



CALIFORNIA STATE
PUBLIC WORKS BOARD

GRAY DAVIS, GOVERNOR

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STATE PUBLIC WORKS BOARD
September 12, 2003
MINUTES

PRESENT:

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

ADVISORY MEMBER:

Director, Employment Development Department

LEGISLATIVE ADVISORS:

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

STAFF PRESENT:

James Tilton, Administrative Secretary, State Public Works Board
Tamara Moss, Executive Secretary, State Public Works Board

OTHERS PRESENT:

Rick Stolz, Department of Parks and Recreation
Chris Vance, State Treasurer's Office
Aaron Todd, State Treasurer's Office
J. Castillo, State Treasurer's Office
Chris Kooyman, State Treasurer's Office
L. Hoang, Department of General Services
Laurie Collins, Santa Monica Mountain Conservancy
R. Skei, Santa Monica Mountain Conservancy
Dale Clevenger, California Community Colleges
Warren Westrup, Department of Parks and Recreation

CALL TO ORDER AND ROLL CALL:

Ms. Mateo, Chairperson, Deputy Director, Department of Finance at 10:03 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 August 15, 2003 meeting and believe them to accurately represent the actions of the Board and recommended approval.

Hearing no objections, the minutes from the August 15, 2003 meeting were unanimously approved.

BOND ISSUES:

Mr. Tilton reported that there were four bond items. We are pulling Item #4, California Community Colleges, Rancho Santiago Community College District, Santiago Canyon College-Learning Resource Center to allow staff more time to discuss the issue of selling bonds regarding this project with the Attorney General's Office.

Item #1, Department of Forestry and Fire Protection, Twain Harte Forest Fire Station, Tuolumne County, Replace Facility. This item will authorize the use of interim financing consistent with staff analysis. Staff recommends approval.

A motion was made by Mr. Rickards and Seconded by Mr. Lujano to adopt Bond Item #1.

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

Item #2, Department of Mental Health, Sexually Violent Predator Facility-Coalinga. This item will authorize the use of interim financing consistent with staff analysis. Staff recommends approval.

A motion was made by Mr. Rickards and Seconded by Ms. Aronberg to adopt Bond Item #2.

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

Item #3, University of California, San Diego Campus, UCSD Medical Center SB 1953 Compliance Plan, Hillcrest Seismic Improvements, Phase 1 and 2. This item will authorize the use of interim financing consistent with staff analysis. Staff recommends approval.

A motion was made by Ms. Aronberg and Seconded by Mr. Rickards to adopt Bond Item #3.

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

CONSENT CALENDAR:

Mr. Tilton noted that the Consent Calendar covers Items #5 through #26.

In summary, the consent calendar proposes: seven requests to approve preliminary plans, eight requests to authorize site selection, eight requests to authorize acquisition, three requests to recognize an augmentation, one request to approve reversion of bid savings, and one request to approve a combined bid.

Staff recommends approval of the consent calendar Items #5 through #26.

A motion was made by Mr. Rickards, and Seconded by Mr. Sertich to adopt the Consent Calendar and to approve Items #5 through #26.

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

ACTION ITEMS:

Mr. Tilton stated that there was one Action Item. We are pulling Item #27, Hamilton Wetlands Army Airfield Acquisition, to allow staff additional time for project analysis. A special meeting has been scheduled for Monday September 22, 2003 at 10:00 am, State Capitol, Room 112 to discuss this item. This should allow staff enough time to clarify any outstanding issues, and to bring this item back to you for consideration.

OTHER BUSINESS:

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

REPORTABLES:

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

NEXT MEETING:

Mr. Tilton noted that the Special Meeting is scheduled for Monday, September 22, 2003 at 10:00 am, Room 112, and the next regularly scheduled meeting is Friday, September 12, 2003, at 10:00 am, in Room 112.

Having no further business, the meeting was adjourned at 10:08 am.

BOND ITEM

BOND ITEM – 1

**DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540)
TWIN HARTE FOREST FIRE STATION, TUOLUMNE COUNTY**
Replace Facility

Authority: Chapter 157/03, Item 3540-301-0660 (7)

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

TOTAL ESTIMATED COST:

\$3,468,000

APPROVED.

BOND ITEM

STAFF ANALYSIS – 1

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

Action Requested

The requested action will adopt a resolution authorizing interim financing.

Scope Description

This project is within scope. This project will construct a prototypical 2-engine CDF Forest Fire Station, consistent with CDF's Facility Program Guidelines, on an existing State-owned site. The project includes a 3-bay apparatus building, a 12-bed barracks/messhall building, a storage building, and a combination generator & pump house. On site improvements include grading, underground utilities, drainage, paving, hose wash rack, landscaping, irrigation, fencing, 2 LPG tanks, an above ground vehicle fuel tank, and foundation for a 45' communications tower. Demolition includes removal of 4 buildings, paving, concrete sidewalks and utilities.

Funding and Cost Verification

This project is within cost.

\$3,468,000 total estimated project costs

\$0 project costs previously allocated:

\$3,468,000 project costs to be allocated: preliminary plans \$292,000, working drawings \$236,000, and construction \$2,940,000 (\$2,351,000 contract, \$118,000 contingency, \$433,000 A&E, and \$38,000 for agency retained items)

CEQA

CEQA document will be prepared during the preliminary plan phase.

Project Schedule

The project schedule is as follows:

Approve preliminary plans:	08/2004
Approve working drawings:	04/2005
Complete construction:	12/2006

Staff Recommendation: Approve resolution.

BOND ITEM

BOND ITEM – 2

**DEPARTMENT OF MENTAL HEALTH (4440)
SEXUALLY VIOLENT PREDATOR FACILITY-COALINGA
FRESNO COUNTY**

*Authority: Chapter 324/98, Item 4440-301-0001 (1.1)
Chapter 50/99, Item 4440-301-0660 (1)
Chapter 52/00, Item 4440-301-0001 (1.5)
Chapter 106/01, Item 4440-301-0660 (1)
Chapter 157/03, Item 4440-301-0660 (1)*

Adopt a resolution to:

1. Authorize the use of interim financing, to be repaid from the State Building Construction Fund from the proceeds from the sale of bonds.
2. Approve the form of and authorize the execution of the Construction Agreement between the Department of Mental Health, Department of General Services and the State Public Works Board.
3. Authorize the sale of State Public Works Board Lease Revenue Bonds.

TOTAL ESTIMATED PROJECT COST: \$394,142,000

CONSTRUCTION PROJECT COST: \$377,187,000

EQUIPMENT COST: \$16,955,000

APPROVED.

BOND ITEM

STAFF ANALYSIS – 2

Department of Mental Health
Sexually Violent Predator Facility-Coalinga
Fresno County

Action Requested

The requested action will authorize interim financing for the equipment phase of the project to be repaid from the proceeds of the sale of lease revenue bonds.

Scope Description

This project is within scope. The overall purpose of the project is to design and construct a new mental health facility for the treatment and rehabilitation of Sexually Violent Predators in a secure environment that protects the public, staff and the patients. The project includes 1,148,851 gross square feet (gsf) of building area, infrastructure development, and equipment procurement.

The maximum-security psychiatric hospital facility includes 74,379 gsf of administration, 850,722 gsf of clinical services and program, 157,041 gsf of support services, 31,115 gsf of plant operations space, and a maximum-security perimeter system. The required infrastructure developments include site grading, an electrical substation, a wastewater treatment plant, roadways and drainage systems.

The site selected for the construction of the SVP Facility is adjacent to the Pleasant Valley State Prison in Coalinga, Fresno County. The department of Mental Health notified the Joint Legislative Budget Committee on August 2, 2000, of this selected site, pursuant to requirements of the Budget Act of 2000 (Chapter 52, Statutes of 2000), Item 4440-301-0001, Provision I.

Funding and Cost Verification

This project is within cost

\$394,142,000 total estimated project costs

\$368,980,689 project costs previously allocated: site search, environmental reports, schematics \$4,796,000; site acquisition/real estate due diligence \$179,000; community mitigation funds \$6,900,000; preliminary plans \$4,584,000; working drawings \$11,441,000; construction \$341,080,689 (pre-construction \$9,464,212; BP1 \$5,383,369, BP1A \$376,337, BP2 \$301,746,264, BP3 \$3,024,507, A/E services \$9,682,700; Other project costs \$11,403,300)

\$25,161,311 project costs to be allocated: construction \$8,206,311 (BP4 \$ 1,640,127, PG&E, CEQA mitigation \$6,566,184); equipment: \$16,955,000

CEQA

A Notice of Exemption/Determination was filed with the State Clearinghouse on October 6,2000 and the waiting period expired on November 6, 2000.

Project Schedule

The project schedule is as follows:

Approve preliminary plans:	December 2000	
Approve working drawings:	Bid Package 1: Mass Excavation and Backfill	
	August 2001	
	Bid Package 1A: Temporary Facilities	
	February 2002	
	Bid Package 2: Facilities and Infrastructure	June 2002
	Bid Package 3: Central Warehouse	December 2002
	Bid Package 4: Motor Vehicle Building	June 2003
Complete construction:	Bid Package 1: Mass Excavation and Backfill	
	May 2002	
	Bid Package 1A: Temporary Facilities	
	December 2002	
	Bid Package 2: Facilities and Infrastructure	April 2005
	Bid Package 3: Central Warehouse	June 2004
	Bid Package 4: Motor Vehicle Building	November 2004
Complete equipment:	April 2005	

Staff Recommendation: Approve resolution.

BOND ITEM

BOND ITEM – 3

UNIVERSITY OF CALIFORNIA (6440)
SAN DIEGO CAMPUS, SAN DIEGO COUNTY
UCSD Medical Center SB 1953 Compliance Plan
UCSDMC Hillcrest Seismic Improvements, Phase 1 and 2

Authority: Section 15820.85 of the Government Code

Adopt resolution to:

1. Authorize the use of interim financing, to be repaid from the Public Buildings Construction Fund from the proceeds from the sale of bonds.
2. Authorize the execution of the Construction Agreement between the University of California and the State Public Works Board.
3. Approve the form of and authorize the execution of a Site Lease between the University of California and the State Public Works Board.
4. Approve the form of and authorize the execution of a Facility Lease between the University of California and the State Public Works Board.
5. Authorize the sale of the State Public Works Board Lease Revenue Bonds.

