reverting the construction funds.

A motion was made by Mr. Rickards and Second by Mr. Morales to adopt Action Item #30.

Action Item #30 was adopted by a 3-0 vote.

Mr. Tilton stated that the next to be heard is the item that was moved from the Consent Calendar to the Action Items, which is the Santa Monica Mountain Conservancy (SMMC), Ahmanson Ranch Acquisition.

Mr. Tilton stated that Joe Edmiston and Paul Edelman of the SMMC, and Bob Sleppy and Marianne Wetzel of the Department of General Services will walk the Board through the project and the due diligence efforts completed by Staff.

Mr. Edmiston (Executive Director, SMMC) stated that he first saw the Ahmanson property in 1977 as Executive Director of the State of California Santa Monica Mountains Comprehensive Planning Commission. As a result of the efforts of that Commission, the Santa Monica Mountains Comprehensive Plan was adopted by the Legislature in 1979. That plan called for the conservation, protection and ultimate inclusion of Ahmanson. We fast-forward to 1988, when the SMMC rated the Ahmanson Acquisition its highest priority project. When we went to a numerical system in the year 2000, this property scored the highest of any property within the Santa Monica Mountains zone. The 10,000-acre contribution to the open space system that happened in the early 1990s is a result of the original Ventura County approval of this project. Subsequent to that, the MRCA acquired (as a result of that development agreement) the 2,600 contiguous acres as well as another 7,000 acres. This all should be counted as part of this deal, because Ahmanson spent \$30 million to acquire from Bob Hope that property which was a requirement of the development agreement. This is not something that has just emerged. There have been negotiations/discussions on this project for over a year. In fact the appraisal process goes back to the beginning of this year. We urge you to adopt the resolution.

Mr. Edmiston stated that Paul Edelman is going to give some of the natural resources background. He also wanted to thank the following people for their hard work: Mr. Tilton and his staff for going over this project with a fine toothed comb; Marianne Wetzel and Kathleen Chovan of the Department of General Services Transaction Review Unit; Bob Sleppy and Susan Stratton of the Department of General Services.

Mr. Edelman stated that the key points to this property are that it's critical to the Simi Hills and Santa Monica Mountains ecosystems and the Santa Monica Mountains National Recreation Area and it's long term ecological liability. It contains two federally endangered species (one animal, one plant), twenty-three additional sensitive species recognized by the Department of Fish and Game and a key inter-mountain range wildlife corridor that connects the Santa Monica Mountains to the Simi Hills across the 101 Highway, and is an essential portion of the head waters of the Malibu Creek watershed which also contains a number of endangered species.

Ms. Mateo asked for a scope description of the project.

Ms. Wetzel (Real Estate Officer-Department of General Services) stated that this project is approximately 2,785 acres that would fall adjacent to land that is already owned by the MRCA. The money that is tied to purchasing the land is in the form of grants that come with a contingency that the land would be managed and used for wildlife conservation and education purposes.

Mr. Tilton stated that the purchase price of the property is \$150 million and the funds have been authorized by the following entities. The Wildlife Conservation Board has approved \$135 million from Proposition 50 grant money, the State Coastal Conservancy has provided \$10 million from Proposition 50 grant money and the remainder of the \$5 million will be paid out of a grant from the Santa Monica Mountain Conservancy. In addition, any use of bond funds above \$25 million requires a letter to the Legislature. The letter was sent, and we received a positive response from the Joint Legislative Budget Committee in support of this project.

Bob Sleppy stated that his role as staff to the Board is to look at the known and unknown liabilities properties that the State is about to purchase. Ahmanson is a substantial parcel at the edge of urban development in Los Angeles County where the family that owns this property had a ranch house. It's almost all-open space with very little development. In the recent past there was a small nursery on the land that needed clean up, but has been completely removed. There were some dry oil wells that had been drilled in the 1920s and 30s. The Agency has worked with the Division of Oil and Gas and the Department of Conservation to clarify the status of the wells. It has been determined that they are acceptable. There will be some final review of how they were sealed, but they've never produced oil or gas, so they're basically just deep holes in the ground. There was a water well on the adjacent parcel that the Water Board has some concerns about, but that has been cleared. We recommend approval.

Ms. Wetzel stated that there was one appraisal that DGS reviewed and it was determined that the agreed upon purchase price is less than the fair market value. Our role is to also look at title issues and any outstanding documents or agreements that effect title to the property. And in this case there were numerous documents that had to be reviewed, most of them tying to the development entitlement. Staff analyzed all of these documents to determine which ones were in the State's best interest to preserve. DGS has made a final determination of which documents should be preserved and assigned over to the State and which ones should be terminated. MRCA is in agreement with DGS. Together we are finalizing the purchase acquisition agreement to cover all of these documents.

Mr. Tilton state that in summary we have verified that the funding source is consistent with authorization, verified that the purchase price is consistent with fair market value, we've validated that all of the environmental review and risk assessment has been done and we've reviewed title

documents to ensure that the State is protected in completing this acquisition. Staff recommends approval contingent upon the following:

- DGS staff's review and approval of the Relocation Assistance entitlement.
- MRCA and Ahmanson entering into the Ahmanson Purchase Agreement.
- Grant Agreement, regarding the funding, being entered into between SMMC and WCB and SMMC and SCC and the related Notice of Unrecorded Grant Easements being executed by SMMC.
- MRCA entering into a management agreement with SMMC (in the form of a License already conceptually agreed on both all parties) specifically related to the management of the Ahmanson Property.
- SMMC obtaining a Policy of Title Insurance from Land America Lawyers Title.
- MRCA obtaining for the benefit of SMMC, WCB, SCC, DGS, DOF and PWB, a Pollution Legal Liability Insurance Policy for a term of not less than 10 years and limits not less than \$10 million, as approved by all benefiting parties. Prior to PWB approval, a Letter on Intent to insure must be provided by AIG to MRCA.
- Agreement by MRCA, SMMC and DGS on the preservation, assignment or termination of those certain agreements being discussed by the parties.
- The MRCA/SMMC PAA being executed by MRCA and SMMC in the form approved by DGS and PWB.
- The grant deed being executed by MRCA in the form approved by DGS on 10/08/03.
- Confirmation by DGS that all requested information to complete its due diligence has been satisfactorily submitted by MRCA or SMMC.

A motion was made by Mr. Morales and Second by Mr. Rickards to adopt the Ahmanson Ranch Acquisition.

Ahmanson Ranch Acquisition was adopted by a 3-0 vote.

OTHER BUSINESS:

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

REPORTABLES:

Mr. Tilton indicated there were seven reportable items that Finance staff had approved under the authority delegated by the Board.

NEXT MEETING:

Mr. Tilton noted that there will be a Special Meeting on Friday, October 24, 2003 at 2:00 pm, in Room 112, and the next regularly scheduled meeting is Friday, November 7, 2003, at 10:00 am, in Room 112.

Having no further business, the meeting was adjourned at 10:45 am.

BOND ITEM

BOND ITEM – 1

**CALIFORNIA CONSERVATION CORPS (3340)
TAHOE BASE CENTER, EL DORADO COUNTY**
Relocate Facility

*Authority: Chapter 106/01, Item 3340-001-0001 (1)
Chapter 157/03, Item 3340-301-0660 (1)*

Adopt a 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
2. Authorize the execution of the Construction Agreement between Department of General Services and the State Public Works Board with the consent of the California Conservation Corps.
3. Approve the form of and authorize the execution of a Site Lease between the California Conservation Corps and the State Public Works Board.
4. Approve the form of and authorize the execution of a Facility Lease between the California Conservation Corps and the State Public Works Board.
5. . Authorize the sale of the State Public Works Board Lease Revenue Bonds.

TOTAL ESTIMATED BOND AUTHORIZATION:

\$19,571,000

APPROVED.

BOND ITEM

STAFF ANALYSIS – 1

California Conservation Corps
Tahoe Base Center Relocation

Action Requested

The requested action will adopt a resolution authorizing the sale of lease revenue bonds and interim financing there of.

Scope Description

This project is within scope. The approved project authorizes the construction of a California Conservation Corps (CCC) residential facility to replace the Echo Summit facility. The size of the new facility will be based on the prototype designed for the CCC's Camarillo Center and will consist of an administration building (of approximately 3,000 square feet), a warehouse – warehouse space/vehicle storage/maintenance/administrative offices (of approximately 13,300 square feet), a hazardous materials building (of approximately 150 square feet), residence building – bedrooms/kitchen/dining facility/education and recreation areas (of approximately 28,428 square feet), multi-purpose building (of approximately 5,220 square feet) and paved service areas (of approximately 22,000 square feet). The facility will be designed to accommodate eighty-eight (88) corp members.

Funding and Cost Verification

This project is within cost.

\$19,671,000 total estimated project costs

\$100,000 project costs previously allocated: study (\$100,000)

\$19,571,000 project costs to be allocated: acquisition \$6,048,000 (A&E services \$58,000, site acquisition costs and fees 5,575,000, other project costs \$415,000), preliminary plans \$605,000, working drawings \$722,000, construction \$12,196,000 (contract \$10,028,000, contingency \$501,000, a&e and other project costs \$1,667,000).

CEQA

CEQA documents will be prepared during the acquisition phase.

Project Schedule

The project schedule is as follows:

Approve preliminary plans: March 2005
Approve working drawings: December 2005
Complete construction: December 2007

Staff Recommendation: Adopt resolution.

BOND ITEM

BOND ITEM – 2

DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540)
ALMA HELITACK BASE, SANTA CLARA COUNTY
Replace Facility

Authority: Chapter 157/03, Item 3540-301-0660 (1)

Adopt 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.
2. Authorize the execution of the Construction Agreement between the Department of Department of General Services and the State Public Works Board.
3. Approve the form of and authorize the execution of a Facility Lease between the Department of Forestry and Fire Protection and the State Public Works Board.
4. Approve the form of and authorize the execution of an Agreement for the Transfer of Control and Possession of State Owned Real Property (Transfer Agreement) between the Department of Forestry and Fire Protection and the State Public Works Board.
5. Authorize the sale of the State Public Works Board Lease Revenue Bonds.

TOTAL ESTIMATED BOND AUTHORIZATION:

\$5,216,000

APPROVED.

BOND ITEM

STAFF ANALYSIS – 2

Department of Forestry and Fire Protection
Alma Helitack Base, Replace Facility

Action Requested

The requested action will adopt a resolution authorizing the sale of lease revenue bonds and interim financing there of.

Scope Description

This project is within scope. The approved project authorizes land acquisition and the construction of a standard CDF 2-engine, 3-bay apparatus building, a 22-bed barracks/mess hall, a helicopter hangar building, a storage building, and an emergency generator building. Site work consists of demolition, debris/hazardous material removal and monitoring, grading and site work, utilities, paving, landscaping, and all appurtenances. Construction of a new helipad, foundation for a 45' communications tower, and the relocation of existing items on site is included.

Funding and Cost Verification

This project is within cost. A total of \$1,400,000 was provided for the acquisition of the existing site. The site was acquired for \$1,147,000, resulting in savings of \$243,000, which were subsequently reverted.

\$6,616,000 total authorized project costs

\$6,363,000 total estimated project costs

\$1,147,000 project costs previously allocated: acquisition

\$5,216,000 project costs to be allocated: preliminary plans \$332,000, working drawings \$329,000, construction \$4,555,000 (\$3,782,000 contract, \$189,000 contingency, and \$584,000 for A&E and other project costs)

\$243,000 funds reverted: acquisition

CEQA

A Notice of Determination was filed with the State Clearinghouse on April 23, 2003, and the waiting period expired on May 24, 2003.

Project Schedule

The project schedule is as follows:

Approve preliminary plans:	September 2004
Approve working drawings:	September 2005
Complete construction:	January 2007

Staff Recommendation: Adopt resolution.

BOND ITEM

BOND ITEM – 3

DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540)
BASELINE CONSERVATION CAMP
Remodel Facility

Authority: Chapter 157, Item 3540-301-0660 (8)

Adopt 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.
2. Authorize the execution of the Construction Agreement between the Department of Department of General Services and the State Public Works Board.
3. Approve the form of and authorize the execution of a Facility Lease between the Department of Forestry and Fire Protection and the State Public Works Board.
4. Approve the form of and authorize the execution of an Agreement for the Transfer of Control and Possession of State **Leased** Real Property (Transfer Agreement) between the Department of Forestry and Fire Protection and the State Public Works Board.
5. Authorize the sale of the State Public Works Board Lease Revenue Bonds.

