



CALIFORNIA STATE  
**PUBLIC WORKS BOARD**

GRAY DAVIS, GOVERNOR

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STATE PUBLIC WORKS BOARD  
June 13, 2003  
**MINUTES**

**PRESENT:**

Mr. David Takashima, Chief Deputy Director, Department of Finance  
Mr. Barry Hemphill, Deputy Director, Telecommunications Division, Department of General Services  
Mr. Bob Garcia, Chief Financial Officer, Department of Transportation  
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  
Kathryn Amann, Assistant Administrative Secretary, State Public Works Board  
Tamara Moss, Secretary, State Public Works Board  
Debbie Dills, Budget Analyst, Department of Finance  
Jim Martone, Budget Analyst, Department of Finance  
Nathan Brady, Budget Analyst, Department of Finance  
Rocel Bettencourt, Budget Analyst, Department of Finance  
Brian Dewey, Budget Analyst, Department of Finance  
Randy Katz, Budget Analyst, Department of Finance

**OTHERS PRESENT:**

Happy Chastain, State and Consumer Services Agency  
Ross Davidson, Carmichael Chamber of Commerce  
Dennis Bylo, Governor's House Committee-Site G  
David Wrightsman, Department of Parks and Recreation  
Pat Rogers, Department of Parks and Recreation  
Gerry Clark, Department of General Services-RESO  
Irene Anderson, Department of General Services-RESO  
Dwight Weathers, Department of General Services-RESO  
Chery Allen, Department of General Services-RESO  
Sheila Bramow, Department of General Services-RESO

Curt Karlin, Department of Forestry and Fire Protection  
Eric Trotter, Department of Forestry and Fire Protection  
Glen Williams, American Land Conservancy  
Deanna Beland, Department of Transportation  
Rick Stolz, Department of Parks and Recreation  
Cindy Spita, Department of Parks and Recreation  
Sabrina Winn, Department of General Services-RESO  
Warren Westrup, Department of Parks and Recreation  
John Schwander, Department of Corrections  
Anita Nord, State Treasurer's Office  
Chris Vance, State Treasurer's Office  
Rob Cane, Department of Parks and Recreation  
Krista Pfefferkorn, Senator Ortiz' Office

**CALL TO ORDER AND ROLL CALL:**

Mr. Takashima, Chairperson, Chief Deputy Director, Department of Finance at 10:26 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**

Mr. Tilton reported that staff has reviewed the minutes from May 9, 2003 and believe them to accurately represent the actions of the Board and recommended approval.

**Hearing no objections, the minutes from the May 9, 2003 meeting were unanimously approved.**

**BOND ISSUES:**

Mr. Tilton reported that there were six bond items. We are pulling Item #1, Department of General Services, Capitol Area West End Complex, Sacramento, Office Buildings and Parking Garage at the request of the State Treasurer's Office. We are also pulling the bond portion of Item #3, Department of Forestry and Fire Protection, Hemet-Ryan Air Attack Base and moving the approval of a Ground Lease and Joint Development Agreement to the Action Items. We are pulling Item #5, University of California, Irvine Campus, Natural Sciences Unit; while real estate due diligence is complete, this item affects a prior board action we took in January on another portion of the same item. This project raises complex financing issues, and staff needs to go back and clarify issues related to our January action. We are also pulling Item #6, California Community Colleges, Rancho Santiago Community College District, Santiago Canyon College, Learning Resource Center to allow more time to resolve due diligence issues.

Item #2, Department of Transportation, San Diego Office Building, New Replacement Facility. This item will authorize the use interim financing and the sale of lease revenue bonds.

**A motion was made by Mr. Garcia, and Seconded by Mr. Hemphill to adopt Bond Item #2.**

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

Item #4, Department of Education, State Special Schools, California School for the Deaf, Pupil Personnel Service Building. This item will authorize the use interim financing and the sale of lease revenue bonds.

**A motion was made by Ms. Aronberg, and Seconded by Mr. Lujano to adopt Bond Item #4.**

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

### **CONSENT CALENDAR:**

Mr. Tilton noted that the Consent Calendar covered Items #7 through #22.

In summary, the consent calendar proposes: eight requests to approve preliminary plans, one request to authorize site selection, three requests to authorize acquisition, two requests to approve augmentation, one request to approve reversion, two requests to recognize a scope change and two requests to authorize amendments to a long-term lease.

There are three 20-day letters in your package. Item #12, Department of Parks and Recreation, Crystal Cove State Park, Low Cost Overnight Visitor Serving Facility, recognize scope and cost change. A 20-day letter was sent to the Legislature on June 5, 2003, and based on discussion with legislative staff, it is anticipated that it will expire without comment. Item #13, Department of Parks and Recreation, Eastshore State Park, Planning and Public Park Improvements, recognize a scope and cost change. A 20-day letter was sent to the Legislature on June 5, 2003, and based on discussion with legislative staff, it is anticipated that it will expire without comment. Item #20, California Community Colleges, San Luis Obispo County Community College District, North County Center, Science Cluster, recognize project augmentation. A 20-day letter was sent to the Legislature on May 23, 2003, without comment.

Staff recommends approval of the consent calendar Items #7 through #22.

**A motion was made by Mr. Garcia, and Seconded by Mr. Hemphill to adopt the Consent Calendar and to approve Items #7 through #22.**

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

### **ACTION ITEMS:**

Mr. Tilton stated that there were eight Action Items. We are pulling Item #25, Department of General Services, California Institute for Men-Chino and Item #29, Department of General Services, Department of Corrections, California Institute for Men-Chino, to allow additional time to analyze this proposal. We are pulling Item #26, Department of General Services, Department of Parks and Recreation, Benow Lake State Recreation Area, Coombs Property (DPR Parcel #A40901), DGS Parcel #10182, Item #27, Department of General Services, Department of Parks and Recreation, Humboldt Redwoods State Park (DPR Parcel #A38001 through A38007, DGS Parcel #10172), and Item #28, Department of General Services, Department of Parks and Recreation, Jedediah Smith Redwoods State Park (DPR Parcel #A40601, DGS Parcel #10174) to allow time to address legal and policy issues. Also Item #30, California State University, Fresno State University, Education Building, to allow time address issues raised by the State Treasurer's Office.

Item #23, Department of General Services, State Public Works Board, Audit of General Obligation Bonds. There is an amendment to this item. The notice states that these are General Obligation Bonds, but should refer to Lease Revenue Bonds. Board Staff solicited bids for a contract to audit our bonds. We are asking for approval to award the contract to Gilbert Accountancy Corporation.

Mr. Takashima asked if Gilbert Accountancy was our only bidder, and why.

Mr. Tilton stated that a number of firms contacted us (PWB), and we in turn provided them with a scope of the audit. Being that this is not a contract on a large scale, could be the reason for there only being one bidder.

**A motion was made by Mr. Garcia, and Seconded by Mr. Hemphill to adopt Action Item #23.**

**Action Item #23 was adopted by a 3-0 vote.**

Item #24, Department of General Services, East Riverfront Property, West Sacramento (DGS Parcel #10147). The requested action will authorize the acquisition of real property through the acceptance of a gift with associated costs. The City of West Sacramento has approved a zero dollar transfer of 43-acres, with the condition that it be used for a Governor's Residence and/or State Park. If the property is not used for those purposes, it will be returned to the City of West Sacramento. Staff has reviewed the options of the agreement, and has recommended a number of amendments to the agreement. Staff has had dialog with the City, and they are not oppose to the amendments, but need to need to have the amendments approved by the City Council. We recommend approval of this item contingent on the City making amendments to the agreement. We have also received a number of correspondence on this issue; (1) a letter sent to the Board by Ms. Patricia Franich, the sole owner of the residence in Carmichael, CA, offering to sell it to the state for \$3.5 million. The issue in front of you today, is the acceptance of this property to be used as the Governor's residence. (2) In addition, a number of individuals who would like to speak on behalf of this item. But before doing so, Ms. Happy Chastain, State and Consumer Services Agency (SCSA), is here to give a presentation on the proposed property in West Sacramento.

Ms. Chastain stated that California is one of six states that do not have an official Governor's residence. It's been over a quarter of a century since we've had a residence in California. In 1999, Senator Ortiz carried a bill (SB 1091), which the Governor signed, which set up the Governor's Permanent Residence Commission. The Commission's has since sunset and the statutes have been repealed. But during that process the SCSA has looked at thirty-six sites, over an eight-month period. During that time the City of West Sacramento approached SCSA with the proposal to look at the West Sacramento property. The statute did limit SCSA, because it stated that they needed to consider sites within the City of Sacramento. So, the Commission never officially viewed the site. But once the final report was issued in June of 2000, SCSA has and still is working with the City of West Sacramento regarding this site. To date it is the best site that has been presented. The Governor's protective services detail gave it the highest security rating; it is 43-acres; 10 to 12-acres will be designated as the Governor's residence (a map of the site was given to the Board). In general, the site is located in West Sacramento, across from where the Sacramento and American Rivers meet. It is directly across from Discovery Park, just north of the I Street Bridge, and north of the Tower Bridge. Sometime in the future, DPR is hopeful it will be able to purchase property adjacent from the proposed Governor's residence for a museum.

Mr. Takashima asked, which visual shows the proposed site (alternative 1 or alternative 2)?

Ms. Chastain stated that alternative 1 would be the Governor's residence and alternative 2 would be the State Park.

Mr. Takashima asked about the cost of this project.

Ms. Chastain stated that until we have an architectural competition and determine what design is selected, it would be difficult to give a cost estimate at this time.

Mr. Takashima asked about the form of payment for this project.

Ms. Chastain stated that all funds would be raised privately through donations. A California State House Foundation is currently being formed, and will be responsible for raising all funds

needed for this project. The Governor has made it very clear that no State funds will be used to fund this project.

Mr. Takashima asked for the timetable in which we have to make a decision on the location and construction of the Governor's residence.

Ms. Chastain stated four to five years.

Mr. Garcia asked to get clarity on what action the Board would be voting on today.

Mr. Tilton stated that the State has been offered a gift of property with direction on how it should be used. Our job is to complete the due diligence process (making sure that there is clear title to the property; environmental views to make there are no toxic substances issues; and identifying any additional costs). The one item that has been identified is, there could be a \$5 million cost to build the residence on the proposed property, to improve the levee. Currently, the property is on the riverside of the levee. If the property is not used for a Governor's residence or State park, it will be returned to West Sacramento. What the Board is being asked to vote on is, has due diligence been completed, and if so, will we accept the property as a gift.

Mr. Takashima asked the time frame in which we have to decide what is going to reside on the property; is there an expiration on the agreement?

Ms. Chastain stated that in the original agreement, construction was to commence within thirty-six months. We are currently in the process of negotiating to extend that term. There are a number of triggers within the agreement, with time frames that must be met. One of which, that a foundation will be formed within ninety-days of the close of escrow; within eight months we'll have to have an architectural competition.

#### Testimonies

Mr. Ross Davidson, representative for the Carmichael Chamber of Commerce, stated that he finds it very puzzling that the State says that the West Sacramento proposal is the only one that has been received. This is not true. The Carmichael Chamber of Commerce has sent letters to numerous State Legislators, point out that we very strongly recommend denying the proposal of West Sacramento being the location of the Governor's residence, because the property is currently located in the flood plan; this is unacceptable. The State Legislature says that we cannot build within the flood plan, and to give the Governor a waiver, is unacceptable. It is our understanding that there is a proposal to relocate the levee. The location of the levee was designed and approved by the Core of Engineers for safety reasons not political reasons. And to relocate the levee for political reasons, for a Governor, and in fact putting the Governor above the law, to us, is very unacceptable. We all agree that we need to have Governor's residence; there are multiple options options: (1) status quo, the Governor currently lives in a residence with no security, shares a driveway with three other homes, and neighbors would like the Governor to relocate for security reasons; (2) The owner of the Carmichael residence is offering it to the State for \$3.5 million. It sits on 5.72-acres on the American River, adjacent to the Hoffman Park. This residence is ready to be occupied. It is completely furnished, has a helipad, has public facilities where you can entertain dignitaries, and has totally separate quarters for the family. Within our proposal to the State, we have included a money back guarantee.

Mr. Takashima asked how long does it take to get to the Capitol from the residence in Carmichael.

Mr. Davidson stated that it is about 2.9 miles further from where he now lives when he is in Northern California.

Mr. Takashima stated that his main issue is public access to the residence. It is very far away from the downtown Capitol community. In viewing possible sites residence for the Governor, location of the residence in relation to the Capitol should be taken into consideration.