TOTAL ESTIMATED BOND AUTHORIZATION: \$40,000,000

APPROVED.

BOND ITEM

STAFF ANALYSIS – 3

University of California, San Diego
UCSD Medical Center SB 1953 Compliance Plan
UCSDMC Hillcrest Seismic Improvements, Phase 1 and 2

Action Requested

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

Scope Description

This project is within scope. The University of California, San Diego Medical Center (UCSDMC) proposed the Hospital Upgrade Master Plan to satisfy the seismic safety requirements for acute care hospital facilities imposed by SB 1953 (Chapter 740/94). The required SB 1953 work includes performing non-structural retrofit work at four buildings on the Hillcrest Campus, including the Main Hospital, and minor non-structural work in the critical care service areas in the Thornton Hospital Building on the La Jolla Campus. The scope and cost of this project was approved at the April, 2001 PWB meeting. Portions of the upgrade work required to meet the SB 1953 2002 standards of SB 1953 have been completed by the UCSDMC with its own funds. The remaining work needed to meet the SB 1953 requirements is being executed in two phases: UCSDMC Hillcrest Seismic Improvements, Phase 1 and UCSDMC Hillcrest Seismic Improvements, Phase 2 . Preliminary plans for the UCSDMC Hillcrest Seismic Improvements, Phase 1 were approved at the July 2003 PWB meeting.

Funding and Cost Verification

This project is within cost.

For Phase 1:

\$3,709,000 total estimated project costs

\$616,000 project costs previously allocated: preliminary plans -- \$243,000 (campus funds), working drawings -- \$373,000 (campus funds)

\$3,093,000 project costs to be allocated: construction -- \$3,093,000 (State funds)

For Phase 2:

\$43,454,000 total estimated project costs

\$1,708,000 project costs previously allocated: preliminary plans -- \$1,708,000 (campus funds)

\$41,746,000 project costs to be allocated: working drawings -- \$3,402,000 (campus funds), construction -- \$36,907,000 (State funds) and \$1,437,000 (campus funds)

CEQA

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

Project Schedule

The project schedule is as follows:

Phase 1

Complete working drawings: October 2003

Complete construction: August 2004

Phase 2

Complete preliminary plans: November 2003

Complete working drawings: July 2004

Complete construction: December 2007

Staff Recommendation: Adopt resolution.

BOND ITEM

BOND ITEM – 4

**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 – 4

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: March 2005

Staff Recommendation: Adopt resolution.

CONSENT ITEM

CONSENT ITEM – 5

**DEPARTMENT OF JUSTICE (0820)
SANTA BARBARA REPLACEMENT LABORATORY
SANTA BARBARA COUNTY**

*Authority: Chapter 324/98, Item 0820-301-0001 (1)
Chapter 50/99, Item 0820-301-0001 (1)
Chapter 379/02, Item 0820-301-0660 (1)*

a. Approve augmentation

**\$16,499
(.3 % total project)**

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 5

Department of Justice
Santa Barbara Replacement Laboratory

Action Requested

The requested action will approve an augmentation for this project.

Scope Description

This project is within scope. This project constructs a 13,804 square foot forensic laboratory. The administrative area consists of office space for a staff of 8 including the following: reception area; records file room; copy and supplies room; employee room; conference room; library; showers and lockers; and separate rest rooms for both employees and visitors. The laboratory area includes the following: evidence reception area; evidence viewing room; evidence vault with walk-in freezer, refrigerator, drying cabinets, drug storage vault, and lab storage; firearms exam area; firearms vault; test fire tank and firing range; general exam area; Serology prep; PCR amplification; trace evidence rooms (2 ea.) and trace microscopy area; instrument room; clean lab room; vehicle exam w/lift; dark room; blood alcohol/intox; and maintenance shop. Site work, parking, and utilities are included.

Funding and Project Cost Verification

This project is not within cost. Additional AE fees are requested for modifications of the drawings and specifications to reduce the size of the emergency generator, to reduce equipment on the uninterrupted power supply system, and to delete non-critical security cameras and 50% of card readers. In addition, replacement of the Civil Engineer is required due to project delays.

\$6,582,499	total authorized project cost.
\$6,598,998	total estimated project cost:
\$1,074,499	project costs previously allocated: acquisition \$491,799; preliminary plans \$283,401; working drawings \$289,299; construction \$10,000
\$5,508,000	project costs to be allocated: construction \$5,508,000 (consisting of \$4,730,000 contract, \$237,000 contingency, \$310,000 A&E costs, \$231,000 other project costs)
\$16,499	additional funds required.

CEQA

A Notice of Determination was filed with the State Clearinghouse on January 14, 2000, and the waiting period expired February 13, 2000.

Project Schedule

The project schedule is as follows:

Approve working drawings:	December 2003
Complete construction:	July 2005

Staff Recommendation: Approve augmentation.

CONSENT ITEM

CONSENT ITEM – 6

**DEPARTMENT OF JUSTICE (0820)
SANTA ROSA REPLACEMENT LABORATORY
SONOMA COUNTY**

*Authority: Chapter 324/98, Item 0820-301-0001 (2)
Chapter 50/99, Item 0820-301-0001 (2)
Chapter 3/02, Extraordinary Session, Section 2 (b), 4 and 6*

**a. Approve augmentation \$19,000
(.3 % of total project)**

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 6

Department of Justice
Santa Rosa Replacement Laboratory

Action Requested

The requested action will approve an augmentation for this project.

Scope Description

This project is within scope. This project constructs a 14,645 square foot forensic laboratory. The administrative area consists of office space for a staff of 10 including the following: reception area; records file room; copy and supplies room; employee room; conference room; library; showers and lockers; and separate rest rooms for both employees and visitors. The laboratory area includes the following: evidence reception area; evidence viewing room; evidence vault with walk-in freezer, refrigerator, drying cabinets, drug storage vault, and lab storage; firearms exam area; firearms vault; test fire tank and firing range; general exam area; Serology prep; PCR amplification; trace evidence rooms (2 ea.) and trace microscopy area; instrument room; clean lab room; vehicle exam w/lift; dark room; blood alcohol/intox; and maintenance shop. Site work, parking, and utilities are included.

Funding and Project Cost Verification

This project is not within cost. Additional A&E fees are requested for modifications of the drawings and specifications to reduce the size of the emergency generator, to reduce equipment on the uninterrupted power supply system, and to delete non-critical security cameras and 50% of card readers. In addition, replacement of the Civil Engineer is required due to project delays.

\$6,502,000	total authorized project cost.
\$6,521,000	total estimated project cost.
\$1,042,000	project costs previously allocated: acquisition \$525,000; preliminary plans \$215,000; working drawings \$292,000; construction \$10,000.
\$5,460,000	project costs to be allocated: construction \$5,460,000 (consisting of \$4,742,000 contract, \$238,000 contingency, \$336,000 A&E costs, \$144,000 other project costs).
\$19,000	additional funds required for working drawings.

CEQA

A Notice of Determination was filed with the State Clearinghouse on February 29, 2000, and the waiting period expired March 31, 2000.

Project Schedule

The project schedule is as follows:

Approve working drawings	December 2003
Complete construction:	July 2005

Staff Recommendation: Approve augmentation.

CONSENT ITEM

CONSENT ITEM – 7

DEPARTMENT OF GENERAL SERVICES (1760)
ATASCADERO STATE HOSPITAL, SAN LUIS OBISPO COUNTY
Kitchen and Dining Rooms Structural Retrofit

Authority: Chapter 324/98, Item 1760-301-0768 (22)
Chapter 106/01, Item 1760-301-0768 (1.4)

a. Approve reversion of bid savings \$304,000

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 7

Department of General Services
Atascadero State Hospital
Kitchen and Dining Rooms Structural Retrofit

Action Requested

The requested action will approve the reversion of the bid savings for this project.

Scope Description

This project is within scope. The project consists of a “Structural Only” retrofit. Architectural/mechanical/electrical costs are limited to incidental work to enable the structural retrofit only. The existing Kitchen/Dining Rooms 3 & 4 and Canteen/Dining Rooms 1 & 2, consisting of about 60,000 square feet, are constructed of cast-in-place reinforced concrete. The retrofit scheme includes constructing a shearwall, concrete in-fill at selected windows, and drag beams to strengthen the building to a Risk Level III.

Funding and Project Cost Verification

This project is within cost. Bids were opened on July 10, 2003 and four bids were received. On July 14, 2003 the lowest responsible bid of \$358,000 was awarded the contract, which was \$276,000 below the State’s contract estimate. Awarding the contract resulted in \$304,000 in bid savings available for reversion.

\$1,244,000	total authorized project costs
\$940,000	total estimated project costs
\$157,000	project costs previously allocated: preliminary plans \$51,000 and working drawings \$106,000.
\$783,000	project costs to be allocated: construction \$783,000 (\$358,000 contract, \$25,000 contingency, \$282,000 A/E, and \$118,000 agency retained items) at CCCI 4019.
\$304,000	bid savings available for reversion

CEQA

A Notice of Exemption was filed with the State Clearinghouse on February 13, 2001 and the 35-day notice period ended March 20, 2001.

Project Schedule

The project schedule is as follows:

Complete Construction: April 2004

Staff Recommendation: Approve the reversion of bid savings.

CONSENT ITEM

CONSENT ITEM – 8

DEPARTMENT OF GENERAL SERVICES (1760)
CALIFORNIA TAHOE CONSERVANCY (3125)
BARTLETT-THOMAS CONSERVATION EASEMENT, EL DORADO COUNTY
CTC Project Number 041D, DGS Parcel Number 10190

Authority: Chapter 52/00, Item 3125-301-0001(3)

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

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 8

Department of General Services
California Tahoe Conservancy
Bartlett-Thomas Conservation Easement

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 land acquisition pursuant to Section 66907 of the Government Code, which includes the purchase of real property or interests therein for the purpose of protecting the natural environment. This request will authorize site selection of approximately 24,109 square feet (0.55 acre) for acquisition of a conservation easement.