TOTAL ESTIMATED BOND AUTHORIZATION:

\$3,949,000

APPROVED.

BOND ITEM

STAFF ANALYSIS – 3

Department of Forestry and Fire Protection
Baseline Conservation Camp, Remodel Facility

Action Requested

The requested action will adopt a resolution authorizing the sale of lease revenue bonds and interim financing there of.

Scope Description

This project is within scope. The proposed project will replace electrical service; install an emergency generator; and will construct a two 4-bay Vehicle Storage Buildings (1,990 sf/ea); a 2,000 sf Administrative Building; a 4,450 sf Automotive Shop Building; a 1,990 sf Dozer Building; and will include miscellaneous site work.

Funding and Cost Verification

This project is within cost.

\$4,369,000 total authorized project costs

\$4,369,000 total estimated project costs

\$420,000 project costs previously allocated: preliminary plans \$174,000 and working drawings \$246,000

\$3,949,000 project costs to be allocated: \$70,000 for working drawings and due diligence; construction phase \$3,879,000 (\$3,152,000 contract, \$158,000 contingency, \$295,000 A&E and \$274,000 in other costs).

CEQA

A Notice of Exemption/Determination was filed with the State Clearinghouse on June 23, 2000 and the waiting period expired on July 24, 2000.

Other

This project is being constructed on leased property owned by the Bureau of Reclamation (the Bureau). It is not known if the lease terms currently accommodate bond financing and, thus, may require negotiations with the Bureau to provide CDF with the necessary property rights. Only minimal funding for due diligence will be requested prior to resolving any significant lease issues.

Project Schedule

The project schedule is as follows:

Complete working drawings: January 31, 2004

Complete construction: October 31, 2005

Staff Recommendation: Adopt resolution.

BOND ITEM

BOND ITEM – 4

DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540)
BATTERSON FOREST FIRE STATION, MADERA COUNTY
Relocate Facility

Authority: Chapter 157/03, Item 3540-301-0660 (4)

Adopt 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.
2. Authorize the execution of the construction Agreement between the Department of Forestry and Fire Protection and the State Public Works Board.
3. Approve the form of and authorize the execution of a Facility Lease between the Department of Forestry and Fire Protection and the State Public Works Board.
4. Approve the form of and authorize the execution of an Agreement for the Transfer of Control and Possession of State **Leased** Real Property (Transfer Agreement) between the Department of Forestry and Fire Protection and the State Public Works Board.
5. Authorize the sale of the State Public Works Board Lease Revenue Bonds.

TOTAL ESTIMATED BOND AUTHORIZATION:

\$2,406,000

APPROVED.

BOND ITEM

STAFF ANALYSIS – 4

Department of Forestry and Fire Protection
Batterson Forest Fire Station
Relocate Facility

Action Requested

The requested action will adopt a resolution authorizing the sale of lease revenue bonds and interim financing there of.

Scope Description

This project is within scope. This project consists of the construction of a complete standard one-engine California Department of Forestry and Fire Protection (CDF) forest fire station. This project constructs of the following: a 2,356 +/- sf, wood-framed living quarters (8 beds); a 1,695 +/- sf, apparatus building (1 office, 2 bays); a 100 +/- sf flammable storage building w/ (1-2,000 gal. split fuel tank); 20,000 gallon water storage tank; hose rack; site work; utilities, and paving.

Funding and Project Cost Verification

This project is within cost.

\$2,456,000 total estimated project cost

\$50,000 project costs previously allocated: preliminary plans \$50,000

\$2,406,000 project cost to be allocated: working drawings- \$97,000, and construction- \$2,309,000 (\$1,841,000 contract, \$92,000 contingency and \$376,000 A&E and other project costs)

CEQA

The CEQA Notice of Determination was filed on April 16, 1999 at the State Clearinghouse. The 30-day posting and review period concluded May 16, 1999.

Other

This project is being constructed on leased property owned by the US Forest Service (USFS). It is not known if the lease terms currently allow for bond financing and, thus, may require negotiations with the USFS to provide CDF with the necessary property rights. Only minimal funding for due diligence will be requested prior to resolving any significant lease issues.

Project Schedule

The project schedule is as follows:

Approve preliminary plans: October 2003
Complete construction: December 2005

Staff Recommendation: Adopt resolution.

BOND ITEM

BOND ITEM – 5

**DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540)
LASSEN LODGE FOREST FIRE STATION, TEHAMA COUNTY
Relocate Facility**

Authority: Chapter 157, Item 3540-301-0660 (2)

Adopt 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.
2. Authorize the execution of the Construction Agreement between the Department of Forestry and Fire Protection or the Department of General Services and the State Public Works Board.
3. Approve the form of and authorize the execution of a Facility Lease between the Department of Forestry and Fire Protection and the State Public Works Board.
4. Approve the form of and authorize the execution of an Agreement for the Transfer of Control and Possession of State Owned Real Property (Transfer Agreement) between the Department of Forestry and Fire Protection and the State Public Works Board.
5. Authorize the sale of the State Public Works Board Lease Revenue Bonds.

TOTAL ESTIMATED BOND AUTHORIZATION:

\$4,028,000

APPROVED.

BOND ITEM

STAFF ANALYSIS – 5

Department of Forestry and Fire Protection
Lassen Lodge Forest Fire Station
Replace Facility

Action Requested

The requested action will adopt a resolution authorizing the sale of lease revenue bonds and interim financing there of.

Scope Description

This project is within scope. The approved project authorizes construction of a standard two-engine forest fire station to include a 12-bed, 3,753 gsf Barracks/Messhall building, a 1,999 gsf 3-bay Apparatus building, a 120 gsf utility storage building, a 512 gsf Administrative Office building, hose wash rack, fuel facilities, paving sewer and water systems, storm drains, all utilities connections, landscaping, fencing and other appurtenances as necessary. With Department of Finance approval, CDF has the authority to manage the design and construction of this project.

Funding and Cost Verification

This project is within cost.

\$4,028,000 total authorized project costs

\$4,028,000 total estimated project costs

\$4,028,000 project costs to be allocated: preliminary plans \$324,000, working drawings \$276,000, and Construction \$3,428,000 (\$2,766,000 contract, \$138,000 contingency, \$486,000 A&E, and \$38,000 agency retained)

CEQA:

The CEQA documents will be prepared during the preliminary plans phase of this project.

Project Schedule

The project schedule is as follows:

Approve preliminary plans:	January 2004
Approve working drawings:	May 2004
Complete construction:	April 2005

Staff Recommendation: Adopt resolution.

BOND ITEM

BOND ITEM – 6

DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540)
WARNER SPRINGS FOREST FIRE STATION, SAN DIEGO COUNTY
Replace Facility

Authority: Chapter 157/03, Item 3540-301-0660 (3)

Adopt 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.
2. Authorize the execution of the construction Agreement between the Department of General Services and the State Public Works Board.
3. Approve the form of and authorize the execution of a Facility Lease between the Department of Forestry and Fire Protection and the State Public Works Board.
4. Approve the form of and authorize the execution of an Agreement for the Transfer of Control and Possession of State **Leased** Real Property (Transfer Agreement) between the Department of Forestry and Fire Protection and the State Public Works Board.
5. Authorize the sale of the State Public Works Board Lease Revenue Bonds.

TOTAL ESTIMATED BOND AUTHORIZATION:

\$2,212,000

APPROVED.

BOND ITEM

STAFF ANALYSIS – 6

Department of Forestry and Fire Protection
Warner Springs Forest Fire Station
Replace Facility

Action Requested

The requested action will adopt a resolution authorizing the sale of lease revenue bonds and interim financing there of.

Scope Description

This project is within scope. This project will construct a standard 1-engine apparatus building, an 8-bed barracks/messhall building, and a flammable material storage building. Site improvements include utilities, paving, fencing, landscaping, communications tower and other appurtenances as needed. The project also includes demolition of the existing structures.

Funding and Cost Verification

This project is within cost.

\$2,212,000 total estimated project costs

\$0 project costs previously allocated:

\$2,212,000 project costs to be allocated: Preliminary plan phase \$242,000, working drawing phase \$142,000, and construction phase \$1,828,000 consisting of \$1,431,000 construction, \$72,000 contingency, \$290,000 A&E and other project costs and \$35,000 for agency retained items.

CEQA

CEQA document will be prepared during the preliminary plan phase.

Other

This project is being constructed on leased property owned by a Home Owners Association (the HOA). It is not known if the lease terms currently allow for bond financing and, thus, may require negotiations with the HOA to provide CDF with the necessary property rights. Only minimal funding for due diligence will be requested prior to resolving any significant lease issues.

Project Schedule

The project schedule is as follows:

Approve preliminary plans:	June 2004
Approve working drawings:	April 2005
Complete construction:	February 2007

Staff Recommendation: Adopt resolution.

BOND ITEM

BOND ITEM – 7

**DEPARTMENT OF MENTAL HEALTH (4440)
UPGRADE ELECTRICAL GENERATOR PLANT – PATTON STATE HOSPITAL, SAN
BERNARDINO COUNTY**

*Authority: Chapter 379/02, Item 4440-301-0001(2)
Chapter 157/03, Item 4440-301-0660 (4)*

Adopt a 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.
2. Authorize the execution of the Construction Agreement between the Department of General Services and the State Public Works Board, as consented by the Department of Mental Health.
3. Approve the form of and authorize the execution of a Facility Lease between the Department of Mental Health and the State Public Works Board.
4. Approve the form of and authorize the execution of an Agreement for the Transfer of Control and Possession of State Owned Real Property (Transfer Agreement) between the Department of Mental Health and the State Public Works Board.
5. Authorize the sale of the State Public Works Board Lease Revenue Bonds.

TOTAL ESTIMATED BOND AUTHORIZATION:

\$3,556,000

APPROVED.

BOND ITEM

STAFF ANALYSIS – 7

Department Of Mental Health
Patton State Hospital, San Bernardino County
Upgrade Electrical Generator Plant

Action Requested

The action requested will adopt a resolution authorizing interim financing.

Scope Description

This project is within scope. This project will upgrade and modernize the hospital electrical distribution system. Provide new emergency medium voltage distribution switchgear. Provide circuit breaker transfer switches. Retrofit existing medium voltage circuit breakers. Provide addition to electrical switchgear building to house new equipment.

Funding and Cost Verification

This project is within cost.

\$3,689,000 total estimated project costs

\$133,000 project costs previously allocated: preliminary plans

\$3,556,000 project costs to be allocated: working drawing phase \$168,000, and construction \$3,388,000. (\$2,905,000 contracts, \$203,000 contingency, A&E \$325,700, other \$255,300) at CCCI 4100.

CEQA

A Notice of Exemption/Determination was filed with the State Clearinghouse on September 5, 2003 and the 35-day waiting period expires on October 10, 2003.

Project Schedule

The project schedule is as follows:

Approve preliminary plans:	October 2003
Approve working drawings:	July 2004
Complete construction:	December 2005

Other

- The site for this project does not overlap with the site for the EB Building Renovation project.
- DGS has been directed to complete a seismic study of the existing electrical generator building prior to the awarding of any contracts for working drawings.

Staff Recommendation: Adopt resolution contingent upon evidence of CEQA compliance.

BOND ITEM

BOND ITEM – 8

DEPARTMENT OF CORRECTIONS (5240)
CALIFORNIA STATE PRISON, SAN QUENTIN, MARIN COUNTY
Condemned Inmate Complex

Authority: Chapter 157/03, Item 5240-301-0660(4)

a. Adopt a resolution to:

1. Authorize the use of interim financing to be paid from the Public Building Construction Fund from the proceeds from the sale of the bond.
2. Approve the form of and authorize the execution of the Construction Agreement between the Department of Corrections and the State Public Works Board.
3. Approve the form of and authorize the execution of new and/or amended Site Leases between the Department of Corrections and the State Public Works Board.
4. Approve the form of and authorize the execution of new and/or amended Facility Leases between the Department of Corrections and the State Public Works Board.
6. Authorize the sale of the State Public Works Board Lease Revenue Bonds.