Dennis Bylo, chair for the Governor's House Committee Site-G (11<sup>th</sup> & 12<sup>th</sup>/P & Q Streets), stated that the committee is going to sponsor an architectural competition. The site being proposed is two blocks south of the Capitol. Three buildings (9<sup>th</sup>, 10<sup>th</sup>, 12<sup>th</sup> & N Streets) would have to be demolished to start the construction of the Governors residence at this proposed site. Also we propose to construct a \$4.2 million, 12x12, 3 block long, 15 feet in the ground tunnel that would connect the Governor's residence (Site-G) to the Capitol. This site is perfectly located between the State Archives Plaza and the Secretary of State.

Mr. Takashima stated that one concern with constructing a tunnel. Would it go beneath the light-rail?

Mr. Bylo stated that it would in fact run underneath the light-rail.

Mr. Takashima stated that the site location is not before the Board, but acquiring land that has been offered to us by West Sacramento. Mr. Takashima asked for a recap of the action before the Board.

Mr. Tilton stated that the action before the Board is to authorize acquisition of real property through the acceptance of a gift with associated costs for the East Riverfront Property in West Sacramento.

**A motion was made by Mr. Hemphill, and Seconded by Mr. Garcia to adopt Action Item #24.**

**Action Item #24 was adopted by a 3-0 vote.**

#### **OTHER BUSINESS:**

Mr. Tilton noted that there was one item of other business. Staff recommends approval of the action portion of Bond Item #3, Department of Forestry and Fire Protection, Hemet-Ryan air Attack Base, Ground Lease and Joint Development Agreement.

**A motion was made by Mr. Garcia, and Seconded by Mr. Hemphill to adopt the Action portion of Bond Item #3.**

**Action portion of Bond Item #3 was adopted by a 3-0 vote.**

#### **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 the next PWB meeting is scheduled for Friday, July 11, 2003, at 10:00 am, in Room 112.

Having no further business, the meeting was adjourned at 11:13 am.

## BOND ITEM

### BOND ITEM – 1

**DEPARTMENT OF GENERAL SERVICES (1760)  
CAPITOL AREA WEST END COMPLEX,  
SACRAMENTO, SACRAMENTO COUNTY**  
Office Buildings and Parking Garage

*Authority: Chapter 672/01*

**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.
3. Approve the form of and authorize the execution of a Site Lease between the Department of General Services and the State Public Works Board.
4. Approve the form of and authorize the execution of the Facility Lease between the Department of General Services and the State Public Works Board.
5. Authorize the sale of the State Public Works Board Lease Revenue Bonds.

**Total Estimated Bond Authorization:**

**\$391,000,000**

**PULLED.**

## BOND ITEM

### STAFF ANALYSIS – 1

Department of General Services  
Capitol Area West End Complex, Blocks 203, 204, & 266, Sacramento

#### Action Requested

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

#### Scope Description

**This project is within scope.** This project will construct a new State Office Complex and associated parking on Blocks 203 and 204 (bounded by 7<sup>th</sup>/8<sup>th</sup> – N/O streets) and a stand-alone parking facility on half of Block 266 (bounded by 8<sup>th</sup>/9<sup>th</sup> – Q/R streets). The two buildings will total 1.4 million gross square feet of office space and parking. Renovation/mitigation of the historic Heilbron Mansion currently on the northwest corner of Block 204 is included.

#### Funding and Cost Verification

**This project is within cost.**

\$391,000,000 total estimated project costs

\$0 project costs previously allocated:

\$391,000,000 project costs to be allocated: site acquisition for \$9,240,000; design/bid for \$14,132,000; construction for \$367,628,000 (\$312,771,000 contract, \$11,797,000 contingency, \$20,950,000 A & E, and \$22,110,000 agency retained)

#### CEQA

The CEQA documentation will be filed during the preliminary plan phase.

#### Project Schedule

**The project schedule is as follows:**

Approve site acquisition:	March 2005
Approve design / build:	April 2005
Complete construction:	August 2008

**Staff Recommendation: Adopt resolution.**

## BOND ITEM

### BOND ITEM – 2

**DEPARTMENT OF TRANSPORTATION (2660)**  
**SAN DIEGO OFFICE BUILDING: REPLACEMENT**  
**SAN DIEGO, SAN DIEGO COUNTY**  
New replacement facility

*Authority: Chapter 379/02, Item 2660-311-0660 (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 the Department Of General Services and the State Public Works Board.
3. Approve the form of and authorize the execution of a Site Lease between the Department of General Services and the State Public Works Board.
4. Approve the form of and authorize the execution of a Facility Lease between the Department of Transportation and the State Public Works Board.
5. Authorize the sale of the State Public Works Board Lease Revenue Bonds.

**Total Estimated Bond Authorization:**

**\$72,599,000**

**APPROVED.**

## BOND ITEM

### STAFF ANALYSIS – 2

Department of Transportation  
San Diego, San Diego County  
San Diego Office Building: Replacement

#### Action Requested

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

#### Scope Description

**This project is within scope.** The project consists of approximately 301,000 gsf of new office space to accommodate 956 employees. The project consists of 3 office buildings with a cafeteria, child care center, a vehicle maintenance building, and a central plant for mechanical and electrical equipment, parking lot improvements providing 815 parking spaces, associated landscaping and utilities. On site construction includes demolition of existing buildings, existing site improvements, and hazardous material abatement.

#### Funding and Cost Verification

**This project is within cost.**

77,882,000 total estimated project costs

\$5,283,000 project costs previously allocated: preliminary plans \$2,199,000 and working drawings \$3,084,000.

72,599,000 project costs to be allocated: construction (contract \$59,161,000, contingency \$2,958,000, Architectural & Engineering Services \$2,410,000, other project costs \$8,070,000)

#### CEQA

A Notice of Exemption/Determination was filed with the State Clearinghouse on October 02, 2001, and the waiting period expired on November 02, 2001.

#### Project Schedule

**The project schedule is as follows:**

Complete construction: April 2006

**Staff Recommendation: Adopt resolution.**

## BOND ITEM

### BOND ITEM – 3

**DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540)**  
**HEMET-RYAN AIR ATTACK BASE, RIVERSIDE COUNTY**  
Replace Facility

*Authority: Chapter 106/01, Item 3540-301-0660(6)*  
*Chapter 379/02, Item 3540-301-0660(8.8)*

**a. 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, with consent of the March Joint Powers Redevelopment Agency (MJPRAs).
3. Approve the form of and authorize the execution of a Site Lease between the Department of General Services and the State Public Works Board.
4. 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.
5. Authorize the sale of the State Public Works Board Lease Revenue Bonds.

**b. Approve the form of a Ground Lease between the JMPRA and the Department of Forestry and Fire Protection consistent with staff analysis**

**c. Approve the form of a Joint Development Agreement between the MJPRAs and the Department of Forestry and Fire Protection consistent with staff analysis**

**Total Estimated Cost: \$5,456,000**

**BOND PORTION (a): PULLED.**

**ACTION PORTION (b,c): APPROVED.**

## BOND ITEM

### STAFF ANALYSIS – 3

Department of Forestry and Fire Protection  
Hemet Ryan Air Attack Base, Replace Facility

#### Action Requested

**The requested actions will adopt a resolution authorizing the use of interim financing and the sale of lease revenue bonds, approve the form of a Ground Lease and approve the form of a Joint Development Agreement.**

#### Scope Description

**This project is within scope.** The approved project consists of constructing the following: a helicopter hanger (approximately 1,984 sq. ft.); an OV-10 hangar (3,600 sq. ft.); a 4,646 air operations building; a 3,850 sq. ft. (22 bed), barracks/messhall; and a 4,812 sq. ft. 3-bay apparatus building/warehouse building. Site work consists of demolition, clearing and grubbing, earthwork, paving, utilities and landscaping. Chapter 379/02, Item 3540-301-0660(8.8), Budget Act of 2002, authorized the acquisition of a long-term lease, tarmac construction work associated with this Lease Revenue Bond Project, and authorizes the Department of Forestry and Fire Protection (CDF) to contract with the March Joint Powers Redevelopment Agency (MJPRA), with the approval of the State Public Works Board, to cause and manage the construction of this project.

The pre-payment of the 50-year ground lease is intended to facilitate the sale of Lease-Revenue Bonds by securing unfettered long-term rights to and use of the site. The ground lease will provide quiet enjoyment of the project beyond the term of the bonds and cannot be terminated by the MJPRA (Lessor). The lease also provides the State with the right of first offer, in which the State has 30 days to notify the Lessor of its interest in purchasing the site. While the Lessor generally acknowledge the State's acquisition process and agrees to reasonably cooperate in obtaining Public Works Board approval and fulfilling any other State requirements, it should be noted that the language is permissive and does not explicitly accommodate the budget process. However, the MJPRA has indicated that more explicit language pertaining to the right of first offer is unacceptable. Therefore, while the language is less than ideal, the provision arguably gives the State an additional right. Should the State not exercise the right of first offer, any subsequent sale to a third party, the third party will be subject to the terms of the Ground Lease.

The Joint Development Agreement (JDA) between the CDF and MJPRA authorizes the MJPRA to cause and manage the construction of this project with State oversight provided by CDF. The JDA requires the MJPRA to meet all State requirements, the same as if this project was managed by the Department of General Services. The JDA also requires the MJPRA to bid the project in such a way as to provide a clear distinction between the costs of the State funded improvements and the MJPRA funded improvements. The CDF will ensure that the applicable State requirements are met and that the facility is constructed according to the approved design and specifications.

#### Funding and Cost Verification

**This project is within cost.** Chapter 106/01, Item 3540-301-0660(6), Budget Act of 2001, appropriated \$3,347,000 for construction and Chapter 379/02, Item 3540-301-0660(8.8), Budget Act of 2002, appropriated an additional \$2,109,000 for acquisition of a long-term lease and construction.

\$5,786,000 total estimated project costs  
\$330,000 project costs previously allocated: preliminary plans \$164,000 and working drawings \$166,000  
\$5,456,000 project costs to be allocated: acquisition \$350,000 and construction \$5,106,000 (\$4,384,000 contract; \$219,000 contingencies; and \$503,000 A&E)

#### CEQA

A Notice of Determination was filed with the State Clearinghouse on May 23, 2000 and the waiting period expired on June 22, 2000.

#### Project Schedule

**The project schedule is as follows:**

Complete construction: December 2004

**Staff Recommendation: Adopt a resolution authorizing the use of interim financing and the sale of lease revenue bonds, approve the form of a Ground Lease and approve the form of a Joint Development Agreement.**

## BOND ITEM

### BOND ITEM – 4

**DEPARTMENT OF EDUCATION, STATE SPECIAL SCHOOLS (6110)  
CALIFORNIA SCHOOL FOR THE DEAF,  
FREMONT, ALAMEDA COUNTY**  
Pupil Personnel Service Building

*Authority: SB 18X, Chapter 4/03 1X*

**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 Education and the State Public Works Board.
3. Approve the form of and authorize the execution of a Site Lease between the Department of Education and the State Public Works Board.
4. Approve the form of and authorize the execution of the Facility Lease between the Department of Education and the State Public Works Board.
5. Authorize the sale of the State Public Works Board Lease Revenue Bonds.

**Total Estimated Bond Authorization:**

**\$2,144,000**

**APPROVED.**

## BOND ITEM

### STAFF ANALYSIS – 4

Department of Education, State Special Schools,  
California School for the Deaf, Pupil Personnel Services Building

#### Action Requested

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

#### Scope Description

**This project is within scope.** This project will construct a new single-story, wood frame building of approximately 8,900 square feet for Pupil Personnel Services.

#### Funding and Cost Verification

**This project is within cost.**

\$2,401,000 total estimated project costs

\$257,000 project costs previously allocated: preliminary plans for \$111,000, working drawings for \$146,000

\$2,144,000 project costs to be allocated: construction for \$2,144,000

#### CEQA

A Notice of Exemption/Determination was filed with the State Clearinghouse on October 13, 2000 and the waiting period expired on November 17, 2000.

#### Project Schedule

**The project schedule is as follows:**

Complete construction: October 2004

**Staff Recommendation: Adopt resolution.**

## BOND ITEM

### BOND ITEM – 5

**UNIVERSITY OF CALIFORNIA (6440)  
IRVINE CAMPUS, ORANGE COUNTY**

Natural Sciences Unit 2 – McGaugh Hall Renovation and Expansion

*Authority: Chapter 106/01, Item 6440-302-0574 (5)  
Chapter 33/02, Section 34(a)(2)(A)*

**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 the Second Amendment to the Amended and Restated Site Lease between the University of California and the State Public Works Board for the 1990 Series A Lease Revenue Bonds and the 1993 Series A Refunding Bonds, Various University of California Projects.
4. Approve the form of and authorize the execution of the Second Amendment to the Amended and Restated Facility Lease between the University of California and the State Public Works Board for the 1990 Series A Lease Revenue Bonds and the 1993 Series A Refunding Bonds, Various University of California Projects.
5. Authorize the sale of additional State Public Works Board Lease Revenue Bonds under the previous Indenture dated August 1, 1993.