Funding and Cost Verification

This project is within cost. Chapter 52, Budget Act of 2000, Item 3125-301-0001(3) provides \$2,476,000 for the acquisition of land or interests therein. This appropriation was supplemented through a Section 28 Budget Amendment to include \$1,000,000 in Reimbursements; this is the source of funding for this acquisition. There is a sufficient balance remaining in the budget item to pay for the costs outlined below. The property interest can be acquired with the funds available and in accordance with Legislative intent.

\$574,000 total estimated project costs

\$7,500 project costs previously allocated: title and escrow related services plus DGS appraisal review and DGS PWB review/processing costs.

\$566,500 project costs to be allocated: \$566,500 acquisition

CEQA

A Notice of Exemption was filed with the State Clearinghouse on May 23, 2003, and the waiting period expired on June 27, 2003.

Project Schedule

The project schedule is as follows:

The anticipated close of escrow is October 2003.

Other:

- A private appraiser under contract to the Tahoe Regional Planning Agency appraised the property. The proposed acquisition for the conservation easement interest represents 95% of the appraised value as determined by a Department of General Services approved appraisal.
- There is one lawsuit pending concerning the property between the owners and the Tahoe Regional Planning Agency (TRPA). The property owners sued TRPA claiming a taking of their property in violation of the Fifth Amendment of the U.S. Constitution. They claim that

the environmental (SEZ) designation given by TRPA deprived them of all economically beneficial use of the property. At the request of the California Attorney General's Office, the California Tahoe Conservancy (CTC) staff and TRPA staff have been in discussions with the owners to determine whether the case might be settled through CTC acquisition. The purchase of the conservation easement interest is contingent upon either dismissal or settlement of this lawsuit. Any final order by the court will be recorded upon the transfer of the easement interest to the Conservancy on behalf of the State of California.

- The property acquisition agreement requires delivery of the conservation easement to the state free and clear of any liens.
- The state is acquiring a conservation easement only. The property is vacant with the exception of a water well and wooden water well structure. The property owners have reserved the right to access, use, maintain, operate, and replace the water well and wooden structure.
- No environmental hazard assessment was conducted, as there were no indications or history of contamination and the conservation easement requires the Grantor to indemnify the state against any liabilities associated with hazardous materials.
- There are no safety issues pertaining to the property. In addition, the property is behind a gated entrance to the subdivision, situated on a private road and the terms of the conservation easement do not provide for public access to the property.
- The Conservancy will, under the terms of the conservation easement, be able to perform any site restoration work, should any be required. Any work would be completed under Conservancy's established budget for such work; the Conservancy's ongoing management obligation will be an annual inspection of the property.
- There is no relocation assistance involved with this project.

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

CONSENT ITEM

CONSENT ITEM – 9

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

Authority: Chapter 379/02, Item 3540-301-0660 (19)

a. Approve preliminary plans

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 9

Department of Forestry and Fire Protection
Raymond Forest Fire Station, Relocate Facility

Action Requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. This project authorizes the construction of a standard One-Engine CDF Forest Fire Station, which includes: a 2,376 sq. ft. barracks/messhall building, a 1,697 sq. ft. apparatus building, a 120 sq. ft. flammables storage building, a 120 sq. ft. fueling facility, site work, utilities, and all necessary appurtenances. The project also includes abatement of all hazardous materials and the demolition of the existing Raymond Forest Fire Station facilities.

Funding and Cost Verification

This project is not within cost. Based on completed preliminary plans, it appears that this project is over budget by \$361,000 (13.0 percent total project). The increase in project costs is the mainly due to increased site work and use of higher cost standards (unit prices for labor and materials) which reflect data collected on similar projects that have recently gone out to bid. The department has been instructed to explore value engineering and other cost saving options, including deductive alternates, to bring this project within budget and to refine the cost standards as newer bid data becomes available for similar projects. Therefore, it would be premature to recognize a budget deficit at this time.

\$2,767,000	total authorized project costs
\$3,128,000	total estimated project costs
\$298,000	project costs previously allocated: acquisition \$100,000 and preliminary plans \$198,000
\$2,469,000	project costs to be allocated: working drawings \$175,000 and construction \$2,294,000 (\$2,149,000 contract, \$107,000 contingency, \$399,000 A&E)
\$361,000	unrecognized deficit: construction

CEQA

A Negative Declaration was filed with the State Clearinghouse on September 19, 2000.

Project Schedule

The project schedule is as follows:

Complete construction: July 2005

Staff Recommendation: Approve preliminary plans.

CONSENT ITEM

CONSENT ITEM – 10

DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540)
SWEETWATER FOREST FIRE STATION, SANTA CLARA COUNTY
Relocate Facility

Authority: Chapter 50/99, Item 3540-301-0001 (5)
Chapter 379/02, Item 3540-301-0660 (2)

a. Approve preliminary plans

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 10

Department of Forestry and Fire Protection
Sweetwater Forest Fire Station, Relocate Facility

Action Requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. The approved project authorizes construction of a one-engine CDF Forest Fire Station. The new station consists of a 2,230 +/- sf wood framed 8 bed barracks/mess hall, 1,697 +/- sf 2-bay apparatus building, a 100 +/- sf fuel building (1 pump and 1,000 gallon fuel tank) site work, utilities, paving, and all necessary appurtenances.

Funding and Cost Verification

This project is not within cost. Item 3540-301-0001(5), Budget Act 1999, and Item 3540-301-0660 (2), Budget Act 2002, provides a total of \$2,634,000 for this project. The preliminary plans cost estimate identifies a construction phase deficit of \$415,000 (15.7 percent total project) due to increased site work (\$105,000), updated cost standards for the buildings (\$246,000), escalation related to an increase in the CCCI (\$72,000), and other project costs (-\$10,000). To bring the project back within budget, the department has been instructed to identify potential cost savings during the working drawings phase and to refine building cost standards. As such, it would be premature to recognize a construction deficit at this time.

\$3,047,000 total estimated project costs

\$2,634,000 total authorized project costs

\$398,000 project costs previously allocated: acquisition \$172,000, preliminary plans \$226,000

\$2,236,000 project costs to be allocated: working drawings \$171,000 and construction \$2,065,000 (\$1,630,000 contract, \$82,000 contingency, \$353,000 A&E and other project costs).

\$413,000 unrecognized deficit

CEQA

A Notice of Determination was filed with the State Clearinghouse on December 20, 2000 and the waiting period expired on January 20, 2001.

Project Schedule

The project schedule is as follows:

Complete construction: March 2006

Staff Recommendation: Approve preliminary plans.

CONSENT ITEM

CONSENT ITEM – 11

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 No. 10182

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

a. Authorize site selection and acquisition consistent with staff analysis

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 11

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

Action Requested

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

Scope Description

This project is within scope. The Legislature approved funding for the 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. Item 3790-301-0005 (10), Budget Act of 2000, provides \$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 September 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

- A deed restriction would be placed on the property restricting the use of the property to public park purposes. The restriction can be removed by statute or by a PWB action at a public hearing. If the property is used for a purpose other than for a public park, the State would need to pay Save the Redwoods League 50 percent of the value of the land less the value of any improvements.
- The purchase price shall not exceed the estimated fair market value as determined by a DGS approved appraisal.
- 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. 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.
- Ocotillo Wells was not included on the list you sent but I assume that is because I did not ask for any changes to be made to that one.

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

CONSENT ITEM

CONSENT ITEM – 12

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. Authorize site selection and acquisition consistent with staff analysis

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 12

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

Action Requested

The requested will authorize site selection and acquisition consistent with 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 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 September 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 contains 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

- A deed restriction would be placed on the property restricting the use of the property to public park purposes. The restriction can be removed by statute or by a PWB action at a public hearing. If the property is used for a purpose other than for a public park, the State would need to pay Save the Redwoods League 50 percent of the value of the land less the value of any improvements.

- The purchase price shall not exceed the estimated fair market value as determined by a DGS approved appraisal.
- 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.

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

CONSENT ITEM

CONSENT ITEM – 13

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

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 13

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

Action Requested

The requested will authorize site selection and acquisition consistent with 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 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 September 2003.

Condition of Property

Department of General Services (DGS), Environmental Services Section (ESS), staff conducted surveys of the parcel to be acquired in Jedediah 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

- A deed restriction would be placed on the property restricting the use of the property to public park purposes. The restriction can be removed by statute or by a PWB action at a public hearing. If the property is used for a purpose other than for a public park, the State would need to pay Save the Redwoods League 50 percent of the value of the land less the value of any improvements.
- The purchase price shall not exceed the estimated fair market value as determined by a DGS approved appraisal.
- 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.

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

CONSENT ITEM

CONSENT ITEM – 14

**DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF PARKS AND RECREATION (3790)
COLONEL ALLENSWORTH STATE HISTORIC PARK, TULARE COUNTY
DPR Parcel Number A41900, DGS Parcel Number 10197**

Authority: Chapter 106/01, 3790-301-0005(27)

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

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 14

Department of General Services
Department of Parks and Recreation
Colonel Allensworth State Historic Park

Action requested

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

Scope Description

This project is within scope. The Legislature has approved the funding for the purchase of additions to existing units of the State Park System consistent with the objectives of the 2000 Bond Fund Opportunity Purchase Acquisition Program without specifying particular parcels. This request will authorize acquisition of fee simple interest in approximately 5.00 acres adjacent to the Colonel Allensworth State Historic Park.

Funding and Cost Verification

This project is within cost. Chapter 106/01, Item 3790-301-0005(27) provides \$5,000,000 for this acquisition program and there is sufficient balance remaining in the account to pay the total costs outlined below. The property can be acquired with the remaining funds available and in accordance with Legislative intent.

\$31,000	total estimated project costs
-0-	project costs previously allocated
\$31,000	project costs to be allocated: \$29,000 acquisition and approximately \$2,000 in overhead costs

CEQA

A Notice of Exemption was filed with the State Clearinghouse on July 9, 2003, and the waiting period expired on August 12, 2003.