TOTAL ESTIMATED BOND AUTHORIZATION:

\$220,000,000

APPROVED.

BOND ITEM

STAFF ANALYSIS – 8

Department of Corrections
California State Prison, San Quentin, Marin County
Condemned Inmate Complex

Action Requested

The requested action will adopt a resolution authorizing the sale of lease revenue bonds and interim financing there of.

Scope Description

This project is within scope. The project will provide the design and construction of the Condemned Inmate Complex at the California State Prison, San Quentin (SQ), to accommodate the burgeoning condemned male inmate population (projected to be 1,000 by 2013). Due to crowded facilities, inadequate physical plant, security, medical, exercise and service space, the condemned population represents a severe threat to the safety and security of other inmates and staff, as well as public safety. The proposed complex will provide a safe and secure facility to address all security and operational concerns at SQ. Additionally, these changes will bring the facility into compliance with the *en re Thompson* decree requiring that condemned inmates receive the same level of programming as the general population.

The new Condemned Inmate Complex will consist of 1,000 maximum-security housing cells with associated program and support space, a legal library, visiting and religious facilities, exercise yards, a Correctional Treatment Center, and the installation of a lethal fence.

Funding and Project Cost Verification

This project is within cost.

\$220,000,000 total estimated project cost

\$220,000,000 project costs previously allocated: preliminary plans \$8,500,000; working drawings \$7,500,000; construction \$204,000,000 (\$174,000,000 contracts, \$8,700,000 contingency, \$12,800,000 project administration, and \$8,500,000 agency retained)

CEQA

California Department of Corrections is in the process of completing an Environmental Impact Report (EIR) on the project. The estimated completion date for the EIR is the fall of 2004.

Project Schedule:

The project schedule is as follows:

Completion of Working Drawings: June 2005
Complete Construction: August 2007

Staff Recommendation: Approve a resolution authorizing financing.

BOND ITEM

BOND ITEM – 9

UNIVERSITY OF CALIFORNIA (6440)
DAVIS CAMPUS, SACRAMENTO COUNTY
UCDMC Surgery and Emergency Services Pavilion

*Authority: Section 15820.81 of the Government Code
as amended by Chapter 71/00, SB 1667*

Adopt 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.
2. Authorize the execution of the Construction Agreement between the University of California and the State Public Works Board.
3. Approve the form of and authorize the execution of a Site Lease between the University of California and the State Public Works Board.
4. Approve the form of and authorize the execution of a Facility Lease between the University of California and the State Public Works Board.
5. Authorize the sale of the State Public Works Board Lease Revenue Bonds.

TOTAL ESTIMATED BOND AUTHORIZATION: \$102,590,000

APPROVED.

BOND ITEM

STAFF ANALYSIS – 9

University of California, Davis
UCDMC Surgery and Emergency Services Pavilion

Action Requested

The requested action will adopt a resolution authorizing the sale of lease revenue bonds and interim financing there of.

Scope Description

This project is within scope. The UCDMC Surgery and Emergency Services Pavilion will construct an addition of 231,900 assignable square feet (asf) to the existing UCDMC Main Hospital Building. The project program includes operating rooms, emergency department, surgical intensive care units, clinical laboratories and support space. The project is a part of UCD Medical Center Hospital Upgrade Master Plan, responding to the requirements of Senate Bill 1953, allowing for the relocation of existing functions from seismically deficient space.

Funding and Cost Verification

This project is within cost.

\$281,277,000 total estimated project cost

\$18,200,000 project costs previously allocated: preliminary plans—\$5,250,000 (hospital reserves); working drawings—\$12,950,000 (hospital reserves)

\$263,077,000 project costs to be allocated: construction—\$95,337,000 (hospital reserves), \$102,590,000 (state lease revenue bonds); equipment \$65,150,000 (hospital reserves)

CEQA

The University certifies that the project is in compliance with the requirements of CEQA.

Project Schedule

The project schedule is as follows:

Approve working drawings: March 2005
Complete construction: December 2007

Staff Recommendation: Adopt resolution.

BOND ITEM

BOND ITEM – 10

UNIVERSITY OF CALIFORNIA (6440)
IRVINE CAMPUS, ORANGE COUNTY
UCI Medical Center SB 1953 Upgrades

*Authority: Section 15820.81 of the Government Code
as amended by Chapter 71/00, SB 1667*

Adopt 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.
2. Authorize the execution of the Construction Agreement between the University of California and the State Public Works Board.
3. Approve the form of and authorize the execution of a Facility Lease between the University of California and the State Public Works Board.
4. Approve the form of and authorize the execution of a Site Lease between the University of California and the State Public Works Board.
5. Authorize the sale of the State Public Works Board Lease Revenue Bonds.

TOTAL ESTIMATED BOND AUTHORIZATION: \$235,000,000

APPROVED.

BOND ITEM

STAFF ANALYSIS – 10

University of California, Irvine
UCI Medical Center SB 1953 Upgrades

Action Requested

The requested action will adopt a resolution authorizing the sale of lease revenue bonds and interim financing there of.

Scope Description

This project is within scope. The project will construct a replacement hospital of 189,297 assignable square feet (asf) and also add 25,000 gross square feet (gsf) of shell space to be fitted out later as 13,000 asf. The project program includes operating rooms, emergency department, surgical intensive care units, clinical laboratories, support space, associated central plant improvements. The project responds to the requirements of Senate Bill 1953, supporting the relocation of existing functions from seismically deficient space.

Funding and Cost Verification

This project is within cost.

\$336,681,000 total estimated project cost

\$14,538,000 Project costs previously allocated: preliminary plans—\$1,454,000 (external financing), \$2,035,000 (gifts), \$11,049,000 (state lease revenue bonds)

\$322,143,000 Project costs to be allocated: working drawings—\$1,312,000 (external financing), \$1,836,000 (gifts), \$9,967,000 (state lease revenue bonds); construction—\$40,994,000 (external financing), \$43,629,000 (gifts), \$213,984,000 (state lease revenue bonds), \$320,000 (hospital reserves); equipment—\$9,949,000 (external financing), \$152,000 (hospital reserves)

CEQA

The University certifies that the project is in compliance with the requirements of CEQA.

Project Schedule

The project schedule is as follows:

Approve preliminary plans:	September 2003
Approve working drawings:	October 2003
Complete construction:	December 2007

Staff Comments

Significant portions of the project are funded through University sources. Therefore, the form of lease defines which portions of this project are financed with the state lease revenue bonds and which portions are being financed with University funding. These leases are in draft form.

Staff Recommendation: Adopt resolution.

BOND ITEM

BOND ITEM – 11

CALIFORNIA COMMUNITY COLLEGES (6870)
SAN LUIS OBISPO COUNTY COMMUNITY COLLEGE DISTRICT,
CUESTA COLLEGE, SAN LUIS OBISPO COUNTY
Library Addition Reconstruction

Authority: Chapter 50/99, Item 6870-301-0574 (69.1)
Chapter 106/00, Item 6870-301-0574 (58)
AB 16, Chapter 33/02, Section 34 (a) (4) (E)

Adopt a 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.
2. Authorize the execution of the Construction Agreement between the San Luis Obispo County Community College District and the State Public Works Board.
3. Approve the form of and authorize the execution of a Facility Lease between the San Luis Obispo County Community College District and the State Public Works Board.
4. Approve the form of and authorize the execution of an Agreement for the Site Lease between the San Luis Obispo County Community College District and the State Public Works Board.
5. Authorize the sale of the State Public Works Board Lease Revenue Bonds.

TOTAL ESTIMATED BOND AUTHORIZATION:

\$12,555,000

APPROVED.

BOND ITEM

STAFF ANALYSIS – 11

California Community Colleges
San Luis Obispo County Community College District
Cuesta College, San Luis Obispo County
Library Addition Reconstruction

Action Requested

The requested action will adopt a resolution authorizing the sale of lease revenue bonds and interim financing there of.

Scope Description

The project is within scope. The project constructs reconstructs 24,588 asf and constructs a 25,029 asf addition to the library. Minor refinements in design have resulted in a slight shifting of spaces but still yield the same asf.

Funding and Project Cost Verification

This project is within cost.

\$13,477,000 total estimated project costs

\$922,000 project funds previously allocated: preliminary plans \$472,000 and working drawings \$450,000

\$12,555,000 project funds to be allocated: construction \$11,675,000 (\$10,581,000 contracts, \$529,000 contingency, \$655,000 administration, testing, inspection, and construction management) at CCCI 4019, and equipment \$2,145,000 at EI 2564

CEQA

A Categorical Exemption for this project was filed on August 22, 1996 and endorsed on September 27, 1996.

Project Schedule

The project schedule is as follows:

Complete construction: October 2005

Staff Recommendation: Adopt Resolution.

CONSENT ITEM

CONSENT ITEM – 12

DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF PARKS AND RECREATION (3790)
MARTIAL COTTLE PARK, LESTER PROPERTY, SANTA CLARA COUNTY
DPR Parcel A36501, DGS Parcel 10171

Authority: Chapter 379/02, Item 3790-301-6029(6)

a. Authorize acquisition consistent with the staff analysis

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 12

Department of General Services
Department of Parks and Recreation
Martial Cottle Park, Lester Property

Action Requested

The requested action will authorize acquisition consistent with staff analysis.

Scope Description

This project is within scope. The project involves acquisition of approximately 136 unimproved acres in Santa Clara County. The intended use for this property, along with approximately 153 acres to be donated to the County of Santa Clara, is the development and operation under a Joint Powers and Operating Agreement of a combined State and County historic park depicting and interpreting Santa Clara Valley farming history.

Funding and Project Cost Verification

This project is within cost. Chapter 379/02, 3790-301-6029(6) provides funding for acquisition of property without specifying particular parcels. This property can be acquired within the funds available and in accordance with the intent of the Legislature.

\$5,014,000 total estimated project costs

\$6,200 project costs previously allocated: Department of General Services appraisal; environmental and acquisition reviews and CEQA filing

\$5,007,800 project costs to be allocated: \$5,000,000 for acquisition, and \$7,800 in estimated closing costs

CEQA

A Notice of Exemption was filed with the State Clearinghouse on March 18, 2003, and the waiting period expired on April 22, 2003.

Project Schedule

The project schedule is as follows:

The anticipated close of escrow is December 2003.

Condition of Property

On March 13, 2003, a member of the Department of General Services (DGS) Environmental Services Section (ESS) staff conducted a Site Condition Survey on the Martial Cottle Ranch property in San Jose. The following was observed:

The subject property is part of an old farm surrounded by urban/suburban development within the sphere of influence of the City of San Jose. The subject property is a total of 136-acres within a 289-acre piece of property that has historically been used for agricultural production.

Within the 136-acre subject property, the only improvement that exists is a well that was drilled in the 1930's and is derelict today. The pumping system consists of a large flywheel with a

cooling tank. During its operation, the pump could produce approximately 1,000 gallons per minute, discharging into an 8-inch pipe. The water was used for agricultural production. The well has not been used since the late 1940's and could not be used today. The large flywheel pump, however, may have significant historical value. The rest of the 136 acre property has been in agricultural production until rather recently.

Within the larger 289-acre parcel that includes the 136-acre subject property, a number of historical buildings exist, including a farmhouse, carriage house, barns, and outbuildings, some of which date back to the 1880's. Again, this is not part of the 136-acre subject property. No hazardous materials were found on the subject property. A phase 1 site assessment is not recommended. However, research should be devoted to the historical significance of the flywheel pump.

Other

- Site selection was approved for this project in August of 2003.
- The purchase price shall not exceed the estimated fair market value as determined by a DGS approved appraisal.
- The property is under the Williamson Act contract. Notification was submitted to the Department of Conservation advising the Director of the State's proposed acquisition of Williamson Act contracted land on September 23, 2003.
- The Grant Deed to the State contains deed restrictions that the property will not be used for high intensity recreational purposes, e.g. public athletic fields, playgrounds, tot lots, swimming pools, amusement rides, etc. and that, if the property should be used as a public park, it shall be used exclusively as a public historical park that informs and educates the public about the agricultural heritage of the Santa Clara Valley from the 1850's. These restrictions do not change the development potential for the site, prevent the State from otherwise utilizing the property to its highest and best use, or conflict with funding source requirements and are not incompatible with the State's intended purpose in acquiring the property.
- There are no occupants and relocation assistance issues involved on the subject property.
- The Department of Parks and Recreation (DPR) is not aware of any lawsuits pending concerning the property.
- There is no implied dedication involved in this project.
- This project will be subject to a Joint Powers and Operating Agreement between DPR and the County of Santa Clara's Department of Parks and Recreation, which will provide for the county to manage, develop, operate, and maintain the park at no cost to the State. Due to budgetary constraints, if the County fails to meet its obligations under this agreement, the

Department of Finance will not support additional funds to allow for operation and management of this park.