**Total Estimated Bond Authorization:**

**\$9,082,000**

**PULLED.**

## BOND ITEM

### STAFF ANALYSIS – 5

University of California, Irvine

Natural Sciences Unit 2 – McGaugh Hall Renovation and Expansion

#### Action Requested

**The requested action will adopt a resolution authorizing the sale of additional lease revenue bonds under the previous Indenture and interim financing therefore.**

#### Scope Description

**This project is within scope.** The Natural Sciences Unit 2 project will construct a new 85,460 assignable square foot (asf) lab facility to house research activities in biological sciences, chemistry and physics and will expand and renovate portions of the existing animal facility in McGaugh Hall. The renovation and expansion of McGaugh Hall will provide 13,350 asf and 18,226 gross square feet. The expansion will provide additional animal holding rooms, an expanded cage wash facility with improvements to maintain separate clean and dirty circulation, a minimally outfitted BioSafety Level 3 suite, and a renovated support space.

#### Funding and Cost Verification

**This project is within cost.**

\$9,355,000 total estimated project costs

\$273,000 project costs previously allocated: preliminary plans \$205,000 (State GO Bond funds), working drawings \$68,000 (State GO Bond funds).

\$9,082,000 project costs to be allocated: construction \$8,057,000 (State LRBs); equipment \$1,025,000 (State LRBs).

#### CEQA

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

#### Project Schedule

**The project schedule is as follows:**

Complete construction: October 2005

#### Staff Comments:

- This item authorizes leases and agreements and interim financing for the expansion and renovation of the animal facility in McGaugh Hall. A separate item, which was approved at the January, 2003 PWB meeting, authorized the agreements and financing for the new building portion of the Natural Sciences Unit 2 project.
- The McGaugh Hall project is funded by State Public Works Board lease revenue bond funds and contains no UC external financing.
- McGaugh Hall has outstanding state lease revenue bonds - 1990 Series A (Various University of California Projects) Bonds for \$11,009,925.61 a portion of which were refunded by 1993 Series A (Various University of California Projects) Bonds, and the bonds authorized in this item will be issued under the prior indenture.

**Staff Recommendation: Adopt resolution.**

## BOND ITEM

### BOND ITEM – 6

**CALIFORNIA COMMUNITY COLLEGES (6870)**  
**RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT,**  
**SANTIAGO CANYON COLLEGE, ORANGE COUNTY**  
Learning Resource Center

*Authority: Chapter 50/99, Item 6870-301-0574 (55.1)*  
*Chapter 106/01, Item 6870-301-0574 (43)*  
*Chapter 33/02, Section 34 (a) (4) (A)*

**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 Rancho Santiago Community College District and the State Public Works Board.
3. Approve the form of and authorize the execution of a Site Lease between the Rancho Santiago Community College District and the State Public Works Board.
4. Approve the form of and authorize the execution of an agreement for the Facility Lease between the Rancho Santiago 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**

**\$8,975,000**

**PULLED.**

## BOND ITEM

### STAFF ANALYSIS – 6

California Community Colleges  
Rancho Santiago Community College District, Santiago Canyon College, Orange County  
Learning Resource Center

#### Action Requested

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

#### Scope Description

**The project is within scope.** The project constructs a 29,329 asf learning resource center consisting of 20,203 asf for library, 4,928 asf for AVTV, 2,913 asf for offices, 794 asf for laboratory, and 491 asf other spaces. 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.**

\$9,565,000 total estimated project costs

\$ 590,000 project costs previously allocated: preliminary plans \$278,000 and working drawings \$312,000

\$8,975,000 project costs to be allocated: construction \$8,099,000 (\$7,300,000 contracts, \$365,000 contingency, \$434,000 administration, testing, inspection, and construction management) at CCCI 4019, and equipment \$876,000 at EI 2564.

#### CEQA

The project is in compliance with CEQA. A negative declaration was filed with the State Clearinghouse and the State acknowledged completion of the environmental requirements on April 20, 2000.

#### Project Schedule

**The project schedule is as follows:**

Complete construction: April 2005

**Staff Recommendation: Adopt resolution.**

## CONSENT ITEM

### CONSENT ITEM – 7

**DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540)**  
**ELK CAMP FOREST FIRE STATION, HUMBOLDT COUNTY**  
Relocate Facility

*Authority: Chapter 52/00, Item 3540-301-0001(5)*  
*Chapter 379/02, Item 3540-301-0001(3)*

**a. Approve preliminary plans**

**APPROVED.**

## CONSENT ITEM

### STAFF ANALYSIS – 7

Department of Forestry and Fire Protection  
Elk Camp Forest Fire Station, Replace Facility

#### Action Requested

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

#### Scope Description

**This project is within scope.** The project consists of the following replacement facility improvements: demolition of existing structures, construction of a standard one-engine forest fire station with barracks/mess hall (8 beds, 2,330 sf), two bay apparatus building (1,697 sf), flammable storage building (150 sf), fueling facility, water, septic system, utilities, paving, sidewalks, clearing, grading, drainage and all other appurtenances as needed.

#### Funding and Cost Verification

**This project is within cost.** The PWB approved an augmentation of \$45,400 for the acquisition phase of this project on June 8, 2001 and an augmentation of \$5,000 on March 14, 2003 for the preliminary plans phase. The additional \$5,000 for preliminary plans was needed for a perk test and wastewater treatment system design necessary to complete preliminary plans. The perk test and wastewater treatment system design are now complete. However, the conveyance of title for the facility will not occur until the regional water quality board provides approval of the proposed wastewater treatment design. Design approval is anticipated prior to June 13, 2003.

\$2,375,000 total estimated project costs

\$2,375,000 total recognized project costs

\$277,000 project costs previously allocated: acquisition \$195,000 (including \$45,000 augmentation) and preliminary plans \$82,000 (including \$5,000 augmentation)

\$2,098,000 project costs to be allocated: working drawings \$121,000 and construction \$2,060,000 (\$1,562,000 contract, \$78,000 contingency, and \$337,000 A&E costs)

#### CEQA

A Notice of Determination was filed with the State Clearinghouse on October 4, 2000 and the waiting period expired on November 3, 2000.

#### Project Schedule

**The project schedule is as follows:**

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

**Staff Recommendation: Approve preliminary plans.**

## CONSENT ITEM

### CONSENT ITEM – 8

DEPARTMENT OF GENERAL SERVICES (1760)  
DEPARTMENT OF PARKS AND RECREATION (3790)  
MT. DIABLO STATE PARK, SAVE MT. DIABLO, CONTRA COSTA COUNTY  
DPR Project A33301, DGS Parcel 10148

Authority: Chapter 52/00, Item 3790-301-0262(1)  
Chapter 379/02, Item 3790-301-0262(1)  
Chapter 379/02, Item 3790-301-0890(1)

a. Authorize acquisition consistent with the staff analysis

APPROVED.

## CONSENT ITEM

### STAFF ANALYSIS – 8

Department of General Services  
Department of Parks and Recreation  
Mt. Diablo State Park, Save Mt. Diablo

#### 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) in both the 2000 and 2002 Budget Acts for the acquisition of habitat lands located in, and adjacent to, units of the State Park System that meet the criteria of the 1990 California Wildlife Protection Act. In the 2002 Budget Act, the Legislature appropriated authority to spend federal grant funds received to acquire important additions to or improvements within the State Park System. This action, which would authorize acquisition of a 427 acre addition to the Mt. Diablo State Park, is consistent with the purpose of each of these appropriations.

#### Funding and Project Cost Verification

**This project is within cost.** Sufficient funds remain in the appropriations made by Chapter 52/00, Item 3790-301-0262(1); Chapter 379/02, Item 3790-301-0262(1); and Chapter 379/02, Item 3790-301-0890(1) to fund this acquisition.

\$ 1,074,500	total estimated costs
\$ 2,500	project costs previously allocated: \$2,500 DGS staff site visit, appraisal and acquisition review costs
\$ 1,072,000	project costs to be allocated: \$1,068,000 for acquisition and \$4,000 for estimated closing costs

## CEQA

A Notice of Exemption was filed with the State Clearinghouse on December 9, 2002, and the waiting period expired on January 13, 2003.

## Project Schedule

**The project schedule is as follows:**

The anticipated close of escrow is June 2003.

## Condition of Property

On January 8, 2003, Department of General Services (DGS), Environmental Services Section (ESS) staff conducted a site visit of the subject property with Seth Adams, Executive Director for Save Mount Diablo. The parcel was used in the past as range land. A corral and previous debris near the corral area, have been removed from the property. The entire property was clean of debris and there was no observed evidence of empty containers, surface staining, stressed vegetation or odors that would indicate potential problems with hazardous materials. ESS staff noted no due diligence issues that would prevent the site acquisition due to the following: (1) the site remains undeveloped; (2) there are no surface/subsurface improvements on the property that would require inspection; (3) no observation of hazardous material use, solid waste, storage of these wastes, or surface drainage was made that would raise a concern for migration of hazardous materials. This property will be particularly valuable and enhance the public trails and open space preservation already in existence. Based on these findings, Environmental Services staff recommend approval of site acquisition. Staff concluded that a formal Preliminary Site Assessment, Phase I, was not necessary for acquisition based on these findings.

## Other

- The State Public Works Board approved site selection for the project on February 26, 2003.
- When this project was approved for site selection, there were four funding sources identified for this acquisition; since that time, the funding source listed as PRC, Sec. 5907(b)(1)(J), Prop. 70, 3790-806-786, as re-allocated by 326/98, Sec. 9, was used for another project, and now more funds will be used from the remaining three funding sources.
- The purchase price shall not exceed the estimated fair market value as determined by a DGS approved appraisal. As a condition of the sale, the seller is requiring DPR to enter into two conservation easement agreements covering a 116-acre portion of the site. The appraisal includes a downward adjustment to account for the conservation easement agreements that are a part of this acquisition.
- The property is subject to the Williamson Act because the current owner received a tax benefit by agreeing to preserve his property for agricultural purposes. The contract is for a 10-year period and has an automatic renewal. Acquisition of properties subject to the Williamson Act require notification to the Director of Conservation. On April 9, 2003, DPR delivered notification to the Director of Conservation of its intent to purchase the property and that the property will no longer be subject to the Williamson Act.
- The conservation easement agreements provide for maintenance and monitoring of the significant ecological and habitat values that benefit threatened, endangered and rare species including two stockponds and springs intended to enhance California red-legged frog habitat. Under the agreement, DPR will conserve and protect the property in accordance with a Management Plan. The first ten years of maintenance and monitoring of the property will be funded by an endowment which provides an average of approximately \$4,000 per year.

- The property is vacant and unimproved, and there is no relocation assistance involved with the project.
- 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 .5 PY and \$60,000 for personal services and on-going operating expenses to provide for a minimum level of resource protection, maintain fire roads and trails, and provide for public safety patrol. A budget change proposal to address the above will be submitted through the normal budget process. Until additional funding is available, authorized public access, resource protection, public safety response and patrol will be provided on a limited basis.

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

## CONSENT ITEM

### CONSENT ITEM – 9

DEPARTMENT OF GENERAL SERVICES (1760)  
DEPARTMENT OF PARKS AND RECREATION (3790)  
HARMONY COAST, SEA WEST RANCH, SAN LUIS OBISPO COUNTY  
DPR Parcel Number A44301, DGS Parcel Number 10177

*Authority:* Chapter 379/02, Item 3790-301-6029(6)  
Chapter 52/00, Item 3640-301-0005(b)  
Chapter 52/00, Item 3760-301-0005(4)  
Chapter 52/00, Item 3760-301-0005(5)  
Chapter 379/02, Item 3760-301-6029(1)

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

**APPROVED.**

## CONSENT ITEM

### STAFF ANALYSIS – 9

Department of General Services  
Department of Parks and Recreation  
Harmony Coast, Sea West Ranch

Action Requested

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

Scope Description

**This project is within scope.** The Legislature has approved funding from Proposition 40 to acquire desirable parcels that fit within the acquisition guidelines established by the Department of Parks and Recreation (DPR). In addition, the Wildlife Conservation Board and the State Coastal Conservancy have approved grants to DPR for the purpose of acquiring this property. The American Land Conservancy (ALC) has a purchase option on the property that expires on June 15, 2003. DPR will purchase the property from ALC following ALC's acquisition of the property. This request will authorize the site selection and acquisition of approximately 748 acres at Harmony Coast, Sea West Ranch for the development of a new State park that meets the criteria established in the Department's acquisition guidelines. DPR shall permanently dedicate the property for natural resource protection, open space preservation and public access including development of the Coastal Trail.