Project Schedule

The project schedule is as follows:

The anticipated close of escrow is September 2003.

Condition of Property

Department of General Services (DGS), Environmental Services Section (ESS) staff conducted a site visit on April 10, 2003, of the Colonel Allensworth State Historic Park expansion in Tulare County. ESS staff noted no due diligence issues that would prevent the site acquisition due to the following: (1) the property has not been utilized for the past several years; (2) the site has a long history of agricultural use, e.g., irrigated field crops including alfalfa, wheat, barley and cotton; (3) the improvements on the property include an irrigation standpipe and a drainage ditch; and (4) 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. Based upon these findings, a Phase I Environmental Site Assessment is not recommended.

Other:

- The purchase price will not exceed estimated fair market value as determined by a Department of General Services (DGS) approved appraisal.
- The property is vacant and unimproved. There is no relocation assistance involved with this project.
- There is no implied dedication involved with this project.
- The Department of Parks and Recreation (DPR) is not aware of any lawsuits pending concerning the property. The property acquisition agreement will require delivery of title to the property free and clear of any mortgages or liens.
- DPR estimates the need for ongoing costs of \$30,000 for operating expenses to provide for maintenance of a drainage ditch and culverts, and natural resources protection. In addition, DPR further estimates one-time costs of \$50,000 for engineering review of the drainage in the area. 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 protect 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 that it will absorb the costs of providing minimal maintenance of culverts to maintain water flow during the rainy season.

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

CONSENT ITEM

CONSENT ITEM – 15

**DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF PARKS AND RECREATION (3790)
OCOTILLO WELLS STATE VEHICULAR RECREATION AREA, IMPERIAL COUNTY
DPR Project No. 1160, DGS Parcel No. 6244**

Authority: Public Resources Code 5005

a. Authorize the acquisition of real property through the acceptance of a gift

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 15

Department of General Services
Department of Parks and Recreation
Ocotillo Wells State Vehicular Recreation Area

Action Requested

The requested action will authorize the acquisition of real property through the acceptance of a gift.

Scope Description

The State of California has been offered a donation of approximately 5 acres of undeveloped land within the eastern acquisition project area for Ocotillo Wells State Vehicular Recreation Area (SVRA) Park. The property owners, Peter A. Halle and Barbara J. Halle, Trustees of the Halle Family Trust, are donating the property to the State of California at no cost.

CEQA

A Notice of Exemption was filed with the State Clearinghouse on February 25, 1999, and the waiting period expired on April 2, 1999.

Project Schedule

The anticipated close of escrow is October 2003.

Condition of the Property

Department of General Services (DGS), Environmental Services Section (ESS) staff conducted a site visit to the Ocotillo Wells, Halle, on August 6, 2003. The property, a five acre parcel in the 11B acquisition area of Ocotillo Wells State Vehicle Recreational Area, is being donated to the Ocotillo Wells District Department of Parks and Recreation. The property is vacant and undeveloped.

No potential problems with hazardous materials were observed during the ESS site visit and the property is compatible with the proposed future use. A Phase I Environmental Site Assessment is not recommended.

Other:

- This project was approved for site selection by the State Public Works Board on February 9, 2001.
- The property is vacant and unimproved and there is no relocation assistance involved with this project.
- Implied dedication may exist because an undetermined portion of the subject parcels may be subject to public use. These desert lands are typically traversed by the general public without regard for ownership; the use is open and notorious. Off highway vehicle use is consistent with SVRA park objectives.
- The staffing pertaining to this acquisition will be absorbed within the Department of Parks and Recreation's existing support budget.

Staff Recommendation: Authorize the acquisition of real property through the acceptance of a gift.

CONSENT ITEM

CONSENT ITEM – 16

**DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF PARKS AND RECREATION (3790)
PRAIRIE CITY STATE VEHICLE RECREATION AREA, DEER CREEK HILLS
SACRAMENTO COUNTY**

DPR Parcel Number A45400, DGS Parcel Number 10198

Authority: Chapter 379/02, Item 3790-301-0263(3)

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

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 16

Department of General Services
Department of Parks and Recreation
Prairie City State Vehicle Recreation Area, Deer Creek Hills

Action Requested

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

Scope Description

This project is within scope. On July 11, 2003, the State Public Works Board approved a scope change. The current scope allows for the acquisition of approximately 669 acres of vacant land adjacent to the Prairie City State Vehicle Recreation Area (SVRA) in the vicinity of Latrobe and Scott Roads in Sacramento County. No off road vehicle activity is planned on this property as the intended use is to provide a buffer between the SVRA and encroaching development. Approximately \$10 million has been budgeted for planned improvements to the SVRA. Acquisition of this adjacent property for buffer will help to ensure the long term viability of the SVRA by eliminating potential conflicts between private use and adjacent park uses and provide a safer environment for park visitors.

Funding and Cost Verification

This project is within cost. Chapter 379/02, Item 3790-301-0263(3) provides DPR , Off Highway Vehicle Division with \$3,805,000 for purchases of real property in the vicinity of Prairie City SVRA. The property interest can be acquired with the funds available and in accordance with Legislative intent.

\$1,931,000 total estimated project costs

\$8,000 project costs previously allocated: DGS staff costs

\$1,923,000 project costs to be allocated: \$1,900,000 for acquisition and approximately \$23,000 in overhead costs

CEQA

A Notice of Exemption was filed with the State Clearinghouse on August 4, 2003, and the filing period expired on September 8, 2003.

Project Schedule

The project schedule is as follows:

The anticipated close of escrow is October 2003.

Condition of Property

Department of General Services (DGS), Environmental Services Section (ESS) staff conducted a site visit to the proposed 669 acre Deer Creek Hills buffer property on August 1, 2003. The property is located in Sacramento County, north of Rancho Murrieta and State Route 16. ESS staff also reviewed a Phase I Environmental Site Assessment prepared by MWH for the Sacramento Valley Open Space Conservancy. ESS staff believes the Phase I Site Assessment (PSA) was professionally prepared to the standards as defined in the American Society of Testing and Materials (ASTM), and was the appropriate level of study.

The PSA describes the entire 4,062 acre Deer Creek Hills property as historically undeveloped. For the proposed 669-acre buffer area portion of the Deer Creek Hills property, a records review indicated no evidence of dumping or other chemical or hazardous material usage on the site, nor were there any known hazardous materials sites located in the vicinity. No records were found for hazardous materials, petroleum tanks, lumber treatment, or other environmental issues.

The site and surrounding land are in gently sloping mixed oak woodland and open terrain, consisting of small hills, knolls, and intermittent drainage channels. The property, used for winter cattle grazing, is currently in open space and wildlife habitat.

The undeveloped condition of the subject property and surrounding parcels was found to be as stated in the findings of the Phase I PSA. As reported by the current tenant of the property, there may be a few hand-dug wells on the proposed purchase site, although none had ever been found. Two hand-dug wells found on adjacent land were reported to be filled with soil. Attempts to locate existing wells on the purchase site during the Phase I site search were unsuccessful. Should any such wells exist, the PSA states that there is a potential that they may pose a "recognized environmental condition" at the site, and recommends they be abandoned pursuant to state and local regulations to prevent the potential migration of contaminants to groundwater and to prevent any potential physical hazards in the immediate well vicinity.

The abandonment of hand-dug wells as recommended should be carried out prior to transfer of the property to the State of California pending approval from Department of Parks and Recreation (DPR) personnel.

Regarding the Option Agreement disclosure of possible existence of a Native American burial on the proposed Deer Creek Hills acquisition site, prehistoric Native American archaeological sites and burials are known to be prevalent throughout the California foothills. As this location is within the historic area of Native American habitation, the potential for encountering Native American burials is recognized. Should there be a future need to develop the property beyond the proposed use as open space "buffer" land, DPR would be required to comply with the California Environmental Quality Act (CEQA), and all other applicable statutes.

California law recognizes the need to protect Native American human burials, skeletal remains, and items associated with Native American burials from vandalism and inadvertent destruction. The procedures for the treatment of Native American human remains are contained in the California Health and Safety Code (HSC), Sections 7050.5 and 7052, and the California Public Resources Code (PRC) Section 5097.

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

Other:

- The Department of Parks and Recreation (DPR) is not aware of any lawsuits pending concerning the property. The property acquisition agreement will require delivery of title to the property free and clear of any mortgages or liens except for public roadway easements and water rights.
- The purchase price shall not exceed the estimated fair market value as determined by a DGS approved appraisal. The Sacramento Valley Conservancy ("Conservancy") will purchase the property and then transfer title to the State for the same price per acre as the Conservancy's purchase price per acre.
- No additional costs are anticipated to be incurred by the State for the care and maintenance of this property. Upon acquisition, DPR intends to enter into an operating agreement with

the County of Sacramento for operation and maintenance of the property.

- There are no relocation benefits involved with this project. A month-to-month rental agreement for grazing exists between the current property owner and a cattle company. Under the operating agreement with Sacramento County, a new written grazing lease with the cattle company may be negotiated. Cattle grazing is a use compatible with the property's intended purpose as buffer land.
- The seller will close and abandon all hand dug wells prior to transfer of the property. The State's acquisition requires certification that the wells have been closed.
- There is no implied dedication on the property.

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

CONSENT ITEM

CONSENT ITEM – 17

**DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF PARKS AND RECREATION (3790)
PRAIRIE CITY STATE VEHICLE RECREATION AREA, BARTON RANCH
SACRAMENTO COUNTY**

DPR Parcel Number A43900, DGS Parcel Number 10195

Authority: Chapter 106/01, Item 3790-301-0263(5)

a. Authorize site selection

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 17

Department of General Services
Department of Parks and Recreation
Prairie City State Vehicle Recreation Area, Barton Ranch

Action Requested

The requested action will authorize site selection for this project.