- It is intended that the historical significance of the flywheel pump referenced in the ESS Condition of Property Statement will be researched during the park planning and development phase.

Staff Recommendation: Authorize acquisition consistent with the staff analysis.

CONSENT ITEM

CONSENT ITEM – 13

**DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF PARKS AND RECREATION (3790)
FORT TEJON STATE HISTORIC PARK, KERN COUNTY
DPR Parcel Number A39601 DGS Parcel Number 10193**

Authority: Chapter 52/00, Item 3790-301-0005(9)

a. Authorize acquisition consistent with staff analysis

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 13

Department of General Services
Department of Parks and Recreation
Fort Tejon State Historic Park

Action Requested

The requested action will authorize site selection and acquisition consistent with the staff analysis.

Scope Description

This project is within scope. The Legislature approved funding for the purchase of additions to existing units of the State Park System consistent with the objectives of the 2000 Bond Fund Opportunity Purchase Acquisition Program without specifying particular parcels. This acquisition is approximately 442 acres that meet the criteria established in the Department of Parks and Recreation's (DPR) acquisition guidelines. It is adjacent to an existing state park unit and will be a corridor linking the Fort Tejon State Historic Park to the adjacent Los Padres National Forest to the west, an otherwise separated habitat area.

Funding and Cost Verification

This project is within cost. Chapter 52/00 Item 3790-301-0005(9) provided an appropriation of \$5,000,000 to DPR from Proposition 12: the Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond fund for this acquisition under Opportunity Purchases. The property can be acquired with the remaining funds and in accordance with Legislative intent.

\$940,000	total project costs
\$7,000	project costs previously allocated (fee appraisal and DGS staff costs)
\$933,000	project costs to be allocated: \$930,000 acquisition and approximately \$3,000 in overhead costs

CEQA

A Notice of Exemption was filed with the State Clearinghouse on July 10, 2003. The waiting period expired on August 14, 2003.

Project Schedule

The project schedule is as follows:

The anticipated close of escrow is November 2003.

Condition of Property

Department of General Services (DGS), Environmental Services Section (ESS) staff conducted a site visit to the Fort Tejon parcel on June 23, 2003. The acquisition consists of approximately

442 acres of primarily undeveloped, agricultural land located contiguous to the Fort Tejon State Historic Park in Lebec, Kern County, California. The subject land had previously been used for livestock grazing, though no cattle were present at the time of the site visit. Property improvements consist of a concrete block, corrugated tin barn/quonset hut structure. Two house trailers, several cargo containers, various cars, trucks, heavy equipment, tools, machine parts and other debris are scattered primarily within three locations on the property. Pending approval from the Department of Parks and Recreation personnel, ESS staff recommends that all of the noted materials should be removed from the property before the transfer to the State of California. Additionally, an open 5-gallon container labeled as hydraulic fluid and filled with an unknown liquid with an oily sheen should be removed and disposed of properly to avoid spilling and possible ground contamination.

A Phase I Environmental Site Assessment report was not available for this property and is not deemed necessary given the primarily undeveloped nature of the property. No potential problems with hazardous materials, e.g., ground and/or vegetation staining in and near the numerous pieces of equipment and vehicles, were observed during the ESS site visit and the property is compatible with the proposed future use.

Other:

- The purchase price shall not exceed estimated fair market value as determined by a DGS approved appraisal.
- 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.
- There is no implied dedication involved with this property.
- The property is vacant with the exception of an open Quonset hut that will remain empty.
- Personal property, including the 5-gallon container, identified during the property inspection by the Department of General Services/Environmental Services Section will be safely removed from the site before the property transfers.
- There is no relocation assistance involved with this project. A prior cattle grazing agreement expired approximately two years ago. The property is currently unoccupied.
 - DPR estimates the need for one Personnel Year (PY) and ongoing costs of \$134,000 for personal services and operating expenses to provide for public safety, a minimum level of public access, resource protection and maintenance. In addition, DPR further estimates one-time costs of \$104,000 for fencing, temporary toilets, signage, baseline studies, minimal boundary survey, and one-time purchase of equipment. DPR has provided this information as its best estimate of initial needs. The Department of Finance provides no endorsement of these support estimates, but will evaluate DPR workload and staffing requirements through the normal budget process if an augmentation request is submitted, and within the context of the Administration's overall budget priorities. Nevertheless, Finance would not recommend additional support expenditures if continued revenue

forecasts fail to project short-term growth and additional program reductions become necessary. DPR brings this acquisition request forward with the full knowledge that additional support appropriations may not be available. Until future funding is approved, and pending the availability of existing funds, DPR will provide for limited resources protection.

Staff Recommendation: Authorize site selection and acquisition consistent with the staff analysis.

CONSENT ITEM

CONSENT ITEM – 14

DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF PARKS AND RECREATION (3790)
ANZA BORREGO DESERT STATE PARK, VALLECITO RANCH
SAN DIEGO COUNTY

DPR Parcel Number A42801, DGS Parcel Number 10180

Authority: Chapter 379/02, Item 3790-301-6029(6)
Chapter 379/02, Item 3790-301-0890(1)
Chapter 379/02, Item 2660-101-0183

a. Authorize acquisition consistent with the staff analysis

PULLED.

CONSENT ITEM

STAFF ANALYSIS – 14

Department of General Services
Department of Parks and Recreation
Anza Borrego Desert State Park, Vallecito Ranch

Action Requested

The requested action will authorize acquisition for this project.

Scope Description

This project is within scope. The Legislature has approved funding for the purchase of interests in lands that meet criteria established for a Proposition 40 Acquisition Program, a Federal Trust Fund Acquisition Program, and for a State Department of Transportation Environmental Enhancement and Mitigation Program (EEMP), without specifying particular parcels. This request will authorize site selection and acquisition for the purchase of 3,338.98 acres as an addition to the Anza Borrego State Park in the south central portion of San Diego County.

Funding and Cost Verification

This project is within cost. The State will be purchasing this property from the Anza Borrego Foundation through a dual escrow for total costs of \$2,323,000. The State funding includes (\$1,073,000 –Prop 40), from Chapter 379/02, Item 3790-301-6029(6), which provides \$40,000,000, (\$750,000- Federal Trust Fund) from Chapter 379/02, Item 3790-301-0890(1), which provides \$3,700,000, and (\$500,000-Environmental Enhancement Mitigation Program Fund) from Chapter 379/02, Item 2660-101-0183, which provides \$11,800,000 for these acquisition programs. There are sufficient balances remaining in the accounts to pay the total project costs. The Anza Borrego Foundation will be selling the property to the State for less than its purchase price of \$4,000,000 and will be using grants and private donations to cover their additional costs.

\$2,323,000 total estimated project costs

\$5000 project costs previously allocated: Department of General Services appraisal; environmental, and acquisition reviews

\$2,318,000 project costs to be allocated: \$2,300,000 acquisition, and \$18,000 in overhead costs

CEQA

A Notice of Exemption was filed with the State Clearinghouse on September 27, 2001, and the waiting period expired on November 1, 2001.

Project Schedule

The project schedule is as follows:

The anticipated close of escrow is October 2003.

Condition of Property

Department of General Services (DGS), Environmental Services Section (ESS) staff conducted a site visit to the Anza Borrego - Vallecito Ranch parcel on April 25, 2003. The acquisition consists

of approximately 3,400 acres of land ranging in elevation from approximately 1,800 feet above mean sea level (MSL) along the southwestern boundary

to 1,480 feet MSL in the southeastern corner of the property. Property development consists of two ranches on the western portion of the site. The Campbell Ranch consists of five buildings including a main residence, a second (white) house (designated as not habitable or not to be rented per the San Diego County Health Regulations - Julius Laky, Broker for All States Properties Company, personal communication - 7/8/03), a small house, a storage building and a barn. The Vallecito Ranch consists of a 3,400 square foot house with detached 3-car garage, in-ground swimming pool, koi/fish pond, hangar and a landing strip. A corrugated tin shed and small concrete pads (previous location of the McCain motor home) remain in the south-central portion of the Vallecito Ranch property. At least six water wells and three septic systems are located onsite.

A Phase I Environmental Site Assessment report prepared by MAZ Environmental, April 3, 2003, was reviewed by ESS and found to be in accordance with American Society for Testing and Materials (ASTM) standards. The PSA I found the property does not contain recognized environmental conditions that could be revealed by site inspection, records research, or consultation with regulatory agencies. The PSA identified irregular earthen mounds, possible locations of buried household trash, present south and west of the Campbell Ranch caretaker's house. Though small localized areas of hazardous substances may be present as a result of disposal of household supplies and/or wastes, the conclusion reached in the PSA regarding the localized trash deposits was "not likely to impact the conditions of the property." Additionally, Merle Ziman, Registered Environmental Assessor (REA) with MAZ Environmental, contacted Susan Wade, District Archaeologist with Anza Borrego Desert State Park on March 20, 2003, regarding the possible hazardous nature of the household trash deposits. According to Ms. Wade, "rural trash typically contains bottles, dishes, etc...agricultural trash contains metal and wood debris. Don't find hazardous material/hazardous waste in the trash" (Merle Ziman, REA, personal communication 7/8/03). The PSA recommended the removal and proper disposal of trash at the Campbell Ranch site and the former site of the McCain trailer. ESS staff concurs with the recommendation for removal and proper disposal of trash (e.g., 25 gallon pails containing Sentinel plastic remover, ERPILOC penetrating lockdown encapsulant, propane tank - if no future use planned, etc.), at these two sites. Additionally, ESS staff recommends the well located adjacent to the dirt road on the eastern edge of the melon field should be properly capped preventing any possible groundwater contamination. No potential problems with hazardous materials were observed during the ESS site visit and the property is compatible with the proposed future use. Based upon these findings, ESS staff recommends approval of site acquisition.

Other:

- The State Public Works Board approved this project for site selection on August 15, 2003.
- The purchase price does not exceed the estimated fair market value as determined by a Department of General Services approved appraisal.
- There is no implied dedication on the property.
- The Department of Parks and Recreation (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.
- DPR estimates the need for 17 PYs and ongoing costs of \$1,662,000 for personal services and operating expenses to provide for public safety, immediate public use, protection of significant natural and cultural resources, interpretation,

trash removal and maintenance. In addition, DPR further estimates one-time costs of \$1,784,000 for repairs, historic structures stabilization, exotic plant removal, dirt road grading, boundary surveys, consultant contracts, and one-time purchase of equipment including vehicles

and a tractor. DPR has provided this information as its best estimate of initial needs. The Department of Finance provides no endorsement of these support estimates, but will evaluate DPR workload and staffing requirements through the normal budget process if an augmentation request is submitted, and within the context of the Administration's overall budget priorities. Nevertheless, Finance would not recommend additional support expenditures if continued revenue forecasts fail to project short-term growth and additional program reductions become necessary. DPR brings this acquisition request forward with the full knowledge that additional support appropriations may not be available. Until additional funding is provided DPR will provide limited resource protection and limited patrols of the property.

