



**CALIFORNIA STATE
PUBLIC WORKS BOARD**

ARNOLD SCHWARZENEGGER, GOVERNOR

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STATE PUBLIC WORKS BOARD
October 7, 2005 Meeting
MINUTES

PRESENT:

Mr. Michael Genest, Acting Director, Department of Finance
Ms. Cindy McKim, Deputy Director, Department of Transportation
Mr. Ron Joseph, Director, 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
Assembly Member Wilma Chan
Assembly Member Lloyd E. Levine
Senator Gilbert Cedillo
Senator Wesley Chesbro
Senator Carole Migden

STAFF PRESENT:

Rocel Bettencourt, Assistant Administrative Secretary, State Public Works Board
Deborah Cregger, Legal Counsel, State Public Works Board
Chris Sanford, Secretary, State Public Works Board
Matt Schueller, Budget Analyst, Department of Finance State Public Works Board
Chris Lief, Budget Analyst, Department of Finance
Stephen Benson, Budget Analyst, Department of Finance
Randy Kratz, Budget Analyst, Department of Finance

OTHERS PRESENT:

Lisa Paternu, Department of Corrections and Rehabilitations
Warren Westrup, Department of Park and Recreations
Rick Stolz, Department of Park and Recreations
Tim Patton, Department of General Services, RESD
Jerry Leong, Department of General Services, RESD
Glen Mercer, State Treasurer's Office
Gene Agustinez, Department of Health Services
Anne Tunn, State Treasurer's Office

CALL TO ORDER AND ROLL CALL:

Mr. Michael Genest, Acting Director for the Department of Finance called the meeting to order at 10:00 a.m. Rocel Bettencourt, Assistant Administrative Secretary for the State Public Works Board, called the roll. A quorum was established.

Mr. Genest said the first item is approval of the minutes from the August 12th meeting; the September 9th meeting; and the September 16th and 20th special meetings of 2005.

Ms. Bettencourt said the staff has reviewed the minutes from these meetings and staff recommended approval.

Mr. Genest said "hearing no objection, the minutes of these meetings were hereby adopted."

BOND ITEMS:

Mr. Genest said that he understood that there was five Bond Items.

Ms. Bettencourt said that was correct. Bond Item #1 about *Lease Revenue Refunding Bonds*. The requested action would adopt a resolution authorizing the issuance of refunding bonds. It should be noted that a line was added at the bottom this item. It read, "Estimated not to exceed principal amount for the refunding bonds is \$676 million." Staff recommended adoption and approval of the resolution.

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

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

Bond Item #2, Department of General Services; *Library and Courts Building Renovation* in Sacramento. Ms. Bettencourt reported that the requested action would adopt a resolution authorizing actions to be taken to provide for interim financing and authorizing the sale of lease revenue bonds. Staff recommended adoption and approval of the resolution.

A motion was made by Mr. Lujano and Second by Ms. Aronberg to approve Bond Item #2.

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

Bond Item #3, Department of General Services; Office Buildings # 8 and # 9 Renovation Project. Ms. Bettencourt reported that the requested action would adopt an amended resolution authorizing actions to be taken to provide for interim financing and authorizing the sale of lease revenue bonds consistent with increased project authority. Staff recommended adoption and approval of the resolution.

A motion was made by Mr. Joseph and Second by Mr. Lujano to approve Bond Item #3.

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

Bond Items #4, Department Forestry and Fire Protection; Antelope Forest Fire Station; *Replace Barracks and Mess Hall in San Benito County*. Ms. Bettencourt reported that the requested action would adopt an amended resolution authorizing actions to be taken to provide for interim financing and authorizing the sale of lease revenue bonds consistent with increased project authority. Staff recommended adoption and approval of the resolution.

A motion was made by Ms. Aronberg and Second by Mr. Joseph to approve Bond Item #4.