Scope Description

This project is within scope. The property proposed for acquisition is a 300 foot wide strip of land, containing approximately 55 acres, which is bounded to the north and west by the state-owned Prairie City State Vehicle Recreation Area (SVRA). The property is a part of a larger parcel, and the Department of Parks and Recreation (DPR) is attempting to lease the remaining 345 acres for an additional buffer between the SVRA and private development. Acquisition of this 55 acre parcel is necessary to alleviate sedimentation problems affecting the Barton Ranch, which appear to be a direct result of off road vehicle use at the SVRA.

Funding and Cost Verification

This project is within cost. Chapter 106/01, Item 3790-301-0263(5) provides the Department of Parks and Recreation, Off Highway Vehicle Division with \$400,000 for opportunity purchases of real property. The property interest can be acquired with the funds available and in accordance with Legislative intent.

Project Schedule

The anticipated close of escrow is October, 2003.

Condition of Property

Department of General Services (DGS), Environmental Services Section (ESS) staff conducted a site visit to the proposed 55 acre Prairie City buffer area on August 1, 2003. The proposed 300-ft. wide strip along the Prairie City SVRA/Barton Ranch property line will be utilized as a storm run-off control buffer between the SVRA and the adjacent Barton Ranch.

The site, which is situated adjacent to the SVRA, is open range land in its natural state, with no observable environmental constraints or concerns. No potential problems with hazardous materials were observed during the site visit, nor was there evidence of potential hazardous materials sites located in the vicinity. Given the unimproved natural condition of the subject property and surrounding parcels, ESS staff recommends that a Phase I Site Assessment is not necessary.

Other:

- There is no relocation assistance involved with this project.
- DPR is unaware of any lawsuits pending concerning this property. However, the property owner has demanded remedial action from DPR for alleged damage to this property from high sediment loading from seasonal watercourses which travel downgradient from the SVRA. State acquisition of this buffer strip will alleviate the owner's issue.
- The property acquisition agreement will require delivery of title to the property free and clear of any mortgages or liens.
- The purchase price shall not exceed the estimated fair market value as determined by a DGS approved appraisal.

- DPR estimates the need for \$30,000 in one-time costs and \$5,000 in annual ongoing costs to provide and maintain sediment basins. 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 protect short-term growth and additional program reductions become necessary. DPR brings this acquisition request forward with the full knowledge that additional support appropriations may not be available. Until future funding is provided and pending the availability of existing funding, DPR may provide minimal environmental measures for control of sedimentation
- There is no implied dedication on the property.

Staff Recommendation: Authorize site selection.

CONSENT ITEM

CONSENT ITEM – 18

**DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF PARKS AND RECREATION (3790)
SUTTER BUTTES, PEACE VALLEY, SUTTER COUNTY**
DPR Parcel Number A40201, DGS Parcel Number 10110

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

a. Authorize acquisition consistent with staff analysis

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 18

Department of General Services
Department of Parks and Recreation
Sutter Buttes, Peace Valley

Action Requested

The requested action will authorize acquisition consistent with staff analysis

Scope Description

This project is within scope. The Legislature has approved funding from Proposition 40 to acquire desirable parcels as defined within the acquisition guidelines established by the Department of Parks and Recreation (DPR). This request will authorize acquisition of fee simple interest in approximately 1,784.5 acres to be acquired for a new state park. The acquisition has been identified as a unique natural resources area.

Funding and Cost Verification

This project is within cost. Chapter 379/02, 3790-301-6029(6) provides funding for this acquisition in fee simple interest and associated overhead for the real property. The property can be acquired with a portion of the remaining funds available and in accordance with the Legislative intent.

\$2,912,000 total project costs

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

\$2,909,000 project costs to be allocated: \$2,903,500 acquisition and approximately \$5,500 in closing costs

CEQA

A Notice of Exemption was filed with the State Clearinghouse on April 29, 2003, and the waiting period expired on June 3, 2003.

Project Schedule

The project schedule is as follows:

The anticipated close of escrow is September 2003.

Condition of Property

Department of General Services, Environmental Services Section (ESS) staff conducted a site visit to the Sutter Buttes/Peace Valley parcel on April 2, 2003. The acquisition consists of approximately 1800 acres of primarily undeveloped, densely wooded property with streams and springs located throughout. A small portion of the property was previously inhabited. The improvements and/or developed parts of Peace Valley consists of a large wooden barn, a smaller wooden barn, a wooden shed, a historical (Pugh) cemetery, two water wells, an abandoned dry gas well, and the foundations for two structures.

A Phase I Environmental Site Assessment report prepared by Youngdahl Consulting Group, Inc., March 2002, was reviewed by ESS and found to be in accordance with American Society for Testing and Materials (ASTM) standards. The PSA I found the property does not contain recognized environmental conditions that could be revealed by site inspection, records research, or consultation with regulatory agencies. No potential problems with hazardous

materials were observed during the ESS site visit and the property is compatible with the proposed future use.

Other:

- The State Public Works Board approved site selection on July 30, 2003.
- 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 improved with a few barns and a storage building. The future use of the barns and storage building will be determined after the public planning process for the new park. The property is secured by fencing and posted against trespassing.
- There is no implied dedication involved with this project.
- There is no relocation assistance involved with this project.
- DPR estimates the need for 2 PYs and ongoing costs of \$347,000 for personal services and operating expenses to provide for public safety, a minimum level of public access, protection of significant natural and cultural resources, interpretation, and maintenance. In addition, DPR further estimates one-time costs of \$300,000 for fencing, gates, signage, baseline studies, minimal boundary surveys, and one-time purchase of equipment including vehicles and a tractor. 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 protect short-term growth and additional program reductions become necessary. DPR brings this acquisition request forward with the full knowledge that additional support appropriations may not be available. Until future funding is approved, and pending the availability of existing funds, DPR will provide for limited authorized public access.
- An easement agreement between the Seller and DPR reserves an easement to the Seller over the property to be acquired by the State in order to provide access to the Seller's remainder (280 acres). Road maintenance costs shall be prorated over the reserved easement based on frequency of use. Either party can contribute to road maintenance costs by in-kind services in lieu of cash payments. DPR will provide limited authorized access requiring limited in-kind maintenance of the road. DPR estimates negligible costs associated with providing limited in-kind maintenance of the road.

Staff Recommendation: Authorize acquisition consistent with the staff analysis.

CONSENT ITEM

CONSENT ITEM – 19

DEPARTMENT OF PARKS AND RECREATION (3790)
CORNFIELDS PROJECT, LOS ANGELES COUNTY
Immediate Public Use and General Planning, Phase 2

Authority: Chapter 379/02, Item 3790-301-6029(5)

a. Approve preliminary plans

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 19

Department of Parks and Recreation
Cornfields Project, Los Angeles County
Immediate Public Use and General Planning, Phase 2

Action Requested

The requested action will approve preliminary plans for Phase 2 of this project.

Scope Description

This project is within scope. The Legislature has approved funding for the design and installation of Immediate Public use facilities at the Cornfields Project to allow interim public access prior to the completion of a general plan for the park. Specifically, the project included exhibits and panels, a viewing area with patios and/or decks, landscaping, picnic areas, walkways, site improvements, fencing, temporary restrooms and parking. This project will be completed in two phases. The project also provides funding to support departmental efforts on long-range general planning for the park. The State Public Works Board previously approved preliminary plans for Phase 1 of the project on September 13, 2002. This request is to approve preliminary plans for Phase 2.

Funding and Cost Verification

This project is within cost.

\$1,850,000 total estimated project costs

\$444,000 project costs previously allocated: studies \$60,000, preliminary plans \$114,000, \$270,000 phase 1 construction

\$1,406,000 project costs to be allocated: working drawings \$165,000 and construction \$1,241,000 (\$1,051,000 contract, \$73,000 contingency, \$58,000 A&E costs, and \$59,000 agency retained) at CCCI 4019

CEQA

A Notice of Determination was filed with the State Clearinghouse on July 11, 2003 and the waiting period expired on August 10, 2003.

Project Schedule

The project schedule is as follows:

Approve working drawings, Phase 2: October 2003

Complete construction, Phase 2: March 2004

Staff Recommendation: Approve preliminary plans for Phase 2.

CONSENT ITEM

CONSENT ITEM – 20

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

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

a. Authorize site selection

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 20

Department of General Services
Santa Monica Mountains Conservancy
Ahmanson Ranch, Ventura County

Action Requested

The requested action will authorize site selection for this project.

Scope Description

This project is within scope. The requested action will authorize site selection of approximately 2,785 acres of land improved with one ranch house situated in an enclave of approximately 60 acres. The property is located in the Simi Hills, which are situated between the Santa Susana Mountains and the Santa Monica Mountains. It is contiguous on the west to the National Park Service Cheeseboro/Palo Comado Unit. The property contains over nine miles of blueline streams, most of which are part of the Malibu Creek Watershed that drains into the Malibu Lagoon. Acquisition of this property is consistent with the Santa Monica Mountains Comprehensive Plan and fulfills the purposes of Division 23 of the Public Resources Code.

Funding and Cost Verification

This project is within cost. Chapter 618/02, 3640-801-6031 and Chapter 379/03, 3810-201-6029 provide funding for this acquisition in fee simple interest and associated overhead costs for the real property. The property can be acquired within the funds available and in accordance with the intent of the Legislature.

CEQA

A Notice of Exemption/Determination was filed with the State Clearinghouse on July 9, 2003, and the waiting period expired on August 13, 2003.

Project Schedule

The project schedule is as follows:

The anticipated close of escrow is November 13, 2003.

Condition of Property

Staff from the Department of General Services, Real Estate Services Division, Environmental Services Section have conducted an initial survey of the Ahmanson Ranch property; staff have also reviewed preliminary site assessment studies recently prepared by the owner. Although ESS staff need to complete a full survey of the property and receive additional information regarding any recorded incidents of leakage on the petroleum and sewer pipelines that traverse the property, our initial opinion is that the Ahmanson Ranch property does not contain unknown hazardous materials, that it has minimal future liabilities regarding unknown site conditions, and that the one area of the property that formerly did contain hazardous materials, has been fully remediated. The property is almost all open oak woodland that has had very little historic alteration.