- DPR clarified with the County of San Diego that the single family residence designated by the County as not habitable can be made habitable with general cleaning, cleaning or replacement of carpet, elimination of rodent infestation, and replacement of torn window screens and missing electrical cover plates. This residence, two additional residences, barn, storage building, aircraft hangar, and landing strip will be used in DPR park operation. DPR's plan is, upon the close of escrow, to provide security and resource protection by posting boundaries, patrolling the property, and placing security gates. These costs will be absorbed within DPR's existing support budget.
- Trash and personal property shall be removed by the property owner prior to close of escrow, with the exception of some minimal non-toxic household trash, which will be removed by DPR after the close of escrow.
- The coal and mineral rights on approximately 255 acres were retained when the property was homesteaded. DPR has reported that the area on which the coal and mineral rights have been retained is in remote area and the risk of coal extraction is low. The right to mine the coal does not include the surface right of access necessary to facilitate the extraction process and DPR only intends to use this area of land for habitat enhancement.
- Upon close of escrow, DPR will cap the well located adjacent to the dirt road on the eastern edge of the melon field.
- This acquisition constitutes a "dual escrow" whereby the current owner will sell the property to the Anza-Borrego Foundation via an Option Agreement and then the Foundation will immediately sell the property to State. The State is not taking title to the property subject to any terms and/or conditions as contained in this Option Agreement.
- The EEMP Grant Program funding requires a covenant agreement to be recorded along with the conveyance document. The agreement requires the State to preserve 832 acres of the overall 3,338.98 acres for natural and scenic resources, including wildlife corridor, and provide habitat for rare, protected, or declining animal and plant species.

Staff Recommendation: Authorize acquisition consistent with the staff analysis.

CONSENT ITEM

CONSENT ITEM – 15

DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF PARKS AND RECREATION (3790)
FOLSOM LAKE STATE RECREATION AREA, SNIPES PERSHING
SACRAMENTO COUNTY

DPR Parcel Number A45901, DGS Parcel Number 10202

Authority: Chapter 379/02, Item 3790-301-0262(1)

a. Authorize acquisition consistent with staff analysis

PULLED.

CONSENT ITEM

STAFF ANALYSIS – 15

Department of General Services
Department of Parks and Recreation
Folsom Lake State Recreation Area, Snipes Pershing

Action Requested

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

Scope Description

This project is within scope. The Legislature appropriated funds to the Department of Parks and Recreation (DPR) from Proposition 117 Habitat Conservation Funds to acquire parcels that meet the requirements of the Fish and Game Code. This request would authorize site selection and acquisition of approximately 12.4 acres. This acquisition meets the criteria established in the DPR's acquisition guidelines and the requirements of the Fish and Game Code because it is an acquisition adjacent to an existing park unit, Folsom Lake State Recreation Area, and it would lead to the restoration of riparian habitat. In addition, the acquisition provides convenient walking and driving access for the public because it is adjacent to a residential neighborhood.

Funding and Cost Verification

This project is within cost. Chapter 379/02, Item 3790-301-0262(1) provided \$1,000,000 funding for acquisitions that meet the requirements of the Fish and Game Code. The property can be acquired with the remaining funds and in accordance with Legislative intent.

\$355,000 total project costs

\$3,000 project costs previously allocated (DGS staff costs)

\$352,000 project costs to be allocated: \$350,000 acquisition and approximately \$2,000 in escrow closing costs

CEQA

A Notice of Exemption was filed with the State Clearinghouse on January 31, 2002, and the waiting period expired on March 7, 2002.

Project Schedule

The project schedule is as follows:

The anticipated close of escrow is November 2003.

Condition of Property

Department of General Services (DGS), Environmental Services Section (ESS) Staff, conducted a site visit on June 13, 2002, of the Snipes-Pershing Ravine properties. No due diligence issues were noted that would prevent acquisition. The property includes open space for recreation, native plant habitat and public trails. ESS staff concluded that a formal Preliminary Site Assessment, Phase 1, was not necessary for acquisition based on the following findings: (1) the site remains undeveloped and contains vernal pools, creeks, grasses and oak woodland;

(2) the property is adjacent to the Folsom State Recreation Area (SRA); (3) there are no surface/subsurface improvements on the property that would require inspection; (4) no observation of hazardous material use, solid waste, storage of these wastes, or surface drainage

was made; and, (5) properties adjacent to the site are residential and do not contain improvements (industrial uses, fuel storage, waste disposal, unknown debris, etc.) that would raise a concern for migration of hazardous materials.

Other:

- Site selection for this project was approved through delegation on September 15, 2003.
- The purchase price shall not exceed estimated fair market value as determined by a DGS approved appraisal.
- The Department of Parks and Recreation (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 involved with this project.
- DPR estimates the need for \$114,000 in one-time costs for fencing and signage, temporary parking, boundary survey, chemical restrooms, non-hazardous debris removal, trail repair and resource protection. DPR has provided this information as its best estimate of initial needs. The Department of Finance provides no endorsement of these support estimates, but will evaluate DPR workload and staffing requirements through the normal budget process if an augmentation request is submitted, and within the context of the Administration's overall budget priorities. Nevertheless, Finance would not recommend additional support expenditures if continued revenue forecasts fail to project short-term growth and additional program reductions become necessary. DPR brings this acquisition request forward with the full knowledge that additional support appropriations may not be available. Until additional funding is provided, and pending availability of existing funding, DPR will provide limited authorized public access and limited resource protection.

Staff Recommendation: Authorize acquisition consistent with the staff analysis.

CONSENT ITEM

CONSENT ITEM – 16

DEPARTMENT OF GENERAL SERVICES (1760)
SANTA MONICA MOUNTAINS CONSERVANCY (3810)
AHMANSON RANCH, VENTURA COUNTY
Project Number SMMC 227, DGS Parcel No. 10201

Authority: Chapter 379/03, Item 3810-301-6029
Chapter 618/02, Item 3640-801-6031
Water Code 79570(c) and 79572(b)
Public Resources Code Sections 33203 and 33203.5

a. Authorize acquisition consistent with the staff analysis

MOVED TO ACTION ITEMS.

CONSENT ITEM

STAFF ANALYSIS – 16

MOVED TO ACTION ITEMS.

CONSENT ITEM

CONSENT ITEM – 17

DEPARTMENT OF MENTAL HEALTH (4440)
PATTON STATE HOSPITAL, SAN BERNARDINO COUNTY
Upgrade Electrical Generator Plant

Authority: Chapter 379/02, Item 4440-301-0001(2)
Chapter 157/03, Item 4440-301-0660 (4)

a. Approve preliminary plans.

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 17

Department Of Mental Health
Patton State Hospital, San Bernardino County
Upgrade Electrical Generator Plant

Action Requested

The requested action will provide approval of preliminary plans.

Scope Description

This project is within scope. This project will upgrade and modernize the hospital electrical distribution system. Provide new emergency medium voltage distribution switch gear. Provide circuit breaker transfer switches. Retrofit existing medium voltage circuit breakers. Provide addition to electrical switch gear building to house new equipment.

Funding and Cost Verification

This project is within cost.

\$3,689,000 total estimated project costs

\$133,000 project costs previously allocated: (PP)

\$3,556,000 project costs to be allocated: working drawing phase \$168,000, and construction \$3,388,000. (\$2,905,000 contracts, \$203,000 contingency, A&E \$325,700, other \$255,300) at CCCI 4100.

CEQA

A Notice of Exemption/Determination was filed with the State Clearinghouse on September 5, 2003 and the 35-day waiting period expires on October 10, 2003.

Project Schedule

The project schedule is as follows:

Approve preliminary plans:	October 2003
Approve working drawings:	July 2004
Complete construction:	December 2005

Other

DGS has been directed to complete a seismic study of the existing electrical generator building prior to the awarding of any contracts for working drawings.

Staff Recommendation: Approve preliminary plans and release of working drawing funds contingent upon evidence of CEQA compliance.

CONSENT ITEM

CONSENT ITEM – 18

UNIVERSITY OF CALIFORNIA (6440)
SAN FRANCISCO CAMPUS, SAN FRANCISCO COUNTY
Medical Sciences Building Improvements, Phase 2

Authority: Chapter 157/03, Item 6440-301-6028 (3)

a. Recognize a scope change

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 18

University of California, San Francisco
Medical Sciences Building Improvements, Phase 2

Action Requested

The requested action will recognize a scope change for this project.

Scope Description

This project is not within scope. The approved project scope provides for the upgrade and modernization of several building systems including heating, primary cooling and distribution, air handling, environmental controls and building envelope. UC proposes to make the following scope and cost changes to the approved project:

- A portion of the upgrades to the building envelope, including replacement of windows, will be deleted from the project. The energy efficient windows will be incorporated in a planned later project. The total estimated cost reduction is \$2,351,000 (7.5 percent of the total project cost).
- Provide seismic strengthening. Recent studies have indicated that the building needs to be structurally separated from the adjacent Moffitt Hospital and have upgrades to its shear wall system in order to improve its seismic rating from "Poor" (DGS Level V) to "Good". The cost of separating the structures is covered in the separately funded SB 1953 Moffitt/Long 2008 Phase 2 project. The total estimated cost increase to this project for the shear wall upgrades is \$2,351,000 (7.5 percent of the total project cost).

Funding and Cost Verification

This project is within cost. There is no increase to the overall cost of this project, because the campus has requested to use savings from reduction in scope to fund additional project scope. The reduction and subsequent addition to the project is \$2,351,000, or 7.5 percent of the total project cost. A 20-day scope notification letter was sent to the Legislature on September 19, 2003, without comment.

\$31,450,000	total estimated project cost
\$1,400,000	project costs previously allocated: preliminary plans—\$1,400,000 (State funds)
\$30,050,000	project costs to be allocated: working drawings—\$1,600,000 (State funds); construction—\$28,450,000 (State funds)

CEQA

The University certifies that the project is in compliance with the requirements of CEQA.

Project Schedule

The project schedule is as follows:

Approve preliminary plans:	June 2004
Approve working drawings:	June 2005
Complete construction:	March 2008

Staff Recommendation: Recognize a scope change.

CONSENT ITEM

CONSENT ITEM – 19

**CALIFORNIA COMMUNITY COLLEGES (6870)
PERALTA COMMUNITY COLLEGE DISTRICT
VISTA COLLEGE, ALAMEDA COUNTY**
Vista College Permanent Facility

Authority: Chapter 157/03, Item 6870-301-6028 (53)

a. Approve preliminary plans

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 19

California Community Colleges
Peralta Community College District
Vista College, Alameda County
Vista College Permanent Facility

Action Requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. This project constructs a new 109,549 assignable square feet (asf) permanent facility for Vista College. Completion of the project will result in 15,535 asf of lecture space, 23,380 asf of laboratory space, 17,165 asf office space, 7,071 asf library space, and 46,398 asf of assembly, physical education, and other space.

Funding and Cost Verification

This project is within cost.

\$67,325,000	total estimated project costs
\$28,533,000	project funds to be allocated: construction \$26,518,000 (\$23,658,000 contracts, \$1,183,000 contingency and \$1,677,000 tests and inspections, architectural oversight during construction, and construction management at CCI 4019) and \$2,015,000 equipment at EI 2564
\$8,583,000	local funds previously allocated: site acquisition \$4,510,000; preliminary plans and working drawings \$4,073,000
\$30,209,000	local funds to be allocated: construction \$30,209,000 (\$27,004,000 contracts, \$1,350,000 contingency and \$1,855,000 tests and inspections, architectural oversight during construction, and construction management at CCI 4019)

CEQA

A Notice of Determination was filed with the State Clearinghouse on May 17, 2002 and the response period expired on June 20, 2002.

Project Schedule

The project schedule is as follows:

Award construction:	October 2003
Complete project:	September 2005

Staff Recommendation: Approve preliminary plans.

CONSENT ITEM

CONSENT ITEM – 20

CALIFORNIA COMMUNITY COLLEGES (6870)
COAST COMMUNITY COLLEGE DISTRICT
ORANGE COAST COLLEGE, ORANGE COUNTY
Learning Resource Center

Authority: Chapter 157/03, Item 6870-301-6028 (9)

a. Approve preliminary plans

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 20

California Community Colleges
Coast Community College District
Orange Coast College, Orange County
Learning Resource Center

Action Requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. This project constructs a new 60,991 assignable square feet (asf) Learning Resource Center. Completion of the project will result in 2,339-asf of laboratory space, 1,427-asf office space, 56,200 asf library space, and 1,025 asf of other space.

Funding and Cost Verification

This project is within cost.

\$22,504,000 total estimated project costs

\$21,557,000 project funds to be allocated: working drawing \$759,000; construction \$19,606,000 (\$17,742,000 contracts, \$887,000 contingency and \$977,000 tests and inspections, architectural oversight during construction, and construction management at CCI 4019) and \$1,192,000 equipment at EI 2564

\$947,000 local funds previously allocated: preliminary plans \$947,000

CEQA

A Notice of Exemption was filed with the State Clearinghouse on October 28, 1993 and the response period expired on November 29, 1993.