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

Ms. Bettencourt Bond Item #5, Department of Forestry and Fire Protection; Weaverville Forest Fire Station; *Relocate Facility* in Trinity County . Ms. Bettencourt reported that the requested action would adopt a resolution authorizing actions to be taken to provide for interim financing

and authorizing the sale of lease revenue bonds. Staff recommended adoption and approval of the resolution..

A motion was made by Mr. Joseph and Second by Mr. Lujano to approve Bond Item #5.

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

Mr. Genest thanked the State Treasurer and Controller's Officers for their help and noted that since there was a meeting following immediately with both of them on the board to remain where they were if they would like. He said that we were ready to take up the consent calendar.

CONSENT CALENDAR

Ms. Bettencourt said that was correct. The Consent Calendar covered items #6 thru Item #14. In summary:

- 1 request to authorize site selection, [6]
- 1 request to approve preliminary plans and augmentation for working drawing funds, [7,]
- 1 request to approve preliminary plans (Dormitory and Chiller) and approve augmentation of working drawings, and recognized anticipated deficit for construction. [11]
- 5 requests to approve preliminary plans, [8,9,12,13,14]
- 1 request to approve augmentation of working drawings, [10]

Staff recommended approval of the Consent Calendar for Items #6 through #14.

A motion was made by Mr. Joseph and Second by Ms. McKim to approve the Consent Calendar.

The Consent Calendar was approved by a 3-0 vote.

ACTION ITEMS:

Ms. Bettencourt said we had one action item. It was to authorize the acquisition of real property through the acceptance of a no cost acquisition for a Department of Veteran Affairs Project for the purpose of providing a Redding Veterans' Home, in Shasta County. Staff recommended approval.

Motion by:

Second by:

Vote:

OTHER BUSINESS:

Mr. Genest asked if we had other business for the board.

Ms. Bettencourt replied no.

REPORTABLES:

Mr. Genest asked if there were there any reportable items this month.

Ms. Bettencourt replied that there were three reportable items for this month that staff had approved under authority delegated by the Board.

NEXT MEETINGS:

Ms. Bettencourt said the next meeting was scheduled for:

Friday, November 4, 2005, at 10:00 AM, State Capitol, Room 113.

ADJOURNMENT (the chair adjourned the meeting at 10:05 A.M.)

BOND ITEM

BOND ITEM – 1

LEASE REVENUE REFUNDING BONDS—Various Departments

Authority: State Building Construction Act of 1955, Title 2, Division 3, Part 10b California Government Code; §15840

a. Adopt a resolution to:

1. Authorize the sale of State Public Works Board (SPWB) bonds to refund the SPWB Lease-Revenue Bonds as follows:
 - a. Department of Corrections 1993 Series E (California State Prison – Madera County (II))
 - b. Department of Corrections 1996 Series A (California Substance Abuse Treatment Facility and State Prison at Corcoran (Corcoran II))
 - c. Department of General Services 1995 Series A (Department of Justice Building)
 - d. Department of Health Services 1999 Series A (Richmond Laboratory Project)
2. Approve the form of and authorize the execution and delivery of amendments to the Facility Leases and/or an amended and restated Facility Lease.
3. Approve the form of and authorize the execution and delivery of an agreement for the Transfer of Control and Possession of State owned real property.
4. Approve the form of and authorize the execution and delivery of one or more Supplemental Indentures.
5. Approve the form of and authorize the execution and delivery of one or more Continuing Disclosure Agreements.

6. Approve the form of and authorize the execution and delivery of one or more Preliminary Official Statements and Official Statements.
7. Approve other related actions in connection with the authorization, issuance, sale, and delivery of said refunding lease revenue bonds.

Estimated not to exceed principal amount for the refunding bonds is \$676,000,000.

APPROVED: 5/0

BOND ITEM

STAFF ANALYSIS ITEM – 1

Lease-Revenue Refunding Bonds—Various Departments

Action Requested

The requested action will adopt a resolution authorizing the issuance of refunding bonds.