Other:

- The purchase price shall not exceed the estimated fair market value as determined by a DGS approved appraisal (***DGS anticipates to have an approved appraisal prior to the 9/12 PWB meeting***)

- The purchase price shall not exceed estimated fair market value as determined by Department of General Services (DGS) approved appraisal.
- All management costs will be funded by the Mountains Recreation and Conservation Authority (MRCA).

Staff Recommendation: Authorize site selection.

CONSENT ITEM

CONSENT ITEM – 21

DEPARTMENT OF CORRECTIONS (5240)
CALIFORNIA MEDICAL FACILITY, VACAVILLE, SOLANO COUNTY
Ambulatory Care Clinic

Authority: Chapter 106/01, Item 5240-301-0001(12.5)
Chapter 379/02, Item 5240-301-0660(3)

a. Approve augmentation **\$121,000**
(4.7 percent of total appropriation)
(5.3 percent of construction appropriation)

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 21

Department of Corrections
California Medical Facility, Vacaville, Solano County
Ambulatory Care Clinic

Action Requested

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

Scope Description

The project is within scope. The project consists of constructing a new single story Ambulatory Care Clinic. The Ambulatory Care Clinic will provide approximately 4,500 square feet of clinic space that includes inmate waiting area, examination rooms, treatment rooms, staff offices, restrooms, work space and storage areas. Site improvements will include building pad, utility connections, paving, landing ramp, and stairs at the east end of the building.

Funding and Project Cost Verification

This project is not within budget. PWB funding authority for all phases is \$2,580,000. Of that amount, \$2,298,000 is authorized for the construction phase. With the completion of design, the construction estimate of \$2,185,000, recognized a possible savings of \$113,000. This project went to bid with four bids received and opened on July 24, 2003. All bids were over budget with low bid chosen. The contract amount increased \$115,000, which in turn increased the contingency by \$6,000. Project administration increased by \$86,000, due to increases in project management \$25,000, construction management \$20,000, and construction support \$41,000. These increases are due to a Department of General Services hourly rate increase and the final negotiated cost of services from the Department's consultant. Agency retained increased by \$27,000, due to increased costs to Group II equipment and Telecommunications. This brings the total overage to \$234,000, which is reduced by the \$113,000 recognized earlier as a possible savings. Thus the total augmentation request is for the difference of \$121,000.

\$2,701,000	total estimated project cost
\$2,580,000	project costs previously allocated: preliminary plans \$125,000; working drawings \$157,000; construction \$2,298,000 (\$1,557,000 contract, \$78,000 contingency, \$269,000 project administration, \$281,000 agency retained, and \$113,000 unallocated)
\$121,000	pending construction augmentation (\$115,000 contract, \$6,000 contingency, \$86,000 project administration, \$27,000 agency retained, -\$113,000 previously recognized as possible savings)

CEQA

A Notice of Exemption was filed with the State Clearinghouse on January 7, 2002, and the waiting period expired on February 11, 2002, with no public comment.

Project Schedule:

The project schedule is as follows:

Approve working drawings:	April 2003
Complete construction:	September 2004

Staff Recommendation: Approve augmentation.

CONSENT ITEM

CONSENT ITEM – 22

DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF CORRECTIONS (5240)
DEUEL VOCATIONAL INSTITUTION, SAN JOAQUIN COUNTY
Structural Retrofit, Hospital Wing B
Infirmary Heating, Ventilation, and Air-Conditioning (HVAC)

Authority: Chapter 106/01, Item 5240-301-0001 (7)
Chapter 379/02, Item 5240-301-0001 (3)
Chapter 157/03, Item 5240-302-0747 (1)
Chapter 52/00, Item 1760-301-0768 (18)
Chapter 379/02, Item 1760-301-0768 (3)

a. Approve combined bid

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 22

Department of General Services
Department of Corrections
Deuel Vocational Institution, San Joaquin County
Structural Retrofit, Hospital Wing B
Infirmary Heating, Ventilation, and Air-Conditioning (HVAC)

Action Requested

The requested action will provide approval to combine two projects into one bid package in accordance with Section 10127 of the Public Contract Code.

Scope Description

These projects are within scope. The Structural Retrofit project will add new reinforced concrete foundations and shear walls in multiple transverse locations. In addition, the retrofit work includes new pile cap extensions, fiberwrap of existing columns and walls, and structural steel collector members. Within the same building, the HVAC project includes installation of a new heating, ventilation and air conditioning system within the existing two story infirmary. Work includes a new return air duct, reworking of existing air supply duct, installing new mechanical equipment controls, and electrical modifications, as required, to support the new system. A canopy enclosure will be constructed to protect and conceal the exterior ducting. The existing mechanical equipment will be removed.

Combining Bids

The Department recommends combining these two projects to achieve better bid results. Since the scope of work for the two projects physically interface with each other, combining the projects will also provide an efficient means of completing the work. Proceeding with separate bids would either extend the length of time that the institution is disrupted by construction or create coordination problems from separate contracts running concurrently. The combined bid should also realize savings from combined mobilization, overhead and demobilization efforts on the part of the contractor.

Funding and Cost Verification

The projects are within cost.

Structural Retrofit Project

\$2,061,000 total estimated project cost

\$308,000 project costs previously allocated: preliminary plans \$73,000; working drawings \$235,000

\$1,753,000 project costs to be allocated: construction (contract \$1,121,000; contingency \$78,000; project administration \$352,000; and agency retained \$202,000)

HVAC Project

\$1,219,000 total estimated project cost

\$159,000 project costs previously allocated: preliminary plans \$69,000; working drawings \$90,000

\$1,060,000 project costs to be allocated: construction (contract \$766,000; contingency \$54,000; project administration \$168,000; and agency retained \$72,000)

Combined Bid Package

\$3,280,000 total estimated project cost

\$467,000 project costs previously allocated

\$2,813,000 project costs to be allocated: construction (contract \$1,887,000; contingency \$132,000; project administration \$520,000, and agency retained \$274,000)

CEQA

For the Structural Retrofit, a Notice of Exemption/Determination was filed with the State Clearinghouse on June 26, 2001, and the waiting period expired on July 26, 2001.

For the HVAC project, a Notice of Exemption/Determination was filed with the State Clearinghouse on January 7, 2002, and the waiting period expired on February 7, 2002.

Project Schedule

The project schedule is as follows:

Authorization to Combine Project Bids: September 2003

Complete Construction: September 2004

Staff Recommendation: Approve the combination of bid packages.

CONSENT ITEM

CONSENT ITEM – 23

**CALIFORNIA COMMUNITY COLLEGES (6870)
RIVERSIDE COMMUNITY COLLEGE DISTRICT
RIVERSIDE CITY COLLEGE, RIVERSIDE COUNTY
Martin Luther King High Technology Center**

Authority: Chapter 157/03, Item 6870-301-6028 (56)

a. Approve preliminary plans

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 23

California Community Colleges
Riverside Community College District
Riverside City College, Riverside County
Martin Luther King High Technology Center

Action Requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. This project reconstructs 31,192 assignable square feet (asf) of the existing library into a high technology computer laboratory center. Completion of the project will result in a reduction of 1,186 asf lecture space, 458 asf office space, and 4,678 asf AV/TV space. Laboratory space will be increased by 21,051 asf.

Funding and Cost Verification

This project is within cost.

\$9,158,000 total estimated project costs

\$8,711,000 funds to be allocated: construction \$4,447,000 (\$3,920,000 contracts, \$275,000 contingency and \$252,000 tests and inspections, architectural oversight during construction, and construction management at CCI 4019) and \$4,264,000 equipment at EI 2564

\$240,000 local funds previously allocated: preliminary plans \$240,000

\$207,000 local funds to be allocated: working drawings \$207,000

CEQA

A Notice of Exemption was filed with the State Clearinghouse on June 7, 2002 and the response period expired on July 12, 2002.

Project Schedule

The project schedule is as follows:

Award construction: October 2003

Complete project: August 2004

Staff Recommendation: Approve preliminary plans.

CONSENT ITEM

CONSENT ITEM – 24

**CALIFORNIA COMMUNITY COLLEGES (6870)
WEST HILLS COMMUNITY COLLEGE DISTRICT
WEST HILLS COLLEGE AT LEMOORE, KINGS COUNTY
Child Development Center**

Authority: Chapter 157/03, Item 6870-301-6028 (88)

a. Approve preliminary plans

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 24

California Community Colleges
West Hills Community College District
West Hills College at Lemoore, Kings County
Child Development Center

Action Requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. This project constructs a 4,858 assignable square feet (asf) child development facility with 700 asf lecture/lab, 800 asf office 2,648 asf demonstration, and 710 asf storage.

Funding and Cost Verification

This project is within cost.

\$2,161,000 total estimated project costs

\$1,902,000 funds previously allocated: construction \$1,764,000 (\$1,537,000 contracts, \$82,000 contingency and \$145,000 tests and inspections, architectural oversight during construction, and construction management at CCI 4019), and equipment \$138,000 at EI 2564

\$59,000 local funds previously allocated: preliminary plans \$59,000

\$200,000 local funds to be allocated: working drawings \$95,000 and construction \$105,000

CEQA

A Notice of Determination was filed with the State Clearinghouse on July 15, 1999 and the response period expired on August 15, 1999.

Project Schedule

The project schedule is as follows:

Award construction: October 2003

Complete project: July 2004

Staff Recommendation: Approve preliminary plans.

CONSENT ITEM

CONSENT ITEM – 25

DEPARTMENT OF VETERANS AFFAIRS (8960)
YOUNTVILLE VETERANS HOME, NAPA COUNTY
Electrical Distribution System Renovation

Authority: Chapter 219/02, Item 8960-801-0701
Chapter 219/02, Item 8960-801-0890

a. Approve preliminary plans

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 25

Department Of Veterans Affairs
Yountville Veterans Home, Napa County
Electrical Distribution System Renovation

Action Requested

The requested action will provide approval of preliminary plans

Scope Description

This project is within scope. : This project will involve 1) removal or replacement of all pad-mounted oil sectionalizing switches; 2) undergrounding of the existing 2.4 kV overhead lines that serve the west portion of the Home; 3) undergrounding of the secondary power circuits that are currently served from the overhead pole line.