Project Schedule

The project schedule is as follows:

Award construction: October 2004

Complete project: July 2006

Staff Recommendation: Approve preliminary plans.

CONSENT ITEM

CONSENT ITEM – 21

**CALIFORNIA COMMUNITY COLLEGES (6870)
CERRITOS COMMUNITY COLLEGE DISTRICT
CERRITOS COLLEGE, LOS ANGELES COUNTY**
Seismic Retrofit - Electronics

*Authority: Chapter 106/01, Item 6870-301-0574 (10)
Chapter 157/03, Item 6870-301-0574 (1)*

a. Approve preliminary plans

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 21

California Community Colleges
Cerritos Community College District
Cerritos College, Los Angeles County
Seismic Retrofit–Electronics

Action Requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. This project provides for the seismic retrofit of an existing 20,662 asf one-story building.

Funding and Project Cost Verification

This project is within cost.

\$1,340,000	total estimated project costs
\$32,000	project costs previously allocated: preliminary plans
\$1,308,000	project costs to be allocated: working drawings \$58,000; construction \$1,250,000 (\$1,035,000 contracts, \$72,000 contingency, \$143,000 administration, testing, inspection) at CCCI 4019

CEQA

A Notice of Exemption was filed with the State Clearinghouse on February 13, 2002, and the waiting period expired on March 14, 2002.

Project Schedule

The project schedule is as follows:

Approve preliminary plans:	October 2003
Approve working drawings:	July 2004
Complete construction:	September 2005

Staff Recommendation: Approve preliminary plans.

CONSENT ITEM

CONSENT ITEM – 22

**CALIFORNIA COMMUNITY COLLEGES (6870)
LOS RIOS COMMUNITY COLLEGE DISTRICT
FOLSOM LAKE CENTER, SACRAMENTO COUNTY**
New Instructional Space Phase IC

Authority: Chapter 157/03, Item 6870-301-6028 (43)

a. Approve preliminary plans

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 22

California Community Colleges
Los Rios Community College District
Folsom Lake Center, Sacramento County
New Instructional Space Phase IC

Action Requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. This project constructs new instructional and support spaces totaling 50,329 asf, an increase of 167 asf (from the original 50162 asf) due to design refinements. Completion of the project will result in 7,482 asf lecture, 21,810 asf laboratory, 5,924 asf office, and 15,113 asf other spaces.

Funding and Cost Verification

This project is within cost.

\$21,498,000	total estimated project costs
\$10,749,000	project funds to be allocated: construction \$10,749,000 (\$9,131,000 contracts, \$792,000 contingency and \$826,000 tests and inspections, architectural oversight during construction, and construction management at CCI 4019)
\$10,051,000	local funds to be allocated: working drawings \$770,000; construction \$6,699,000 (\$6,699,000 contracts) and equipment \$2,582,000 at EI 2564
\$698,000	local funds previously allocated: preliminary plans

CEQA

A Notice of Determination was filed with the State Clearinghouse on April 24, 1990 and the response period expired on June 8, 1990.

Project Schedule

The project schedule is as follows:

Award construction:	May 2004
Complete project:	June 2005

Staff Recommendation: Approve preliminary plans.

CONSENT ITEM

CONSENT ITEM – 23

**CALIFORNIA COMMUNITY COLLEGES (6870)
LOS RIOS COMMUNITY COLLEGE DISTRICT
COSUMNES RIVER COLLEGE, SACRAMENTO COUNTY**
Instructional and Library Facilities I

Authority: Chapter 157/03, Item 6870-301-6028 (40)

a. Approve preliminary plans

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 23

California Community Colleges
Los Rios Community College District
Cosumnes River College, Sacramento County
Instructional and Library Facilities I

Action Requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. This project constructs new instructional and support spaces totaling 30,635 asf comprised of 16,165 asf instructional, 6,480 asf learning resources, 7,115 asf office, and 875 asf AV/TV spaces. A small portion of the existing library will also be remodeled at district cost.

Funding and Cost Verification

This project is within cost.

\$13,505,000	total estimated project costs
\$6,753,000	project funds to be allocated: construction \$6,753,000 (\$5,693,000 contracts, \$494,000 contingency and \$566,000 tests and inspections, architectural oversight during construction, and construction management at CCI 4019)
\$6,224,000	local funds to be allocated working drawings \$424,000; construction \$4,180,000 (\$4,180,000 contracts) and equipment \$1,620,000 at EI 2564
\$528,000	local funds previously allocated: preliminary plans

CEQA

A Notice of Determination was filed with the State Clearinghouse on February 10, 2003 and the response period expired on March 17, 2003.

Project Schedule

The project schedule is as follows:

Award construction:	February 2004
Complete project:	February 2005

Staff Recommendation: Approve preliminary plans.

CONSENT ITEM

CONSENT ITEM – 24

**CALIFORNIA COMMUNITY COLLEGES (6870)
LOS RIOS COMMUNITY COLLEGE DISTRICT,
SACRAMENTO CITY COLLEGE, SACRAMENTO COUNTY**
Technology Building Modernization

Authority: Chapter 157/03, Item 6870-301-6028 (41)

a. Approve preliminary plans

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 24

California Community Colleges
Los Rios Community College District
Sacramento City College, Sacramento County
Technology Building Modernization

Action Requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. This project remodels 11,066 asf in the Technology Building. Design refinements have shifted 104 asf from office to laboratory space resulting in 1,817 asf office and 9,249 asf laboratory spaces.

Funding and Cost Verification

This project is within cost.

\$3,681,000	total estimated project costs
\$1,562,000	project funds to be allocated: construction \$1,562,000 (\$1,177,000 contracts, \$174,000 contingency and \$211,000 tests and inspections, architectural oversight during construction, and construction management at CCI 4019)
\$1,974,000	local funds to be allocated: working drawings \$110,000; construction \$1,307,000 (\$1,307,000 contracts) and equipment \$557,000 at EI 2564
\$145,000	local funds previously allocated: preliminary plans

CEQA

A Notice of Exemption was filed with the State Clearinghouse on October 29, 2002 and the response period expired on November 28, 2002.

Project Schedule

The project schedule is as follows:

Award construction:	March 2004
Complete project:	June 2005

Staff Recommendation: Approve preliminary plans.

CONSENT ITEM

CONSENT ITEM – 25

**CALIFORNIA COMMUNITY COLLEGES (6870)
LOS RIOS COMMUNITY COLLEGE DISTRICT,
AMERICAN RIVER COLLEGE, SACRAMENTO COUNTY**
Allied Health Modernization

Authority: Chapter 157/03, Item 6870-301-6028 (39)

a. Approve preliminary plans

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 25

California Community Colleges
Los Rios Community College District
American River College, Sacramento County
Allied Health Modernization

Action Requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. This project constructs a 6,314 asf permanent facility for the Allied Health program comprised of 4,540 asf laboratory and 1,774 asf office spaces.

Funding and Cost Verification

This project is within cost.

\$3,448,000	total estimated project costs
\$1,724,000	project funds to be allocated: construction \$1,724,000 (\$1,415,000 contracts, \$144,000 contingency and \$165,000 tests and inspections, architectural oversight during construction, and construction management at CCI 4019)
\$1,588,000	local funds to be allocated: working drawings \$127,000; construction \$1,461,000 (\$1,461,000 contracts)
\$136,000	local funds previously allocated: preliminary plans

CEQA

A Notice of Exemption was filed with the State Clearinghouse on March 17, 2003 and the response period expired on April 20, 2003.

Project Schedule

The project schedule is as follows:

Award construction:	March 2004
Complete project:	July 2005

Staff Recommendation: Approve preliminary plans.

CONSENT ITEM

CONSENT ITEM – 26

**CALIFORNIA COMMUNITY COLLEGES (6870)
LOS RIOS COMMUNITY COLLEGE DISTRICT
EL DORADO CENTER, SACRAMENTO COUNTY**
New Instructional and Library Facilities I

Authority: Chapter 157/03, Item 6870-301-6028 (42)

a. Approve preliminary plans

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 26

California Community Colleges
Los Rios Community College District
El Dorado Center, Sacramento County
New Instructional and Library Facilities I

Action Requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. This project constructs 13,340 asf of new space comprised of 2,732 asf lecture, 6,988 asf laboratory, 1,816 asf office, 925 asf library/learning resource, and 925 asf AV/TV spaces. Design refinements have resulted in the following adjustments: decrease of 15 asf in lecture (from 2,747 to 2,732 asf) and a decrease of 91 asf in laboratory (from 7,079 to 6,988 asf).

Funding and Cost Verification

This project is within cost.

\$6,564,000	total estimated project costs
\$5,896,000	project funds to be allocated: construction \$5,160,000 (\$4,631,000 contracts, \$232,000 contingency and \$297,000 tests and inspections, architectural oversight during construction, and construction management at CCI 4019) and equipment \$736,000 at EI 2564
\$254,000	local funds to be allocated: working drawings \$254,000
\$396,000	local funds previously allocated: preliminary plans

CEQA

A Notice of Determination was filed with the State Clearinghouse on March 17, 2003 and the response period expired on April 20, 2003.

Project Schedule

The project schedule is as follows:

Award construction:	December 2003
Complete project:	May 2005

Staff Recommendation: Approve preliminary plans.

CONSENT ITEM

CONSENT ITEM – 27

CALIFORNIA COMMUNITY COLLEGES (6870)
MIRA COSTA COLLEGE DISTRICT
MIRA COSTA COLLEGE, SAN DIEGO COUNTY
Horticulture Complex

Authority: Chapter 157/03, Item 6870-301-6028 (46)

a. Approve preliminary plans (local funds)

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 27

California Community Colleges
Mira Costa Community College District
Mira Costa College, San Diego County
Horticulture Complex

Action Requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. This project reconstructs a 13,010 assignable square feet (asf) horticulture facility, including 5,600 asf of laboratory space, 640 asf of office space, a 3,600 asf greenhouse, and 3,170 asf of other space. This project includes the demolition of the existing temporary horticulture facility.

Funding and Project Cost Verification

This project is within cost.

\$3,573,000	total estimated project costs
\$3,356,000	project costs to be allocated: construction \$2,848,000 (\$2,522,000 contracts, \$126,000 contingency, \$200,000 administration, testing, inspection) at CCCCI 4019 and equipment \$508,000 at EPI 2564
\$106,000	local project costs previously allocated: preliminary plans
\$111,000	local project costs to be allocated: working drawings

CEQA

A Negative Declaration was filed with the State Clearinghouse on March 11, 2003, and the waiting period expired on March 31, 2003.

Project Schedule

The project schedule is as follows:

Approve working drawings:	April 2004
Complete construction:	July 2005

Staff Recommendation: Approve preliminary plans.

CONSENT ITEM

CONSENT ITEM – 28

**CALIFORNIA COMMUNITY COLLEGES (6870)
WEST HILLS COMMUNITY COLLEGE DISTRICT
WEST HILLS COLLEGE AT COALINGA, KERN COUNTY**
Library Expansion

Authority: Chapter 157/03, Item 6870-301-6028 (86)

a. Approve preliminary plans

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 28

California Community Colleges
West Hills Community College District
West Hills College at Coalinga, Kern County
Library Expansion

Action Requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. This project constructs 2,757 assignable square feet of new space and reconstructs 6,666 asf of existing library space. New asf includes 1,546 library, 1,120 AV/TV, and 91 storage. Reconstructed asf includes: 119 office, 6,315 library, and 232 storage. The library's existing technology infrastructure will also be upgraded.

Funding and Cost Verification

This project is within cost.

\$2,352,000 total estimated project costs

\$2,117,000 project funds to be allocated: construction \$1,978,000 (\$1,722,000 contracts, \$105,000 contingency and \$151,000 tests and inspections, architectural oversight during construction, and construction management at CCI 4019), and equipment \$139,000 at EI 2564

\$103,000 local funds previously allocated: preliminary plans \$103,000

\$132,000 local funds to be allocated: working drawings \$79,000; construction \$53,000 at CCCI 4019

CEQA

A Notice of Exemption was filed with the State Clearinghouse on August 28, 2003 and the response period expired on October 3, 2003.