Scope Description

For the refunding, the refunding bonds are to be issued pursuant to the SPWB's adopted refunding policy of March 15, 2004. These issuances and their outstanding principals are listed in Appendix A of the resolution that is in your backup material. While the authorization is for the callable outstanding principal, the refundings will undoubtedly be less since not all series will meet the SPWB's three percent threshold.

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

Staff Recommendation: Adopt resolution.

BOND ITEM

BOND ITEM – 2

DEPARTMENT OF GENERAL SERVICES (1760)
LIBRARY AND COURTS BUILDING, SACRAMENTO, SACRAMENTO COUNTY
Library and Courts Building Renovation

Authority: Chapter 38/05, Item 1760-301-0660 (1)

Adopt a resolution to:

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

Total Estimated Bond Authorization:

\$49,082,000

APPROVED:

5/0

BOND ITEM

STAFF ANALYSIS ITEM – 2

Department of General Services
Library and Courts Building, Sacramento, Sacramento County
Library and Courts Building Renovation

Action requested

The requested action will adopt a resolution authorizing actions to be taken to provide for interim financing and authorizing the sale of lease revenue bonds.

Scope Description

This project is within scope. This project consists of the entire interior and exterior upgrades and will gain back the historic character of the State Library and Courts Building. The two mechanical penthouses over light wells will be demolished and rebuilt on the roof. New vertical and horizontal mechanical distribution will be provided. New stacked electrical and telecom/data closets will be added at every floor and new horizontal distribution. A complete fire and life safety upgrade is included, involving rated corridors and sprinkling. Associated hazardous materials and historic considerations are also addressed. Additional work provides basic interior renovation and exterior building restoration for the State Library and Courts Building. Interior upgrades includes vertical stacking of electrical and telecom spaces, historic elevators, security, and accessibility items; Existing deficiencies in mechanical, electrical, and plumbing systems will be corrected; Architectural renovation items include historic ceilings, lights, and art. Exterior restoration items address the roof and shell, and provide localized repair. The project addresses associated hazardous materials abatement and historic considerations.

Funding and Cost Verification

This project is within cost.

\$49,082,000 total estimated project costs

\$0 project costs previously allocated:

\$49,082,000 project costs to be allocated: Preliminary Plan Phase \$2,723,000, Working Drawing Phase \$2,672,000, and Construction Phase \$43,687,000 consisting of \$36,634,000 construction, \$2,564,000 contingency, and \$4,489,000 A&E and other project costs.

CEQA

CEQA document will be prepared during the preliminary plan phase.

Project Schedule

The project schedule is as follows:

Approve preliminary plans:	July 2006
Approve working drawings:	September 2007
Complete construction:	January 2010

Due Diligence Status

Will enter PP phase, including due diligence, upon receipt of interim financing.

Staff Recommendation: **Approve resolution.**

BOND ITEM

BOND ITEM – 3

**DEPARTMENT OF GENERAL SERVICES (1760)
OFFICE BUILDINGS # 8 and #9 RENOVATION, SACRAMENTO COUNTY**

*Authority: Chapter 106/01, 1760-301-0660 (1) 50.10.160
Chapter 379/02, 1760 301-0660 (2) 50.10.160
Chapter 38/05, 1760-301-0660 (2) 50.10.160*

a. Adopt an amended 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, consistent with the increased project authority.
2. Authorize the sale of the State Public Works Board Lease Revenue bonds, consistent with the increased project authority.

Total Estimated Bond Authorization:

\$135,978,000

APPROVED:

5/0

BOND ITEM

STAFF ANALYSIS ITEM – 3

Department of General Services
Office Buildings # 8 & # 9 Renovation Project, Sacramento County

Action requested

The requested action will adopt an amended resolution authorizing actions to be taken to provide for interim financing and the sale of lease revenue bonds consistent with the increased project authority.