### Funding and Cost Verification

**This project is within cost.** Chapter 379/02, Item 3790-301-6029(6) will provide \$1,018,000 in funding for this property acquisition in fee simple interest and associated overhead for the real property from Proposition 40, the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection fund. Chapter 52/00, 3640-301-0005(b) will provide \$6,500,000 in grant funding toward the acquisition from the Wildlife Conservation Board. The State Coastal Conservancy will also contribute grant funds in the amount of \$7,060,000, from Chapter 52/00, 3760-301-0005 (4); 52/00, 3760-301-0005(5) and Chapter 379/02, 3760-301-6029(1) to DPR for this acquisition. The property can be acquired with remaining funds in these appropriations and in accordance with Legislative intent.

\$14,578,000 total project costs

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

\$14,575,000 project costs to be allocated: \$14,560,000 acquisition and approximately \$15,000 in overhead costs

### CEQA

A Notice of Exemption was filed with the State Clearinghouse on February 26, 2003, and the waiting period expired on April 2, 2003.

### Project Schedule

**The project schedule is as follows:**

The anticipated close of escrow is June 2003.

### Condition of Property

Environmental Services Staff (ESS) conducted a site visit on April 9, 2003, of the Harmony Coast, Sea West Ranch property. The property consists of approximately 800 acres in the unincorporated Cayucos area of San Luis Obispo County, California. The majority of the subject property has been used for cattle grazing or laid fallow from at least 1957 and most likely since the early 1900s. ESS noted no due diligence issues, e.g., no observation of hazardous material use, solid waste, storage of these wastes, or surface drainage that would raise a concern for migration of hazardous materials.

A Phase I Environmental Site Assessment report prepared by Earth Systems Pacific (ESP) on January 29, 2001 together with an addendum dated February 26, 2003, were reviewed by ESS and found to be in accordance with American Society for Testing and Materials (ASTM) standards. ESP in their Phase I ESA report identified a failed septic system on the property. The ESP addendum noted that the potential of a release from the septic system has been adequately mitigated. ESS inspected the pit area which previously contained the failed septic system, and confirmed the previous condition had been mitigated and the area was now covered with a thick growth of grass and weeds mitigating any potential source of surface water contamination.

Other conditions were noted by ESS during the site inspection that require the following mitigation:

- The removal or filling of the concrete septic tank located approximately 10 feet from the front door of the cottage. The concrete tank has no lid and is partially filled in with dirt creating a safety hazard.

- The two 55-gallon drums, propane tank, paint cans, aerosol cans, 5-gallon plastic containers and other household debris should be removed from the basement of the cottage and disposed of properly.
- The wood boards and rubble, bottles, barb wire, concrete chunks, miscellaneous metal and other debris should be removed from the northwest corner of the property to prevent it from being displaced in to the ocean as a result of the natural erosion taking place along the coastline.

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.
- The property is vacant and only improved with an unoccupied cabin that will be used for interpretive opportunities as well as storage by the District.
- American Land Conservancy (ALC) holds an option to purchase the property. The option expires on July 15, 2003. ALC will acquire the property and immediately convey it to the State.
- Grants from the State Coastal Conservancy and the Wildlife Conservation Board require the acquisition to be used for the following purposes: wildlife habitat preservation, restoration, and management, wildlife-oriented education and research, compatible public uses, natural resource protection, open space preservation and public access including development of the Coastal Trail. The grant agreements provide for reimbursement or resource protection action plan remedy in the event of default of agreement terms.
- Pursuant to the acquisition agreement, all clean-up recommendations by DGS/ESS staff based on the April 9, 2003 visit will be completed prior to acquisition. The contract and escrow instructions require ESS confirmation that the conditions have been remediated to the State's satisfaction.

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

## CONSENT ITEM

### CONSENT ITEM – 10

DEPARTMENT OF GENERAL SERVICES (1760)  
DEPARTMENT OF PARKS AND RECREATION (3790)  
WILDWOOD CANYON-PORTER PROPERTY  
WILDWOOD STATE PARK, SAN BERNARDINO COUNTY  
DPR Parcel Number A41801, DGS Parcel Number 10151

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

**a. Authorize site selection and acquisition consistent with the staff analysis**

**APPROVED.**

## CONSENT ITEM

### STAFF ANALYSIS – 10

Department of General Services  
Department of Parks and Recreation  
Wildwood Canyon-Porter Property

#### 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 has approved funding for the purchase of interests in lands consistent with Proposition 40, without specifying particular parcels. This request will authorize acquisition for the purchase of a 198 acre addition to a new State Park in Wildwood Canyon, in the County of San Bernardino. This acquisition represents the second of two acquisitions for this new State Park.

#### Funding and Cost Verification

**This project is within cost.** Proposition 40 provides \$40,000,000 for this acquisition program and there is a sufficient balance remaining in the account to pay the total project costs outlined below. The property interest can be acquired with the funds available and in accordance with Legislative intent.

809,500	total estimated project costs
2,500	project costs previously allocated: DGS staff costs for appraisal review, preparation of Relocation Assistance Plan, and staff review
807,000	project costs to be allocated: \$803,000 for acquisition and approximately \$4,000 for title and escrow fees

#### CEQA

A Notice of Exemption was filed with the State Clearinghouse on February 4, 2003, and the waiting period expired on March 9, 2003.

## Project Schedule

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

The anticipated close of escrow is June 2003.

## Condition of Property

Department of General Services (DGS), Environmental Services Section (ESS) staff conducted a site visit to the Porter property on January 9, 2003, located in Yucaipa, CA. ESS staff also reviewed a Preliminary Site Assessment (PSA) Phase I, prepared for the property. ESS staff believe the PSA Phase I was professionally prepared to the standards as defined in the American Society of Testing and Materials (ASTM). The property consists of approximately 198 acres and has one residence surrounded by vacant land. One 500 gallon underground storage tank containing heating oil is located approximately 25 feet north of the residence. This tank supplies the heating needs of the resident and the County does not require permitting or inspection of residential use heating oil underground storage tanks with less than 1000 gallon capacity. There was no evidence of surface staining or stressed vegetation above the area for this tank. The surrounding property was clean of debris and there was no observed evidence of empty containers, surface staining, stressed vegetation or odors that would indicate potential problems with hazardous materials. The PSA I found the subject property was not listed on regulatory databases as a site with violations, tanks or other recognized environmental conditions. Based on the age of the residential structure, asbestos and lead based paint surveys are recommended prior to remodeling.

## Other:

- The purchase price shall not exceed estimated fair market value as determined by a Department of General Services (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 a Corporation Grant Deed to the State free and clear of any liens.
- The State will be acquiring fee title.
- DPR estimates the need for \$93,000 for operating expenses, which includes one-time costs of \$56,000 for baseline studies and immediate public use facilities including fencing, signage, and portable restrooms. A budget change proposal will be submitted through the normal budget process. Until future funding is approved and pending the availability of existing funding, DPR may provide limited authorized controlled access to only special events and other permitted activities on the property.
- Any request for future staffing, operating, and maintenance costs will be considered through the normal budget process.
- This property has a single residence improvement built in the late 1940's which, pursuant to DGS's appraisal review, has no contributory value. Overall the house is in a fair condition and meets the minimum standard for being decent, safe and sanitary. DPR plans on using the house for staffing and operational purposes.
- This acquisition required DGS to determine relocation benefits for a single tenant, who is a wealthy retired medical doctor. The tenant has since waived his relocation benefits and vacated the property on December 30, 2002. There are neither other tenants nor any lessees on the property.
- Access to the subject property is via an easement within the Birmingham property. However, the Birmingham property has since been acquired in fee by DPR and the easement is dissolved via the merging of rights under same ownership. The Birmingham property includes access via a public roadway.

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

## CONSENT ITEM

### CONSENT ITEM – 11

**DEPARTMENT OF PARKS AND RECREATION (3790)**  
**ANGEL ISLAND STATE PARK, MARIN AND SAN FRANCISCO COUNTIES**  
Immigration Station Area Restoration

*Authority: Chapter 379/02, Item 3790-301-0005 (4.5)*  
*Chapter 379/02, Item 3790-301-0005 (31)*

**a. Approve preliminary plans**

**APPROVED.**

## CONSENT ITEM

### STAFF ANALYSIS – 11

Department of Parks and Recreation  
Angel Island State Park, Marin County  
Immigration Station Area Restoration

#### Action Requested

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

#### Scope Description

**This project is within scope.** This project will provide for stabilization, preservation and restoration of several key features of the Angel Island Immigration Station. This project will preserve the poems and inscriptions left on walls by immigrant detainees awaiting approval to enter the United States between 1910 and 1940; stabilize and renovate the Barracks building, which houses the poems; restore landscape to its appearance during the period of historic significance, and improve accessibility to all buildings; upgrade site utilities; install a representation of the Administration Building site footprint; install a series of wayside interpretive panels around the site and within the Barracks; remediate hazardous materials from Barracks building and existing Central Heating Plant.

The project includes emergency poem stabilization work to prevent further deterioration of this significant cultural resource. The preliminary plans for this portion of the project are sufficient to function as construction drawings and this portion of the work will move directly from the preliminary plan phase to the construction phase. This is consistent with the project as presented to the Legislature.

#### Funding and Cost Verification

**This project is within cost.** In approving funding for this project in the 2002 Budget Act, the Legislature recognized a total project cost of \$14,008,000. The amount of reimbursements available to DPR for poem documentation/emergency stabilization work has been reduced from \$500,000 to \$438,000. This is because the Angel Island Immigration Station Foundation, which secured the grant money from the federal government, will retain \$62,000 to complete a portion of the work directly.

\$14,008,000	total authorized project costs
\$13,945,000	estimated total project costs
\$764,000	project costs previously allocated: preliminary plans
\$13,181,000	project costs to be allocated: working drawings \$604,000, construction \$12,577,000 (\$10,215,000 contract, \$715,000 contingency, \$921,000 A&E costs, \$694,000 agency retained items, and \$31,000 emergency stabilization work), at CCCI 4019

#### CEQA

A Notice of Determination was filed with the State Clearinghouse on April 18, 2003 and the waiting period expired on May 18, 2003.

#### Project Schedule

**The project schedule is as follows:**

Approve working drawings:	July 2004
Complete construction:	March 2006

**Staff Recommendation: Approve preliminary plans.**

**CONSENT ITEM**

**CONSENT ITEM – 12**

**DEPARTMENT OF PARKS AND RECREATION (3790)**  
**CRYSTAL COVE STATE PARK, ORANGE COUNTY**  
Low Cost Overnight Visitor Serving Facilities

*Authority: Public Resources Code Section 5009*

**a. Approve project scope and cost** **\$2,946,000**

**APPROVED.**

## CONSENT ITEM

### STAFF ANALYSIS – 12

Department of Parks and Recreation  
Crystal Cove State Park, Orange County  
Low Cost Overnight Visitor Serving Facilities

#### Action Requested

**The requested action will approve project scope and cost.**

#### Scope Description

**This project will provide for the development of low cost overnight visitor serving facilities in the Historic District of Crystal Cove State Park, consistent with a Memorandum of Understanding between DPR and the California Coastal Commission.**

The project will (1) adapt, retrofit and rehabilitate three cottages for overnight “hostel” type use and (2) rehabilitate and retrofit up to eight cottages for single family overnight use. A 20-day letter was sent to the Legislature on June 5, 2003 and will expire June 24, 2003. Based on discussions with legislative staff, it is anticipated that this 20-day period will expire without comment.

#### Funding and Cost Verification

\$2,946,000 total estimated project costs

\$0 project costs previously allocated

\$2,946,000 project costs to be allocated: preliminary plans \$144,000, working drawings \$151,000, and construction \$2,651,000 (\$2,413,000 contract, \$169,000 contingency, \$53,000 A&E costs \$16,000 agency retained items) at CCCI 4019

#### CEQA

The project will require compliance with CEQA.