Project Schedule

The project schedule is as follows:

Award construction: January 2004

Complete project: January 2005

Staff Recommendation: Approve preliminary plans.

ACTION ITEM

ACTION ITEM – 29

DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF REHABILITATION/BUSINESS ENTERPRISE PROGRAM
VENDOR PERMIT
SACRAMENTO COUNTY
Capitol East End Complex Retail Space

Authority: Welfare and Institutions Code 19625 et seq.
Government Code Section 8169.5

- a. **Consent to Department of Rehabilitation, Business Enterprise Program Vendor Facility Permit for the Capitol East End Complex Retail Space in Block 173.**
- b. **Authorize the Administrative Secretary to the State Public Works Board to consent to the Department of Rehabilitation, Business Enterprise Program Vendor Permit with the Department of General Services for the Capitol East End Complex retail space in Block 173 and four additional vendor permits for retail space located in Blocks 171, 172, 174, and 225.**

APPROVED.

ACTION ITEM

STAFF ANALYSIS – 29

Department of General Services
Department of Rehabilitation, Business Enterprise Program Vendor Permit
Capitol East End Complex Retail Space

Action Requested

The requested action will consent to the Department of Rehabilitation, Business Enterprise Program Vendor Permit for the Capitol East End Complex retail space in Block 173 and authorize the Administrative Secretary to the State Public Works Board to consent to the Department of Rehabilitation, Business Enterprise Program Vendor Permit with the Department of General Services for the Capitol East End Complex retail space in Block 173 and four additional vendor permits for retail space located in Blocks 171, 172, 174, and 225.

History

The Capitol East End Complex was authorized by Chapter 761, Statutes of 1997 and Chapter 625, Statutes of 1999 (substantially codified in Government Code Section 8169.5). The project consists of approximately 1.2 million usable square feet of office space, 1600 parking spaces, 19,900 square feet of retail/commercial uses, and a 300-

seat auditorium. The Joint Rules Committee issued a report on March 25, 1999, that recommended the consideration of after hours activities (and the potential lack of them) when formulating a design for the project.

The Department of Rehabilitation (DOR) Business Enterprise Program (BEP) exercised its priority for space in the complex by requesting the use of the approximately 6,100 square feet of retail space in Block 173 for a full service restaurant/bar. The Welfare and Institutions Code Section 19625 authorizes the use of state property for employment opportunities for blind persons. Furthermore, the law allows BEP the first right of refusal to occupy retail areas in state office buildings. Historically, the BEP participants have not paid any rent, utilities, security, or maintenance at state facilities. Since the BEP operated restaurant space located within the Capitol East End Complex will provide after hours service, a compromise has been reached between DOR and SPWB to allow reimbursement of the added costs associated with operating a full service restaurant after normal State business hours. This approach is both consistent with current practice and acknowledges the added potential for higher earnings given that this facility will operate longer hours and on weekends. The rate for the after hours use will be \$14.00 per hour.

In addition, four coffee carts/stations will be located throughout the Capitol East End Complex. Blocks 171, 172, 174, and 225 will each have designated space for this business. These permits will be consistent with current practice and the BEP participant will not pay any rent, utilities, security, or maintenance.

Restaurant Description

The permit will provide for a full service restaurant use of approximately 6,100 square feet of retail space in Block 173 operating beyond normal state hours. The BEP vendor selection committee publicly solicited and awarded the food service operation to a BEP vendor who is planning on operating a "Sports Grill". The BEP vendor has developed the menu that will include a variety of food types and beverages, including the serving of alcohol.

Funding and Project Cost Verification

\$4,291,410	total restaurant costs
\$1,912,165	DOR/BEP contribution for design, movable equipment, and furnishings
\$2,379,245	project contribution for design, permanent equipment, and furnishings

Project Schedule

The project schedule is as follows:

Complete Construction: January 2004

Staff Recommendation: Consent to Department of Rehabilitation, Business Enterprise Program Vendor Permit and authorize the Administrative Secretary to the State Public Works Board to consent to the Department of Rehabilitation, Business Enterprise Program Vendor Permit and four additional vendor permits for retail space located in Blocks 171, 172, 174, and 225.

ACTION ITEM

ACTION ITEM – 30

DEPARTMENT OF MOTOR VEHICLES (2740)
SACRAMENTO HEADQUARTERS, SACRAMENTO COUNTY
6th and 7th Floor Asbestos Removal and Seismic Retrofit

Authority: Chapter 157/03, Item 2740-301-0044 (3)

a. Approve termination of project and reversion of construction funds

APPROVED.

ACTION ITEM

STAFF ANALYSIS – 30

Department of Motor Vehicles
Sacramento Headquarters
6th and 7th Floor Asbestos Removal and Seismic Retrofit

Action Requested

The requested action will approve the termination of the project and the reversion of construction funds.

Scope Description

This project is within scope. This project consists of asbestos abatement on the 6th floor (75,016 sf), office renovation for the 6th/7th floors, and seismic retrofit from the 2nd floor to the 7th floor of the Department of Motor Vehicles Headquarters, Building East. The renovated spaces will have open office architecture, limited private offices, and meeting rooms. Exterior work includes re-roofing the 7th floor. In addition, the existing elevator tower will be upgraded and a new elevator tower will also be constructed at the building's North elevation. Additional improvements included upgrades to meet high-rise building codes.

Funding and Cost Verification

This project is not within cost. The headquarters building is being completed on a floor-by-floor process (eight major phases), of which two phases have been completed. After recently refining the project costs for the project, the Department of General Services determined that the project cannot be completed within the approved budget. More specifically, total project costs increased from \$14.4 million to \$45.3 million – a 314 percent increase. Therefore, the DMV requests the termination of the project and the reversion of the \$513,000 appropriated for the preliminary plans. DMV anticipates requesting a new appropriation for this project in the 2004-05 proposed Governor's Budget. A 20-day scope notification letter was sent to the Legislature on September 19, 2003, without comment.

\$14,413,000 total estimated project costs

\$513,000 project costs previously allocated for preliminary plans to be reverted

\$13,900,000 Unallocated project costs: working drawings \$673,000; and construction \$13,227,000 (\$10,742,000 contract, \$752,000 contingency, \$1,122,000 A&E and other project costs, and \$611,000 agency retained items)

CEQA

N/A

Project Schedule

N/A

Staff Recommendation: Approve project termination and reversion of construction funds.

ACTION ITEM

ACTION ITEM –

DEPARTMENT OF GENERAL SERVICES (1760)
SANTA MONICA MOUNTAINS CONSERVANCY (3810)
AHMANSON RANCH, VENTURA COUNTY
Project Number SMMC 227, DGS Parcel No. 10201

Authority: Chapter 379/03, 3810-301-6031
Chapter 618/02, 3640-801-6031
Water Code 79570(c) and 79572(b)
Public Resources Code Sections 33203 and 33203.5

a. Authorize acquisition consistent with the staff analysis

APPROVED.

ACTION ITEM

STAFF ANALYSIS –

Department of General Services
Santa Monica Mountains Conservancy
Ahmanson Ranch

Action Requested

The requested action will authorize acquisition consistent with staff analysis.

Scope Description

This project is within scope. The requested action will authorize acquisition of approximately 2,785 acres of land in fee improved with one ranch house situated in an enclave of approximately 60 acres. The property is known as the Ahmanson Ranch. In addition to the fee acquisition, certain appurtenant easements including one open space conservation easement for the Crummer Canyon Road area, all of which are located in Los Angeles and Ventura counties, will be included as part of the acquisition. The property is located in the Simi Hills, which are situated between the Santa Susana Mountains and the Santa Monica Mountains. It is contiguous on the west to the 2600 acre Las Virgenes Open Space owned by the Mountains Recreation Conservation Authority (MRCA). Lands contiguous on the west to MRCA's property is owned by the National Park Service Cheeseboro/Palo Comado Unit.

The property contains over nine miles of blue-line streams, most of which are part of the Malibu Creek Watershed that drains into the Malibu Lagoon. The property will be managed for the protection of wildlife habitat to promote the recovery of rare and sensitive species including the red-legged frog, the southwestern willow flycatcher, and the San Fernando spineflower. Management will include the protection and restoration of sensitive and declining plant communities, protection of the Malibu Creek watershed, and to provide open space parkland opportunities for the greater Los Angeles metropolitan area. As part of the acquisition, the State will obtain an easement to an open space conservation area through the Crummer Canyon that abuts the southeast corner of the Ahmanson Ranch property and extends south approximately one mile to Highway 101.

Acquisition of this property is consistent with the Santa Monica Mountains Comprehensive Plan and fulfills the purposes of Division 23 of the Public Resources Code.

Funding and Cost Verification

This project is within cost. Chapter 618/02, 3640-801-6031 and Chapter 379/03, 3810-201-6031 provide funding for this acquisition in fee simple interest and closing costs for the real property. The property can be acquired within the funds available and in accordance with the intent of the Legislature. The Wildlife Conservation Board (WCB) is providing \$135 million of Proposition 50 grant money and the State Coastal Conservancy (SCC) is providing \$10 million of Proposition 50 grant money. The remainder of the \$5 million will be paid out of a grant from the Santa Monica Mountains Conservancy (SMMC) to MRCA. As a condition of the funding being provided by both WCB's grant and SCC's grant, the property will be restricted to the use of wildlife conservation/education.

The costs of carrying out the management on the property will be funded by the Mountains Recreation and Conservation Authority (MRCA).

Costs of Environmental Insurance: MRCA shall obtain for the benefit of SMMC, WCB, and SCC, a Pollution Legal Liability (PLL) insurance policy with a term of not less than ten (10) years and policy limit of not less than \$10 million in the form satisfactory to SMMC and Department of

General Services (DGS). Consideration to include the DGS, Department of Finance (DOF), and State Public Works Board (PWB) as additional named insureds is being made at this time. There will be no cost to SMMC for this policy. The policy will be issued by AIG Environmental Insurance Company (AIG).

CEQA

A Notice of Exemption was filed with the State Clearinghouse (SCH) on July 9, 2003 under SCH Number 2003078153. The 30-day statute of limitations period expired on August 13, 2003.

Project Schedule

The project schedule is as follows:

The anticipated close of escrow is November 20, 2003.

Condition of Property

Environmental due diligence assessment for the Ahmanson Ranch acquisition has been based on multiple site visits, document review and communications with Conservancy staff and property representatives. DGS, Environmental Services Section (ESS) staff conducted a preliminary site visit on August 19th and a follow-up site visit to the Ahmanson Ranch on September 2, 2003. The acquisition consists of approximately 2,785 acres of predominantly vacant, undeveloped land in Ventura County. The topography of the property ranges in elevation from approximately 900 feet above mean sea level (MSL) near the southern end of Las Virgenes Canyon, to 1,350 feet MSL on Laskey Mesa in the southeastern corner of the property, to approximately 1,800 feet MSL on the northern portion of the property. Property development consists of several ranch-style structures located on Laskey Mesa. Historically the property has been used for limited ranching (some livestock grazing/farming) activities, and as a family retreat (single ranch house complex for passive uses). Use of the property also included a former commercial landscape nursery on a small site in Las Virgenes Canyon.

In addition to the site visits, ESS staff has been provided the opportunity to review various due diligence studies and investigations prepared by the land owner and/or those requested by State staff. A Phase I Environmental Site Assessment (ESA) report prepared by Kleinfelder, June 16, 2003, and an Addendum to the Phase I in the form of a limited-in-scope Phase II was prepared by Kleinfelder on August 5, 2003, were reviewed by ESS and found to be in accordance with American Society for Testing and Materials (ASTM) standards. Identified in the Phase I ESA report were the following potential or recognized environmental conditions:

- There is the potential for ACBMs (asbestos) and lead-based paints to be located in the existing structures onsite based on the age of their construction. An asbestos and lead-based paint survey was performed by Christo & Ganesh-M, Inc., Environmental Consultants, September 19, 2003. Both asbestos and lead-based paint were present in the main ranch house and the caretaker's house, neither of which pose a threat to human health or the environment. The lead-based paint poses no threat to human health because it is isolated beneath more recent paint in good condition. The asbestos poses no threat to human health because it is either isolated (most of the asbestos present is located in linoleum that lies beneath newer flooring in good condition), or is not friable and is secured in place, e.g., the asbestos around the ducts in the attic of the caretaker's house. Should remodeling or demolition activities take place, proper precautions for working in and around lead-based paint and asbestos need to be observed along with proper disposal.