Scope Description

This project is within scope. This project will renovate the two 17 story office buildings (615,110 GSF) at 714 P Street (Office Building 8) and 744 P Street (Office Building 9), in Sacramento. A two-story reception building will be added which will connect the towers, providing one public entrance and a new childcare center to be located on the first floor of Office Building 8. The renovation consists of the abatement of hazardous materials; structural upgrade of both buildings to Seismic Risk Level III; demolition of all interior partitions including removal and replacement of existing finishes; demolition and upgrades to portions of the existing mechanical, electrical, plumbing, telephone, data, elevator and security systems; upgrade of all Fire and Life Safety items and upgrades for the Americans with Disabilities Act (ADA) to current codes.

Funding and Cost Verification

This project is within cost. The Budget Act of 2001 provides \$1,858,000 for preliminary plans for OB#8. The Budget Act of 2002 and the Budget Act of 2005 provides \$134,120,000 for preliminary plans for OB 9, and working drawings and construction for both OB 8 and OB 9.

\$135,978,000 total estimated project costs

\$1,858,000 project costs previously allocated: Resolution of the State Public Works Board passed and adopted April 12, 2002 authorizing the sale of State of California Lease Revenue bonds and interim financing for the Preliminary plans for OB 8.

\$6,219,000 project costs previously allocated: \$1,916,000 for the Preliminary Plan Phase for OB 9; working drawings for OB 8 & 9, \$4,303,000.

\$127,901,000 project costs to be allocated: construction for \$127,901,000.

CEQA

A Notice of Determination was filed with the State Clearinghouse on 8/20/2003 and the waiting period expired on September 18, 2003.

Project Schedule

The project schedule is as follows:

Approve preliminary plans:	05/14/04
Approve working drawings:	11/15/05
Complete construction:	04/20/09

Staff Recommendation: Adopt an amended resolution.

BOND ITEM

BOND ITEM – 4

DEPARTMENT OF FORESTRY & FIRE PROTECTION (3540)
ANTELOPE FOREST FIRE STATION (FFS), SAN BENITO COUNTY
Replace Barracks and Mess Hall

Authority: Chapter 03/02, Third Extraordinary Session, Section 2b (8)
Chapter 38/05, Item 3540-301-0660 (3.65)

a. Adopt an amended resolution to:

1. Authorize the use of interim financing to be repaid from the Public Buildings Construction from the proceeds from the sale of bonds.
2. Authorize the sale of the State Public Works Board Lease Revenue Bonds.

Total Estimated Bond Authorization:

\$1,626,000

APPROVED:
5/0

BOND ITEM

STAFF ANALYSIS ITEM – 4

Department of Forestry & Fire Protection
Antelope Forest Fire Station– Replace Barracks and Mess hall

Action Requested

The action requested will adopt an amended resolution authorizing actions to be taken to provide for the interim financing and authorizing the sale of lease revenue bonds.

Scope Description

This project is within scope. This project constructs a standard one-engine forest fire station. The new station consists of the following buildings: a standard wood framed living quarters building (8-beds); a 300 sf storage building (2-pump, 1-1,000 gal split fuel tank); a 150 sf generator building; site work; utilities; paving, and all appurtenances. Demolition of existing facility is also included.

Funding and Cost Verification

The project is within cost. Chapter 3, Third Extraordinary Session, Statutes of 2002, appropriated \$1,360,000 for construction phase of this project. A contract was awarded in December 2004 in excess of amount available, which required an augmentation of \$183,000 (11.7 percent total project). In addition, two deductive bid alternates were used to reduce the amount of the augmentation: 1) the deletion of gutters and downspouts, and 2) the change from metal roofing to asphalt singles. The Budget Act of 2005 appropriated an additional \$236,000 to restore the items removed by the deductive alternates and a portion of the contingency to ensure the successful completion of this project. The requested action will adopt an amended resolution authorizing the increased funding for the project.

\$1,977,000 total project costs

\$1,741,000 project costs previously allocated: preliminary plans \$84,000 (General Fund), working drawings \$114,000 (\$84,000 General Fund and \$30,000 lease revenue bonds), and construction \$1,543,000 (\$1,322,000 contract, \$30,000 contingency, \$87,000 other projects costs; and \$19,000 agency retained

\$236,000 project costs to be allocated: construction

CEQA

A Notice of Exemption/Determination was filed with the State Clearinghouse on March 15, 2000, and the waiting period expired on April 14, 2000.