Funding and Cost Verification

This project is within cost.

\$3,410,000 Total estimated project costs

\$431,000 Project costs previously allocated: preliminary plans \$210,000; working drawings \$221,000

\$2,979,000 Project costs to be allocated: construction

CEQA

A Notice of Exemption/Determination filed with the State Clearinghouse on August 21, 2003 and the 35-day waiting period expires on September 25, 2003.

Project Schedule

The project schedule is as follows:

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

Other

On June 12, 2003, the Department of Finance (DOF) approved a request to allocate, but not release, \$221,000 in the Architecture Revolving Fund for this project in order to ensure that the project could progress, and federal deadlines could still be met, in the absence of an enacted state Budget. However, DOF specifically indicated that no funds shall be expended for the working drawing phase until the Public Works Board approves preliminary plans for this project.

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

CONSENT ITEM

CONSENT ITEM – 26

**DEPARTMENT OF VETERANS AFFAIRS (8960)
YOUNTVILLE VETERANS HOME, NAPA COUNTY
Renovate Water Storage Tank & Transmission Line**

Authority: Chapter 379/02, Item 8960-301-0701(2) and Item 8960-301-0890 (2)

a. Approve preliminary plans

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 26

Department of Veteran Affairs
Veterans Home of California, Yountville
Renovate Water Storage Tank and Transmission Line

Action Requested

The requested action will provide approval of preliminary plans.

Scope Description

This project is within scope. This project will renovate the existing concrete water storage tank, provide new transmission line and improvements to supporting mechanical and electrical equipment to bring the system into compliance with the emergency Fire Flow demand requirements and the water quality requirements of the State Department of Health Services. Lead paint testing and abatement are included.

Funding and Cost Verification

This project is within cost.

\$2,107,000 total estimated project cost

\$ 272,000 project costs previously allocated: preliminary plans \$136,000; working drawings \$136,000

\$1,835,000 project costs to be allocated: construction \$1,835,000 (\$1,467,000 contracts, \$103,000 contingency, \$265,000 A& E)

CEQA

A Notice of Exemption was filed with the State Clearinghouse on August 21, 2003 and the waiting period will expire on September 25, 2003.

Project Schedule

The project schedule is as follows:

Approve working drawings:	December 15, 2003
Contract Award Approval	May 15, 2004
Complete construction:	May 30, 2005

Other

On June 12, 2003, the Department of Finance (DOF) approved a request to allocate, but not release, \$136,000 in the Architecture Revolving Fund for this project in order to ensure that the project could progress, and federal deadlines could still be met, in the absence of an enacted state Budget. However, DOF specifically indicated that no funds shall be expended for the working drawing phase until the Public Works Board approves preliminary plans for this project.

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

ACTION ITEM

ACTION ITEM – 27

DEPARTMENT OF GENERAL SERVICES (1760)
STATE COASTAL CONSERVANCY (3760)
HAMILTON WETLANDS ARMY AIRFIELD ACQUISITION, MARIN COUNTY
Project Number AS SCC101.1A, DGS Parcel Number10173

Authority: Chapter 52/00, Item 3760-301-0001(4)
Public Resources Code Section 31104.

a. Authorize acquisition consistent with the staff analysis

PULLED.

ACTION ITEM

STAFF ANALYSIS – 27

Department of General Services
State Coastal Conservancy
Hamilton Wetlands Army Airfield Acquisition

Action requested

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

Scope Description

This project is within scope. The State would accept transfer of title as a no-cost public benefit transfer for wildlife conservation purposes in accordance with 16 U.S.C. §667b, and pursuant to, in part, a Memorandum of Agreement between the Department of the Army (“Army”) and the State Coastal Conservancy (“Conservancy”) executed in November 1999 and approved by the Departments of General Services and Finance in November 2000 (“1999/2000 Conservancy/Army MOA”). The 1999/2000 Conservancy/Army MOA specified that the Conservancy would not take title to the subject property prior to the Army’s completion of the hazardous remediation. Subsequently, the Conservancy and Army negotiated a new agreement (Implementation Memorandum of Agreement (“Implementation MOA”)), which was developed solely in anticipation of title being transferred prior to remediation. To date, this Implementation MOA has not been executed by either party.

The subject property is approximately 630 acres of the Main Airfield Parcel of the former Hamilton Army Airfield (“HAAF”) which consists of the runway, revetments, aircraft maintenance areas, sewage treatment plant, a former skeet range, firing ranges, and other related facilities. The HAAF was recommended for base closure in 1988 and determined surplus federal property making it available to be disposed of by the Army. The Army is transferring title to the property pursuant to the Defense Base Closure and Realignment Act of 1990, as amended, and the Federal Property and Administrative Services Act of 1949, as amended, as well as 16 U.S.C. §667b.

This property transfer represents an important step for the Hamilton Wetland Restoration Project (“HWRP”); a San Francisco Bay area marsh restoration project. This site will be the first phase of the HWRP to restore a total of approximately 2,500 acres of marshes to the San Francisco Bay.

The Army and Conservancy entered into a Project Cooperation Agreement on April 22, 2002 (“PCA”), that identifies the Army, represented by the Assistant Secretary of the Army (“Civil Works” or “Army Corps”) and Conservancy, the non-federal sponsor, as partners in the restoration efforts of the HAAF property into a wetlands. As a condition imposed by the Army, the PCA identifies that acceptance of title is necessary to implement the federally-authorized HWRP. Pursuant to the PCA, the Army Corps will be responsible for construction of the wetland project and implementation of a 13-year monitoring and adaptive management program in cooperation with the Conservancy (a cost share program). Following the monitoring and adaptive management period, the Conservancy will have sole responsibility to maintain the property.

The HAAF property has been determined to contain known hazardous substances, or is suspected of having hazardous substances, that were stored, released or disposed of on the property. Pursuant to section 120(h)(3)(C) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (“CERCLA”), 42 U.S.C. §§9601 *et seq.*, the Army can transfer the property prior to remediation of the hazardous substances upon a determination by the Governor of the State of California, that the property is suitable for early transfer and with a

warranty from the United States that when all response action necessary to protect human health and the environment with respect to any substance remaining on the property on the date of transfer has been taken care of, the United States shall execute and deliver to the Conservancy an appropriate document containing a warranty that all such response action has been taken (section 120 (h)(3)(C)(iii) of CERCLA).

Funding and Cost Verification

This project is within cost. No funds will be expended for acquisition of the property. The costs of implementation of the HWRP will be shared 75% by the Army Corps and 25% by the Conservancy. Funds appropriated to the Conservancy for this project in 2000 (Chapter 52/00, Item 3760-301-0001(4)) for its share of project costs, based on 2000 estimates, have been encumbered under the PCA, and may be supplemented from appropriations of bond funds allocated for purposes of the San Francisco Bay Area Conservancy Program as needed.

The Conservancy plans on offsetting a portion of its 25% share of the HWRP costs by participating in the Port of Oakland Minus 50-Foot Navigation Improvement Project, wherein the restoration project will accept sediment from the Oakland Bay. Participation in this project is expected to contribute approximately 22% towards the HWRP costs (offset to be credited to both the Conservancy and Army Corps).

The costs of carrying out the CERCLA-based remediation on the property, to the extent these remedial actions are not already features of the wetland restoration project, will be borne exclusively by the Army.

Cost of Environmental Insurance: At its August 14, 2003 Board Meeting, the Conservancy staff was authorized to spend up to \$900,000 to obtain a policy of environmental insurance. DGS and Conservancy staff have discussed the potential coverage issues of a Pollution Legal Liability insurance policy with AIG Environmental Insurance Company, but have not received a written commitment of insurance as of September 9, 2003. The premium is expected to be less than the authorized \$900,000.

CEQA

The Final Environmental Impact Report/Environmental Impact Statement ("EIR/EIS") prepared for the Hamilton Wetland Restoration Plan in December 1998 addresses that the Army anticipates transfer of the HAAF property to the Conservancy.

Project Schedule

The project schedule is as follows:

Transfer of this property from the Army to the Conservancy cannot occur without the determination by the Governor that the property is suitable for early transfer. The Governor's Action Request ("GAR") was sent to the Governor's Office, by the Army, on August 20, 2003 with a determination due date request of September 30, 2003. Close of escrow would not be able to take place before the GAR is approved and all other conditions as identified under Staff Recommendations are met.

Condition of Property

Department of General Services, Environmental Services Section ("ESS") staff conducted a site visit to the HAAF property, Novato, California, on August 13, 2003. The acquisition consists of approximately 630 acres of land, primarily comprised of the Inboard Area ("IA") and a small strip of Coastal Salt Marsh ("CSM") along San Pablo Bay.

The former HAAF has been owned and operated by various branches of the Department of Defense ("DOD") from 1932 to the present. This closed military facility is on the State's Cortese List (Hazardous Waste and Substances Site List). The Army is responsible for environmental

remediation of the Main Airfield Parcel at HAAF as the DOD owner of the property at the time of closure under the Base Realignment and Closure Act ("BRAC").

Many of the buildings have already been demolished and removed. Building 82 and the two pump stations are the only buildings to remain on site once remediation activities have been completed. Asbestos abatement has been completed on all buildings (personal communication, Hugh Ashley, Environmental Engineer, Anteon Corporation).

A Draft Final Record of Decision/Remedial Action Plan ("ROD/RAP", May 2003) prepared by CH2MHill under the direction of the Army, the Department of Toxic Substances Control ("DTSC"), and the Regional Water Quality Control Board ("RWQCB") with input from other agencies, e.g., California Department of Fish and Game ("CDFG"), was reviewed by ESS staff. The ROD/RAP was subsequently approved and finalized by the RWQCB on August 20, 2003.

The ROD/RAP presents the environmental response actions to be taken by the Army (the Army BRAC program) and additional environmental assurances to be provided by the Army Civil Works Program ("Army Corps") through the HWRP co-sponsored by the Conservancy to address potential risks associated with residual contaminants on the Main Airfield Parcel and restoration of a wetland at HAAF.