#### Project Schedule

**The project schedule is as follows:**

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

**Staff Recommendation: Approve project scope and cost.**

**CONSENT ITEM**

**CONSENT ITEM – 13**

**DEPARTMENT OF PARKS AND RECREATION (3790)**  
**EASTSHORE STATE PARK, ALAMEDA AND CONTRA COSTA COUNTIES**  
Planning and Public Park Improvements

*Authority: Chapter 52/00, Item 3790-302-0005(16)*

**a. Approve project scope and cost** **\$2,600,000**

**APPROVED.**

## CONSENT ITEM

### STAFF ANALYSIS – 13

Department of Parks and Recreation  
Eastshore State Park, Alameda and Contra Costs Counties  
Planning and Public Park Improvements

#### Action Requested

**The requested action will approve project scope and cost for the initial development project.**

#### Scope Description

**This project was added to the 2000 Budget Act by the Legislature for the completion of the planning process, design services and the construction of public park improvements in the East Bay Shoreline.** The department further defined the scope of the project in 2001 through a Budget Change Proposal sent to the Department of Finance and the Legislative Analyst's Office. In this description, the department indicated that funding would be used for base mapping, classification studies and activities, preparation of a General Plan and first phase development at the Eastshore Park Project. The department has already used of a portion of the funds for general planning efforts for the park. This action will further define the use of the balance of the funds and will provide the Board with more specifics on which to administer the project. As previously defined, the initial development project will be based on the completed general plan. The initial development project will occur in the Berkeley Meadow and Brickyard Upland areas of the park, and will include wetland habitat protection and enhancement, trail development including a pedestrian bridge, modular office for park staff operations, miscellaneous site improvements, and necessary associated utility work. A 20-day letter was sent to the Legislature on June 5, 2003 and will expire June 24, 2003. Based on discussions with legislative staff, it is anticipated that this 20-day period will expire without comment.

#### Funding and Cost Verification

The Legislature approved \$2,600,000 from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund for this project and authorized the funds to be available until June 30, 2003. The costs details of this project have been refined from those reported in the Budget Change Proposal submitted in 2001.

\$2,600,000 total estimated project costs

\$902,000 project costs previously allocated: studies

#### CEQA

The project will require compliance with CEQA but CEQA filing is not required for approval of this action.

#### Project Schedule

**The project schedule is as follows:**

Approve preliminary plans:	December 2003
Approve working drawings:	May 2004
Complete construction:	February 2005

**Staff Recommendation: Approve project scope and cost.**

**CONSENT ITEM**

**CONSENT ITEM – 14**

**DEPARTMENT OF PARKS AND RECREATION (3790)**  
**LA PURISIMA MISSION STATE HISTORIC PARK, SANTA BARBARA COUNTY**  
Restore Historic Adobe Structures

*Authority: Chapter 379/02, Item 3790-301-0005 (15)*

**a. Approve preliminary plans**

**APPROVED.**

## CONSENT ITEM

### STAFF ANALYSIS – 14

Department of Parks and Recreation  
La Purisima Mission State Historic Park, Santa Barbara County  
Restore Historic Adobe Structures

#### Action Requested

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

#### Scope Description

**This project is within scope.** This project will stabilize, restore, and preserve two historic adobe reconstruction (Church/Bell Tower and Monjerio) and associated features, including implementation of a drainage plan around the church, within La Purisima Mission State Historic Park. The project will ensure the protection and preservation of unique historic resources and the continued enjoyment and education of park visitors through the implementation of a drainage plan around the church; improvements to roof structures, floors and thresholds; conservation of finishes; and structural work.

#### Funding and Cost Verification

**This project is within cost.**

\$1,291,000 total estimated project costs

\$68,000 project costs previously allocated: preliminary plans

\$1,223,000 project costs to be allocated: working drawings \$75,000, construction \$1,148,000 (\$927,000 contract, \$65,000 contingency, \$126,000 A&E costs \$30,000 agency retained items),at CCCI 4019

#### CEQA

A Notice of Exemption was filed with the State Clearinghouse on May 7, 2003 and the waiting period expired on June 11, 2003.

#### Project Schedule

**The project schedule is as follows:**

Approve working drawings: January 2004

Complete construction: January 2005

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

## CONSENT ITEM

### CONSENT ITEM – 15

**DEPARTMENT OF PARKS AND RECREATION (3790)**  
**MOUNT DIABLO STATE PARK, CONTRA COSTA COUNTY**  
Primary Road System Improvements

*Authority: Chapter 379/02, Item 3790-301-0005(3)*

- a. **Approve preliminary plans**

**APPROVED.**

## CONSENT ITEM

### STAFF ANALYSIS – 15

Department of Parks and Recreation  
Mount Diablo State Park, Contra Costa County  
Primary Road System Improvements

#### Action Requested

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

#### Scope Description

**This project is within scope.** This project will make high priority improvements to the primary road system that serves Mount Diablo State Park. The work will improve the safety of the road conditions for both motor vehicles and bicyclists and will prevent further erosion of the existing road system. In particular the project will improve distressed sections of pavement and failing sections of roadway embankments; improve the strength of the selected areas of road's structural section; improve the shoulder area on the sides of the roadway and improve turn-out areas along the road system.

#### Funding and Cost Verification

**This project is within cost.**

\$5,410,000 previously estimated total project costs

\$5,311,000 current estimated total project costs

\$208,000 project costs previously allocated: preliminary plans

\$5,103,000 project costs to be allocated: working drawings \$307,000 construction \$4,796,000 (\$4,093,000 contract, \$286,000 contingency, \$372,000 A&E costs \$45,000 agency retained items), at CCCI 4019

\$99,000 estimated savings

#### CEQA

A Notice of Determination was filed with the State Clearinghouse on May 14, 2003 and the waiting period expired on June 13, 2003.

#### Project Schedule

**The project schedule is as follows:**

Approve working drawings: May 2004  
Complete construction: August 2005

**Staff Recommendation: Approve preliminary plans.**

## CONSENT ITEM

### CONSENT ITEM – 16

DEPARTMENT OF GENERAL SERVICES (1760)  
DEPARTMENT OF MENTAL HEALTH (4440)  
METROPOLITAN STATE HOSPITAL, LOS ANGELES COUNTY  
Building 303, Lease Number L-1796

*Authority:* Government Code Section 14671.2

- a. **Authorize an amendment to a long term lease of state owned property at less than fair market value for development of low income subsidized housing**

**APPROVED.**

## CONSENT ITEM

### STAFF ANALYSIS – 16

Department of General Services  
Department of Mental Health  
Metropolitan State Hospital, Building 303

Action Requested

**The requested action will authorize an amendment to a long term lease of state owned property at less than fair market value for development of low income subsidized housing.**

Scope Description

**This project is within scope.** The Department of General Services (DGS) executed a 20-year ground lease at less than market value for a state owned building consisting of approximately 11,800 square feet with shared parking located at the Metropolitan State Hospital in Los Angeles County. Section 14671.2 of the Government Code authorizes the Director of DGS to let state owned real property at less than market value for the beneficial public purpose of subsidized housing. The below market lease will make the property available for use as a congregate care facility serving persons with mental illness. The State Public Works Board authorized the long term lease on November 8, 2002. This request will authorize an amendment to the lease to extend the term for an additional 45 years through 2067.

The request to extend the lease term is generated by the Lessee's need to obtain private funding for their construction project. Lenders typically will not provide construction funds for ground leased sites unless the Lessee has a firm term of 50-55 years or more.

CEQA

A Mitigated Negative Declaration was prepared and a Notice of Determination was filed with the State Clearinghouse on March 4, 2002, and the waiting period expired April 3, 2002.

### Project Schedule

The State's execution of the lease was December 2002. The original term of the lease was from July 1, 2002 through June 30, 2022. The amendment extends the term through June 30, 2067. Building renovation by Lessee is scheduled for completion on or about June 30, 2005.

### Other:

- The building is listed in the National Register of Historic Places as a part of the Metropolitan Hospital Historic District. Due to its historical status, the property will be renovated in accordance with a Memorandum of Agreement between the Department of Housing and Urban Development (HUD) and the California State Historic Preservation Office (SHPO). The prospective Lessee, Homes for Life Foundation, a nonprofit corporation, has obtained funding for this renovation and transitional living program through the U.S. Department of Housing and Urban Development (HUD) in the amount of \$1,418,000.00. No state funds will be expended on this project.
- Rent will be collected monthly beginning June 30, 2005, or upon occupancy, whichever occurs first.
- Utilities are the responsibility of the Lessor upon start of construction through the remaining term of the lease.
- The leased premises will be used to develop housing for clients with chronic mental illness, severe emotional problems and physical disabilities. The Lessee provides these special need clients with training for basic life-skills. Housing shall be provided by the Lessee in compliance with Section 14671.2 of the Government Code which requires that at least 25 percent of the housing units developed shall be available for the term of the lease to moderate-income persons and 12.5 percent shall be available to low-income persons as defined by Section 50093 of the Health and Safety Code; 12.5 percent shall be available to very low-income persons as defined by Section 50105 of the Health and Safety Code. One hundred percent of the clients housed at the facility under the terms of this lease are indigent and fall within the last category of low-income persons.

**Staff Recommendation: Authorize an amendment to a long term lease of state owned property at less than fair market value for development of low income subsidized housing.**

## CONSENT ITEM

### CONSENT ITEM – 17

DEPARTMENT OF GENERAL SERVICES (1760)  
DEPARTMENT OF MENTAL HEALTH (4440)  
METROPOLITAN STATE HOSPITAL, LOS ANGELES COUNTY  
Old Administration Building, Lease Number L-1971

*Authority: Government Code Section 14671.2*

- a. **Authorize an amendment to a long term lease of state owned property at less than fair market value for development of low income subsidized housing**

**APPROVED.**

## CONSENT ITEM

### STAFF ANALYSIS – 17

Department of General Services  
Department of Mental Health  
Metropolitan State Hospital, Old Administration Building

#### Action Requested

**The requested action will authorize an amendment to a long term lease of state owned property at less than fair market value for development of low income subsidized housing.**

#### Scope Description

**This project is within scope.** The Department of General Services (DGS) executed a 20-year ground lease at less than market value for a state owned building consisting of approximately 6,480 square feet with shared parking located at the Metropolitan State Hospital in Los Angeles County. Section 14671.2 of the Government Code authorizes the Director of the DGS to let state owned real property at less than market value for the beneficial public purpose of subsidized housing. The below market lease will make the property available for use as a congregate care facility serving persons with mental illness. The State Public Works Board authorized the long term lease on November 8, 2002. This request will authorize an amendment to the lease to extend the term for an additional 45 years through 2067.

The request to extend the lease term is generated by the lessee's need to obtain private funding for their construction project. Lenders typically will not provide construction funds for ground leased sites unless the lessee has a firm term of 50-55 years or more.

#### CEQA

A Mitigated Negative Declaration was prepared and a Notice of Determination was filed with the State Clearinghouse on March 4, 2002, and the waiting period expired April 3, 2002.

### Project Schedule

The State's execution of the lease was December 2002. The original term of the lease was from July 1, 2002, through June 30, 2022. The amendment extends the term through June 30, 2067. Building renovation by Lessee is scheduled for completion on or about June 30, 2005.

### Other:

- The building is listed in the National Register of Historic Places as a part of the Metropolitan Hospital Historic District. Due to its historical status, the property will be renovated in accordance with a Memorandum of Agreement between the Department of Housing and Urban Development (HUD) and the California State Historic Preservation Office (SHPO). The prospective lessee, Homes for Life Foundation, a nonprofit corporation, has obtained funding for this renovation and transitional living program through the U.S. Department of Housing and Urban Development (HUD) in the amount of \$703,500.00. No state funds will be expended on this project.
- Rent will be collected monthly beginning June 30, 2005, or upon occupancy, whichever occurs first.
- Utilities are the responsibility of the lessor upon start of construction through the remaining term of the lease.
- The leased premises will be used to develop housing for clients with chronic mental illness, severe emotional problems and physical disabilities. The lessee provides these special need clients with training for basic life-skills. Housing shall be provided by the lessee in compliance with Section 14671.2 of the Government Code which requires that at least 25 percent of the housing units developed shall be available for the term of the lease to moderate-income persons and 12.5 percent shall be available to low-income persons as defined by Section 50093 of the Health and Safety Code; 12.5 percent shall be available to very low-income persons as defined by Section 50105 of the Health and Safety Code. One hundred percent of the clients housed at the facility under the terms of this lease are indigent and fall within the last category of low-income persons.

**Staff Recommendation: Authorize an amendment to a long term lease of state owned property at less than fair market value for development of low income subsidized housing.**

## CONSENT ITEM

### CONSENT ITEM – 18

**DEPARTMENT OF CORRECTIONS (5240)**  
**CALIFORNIA INSTITUTION FOR MEN, CHINO, SAN BERNARDINO COUNTY**  
Cell Security Lighting, Reception Center Central Facility, Phase I

*Authority: Chapter 379/02, Item 5240-301-0001 (4)*

**a. Approve preliminary plans**

**APPROVED.**

## CONSENT ITEM

### STAFF ANALYSIS – 18

Department of Corrections  
California Institution for Men, Chino, San Bernardino County  
Cell Security Lighting, Reception Center Central Facility, Phase I

#### Action Requested

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

#### Scope Description

**This project is within scope.** The project scope primarily includes replacing all existing light fixtures and switch plates with new maximum-security materials. The new fixtures, consisting of two fluorescent bulbs, will be installed in 562 cells. Additional scope features include new electrical wiring, lighting panels, and override switches located at the panels to allow staff to turn individual cell lights on or off as needed to override the switch controlled by the inmate.