Project Schedule

The project schedule is as follows:

Complete construction: December 2005

Due Diligence Status

A Summary of Conditions memo was issued on June 2, 2003. Based on the findings provided, there appears to be no significant issues that will affect the use of the facility.

Staff Recommendation: Adopt amended resolution.

BOND ITEM

BOND ITEM – 5

DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540)
WEAVERVILLE FOREST FIRE STATION, TRINITY COUNTY
Relocate Facility

Authority: Chapter 376/02, Item 3540-301-0660 (7)
Chapter 208/04, Item 3540-301-0660 (3)

a. Adopt a resolution to:

1. Authorize the use of interim financing to be repaid from the Public Building Construction from the proceeds from the sale of bonds.
2. Authorize the execution and delivery of a Construction Agreement between the Department of General Services and the State Public Works Board, with the consent of the Department of Forestry and Fire Protection.
3. Approve the form of and authorize the execution of a Site 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 a Facility Lease between the Department of Forestry and Fire Protection and the State Public Works Board.
5. Authorize the sale of the State Public Works Board Lease Revenue Bonds.

Total Estimated Bond Authorization:

\$2,552,000

APPROVED:

5/0

BOND ITEM

STAFF ANALYSIS ITEM – 5

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

Action requested

The action requested will adopt a resolution authorizing actions to be taken to provide for interim financing and authorizing the sale of lease revenue bonds.

Scope Description

This project is within scope. The approved project authorizes the construction of a standard CDF 8 bed barracks/mess hall building, two-bay apparatus building, a flammable storage building, fueling facility, upgrade water, electrical, and LPG services, grading and site work; utilities; paving; landscaping; and all appurtenances.

Funding and Cost Verification

This project is within cost. The Budget Acts of 1998, 1999 and 2001 provide a total of \$407,000 General Fund for acquisition, preliminary plans and working drawings; The Budget Acts of 2002 and 2004 provide a total of \$2,552,000 (\$1,971,000 and \$581,000 respectively) lease-revenue bonds for the construction phase of this project. A resolution was previously adopted by the Board for this project. The requested action will adopt a new resolution, which will supersede the prior resolution.

\$2,959,000 total estimated project costs

\$407,000 project costs previously allocated: acquisition \$208,000, preliminary plans \$53,000, and working drawings \$146,000

\$2,552,000 project costs to be allocated: construction \$2,552,000 (contract \$2,026,000; contingency \$101,000; A&E \$194,000 and other project costs \$231,000)

CEQA

A Notice of Determination was filed with the State Clearinghouse on April 6 1999 and the waiting period expired on May 7, 1999.

Project Schedule

The project schedule is as follows:

Complete construction: September 2006

Due Diligence

The Department of General Services has prepared a Summary of Conditions Memo for this project and no significant issues were identified.

Staff Recommendation: Adopt resolution.

CONSENT ITEM

CONSENT ITEM – 6

DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF PARKS AND RECREATION (3790)
EL PRESIDIO DE SANTA BARBARA STATE HISTORIC PARK, FRONT GATE
SANTA BARBARA COUNTY
DPR Parcel Numbers 7764-01, DGS Parcel Number 10273

Authority: Chapter 157/03, Item 3790-301-6029(10)

a. Authorize site selection

APPROVED:
3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 6

Department of General Services
Department of Parks and Recreation,
El Presidio de Santa Barbara State Historic Park, Front Gate

Action requested

The requested action will authorize site selection for this project.

Scope Description

This project is within scope. The Legislature has approved funding from Proposition 40: California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund for new acquisitions for the State Park System without specifying particular parcels. This request will authorize the site selection of approximately 0.68 acres that consists of three contiguous parcels that encompass the area which was formerly the main entrance (“Front Gate”) to El Presidio Real de Santa Barbara the oldest building in Santa Barbara and the second oldest in California. The acquisition of these parcels is necessary to complete Phase III of the development of El Presidio de Santa Barbara State Historic Park.