- Smudge pots were observed during the site reconnaissance performed for the Phase I ESA in the northwestern portion of the property in Las Virgenes Canyon (the area of the former commercial plant nursery/tree farm from the 1960s through the 1970s). Smudge pots contain hydrocarbons, and hydrocarbon staining was observed at the base of some of the smudge pots. Additionally, environmentally persistent pesticides and herbicides may have been applied to the plants grown onsite. The smudge pots and Quonset hut associated with the nursery/tree farm have been removed offsite and disposed of properly. All contaminated soils in the area of the smudge pots have been remediated (Dottie Jensen, V.P., Ahmanson Land Company)

Other environmental conditions identified in the Kleinfelder report are:

- One petroleum and three high-pressure natural gas pipelines:
 1. An active, 12-inch diameter Union Oil Pipeline Company of California petroleum pipeline crossing the Laskey Mesa portion of the subject property from east to west and then extending northward up Las Virgenes Canyon.
 2. Two, 18- and 20-inch diameter, Southern California Gas Company Transmission Department high-pressure natural gas transmission pipelines that extend in an east-west direction near the petroleum pipeline.
 3. A Southern California Gas Company Northern Regional Technical Services Department high pressure natural gas supply line extending from one of these lines up Las Virgenes Canyon.

A right-of-way inspection report is filled out every two weeks listing the pipeline section, date covered, and patrol type, e.g., truck. Additionally, the high pressure lines are inspected twice a week by air patrol (Steve Van Winkle, Operations Supervisor for Conoco Phillips, letter dated 09/09/03). Records from the Gas Company indicate that no leaks or repairs have been made on either transmission pipeline (Nos. 404 or 406) that cross Ahmanson Ranch within the last two years (Tim Pearce, Project Manager for the Gas Company, letter dated 09/18/03).

- At least six uncompleted and abandoned oil and gas wells have been drilled on the subject property. The Kleinfelder ESA identified six "uncompleted abandoned" oil wells located within the property boundaries. None of the wells ever produced oil or gas. The disposition of those six wells is as follows:
 1. Barrett-Crummer #1: A "Report of Well Abandonment" letter dated March 15, 1951 indicates that abandonment requirements for this well were fulfilled at that time.
 2. Barrett #1: A "Report of Well Abandonment" letter dated December 5, 1949 indicates that abandonment requirements for this well were fulfilled at that time.
 3. Teddy #1: A "Report of Well Abandonment" letter dated June 19, 1959 indicates that abandonment requirements for this well were fulfilled at that time. A "Special Report on Operations Witnessed" states that the location and hardness of a cement plug set at 344 feet were approved by California Dept. of Conservation, Division of Oil, Gas, and Geothermal Resources (DOGGR).
 4. Calabasas #1: A "Special Report on Operations Witnessed" dated April 20, 1932 the then-current lessee of the land requested "that no cement be placed in the well after removing the well casing, since he feared this would interfere with the flow of water." In response, DOGGR approved the "mudding and bridging of the well above the 13-3/8" stub (595')." "
 5. Hearst #2: This well was drilled to a total depth of 221 feet, and not considered to be an oil well by DOGGR. The abandonment procedures were to "fill up with rocks and earth."
 6. Chevron Corehole #SR-1: no records for this well were found on file with DOGGR.

If the work can be undertaken with little or no potentially significant adverse effects to the environment, **ESS staff recommends that the three wells, Calabasas #1, Hearst #2, and Chevron Corehole #SR-1, be properly abandoned to prevent**

any possible groundwater contamination. DOGGR would require the wells to be "replugged" if structures were to be built on top of them (Laurie Collins, SMMC, personal communication, email 09/16/03).

The Phase I ESA discusses groundwater sampling for perchlorates at an off-site well identified as Ahmanson Ranch Well #1. Water samples taken from this well in June and July of 2003 were "no detect" for perchlorates. The California Regional Water Quality Control Board, Los Angeles Region, concludes from information provided to them that Ahmanson Ranch Well #1 groundwater appears to be free of perchlorate at the depths (450 feet below ground surface and 550 feet bgs) sampled. Property representatives working with the Regional Board and the State Department of Health Services Radiological Health Branch (SDHS-RHB) requested additional water sampling on Ahmanson Well #1, six shallow wells (P wells) and six seep/springs locations at Ahmanson Ranch on June 25, 2003. All samples for chemicals of concern were below threshold levels.

In addition to the items identified in the Kleinfelder Phase I ESA report, the following conditions were observed during the September site visit:

- Ten water wells - two wells are active and serve the ranch complex on Laskey Mesa, the other eight have been abandoned/capped.
- Groundwater monitoring wells along Las Virgenes Creek - for purposes of monitoring red-legged frog (federally-listed as "threatened" and a California "species of concern") habitat.

ESS staff believe the environmental due diligence has been professionally and thoroughly conducted, and that the property has no potentially significant environmental hazards or unknown future liabilities that could be determined at this time. Based upon these findings, ESS staff recommends approval of site acquisition.

Other

- The purchase price shall not exceed the estimated fair market value as determined by the DGS approved appraisal.
- Ventura County and Ahmanson Land Company entered into a Development Agreement (Ahmanson Ranch Development Agreement) dated December 15, 1992, as amended. A Specific Plan dated December 15, 1992, as amended, consistent with the General and Area Plans, was approved by Ventura County. As per the Purchase Acquisition Agreement between MRCA and SMMC MRCA/SMMC PAA), MRCA shall be responsible for cooperating with the County of Ventura to see that these rights are preserved. A Note for Future Consideration: Under the conditions of the existing Development Agreement, the Developer was to provide a certain amount of low income housing on the property. While in the State's ownership, the property will not be developed, resulting in no low income housing being provided. To fulfill its obligations to meet this need, the County may identify the need to amend its General and Area Plans. This may trigger the Specific Plan and Development Agreement to be amended as well. Should this become a reality, there may be County administrative costs associated with the amendment of the plans and Development Agreement. A portion of these administrative costs could become the responsibility of the State as the landowner and holder of the development entitlements.
- There is one tenant that has been occupying the property since SMMC began negotiations to purchase the property. SMMC recognizes its obligations to consider relocation

assistance pursuant to Public Resources Code Section 7260 et seq. and other implementing regulations. At the time of the State Public Works Board (PWB) meeting, the rights and costs associated with the relocation have not been determined.

- The acquisition of the property by SMMC from MRCA is contingent upon MRCA acquiring the same property from the Ahmanson Land Company, a California corporation (Ahmanson) at the same price. MRCA will enter into a separate purchase agreement with Ahmanson (Ahmanson Purchase Agreement) after the State Public Works Board's (PWB) approval of the acquisition from MRCA to SMMC. For the purposes of consideration of the acquisition by the PWB, and in lieu of an executed Ahmanson Purchase Agreement, Ahmanson has provided a Willing Seller Letter identifying its intent to sell the property to MRCA. This Willing Seller Letter identifies the purchase price as \$150 million.
- Land Use Restrictions are imposed on the property through both of the funding grants being provided by the WCB and the SCC. The availability of the grant money is conditioned upon the property being used for wildlife conservation/education purposes. The SMMC will enter into a separate Grant Agreement each with WCB and with SCC identifying the conditions imposed by the Grant monies. One Notice of Unrecorded Grant Agreements will be executed by SMMC and recorded in the County Recorder's Office of Los Angeles and Ventura counties. Pursuant to the WCB grant, should the property not be used for wildlife conservation, a prorated amount of the grant money will have to be repaid to WCB or as an alternative, a conservation easement in favor of WCB will have to be placed on the property.
- MRCA has agreed to provide all funding required in managing the property as wildlife conservation/education lands. MRCA and SMMC will enter into an agreement, in the form of a License, specific to the management of the Ahmanson property being acquired. The terms and conditions of this License will not be inconsistent with the terms and conditions of the existing reciprocal management agreement between MRCA and SMMC.
- SMMC will be required to obtain a policy of title insurance on the subject property.
- MRCA will obtain for the benefit of SMMC, at no cost to SMMC, a PLL Environmental Insurance Policy from AIG to be effective at the time of transfer. The policy will be for a term of not less than ten years and with a policy limit of not less than \$10 million in the form satisfactory to the insureds and DGS. DGS Office of Risk and Insurance Management has reviewed AIG's rating and the reasonableness of the premium. DGS Real Estate Services Section and Office of Legal Services have reviewed the policy for coverage issues. DGS required that MRCA obtain a Letter of Intent to Provide Coverage prior to PWB approval of the acquisition.
- As a condition of SMMC acquiring the property from MRCA, and as addressed in the proposed MRCA/SMMC PAA, MRCA has agreed to the following:
 - To remediate and or removal of any Lead Based Paint and Asbestos that has been identified as existing in certain improvements on the property. The remediation and or removal of these substances will be at the cost of MRCA.
 - To properly close and/or abandon certain oil wells on the property. The DGS ESS staff is recommending such closure.
 - To provide indemnification to the State regarding all matters relating to its Continued Obligations assumed under the Ahmanson Purchase Agreement; to all matters relating to the existing ranch house; all matters relating to any

- existing oil wells, petroleum pipelines, sewer pipeline, and high pressure gas lines; including any matters yet uncharacterized.
- As successor to Ahmanson in the acquisition of the Ahmanson Ranch and as a condition of both the Ahmanson Purchase Agreement and the MRCA/SMMC Purchase Acquisition Agreement (MRCA/SMMC PAA), to assume all obligations and liabilities of Ahmanson's relating to any Development Litigation, the Dismissal Escrow Agreement, the Oaktree Litigation, and the Hidden Hills Agreement. Details describing MRCA's assumption of liabilities and responsibilities are addressed in both the Ahmanson Purchase Agreement and the MRCA/SMMC PAA.
- To assume all responsibilities, including costs, to preserve either through no action to terminate or through assignment by appropriate document, those certain outstanding agreements affecting the property to be acquired. These agreements have been discussed and have been conceptually agreed upon by MRCA, SMMC, and DGS.
- To assume all responsibilities, including costs, to terminate through appropriate mechanism, those certain outstanding agreements affecting the property. These agreements have been discussed and conceptually agreed upon by MRCA, SMMC and DGS.
- MRCA, SMMC, WCB, and DGS have satisfactorily negotiated conceptual terms for the MRCA/SMMC PAA on October 8, 2003. Refinement of the PAA is being worked on.
- DGS has approved the form of the grant deed to be executed by MRCA in the transfer of the property to SMMC.

Staff Recommendation: **Recommend approval of acquisition consistent with the staff analysis, conditioned upon completion of the following:**

- **DGS staff's review and approval of the Relocation Assistance entitlement.**
- **MRCA and Ahmanson entering into the Ahmanson Purchase Agreement.**
- **Grant Agreement, regarding the funding, being entered into between SMMC and WCB and SMMC and SCC and the related Notice of Unrecorded Grant Easements being executed by SMMC.**
- **MRCA entering into a management agreement with SMMC (in the form of a License already conceptually agreed on both all parties) specifically related to the management of the Ahmanson Property.**
- **SMMC obtaining a Policy of Title Insurance from Land America Lawyers Title.**
- **MRCA obtaining for the benefit of SMMC, WCB, SCC, DGS, DOF and PWB, a Pollution Legal Liability Insurance Policy for a term of not less than 10 years and limits not less than \$10 million, as approved by all benefiting parties. Prior to PWB approval, a Letter on Intent to insure must be provided by AIG to MRCA.**
- **Agreement by MRCA, SMMC and DGS on the preservation, assignment or termination of those certain agreements being discussed by the parties.**
- **The MRCA/SMMC PAA being executed by MRCA and SMMC in the form approved by DGS and PWB.**
- **The grant deed being executed by MRCA in the form approved by DGS on 10/08/03.**
- **Confirmation by DGS that all requested information to complete its due diligence has been satisfactorily submitted by MRCA or SMMC.**

OTHER BUSINESS

REPORTABLES

Respectfully Submitted,

JAMES E. TILTON
Administrative Secretary