The Department of Corrections intends to use Inmate Day Labor to perform the construction work. Construction improvements will be phased, encompassing work in fiscal years 2003/04 and 2004/05. A proposal to provide funding for Phase I is included in the Governor's Budget for fiscal year 2003/04.

#### Funding and Cost Verification

**This project is within cost.**

\$2,036,000 total estimated project costs

\$130,000 project costs previously allocated: preliminary plans \$130,000

\$1,250,000 project costs to be allocated (Phase I): working drawings \$155,000; construction \$1,095,000 (contract \$730,000, contingency \$65,000, project administration \$226,000 and agency retained \$74,000)

\$656,000 future funding (Phase II): construction \$656,000 (contract \$303,000, contingency \$43,000, project administration \$128,000, and agency retained \$182,000)

#### CEQA

This project is exempt from CEQA because the renovations are internal to an existing structure.

#### Project Schedule

**The project schedule is as follows:**

Approve preliminary plans:	June 2003
Approve working drawings:	November 2003
Complete construction of Phase I:	June 2004
Complete construction of Phase II:	April 2005

**Staff Recommendation: Approve preliminary plans.**

## CONSENT ITEM

### CONSENT ITEM – 19

**UNIVERSITY OF CALIFORNIA (6440)**  
**SANTA BARBARA CAMPUS, SANTA BARBARA COUNTY**  
Snidecor Hall Office Wing Seismic Replacement

*Authority: Chapter 379/02, Item 6440-301-6028 (11)*

**a. Approve preliminary plans**

**APPROVED.**

## CONSENT ITEM

### STAFF ANALYSIS – 19

University of California, Santa Barbara  
Snidecor Hall Office Wing Seismic Replacement

#### Action Requested

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

#### Scope Description

**This project is within scope.** The Snidecor Hall Office Wing Seismic Replacement project, as amended in March 2003, will replace the seismically hazardous office wing of Snidecor Hall that has a seismic rating of "Poor" with a new facility that will include 17,656 assignable square feet (asf) of instructional, research and administrative space for the Department of Dramatic Arts, and 4,842 asf of general assignment classroom space, for a total of 22,498 asf.

#### Funding and Project Cost Verification

**This project is within cost.**

\$13,045,000 total estimated project costs

\$506,000 project costs previously allocated: preliminary plans -- \$496,000 (State funds),  
\$10,000 (campus funds)

\$12,539,000 project costs to be allocated: working drawings -- \$682,000 (State funds),  
\$50,000 (campus funds); construction -- \$10,566,000 (State funds), \$705,000  
(campus funds); equipment -- \$536,000 (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 2003
Approve working drawings:	November 2003
Complete construction:	April 2006

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

**CONSENT ITEM**

**CONSENT ITEM – 20**

**CALIFORNIA COMMUNITY COLLEGES (6870)  
SAN LUIS OBISPO COUNTY COMMUNITY COLLEGE DISTRICT,  
NORTH COUNTY CENTER, SAN LUIS OBISPO COUNTY**  
Initial Building – Science Cluster

*Authority: Chapter 106/01, Item 6870-301-0574 (59)  
Chapter 379/02, Item 6870-301-6028 (43)*

**a. Approve augmentation**

**\$1,301,000  
(14.9 percent of total appropriation)  
(12.5 percent of total project)**

**APPROVED.**

## CONSENT ITEM

### STAFF ANALYSIS – 20

California Community Colleges  
San Luis Obispo County Community College District, North County Center,  
Paso Robles, San Luis Obispo County  
Initial Building – Science Cluster

#### Action Requested

**The requested action will approve an augmentation for the construction phase of this project.**

#### Scope Description

**The project is within scope.** The authorized scope of the project constructs a new 23,764 assignable square foot (asf) science and mathematics building. The project includes 4,466 asf lecture, 15,580 asf laboratory, 2,990 asf office, and 428 asf of other support space.

#### Funding and Project Cost Verification

**The project is not within cost.** Chapter 379/2002 appropriated \$8,107,000 for the construction phase of this project. The construction bids were opened on April 22, 2003, and based on the lowest bid received, construction costs have increased to \$9,408,000. The District's analysis indicates that the local bidding climate in the Paso Robles area, as evidenced by other recent bid efforts, is robust and that it is unlikely that rebidding the contract would result in lower costs. The District also cost engineered the project before going out to bid, and identifying additional cost reduction without impacting the scope of the building is unlikely. Therefore, an augmentation of \$1,301,000 (14.9 percent of total appropriation and 12.5 percent of total project costs) is requested to award the construction contract and complete the project as authorized. A 20-day letter was sent to the Legislature on May 23, 2003, without comment.

\$11,705,000	total estimated project costs
\$647,000	project costs previously allocated: preliminary plans \$334,000 and working drawings \$313,000
\$9,757,000	project costs to be allocated: construction \$8,107,000 (\$7,232,000 contracts, \$362,000 contingency, \$513,000 construction management, administration, testing and inspection) at CCCI 4019; and equipment \$1,650,000 at EPI 2564
\$1,301,000	project funds to be augmented: construction \$1,301,000 (\$1,188,000 contract; \$113,000 contingency, construction management, administration, testing and inspection at CCCI 4019)

#### CEQA

A Negative Declaration was filed with the state clearinghouse on March 29, 1998 and the waiting period expired on April 30, 1998.

#### Project Schedule

**The project schedule is as follows:**

Complete construction: August 2005

**Staff Recommendation: Approve augmentation.**

## CONSENT ITEM

### CONSENT ITEM – 21

**CALIFORNIA COMMUNITY COLLEGES (6870)**  
**CONTRA COSTA COMMUNITY COLLEGE DISTRICT**  
**DIABLO VALLEY COLLEGE, CONTRA COSTA COUNTY**  
Seismic Retrofit – Technical Education Building

*Authority: Chapter 379/02, Item 6870-301-0574 (1)*

**a. Approve preliminary plans**

**APPROVED.**

## CONSENT ITEM

### STAFF ANALYSIS – 21

California Community Colleges  
Contra Costa Community College District  
Diablo Valley College, Contra Costa County  
Seismic Retrofit – Technical Education Building

#### Action Requested

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

#### Scope Description

**This project is within scope.** This project reconstructs 5,525 assignable square feet of the Business Education Building to accommodate assessment and student services currently housed in the Technical Education Building. Upon completion of this remodel, the Technical Education Building will be demolished and the site restored.

#### Funding and Project Cost Verification

**This project is within cost.**

\$1,153,000 total estimated project costs

\$41,000 project costs previously allocated: preliminary plans

\$1,112,000 project costs to be allocated: working drawings \$54,000; construction \$1,058,000 (\$945,000 contracts, \$66,000 contingency, \$47,000 administration, testing, inspection) at CCCI 4019

#### CEQA

A Notice of Exemption was filed with the State Clearinghouse on September 24, 2001, and the waiting period expired on October 28, 2001.

#### Project Schedule

**The project schedule is as follows:**

Approve working drawings: May 2004

Complete construction: July 2005

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

## CONSENT ITEM

### CONSENT ITEM – 22

**CALIFORNIA COMMUNITY COLLEGES (6870)**  
**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**MISSION COLLEGE, SANTA CLARA COUNTY**  
Main Building 3<sup>rd</sup> Floor Reconstruction

*Authority: Chapter 106/01, Item 6870-301-0574,  
as amended by Chapter 891/01, Section 34 (b) (26)  
Chapter 379/02, Item 6870-301-6028 (60)*

**a. Approve preliminary plans**

**APPROVED.**

## CONSENT ITEM

### STAFF ANALYSIS – 22

California Community Colleges  
West Valley-Mission Community College District  
Mission College, Santa Clara County  
Main Building, 3<sup>rd</sup> Floor Reconstruction

#### Action Requested

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

#### Scope Description

**This project is within scope.** This project reconstructs 15,662 assignable square feet (asf) in the Mission College Main Building for instructional purposes. The space functions as the library and is to be vacated with the completion of the LRC now under construction. The proposal is to convert the space to be vacated to 12,548 asf of interdisciplinary laboratories, 3,470 asf for offices and 201 asf for meeting rooms.

#### Funding and Project Cost Verification

**This project is within cost.**

\$4,703,000 total estimated project costs

\$213,000 project costs previously allocated: preliminary plans

\$4,490,000 project costs to be allocated: working drawings \$167,000; construction \$3,523,000 (\$3,139,000 contracts, \$220,000 contingency, \$164,000 administration, testing, inspection) at CCCI 4019; and equipment \$800,000 at EPI 2564

#### CEQA

A Notice of Exemption was filed with the State Clearinghouse on April 21, 2000 and the waiting period expired on June 22, 2000.

#### Project Schedule

**The project schedule is as follows:**

Approve working drawings: June 2004

Complete construction: August 2005

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

**ACTION ITEM**

**ACTION ITEM – 23**

**DEPARTMENT OF GENERAL SERVICES (1760)**  
**STATE PUBLIC WORKS BOARD**  
Audit of General Obligation Bonds

*Authority: Government Code Section 15809(e) and 15837.5*

**a. Adopt a resolution to authorize execution of General Obligation Bond audit contract**

**APPROVED.**

## ACTION ITEM

### STAFF ANALYSIS – 23

Department of General Services  
Audit of General Obligation Bonds

#### Action Requested

**Adopt a resolution to authorize execution of contract for auditing of General Obligation Bonds consistent with staff analysis.**

#### Scope Description

The State Public Works Board has invited prospective bidders to bid on the cost of conducting a bond fund audit of three bond funds for three audit cycles as of June 30, 2003, June 30, 2004 and June 30, 2005. This audit includes the related statements of revenues and expenses, changes in fund balance, and cash flows for the year ended for the three following bond funds:

- **High Technology Education Revenue Bond Fund**—The fund consists of nine revenue bond issues for acquisition, construction, or financing of capital outlay projects and two revenue-refunding issues.
- **Public Building Construction Fund**—This fund consists of approximately thirty interim loans, eighty-nine revenue bond issues for acquisition, construction, financing, and refinancing of capital outlay projects.
- **New Prison Construction Revenue Fund**—The fund consists of one revenue bond for acquisition of a capital outlay project. This bond issue has been fully repaid.

All bidders must be an independent certified public accounting firm or an independent certified public accountant and have completed at least three refunding revenue bond audits during the last five years.

#### Funding and Cost Verification

One response was received from a responsive, responsible bidder, Gilbert Associates, Inc., CPAs and Advisors, for \$81,750. The current proposal reflects an initial audit cost of \$26,000 in 2003, which is increased in subsequent years to \$27,250 in 2004 and \$28,500 in 2005. The previous three-year audit contract was for \$60,000 (\$20,000 per year). In comparison to the prior audit cost, the basis for the current proposed bid reflects an adjustment in the hourly auditing rate that has been increased to more competitive market rates.

**Staff Recommendation: Adopt a resolution to authorize execution of contract consistent with the staff analysis.**

## ACTION ITEM

### ACTION ITEM – 24

DEPARTMENT OF GENERAL SERVICES (1760)  
EAST RIVERFRONT PROPERTY, WEST SACRAMENTO, YOLO COUNTY  
DGS Parcel Number 10147

*Authority: Section 11005 of the Government Code  
State Administrative Manual Section 6849*

- a. **Authorize the acquisition of real property through the acceptance of a gift with associated costs.**

**APPROVED.**

## ACTION ITEM

### STAFF ANALYSIS – 24

Department of General Services  
East Riverfront Property, West Sacramento

Action Requested

**The requested action will authorize the acquisition of real property through the acceptance of a gift with associated costs.**

Scope Description

**An unimproved site containing approximately 43 acres in the City of West Sacramento (City), Yolo County, California (“the Property”), has been offered by the Redevelopment Agency of the City of West Sacramento (Agency) as a gift with associated costs to the state of California for the purpose of studying the viability of the Property for potential future uses consistent with the requirements of the Agency. Of the Property, 7 to 12 acres are proposed for a Governor’s Residence and the remaining acreage as a State Park described further below.**

Associated Costs

The costs associated with the acquisition are administrative staff costs and all closing costs. The Department of Parks and Recreation (DPR) will pay for the cost of title and escrow fees that are estimated at \$5,000. Future land use studies will be required to determine if the state will retain the Property. There will also be site costs associated with preparing a building pad and reinforcing the levee that are estimated roughly \$5,000,000 and is proposed to be paid for by private donors through a Foundation to be established after the state acquires the Property.

Close of Escrow:

The anticipated close of escrow is June 2003.

## CEQA

A Categorical Exemption was filed with the State Clearinghouse on May 13, 2003, and the waiting period will expire on June 18, 2003.