The objective of the ROD/RAP is to remove and/or cover contamination in the IA, rendering it suitable for open-space wetland restoration. For the CSM, the alternative is to remove contaminated soils to the maximum extent practical to protect public health and to maintain its wetland function. The ROD/RAP identifies four environmental action alternatives to address risks to human health and ecological receptors in a wetland environment. The four environmental action alternatives are:

- No Further Action (Alternative 1)
- Excavation and Offsite Disposal (Alternative 2)
- Manage In-Situ, with Monitoring and Maintenance, for Army BRAC Sites (Alternative 3)
- Manage Onsite, with Monitoring and Maintenance, for Army Civil Works Issues (Alternative 4, which is analogous to the HWRP)

Several areas of the HAAF property are still under investigation to determine the final activities necessary for protection of the wetlands reuse. The Army will be responsible for characterization and remediation of CERCLA contamination of the following identified sites. Should it be determined that remediation of non-CERCLA contamination is required on any of these sites, this will be the joint responsibility of the Army Corps and the Conservancy.

- BRAC and GSA soil stockpiles that were generated from previous excavation activities are currently located on the runway.
- ASR Site #4 - Testing Range (may have been a small arms target practice area).
- ASR Site #8 - Alleged Hazardous, Toxic and Radiological Waste Disposal Site (alleged improper disposal of various chemicals, etc.).
- ASR Site #18 - Skeet Range (e.g., lead and other metals from shot and PAH's associated with clay targets).
- ASR Site #19 - Firing-In-Butt (possible soil contamination from aircraft machine guns fired into an earthen mound to check firing alignment).
- Soil contamination in the northeast corner near the perimeter drainage ditch ("PDD").
- DDT soil contamination of 21 -27 mg/kg in Area E, between the runway and the hangar.
- PAH soil contamination around the southern end of the runway.

The Army is legally responsible for the remediation of all CERCLA releases; however, the Army and the Conservancy have differing views regarding the scope of the Army's legal responsibility for the remediation of the Inboard Area-wide DDT contamination and the PAH contamination in soil adjacent to the runway. The Army is responsible for remediation of DDT contamination equal to or greater than 1.0 mg/kg (1 ppm) and will remove the PAH contamination along the southern end of the runway. The Army Corps, through the implementation of the HWRP, will remediate DDT contamination of less than 1.0 mg/kg to 0.30 mg/kg and PAH, other than that being remediated by the Army (levels greater than or equal to 4.022 mg/kg require remediation).

In addition to the remedial activities identified in the ROD/RAP, ESS staff recommends the following to be done:

- removal and/or disposal of the fill placed by a private developer encroaching over the property line onto the HAAF.
- characterization and remediation for any possible contaminants of concern (that may be identified and pose a risk to wildlife receptors) associated with the storm drains located approximately three to seven feet below ground under the airfield and apron, connecting to the PDD.

The Biological Opinion ("BO") issued by the US Fish and Wildlife Service on August 22, 2003, indicated a "no take authorization" for the proposed HWRP, which requires the Army Corps and the Conservancy to reinstate formal consultation for that element of the project after (1) all aspects of the BO terms and conditions have been met, (2) adequate environmental remediation of the North Antenna Field has occurred, and (3) adequately developed restoration plans are available for analysis by the Service. As part of the Army Corps' reinstatement of formal consultation, the Army Corps should provide a Biological Assessment which analyzes the effects on listed species from implementation of the proposed HWRP (USFWS Formal Consultation on HAAF, August 2003).

If the HWRP is not implemented, the ROD/RAP will be reopened.

Other

- The no cost acquisition will be accepted by the State pursuant to the terms and conditions of the 1999/2000 Conservancy/Army MOA (in part); the PCA dated May 22, 2002; and the Implementation MOA between the Conservancy and Army (yet to be executed).
- Pursuant to 16 U.S.C. §667b, the Army can transfer title of the subject property to the Conservancy at no cost subject to the reservation by the United States of all oil, gas, and mineral rights, **and** with the condition that should the property not be used for wildlife conservation, or in the event it is needed for national defense purposes, title shall revert to the United States. The United States retains the discretion to execute this reversion.
- Pursuant to section 120(h)(3)(C) of the CERCLA, 42 U.S.C. §§9601 *et seq.*, the Army can transfer the property prior to remediation of the hazardous substances upon a determination by the Governor of the State of California, that the property is suitable for early transfer **and** with a warranty from the United States that when all response action necessary to protect human health and the environment with respect to any substance remaining on the property on the date of transfer has been taken care of, the United States shall execute and deliver to the Conservancy an appropriate document containing a warranty that all such response action has been taken. The Army sent the GAR to the Governor's Office on August 20, 2003. Assurance of the required warranty is provided in the quitclaim deed.
- Land Use Restrictions are imposed on the subject property through restrictions contained in the quitclaim deed and through a "Covenant to Restrict Use of Property Environmental Restriction", incorporated by reference in the quitclaim deed (section VI.C). This Covenant is to be entered into between the Army, RWQCB and DTSC. The use of the property shall be restricted so as not to allow for residences, schools, daycare facilities, hospitals, hospices, or similar sensitive uses. In the event the HWRP is not implemented (property not converted into a wetlands), the use of the property will remain subject to these restrictions.
- The Army has requested that the State execute its Certificate of Acceptance prior to the Army executing the quitclaim deed, with the belief that this would expedite the transfer process. DGS staff does not expect to have the final version of the quitclaim deed prior to the PWB meeting. This poses a document control issue as DGS will not see the final approved version of the quitclaim deed prior to Sept. 12, 2003 PWB. Refinement of the language in the quitclaim deed is still being worked on and requires agreement between the Conservancy, DGS, and the Army. Some of these refinements relate to the modification of

surface entry regarding the mineral rights and liability issues regarding the “munitions or explosives of concern clause” in the quitclaim deed (Section XIII).

- DGS staff is requiring that the Conservancy obtain a Pollution Legal Liability Insurance Policy to be effective at the time of transfer. The Conservancy is anticipating obtaining this insurance from AIG Environmental Insurance Company through Marsh Risk & Insurance Services, an insurance broker. DGS staff has requested that a Certificate of Insurance or a Binder be issued from AIG to the Conservancy prior to Sept. 12, 2003. In addition to the Certificate or Binder, DGS staff requested that a Commitment Letter from AIG/Marsh regarding the policy premium be issued prior to Sept. 12, 2003. To date, neither of these have been provided. DGS Office of Risk and Insurance Management has reviewed AIG’s rating and will review the reasonableness of the premium. DGS Real Estate Services Section and Office of Legal Services will review the policy for coverage issues.
- The Conservancy will be required to obtain a policy of title insurance on the subject property.
- The Biological Opinion issued by the USFWS on August 22, 2003, appeared to contain ambiguous language which resulted in differences of interpretation with respect to the USFWS’ position on the ROD/RAP. The Army has agreed to issue a letter clarifying the position of the USFWS on the ROD/RAP.
- DGS staff identifies the following as some of the legal and financial liabilities being assumed by the State in the acquisition of this property. Where appropriate, staff has indicated how these liabilities (risks) may be mitigated.
 - Potential Responsible Party (“PRP”): By taking title to property that is known to have or is suspected of having hazardous substances stored, released or disposed of, the State (through the Conservancy) assumes liability as a PRP;
 - Lead based paint (“LBP”) and Asbestos: Conservancy has been put on notice through language in the quitclaim deed that buildings on the property are presumed to contain LBP and that asbestos pipe covering material remains on the property. Under the quitclaim deed, the Army assumes no liability for any future remediation associated with LBP and asbestos. The Conservancy accepts this responsibility and considers this an acceptable risk. The environmental insurance policy, as proposed, is expected to cover the expense of remediation of LBP and asbestos if found in the soils and for third party liability claims relating to LBP and asbestos, but not to cover the costs of LBP and asbestos removal from existing structures;
 - Low-level area-wide DDT’s and runway-associated PAH’s: Army and State regulatory agencies disagree on whether low-level area-wide dichlorodiphenyltrichloroethane (“DDT’s”) and runway-associated polynuclear aromatic hydrocarbons (“PAH’s”) are the Army’s responsibility as a CERCLA release. Acceptance of title without a commitment by the Army to remediate these contaminants under CERCLA will result in the State being liable for these contaminants as owner of the property. The proposed environmental insurance policy may cover some liability associated with releases of DDT and PAH once the restoration plan is complete, but will not cover cost overruns if the restoration plan, as currently proposed, does not adequately control the release of DDT and PAH;
 - Additional remedial activities of uncharacterized areas (areas yet to be investigated for contamination) could become responsibility of the Conservancy if determined to be non-CERCLA contamination. The proposed environmental insurance policy is expected to cover the expense of such remediation should it be determined to be required;
 - Restoration Plan (“HWRP”) either not completed or never implemented. The HWRP, as proposed, is designed to control the release of low-level DDT’s and PAH’s on site by placing three feet of stable cover over the contaminated areas. If the HWRP is not completed or never implemented, the Conservancy will assume full financial responsibility for any mitigation measures required for DDT’s and PAH’s associated with any alternative land use. Environmental insurance may be available to cover cost overruns associated with alternative land use, but the Conservancy would be primarily responsible for the expected reuse costs.

Staff Recommendation: Consider authorization of acquisition consistent with the staff analysis, conditioned upon completion of the following:

- The Governor's determination that the property is suitable for early transfer, as provided for in section 120(h)(3)(C) of CERCLA.
- The execution of the "Covenant to Restrict Use of Property Environmental Restriction", incorporated by reference in the quitclaim deed (section VI.C), by the Army, RWQCB and DTSC.
- Receipt of the Army's executed quitclaim deed or review by DGS staff of a confirmed final version of the quitclaim deed prior to the Certificate of Acceptance being executed by PWB.

OTHER BUSINESS

REPORTABLES

Respectfully Submitted,

JAMES E. TILTON
Administrative Secretary