### Condition of property

Department of General Services (DGS), Environmental Services Section (ESS) staff have conducted extensive site surveys of the Property in West Sacramento, and reviewed various background materials including a Preliminary Site Assessment, Phase I, of the subject Property. ESS staff has concluded based on these surveys and review of site assessment materials that the Property does not contain any significant unknown liabilities or hazardous materials. The Property generally consists of open space and riparian woodland within the floodway of the Sacramento River. The Property contains only a few minor improvements such as paving and remnants of a dock. The Property has been degraded by uncompleted site-grading for a marina, use by transients, and small wild fires. However, these conditions do not impose substantial liabilities on the state; they simply affect the natural condition of the Property.

ESS staff finds that the available preliminary site assessment reports and related materials provide a reliable basis of information to conclude the Property does not contain significant unknown hazards. The site does contain some soil that is non-native and has some engineering limitations for supporting foundations and related structures, but these conditions do not affect acceptance of the Property. The site has no history of industrial usage beyond boat repair and a water well. Neither of these past uses affects the existing condition of the Property.

### Other:

- At its December 18, 2002 meeting, the City Council of the City of West Sacramento approved the zero dollar transfer of the Property to the State based, in part, on a belief that the State was in agreement with the terms set forth in the Option and Conveyance Agreement (Agreement), however, the state is not in agreement with those terms and conditions and as indicated below, amendments are needed to that Agreement.
  - On June 18, 2003, the Agency will request City Council approval of the following amendments to the Agreement, required by the State for approval of the gift:
    - 1) Acknowledge the Foundation will be established after the Property is accepted as a gift with associated costs and upon exercise of the option by the State;
    - 2) Clarify the use of Foundation funds and acknowledge that any State funds used towards the improvements of the Property will require legislative authorization;
    - 3) Clarify the estimated cost and scope of the proposed riverwalk, estimated at \$350,000;
    - 4) Clarify Agency role in the meet and confer process and design document review and specify that all final decisions regarding design and construction reside with the State;
    - 5) Change the reference regarding design and funding authority from "Department of Parks and Recreation" to "State";
    - 6) Clarify City one-time impact fees would be for a single family residence along with associated credits;
    - 7) Allow the state to encumber the Property with lease revenue bond financing or other financing;
    - 8) Amend exhibit to reflect a longer design and construction schedule due to the unanticipated levee relocation and other legislative and state process requirements, and;
    - 9) Clarify all references to the "Park" versus the "Museum" to be consistent with the following:

The portion of the Property identified for park use would be viable for a Department of Parks and Recreation (DPR) park site only in conjunction with both the construction of a Governor's Residence on the other portion of the Property and the acquisition of additional adjacent acreage for the construction of a museum. The portion of the Property intended for a park would include a riverwalk and river access as part of a State

Park in the event DPR is able to proceed with construction of a State Park on the Property.

**Staff Recommendation: Authorize the acquisition of real property through acceptance of a gift with associated costs, pending expiration of the Categorical Exemption waiting period and subject to the satisfactory amendments to the Option and Conveyance Agreement consistent with staff analysis.**

**ACTION ITEM**

**ACTION ITEM – 25**

**DEPARTMENT OF GENERAL SERVICES (1760)**  
**CALIFORNIA INSTITUTION FOR MEN-CHINO**  
**SAN BERNARDINO COUNTY**  
Surplus Parcel Numbers SSL 621.1, SSL 621.2

*Authority: Section 1 of Chapter 770, Statutes of 2000*  
*Section 14672.14 of the Government Code*

- a. Approve transfer of surplus property consistent with the staff analysis**

**PULLED.**

**ACTION ITEM**

**STAFF ANALYSIS – 25**

Waiting for staff analysis.

**ACTION ITEM**

**ACTION ITEM – 26**

**DEPARTMENT OF GENERAL SERVICES (1760)  
DEPARTMENT OF PARKS AND RECREATION (3790)  
BENBOW LAKE STATE RECREATION AREA, COOMBS PROPERTY  
HUMBOLDT COUNTY  
DPR Parcel Number A40901, DGS Parcel Number 10182**

*Authority: Chapter 52/00, Item 3790-301-0005(10)*

**a. Consider site selection and acquisition**

**PULLED.**

**ACTION ITEM**

**STAFF ANALYSIS – 26**

Department of General Services  
Department of Parks and Recreation  
Benbow Lake State Recreation Area

Action Requested

**The requested action is to consider authorizing site selection and acquisition consistent with the staff analysis.**

Scope Description

**This project is within scope.** The Legislature approved funding for the acquisition of land from willing sellers that are forested with redwoods or that will enhance the protection or preservation of the redwood forest ecosystem with preference given to projects where matching funding contributions are available. This project provides for the acquisition of one parcel from a non-profit organization, Save-the-Redwoods League, totaling approximately 167 acres located adjacent to Benbow Lake State Recreation Area.

Funding and Cost Verification

**This project is within cost.** Chapter 52/00, Item 3790-301-0005 (10) provided \$5,000,000 from the 2000 Bond Redwood Acquisition Program to Department of Parks and Recreation (DPR) for acquisition of redwood properties without specifying particular parcels. The property can be acquired with the funds available and in accordance with Legislative intent.

\$201,222	total estimated project costs
\$2,392	project costs previously allocated: \$2,392 DGS appraisal review costs
\$198,830	project costs to be allocated: \$196,330 for acquisition and \$ 2,500 for estimated closing costs.

## CEQA

A Notice of Exemption was filed with the State Clearinghouse on February 28, 2003, and the waiting period expired on April 4, 2003.

## Project Schedule

**The project schedule is as follows:**

The anticipated close of escrow is June 2003.

## Condition of Property

Department of General Services (DGS), Environmental Services Section (ESS) staff conducted a site visit to the Benbow Lake, Coombs parcel on March 28, 2002. The acquisition consists of approximately 160 acres of wilderness, i.e., tree covered property. Access was not provided to the property, but viewed from two different vantage points, directly across the canyon and from highway 101. There were no obvious signs of dead trees or active logging. Representatives from Save the Redwood League indicated there are no improvements, e.g., industrial uses, fuel storage, waste disposal, etc., on the property that would raise a concern for migration of hazardous materials. Given the current condition of the subject property and its prior land use, ESS staff recommends that a Phase I Site Assessment is not necessary.

No potential problems with hazardous materials were observed during the site visit and the property is compatible with the proposed future use.

## Other

- The seller wishes to convey the property with the following deed restriction: "the property shall be held in trust for public park purposes on behalf of the people of California provided that the owner may grant concessions, franchises, easements and other leases upon said property for purposes that are consistent with the use and preservation thereof for public park purposes."
- The Department of General Services (DGS) approved an appraisal of the unencumbered property (i.e. no deed restriction). The seller proposes to sell the property to the State for 50% of that approved value, in exchange for the right to restrict the use of the property to park purposes. DGS has determined that this restriction has a significant negative affect on the appraised value, in excess of 50%, because it permanently restricts the rights of the owner to use the property for any other.
- The property is mountainous in general with primarily redwood and Douglas-fir timber stands of approximately 50 years old. There are no structures on the property and relocation assistance will not be necessary.
- Road access to the property is limited by the lack of a deeded right of way to the property, which was taken into account in the appraisal, however, since this property adjoins Benbow Lake State Recreation Area access may be obtained through existing DPR access roads.
- 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 title of any mortgages or liens.
- The appraiser discovered an unrecorded relatively new, gravel road on the property and advised the seller to determine who was using the road. No other potential implied dedication was found by the appraiser.
- DPR estimates a need for an additional 3.0 PYs and ongoing costs of \$ 304,000 for personal services and operating expenses. In addition, DPR further estimates one-time costs of \$ 110,000 for equipment, fencing, gates, and a boundary survey. Until additional funding is provided and pending availability of existing funding, DPR will provide limited resource protection.

- Any request for future staffing, operating and maintenance costs will be considered through the normal budget process.

Significant Issues: The deed restrictions requested by the seller would effectively reduce the value of the parcel by restricting the use consistent to that of a public park. While the exact deed restriction language has not been finalized, it appears that the appraised value of the land without deed restrictions, minus the value of the timber, is above the purchase price. However, the deed restrictions apply to more than just timber harvesting and could be seen as reducing the market value of the parcel below the purchase price, irrespective of timber values, which could be seen as a gift of public funds.

**Staff Recommendation: Consider authorizing site selection and acquisition.**

## ACTION ITEM

### ACTION ITEM – 27

DEPARTMENT OF GENERAL SERVICES (1760)  
DEPARTMENT OF PARKS AND RECREATION (3790)  
HUMBOLDT REDWOODS STATE PARK, HUMBOLDT COUNTY  
DPR Parcel Numbers A38001 through A38007, DGS Parcel Number 10172

*Authority: Chapter 52/00, Item 3790-301-0005(10)*

#### a. Consider site selection and acquisition

**PULLED.**

## ACTION ITEM

### STAFF ANALYSIS – 27

Department of General Services  
Department of Parks and Recreation  
Humboldt Redwoods State Park

#### Action Requested

**The requested is to consider site selection and acquisition**

#### Scope Description

**This project is within scope.** The Legislature approved funding for the acquisition of land from willing sellers that are forested with redwoods or that will enhance the protection or preservation of the redwood forest ecosystem with preference given to projects where matching funding contributions are available. This project provides for the acquisition of seven parcels from the non-profit organization Save-the-Redwoods-League totaling approximately 322 acres ranging in size from 5 acres to 125 acres, all of which are scattered but adjacent to the Humboldt Redwoods State Park. This property is within scope because it contains significant stands of old growth redwoods.

#### Funding and Cost Verification

**This project is within cost.** Chapter 52/00, Item 3790-301-0005 (10) provided \$5,000,000 from the 2000 Bond Redwood Acquisition Program to the Department of Parks and Recreation (DPR) for acquisition of redwood properties without specifying particular parcels. The property can be acquired with the funds available and in accordance with Legislative intent. Below are the anticipated project costs:

\$2,206,877	total estimated project costs
\$12,185	project costs previously allocated: Department of General Services (DGS) staff costs including environmental site visit, appraisal and acquisition review costs
\$2,194,692	project costs to be allocated: \$2,188,692 for acquisition and \$6,000 for estimated closing costs including title and escrow fees

## CEQA

A Notice of Exemption was filed with the State Clearinghouse on September 6, 2001, and the waiting period expired on October 11, 2001.

## Project Schedule

**The project schedule is as follows:**

The anticipated close of escrow is June 2003.

## Condition of Property

Department of General Services, Environmental Services Section (ESS), staff conducted surveys of seven non-contiguous properties to be acquired in the Humboldt Redwoods State Park:

Of the initial six properties, two properties consisted of a rural residential sites contiguous to the park that contain some redwood forest habitat at the edges. Both sites have been graded for access homes although the house on one of the properties has been removed. On the property that still contains a home, there are also other minor improvements related to the house but the house contains no known hazards. The remainder of both of these two sites contain mature and second growth redwood forest. The other four properties are unremarkable and are all to nearly all forested. All have limited access, but are otherwise unimproved. These properties are entirely in natural conditions; they are uniformly covered with native redwood forest vegetation with no structures, roads, or visible support/infrastructure improvements.

The survey of these first six properties revealed no due diligence issues that would prevent site acquisition. Staff also concluded that a formal Preliminary Site Assessment, Phase I, is not necessary for acquisition based on the following findings: (1) while portions of the first two of the sites have been graded for access and the home site, these improvements are acceptable; (2) the remaining four of the sites are fully undeveloped, and have been in a natural condition for several decades; (3) the only structure on the six sites of any significance is one small house that contains no significant hazards; (4) on the four undeveloped sites there are no surface/subsurface improvements except for access roads on the property that would require inspection and/or environmental assessment, (5) there is no indication of hazardous material use, storage, or disposal on any of the six parcels, and the adjacent lands have no industrial uses; and (6) properties adjacent to the subject parcels are either unimproved forest/parkland or rural residential.

The survey of the final property included an extensive walk-over of the reasonably accessible portions of the property, interviews with staff from State Parks in regard to potential future uses, and consultation with the North Coast Regional Water Quality Control Board. The subject property consists of a mix of old growth redwoods and a section of a creek that are in a natural condition; the property also contains sites of former/existing home sites, a small orchard, and limited access roads. The balance of the site is natural, especially on its northerly portion near the Eel River. The site contains no observable industrial improvements, petroleum storage, debris, or similar materials/improvements of typical concern in due diligence investigations. During the site visit some of the residential structures had either just been removed, or are planned for demolition and abatement of very limited amounts of hazardous building materials. The site also shows evidence of debris removal and abatement. The land adjacent to the site includes other redwood and riparian forest, old Highway 1, and a closed sawmill. The survey of the property and subsequent investigation of potential regulatory concerns revealed no due diligence issues or concern for unknown long-term liabilities that would prevent site acquisition. Staff concluded that while the property does have some history of developed uses (limited rural residential) a formal Preliminary Site Assessment, Phase I, is not necessary for acquisition based on the following findings: (1) large portions of the site contain undisturbed old growth

redwood forest and riparian vegetation; (2) there are no surface/subsurface improvements on the property that would require inspection and/or environmental assessment; (3) there is no indication of hazardous material use, storage, or disposal on the property that would warrant a formal site assessment and soil testing; (4) the structures that have been removed already were only wood frame structures with minor amounts of hazardous building materials, which were properly abated; (5) the debris that was already removed is strictly of a residential nature; and (6) any structure that will remain after acquisition will be free of any hazardous materials. ESS staff also found that while the directly adjacent property had been used as a sawmill, the staff of the Regional Water Quality Control Board indicated that site posed no past or ongoing concern for soil or groundwater contamination. ESS staff found that the acquisition of this property is appropriate for various State Park uses, including but not limited to, forest and riparian restoration, day use, river access, and camping.

#### Other

- The seller would like to place the following deed restriction on the property: “the property shall be held in trust for public park purposes on behalf of the people of California provided that the owner may grant concessions, franchises, easements and other leases upon said property for purposes that are consistent with the use and preservation thereof for public park purposes.” DGS has determined that this restriction affects the appraised value because it permanently restricts the rights of the State to use the property for other purposes. The appraised value with this restriction in place is less than the seller’s asking price. The property acquisition agreement will require delivery of title to the property free and clear of any mortgages or liens.
- There are a number of existing title exceptions of record, including agreements for the use of water by other parties from springs on two of the parcels. It does not appear that title exceptions of record will have a significant impact on the State’s intended use of the property.
- There are structures on two of the seven parcels under consideration. The Gonzales parcel has a vacant newer house that is in need of roof repairs and inside fixtures. This property also has a concrete water tank. DPR intends to evaluate the tank to see if water from a nearby spring may be accessed and stored for future use. DPR intends to use the structure for Department of Forestry and Fire Protection training. There are several structures on the Daly property, including 10 houses dating back to the early 1900’s. All but two houses and a barn have deteriorated to the point that they have no value. DPR intends go through the normal CEQA process for any development of the property after the property is acquired. This process would include a consultation with the State Historical Office of Preservation regarding the preservation of any historically significant structures. No relocation assistance will be necessary.
- DPR is not aware of any lawsuits pending or safety issues concerning the property.
- There is an implied dedication on the Daly parcel regarding public recreational rights, interests and trails that will only minimally impact DPR’s use of the property when the State acquires the property.
- DPR estimates a need for an additional four Personnel Year positions (PY’s) and ongoing costs of \$417,000 for personal services and operating expenses. Provide ongoing maintenance, respond to information requests, safety and enforcement patrol, and resource protection. DPR further estimates one-time costs of \$99,000 for equipment and a boundary survey. DPR has provided this information as its best estimate of initial support 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 resource protection.

- DPR already owns the timber rights on nearly 100 acres of the approximately 125 acre Daly parcel. In the Daly portion of the Humbolt Redwoods acquisition, DPR will obtain the remaining fee interest in the acreage where the timber rights have already been acquired, and the entire fee interest (including the timber rights) in the remaining 25 acres of land. The appraisal of the Daly parcel properly reflects all of the above interests being acquired.

Significant Issues: Resources Agency and DPR contend that the Board should approve this property with the restrictive language and acquire the property for \$2.2 million. PWB staff concludes that the restrictive language and this price would result in a gift of public funds and violate the State Constitution. Staff believes the board should deny the request; however, the following options are presented for board consideration:

- DPR may purchase the property for the \$2.2 million dollar price only if the seller does not place any deed restrictive language on the property.
- DPR may use the \$2.2 million dollars to purchase a smaller portion of the properties if this portion contains no deed restrictions, DPR does not pay more than fair market value, and the seller donates the remaining property. The seller may place restrictions on the donated property.

In addition, there are unidentified costs associated with fencing off, demolishing, stabilizing or restoring the structures on the Daly property.

**Staff Recommendation: Deny DPR's request. If the Board chooses to take an alternative approach, any of the above options should be considered.**

## ACTION ITEM

### ACTION ITEM – 28

DEPARTMENT OF GENERAL SERVICES (1760)  
DEPARTMENT OF PARKS AND RECREATION (3790)  
JEDEDIAH SMITH REDWOODS STATE PARK, DEL NORTE COUNTY  
DPR Parcel Number A40601, DGS Parcel Number 10174

*Authority: Chapter 52/00, Item 3790-301-0005(10)*

#### a. Consider site selection and acquisition

**PULLED.**

## ACTION ITEM

### STAFF ANALYSIS – 28

Department of General Services  
Department of Parks and Recreation  
Jedediah Smith Redwoods State Park

#### Action Requested

**The requested is to consider site selection and acquisition**

#### Scope Description

**This project is within scope.** The Legislature approved funding for the acquisition of land from willing sellers that are forested with redwoods or that will enhance the protection or preservation of the redwood forest ecosystem with preference given to projects where matching funding contributions are available. This project provides for the acquisition of one parcel from non-profit organization Save the Redwood League totaling approximately 546 acres adjacent to the Jedediah Smith Redwoods State Park. This property is within scope because it contains young growth redwood trees.

#### Funding and Cost Verification

**This project is within cost.** Chapter 52/00, Item 3790-301-0005 (10) provided \$5,000,000 from the 2000 Bond Redwood Acquisition Program to Department of Parks and Recreation (DPR) for acquisition of redwood properties without specifying particular parcels. The property can be acquired with the funds available and in accordance with Legislative intent. Below are the anticipated project costs:

\$1,007,000	total estimated project costs
\$4,000	project costs previously allocated: DGS appraisal and acquisition review costs
\$1,033,000	project costs to be allocated: \$1,000,000 for acquisition and \$3,000 estimated closing costs

## CEQA

A Notice of Exemption was filed with the State Clearinghouse on February 28, 2003, and the waiting period expired on April 4, 2003.

## Project Schedule

**The project schedule is as follows:**

The anticipated close of escrow is June 2003.

## Condition of Property

Department of General Services (DGS), Environmental Services Section (ESS), staff conducted surveys of the parcel to be acquired in Jedidah State Park. The parcel is entirely in a natural condition; it is uniformly covered with native redwood forest vegetation with no structures, roads, or visible support/infrastructure improvements. The survey of the parcel revealed no due diligence issues that would prevent site acquisition. Staff also concluded that a formal Preliminary Site Assessment, Phase I, is not necessary for acquisition based on the following findings: (1) the site is fully undeveloped, and has been in a natural condition for several decades; (2) there are no surface/subsurface improvements on the property that would require inspection and/or environmental assessment; (3) there is no indication of hazardous material use, storage, or disposal on the parcel, and the adjacent lands have no industrial uses; and (4) properties adjacent to the parcel are either unimproved forest/parkland or rural residential.

## Other

- The seller would like to place the following deed restriction on the property: "the property shall be held in trust for public park purposes on behalf of the people of California provided that the owner may grant concessions, franchises, easements and other leases upon said property for purposes that are consistent with the use and preservation thereof for public park purposes." DGS has determined that this restriction affects the appraised value because it permanently restricts the rights of the State to use the property for other purposes. The appraised value with this restriction in place is less than the seller's asking price.
- 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.
- DPR is not aware of any lawsuits pending or safety issues concerning the property.
- There is no implied dedication involved in this project.
- DPR estimates a need for an additional three personnel year positions (PY's) and ongoing costs of \$273,000 for personal services and operating expenses to provide maintenance, respond to information requests, patrol roads, respond to emergencies, collect fees and lead tours. DPR further estimates one-time costs of \$92,000 for equipment, immediate public use, signs and gates. DPR has provided this information as its best estimate of initial support 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 has indicated it will provide limited resource protection.

Significant Issues: Resources Agency and DPR contend that the Board should approve this property with the restrictive language and acquire the property for \$1 million. PWB staff concludes that the restrictive language and this price would result in a gift of public funds and violate the State Constitution. Staff believes the board should deny the request; however, the following options are presented for board consideration:

- DPR may purchase the property for no more than market value if the seller does not place any deed restrictive language on the property.
- DPR may use the \$1 million dollars to purchase a smaller portion of the parcel if this portion contains no deed restrictions, DPR does not pay more than fair market value, and the seller donates the remaining property. The seller may place restrictions on the donated property.

**Staff Recommendation: Deny DPR's request. If the Board chooses to take an alternative approach, any of the above options should be considered.**

**ACTION ITEM**

**ACTION ITEM – 29**

**DEPARTMENT OF GENERAL SERVICES (1760)**  
**DEPARTMENT OF CORRECTIONS (5240)**  
**CALIFORNIA INSTITUTION FOR MEN-CHINO, SAN BERNARDINO COUNTY**  
Surplus Parcel Numbers SSL 621, SSL 621.1, SSL 621.2

*Authority: Section 1 of Chapter 770/00 as amended by  
Section 3, Chapter 974/02  
Section 14672.14 of the Government Code*

- a. **Authorize the sale of state surplus property consistent with the staff analysis**

**PULLED.**

**ACTION ITEM**

**STAFF ANALYSIS – 29**

Department of General Services  
Department of Corrections  
California Institution for Men-Chino

Action Requested

Waiting on information to be received from the Department of General Services.

## ACTION ITEM

### ACTION ITEM – 30

**CALIFORNIA STATE UNIVERSITY (6610)**  
**FRESNO STATE UNIVERSITY, FRESNO COUNTY**  
Education Building

*Authority: Government Code Section 15809; Section 5.03 and 5.11 of the Indenture by and between the State Public Works Board and the Treasurer of the State of California dated as of April 1, 1992.*

- a. **Authorize execution of the First Amendment to Site Lease by and between the State Public Works Board and the California State University and the Fourth Amendment to Facility Lease by and between the State Public Works Board and the California State University, for the 1992 Series A Lease Revenue Bonds and the 1996 Series A Refunding Bonds, Various California State University Projects; the 1997 Series A Refunding Bonds, Various California State University Projects; and the 1998 Series C Refunding Bonds, Various California State University Projects.**

**PULLED.**

## ACTION ITEM

### STAFF ANALYSIS – 30

California State University, Fresno  
Education Building

#### Action Requested

**The requested action will authorize execution of the First Amendment to Site Lease by and between the State Public Works Board and the California State University and the Fourth Amendment to Facility Lease by and between the State Public Works Board and the California State University, for the 1992 Series A Lease Revenue Bonds and the 1996 Series A Refunding Bonds, Various California State University Projects; the 1997 Series A Refunding Bonds, Various California State University Projects; and the 1998 Series C Refunding Bonds, Various California State University Projects.**

#### Background Information

In 1992, the State Public Works Board ("Board") issued lease revenue bonds (1992 Series A) to finance the construction of the educational facility known as the Education Building on the California State University, Fresno campus. At the time the bonds were issued, the Board entered into a Site Lease and a Facility Lease with the California State University. The Facility lease was amended in the course of refunding bonds in 1996 and 1997, which are insured by AMBAC. It was also amended in the course of refunding the 1998 bonds.

The property described in the Site Lease and the Facility Lease includes the footprint of the existing Education Building and land northeast of it that's currently used as a retention basin in case of flooding. The land is not necessary for the efficient and proper use of the Education building because it is only needed in case of an emergency and its function will be replaced at another location. This land will be included in a future campus project. The sequence of construction will first provide for the construction of the new basin and piping in order to connect the existing drainage/runoff to it and then take the existing basin (Education Building) out of service. Thus, at no time will there ever be any danger of flooding to the Education Building or any portion of the easterly campus due to the deletion of this basin.

The proposed First Amendment to the Site Lease and Fourth Amendment to Facility Lease will delete approximately 5.842 acres that are currently described in the 1992 Series A Site Lease and Facility Lease. A certificate and supporting memorandum is on file from the California State University attesting that the 5.8 acres are not essential for the efficient and proper operation of the facility, as the replacement basin will be surpassed by the existing storm drainage system. Additionally, the removal of the land will not impact the fair rental value of the facility or require an adjustment in the rental payment. Lastly, consent from the bond insurer, AMBAC Assurance Corporation, has been obtained for the 1996 and 1997 Series A Refunding Bonds.

**Staff Recommendation: Authorize execution of the First Amendment to Site Lease and the Fourth Amendment to Facility Lease.**

**OTHER BUSINESS**

**REPORTABLES**

Respectfully Submitted,

JAMES E. TILTON  
Administrative Secretary