Funding and Cost Verification

This project is within cost. The funding source for the purchase is Chapter 157/03, Item 3790-301-6029(10). It is estimated that the property can be acquired with a portion of the remaining funds and in accordance with Legislative intent.

CEQA

A Notice of Exemption was filed with the State Clearinghouse on February 16, 2005, and the waiting period expired on March 23, 2005.

Project Schedule

The project schedule is as follows:

The anticipated close of escrow is November 2005

Condition of Property

Department of General Services, Environmental Services Section (ESS) staff conducted a site visit to El Presidio de Santa Barbara State Historic Park acquisition on February 3, 2005. The acquisition consists of an approximately 0.68-acre parcel (APN 031-011-077, APN 031-011-016, and a portion of APN 031-011-005) of land which is currently a paved asphalt parking lot located at 813-821 Santa Barbara Street in the city of Santa Barbara, California.

A Phase I Environmental Site Assessment (ESA) report prepared by Campbell Geo, Inc. on April 5, 2005, was reviewed by ESS staff and found to be in accordance with American Society of Testing and Materials (ASTM) standards. The primary item of concern identified in the ESA on the subject property is the clothes cleaning business that existed in the 1920s at 817 Santa Barbara Street. "Cleaning compounds from that era are believed to have been primarily petroleum-based compounds. Although it is not likely that large volumes of these chemical products were stored or used onsite, the former existence of a dry cleaning operation and the lack of documented waste disposal constitutes, in our opinion, a "recognized environmental condition," as defined by the ASTM Practice E 1527" (Campbell Geo, Inc. April 5, 2005:9).

The existence of chemical contamination of soil or groundwater that exceeds regulatory investigation standards is unknown, but cannot be completely ruled out at this site based upon historical use of the site and surrounding properties undergoing remediation for known contaminants. According to Campbell Geo, the following factors would improve the chances that only a small area of contamination exists at the 817 address, **IF** contamination exists at all:

- The type of chemical probably used at East Side Cleaners (petroleum-based, which degrades at a faster rate versus perchlorethylene);
- The apparently small footprint of the East Side Cleaners building;
- The 80 years since the business operated, and;
- The relatively short five-year period that the business operated.

Additionally, ESS staff identified the following questions:

1. What is the likelihood that the owner of the subject property will be required to assess or remediate groundwater contamination originating from the two former gasoline service stations identified nearby at Canon Perdido (~375 feet southwest of the subject parcel) and Anacapa Streets (~350 feet west of the subject parcel)?
 - Both of these former stations (Unocal and Chevron) are being investigated under the oversight of Santa Barbara County Fire Prevention Division's LUFT Program, which is the local oversight program for the Central Coast Regional Water Quality Control Board (CCRWQCB). Remediation has not begun at either site and site assessment work is in progress. Shallow groundwater contamination between each of the former service station sites and the subject acquisition parcel has not been completely defined. However, the responsible parties have been identified as the gas station owners.

Groundwater contamination reportedly does not extend as far as the subject acquisition parcel. It is unlikely that the subject acquisition property owner would be required to assess or remediate contamination originating from the former Unocal or Chevron service stations (*Additional*

2. What is the risk to site workers from potential onsite contamination when subsurface archaeological investigation or site grading begins?
 - No subsurface contamination from the previous dry cleaning operation on the subject property is known to exist. Existing human health risks to site tenants, passersby, or site workers, are unknown, but no obvious or reported conditions (soil staining, chemical odors, etc.) exist. The risk to future site workers would be evaluated by subsurface investigation of contamination prior to and in conjunction with future archaeological work or construction that would disturb the site (Campbell Geo, June 2005:3).

This area of the subject property is sensitive due to the presence of cultural resources. To protect the cultural resources, subsurface investigation would be best performed in conjunction with archaeological site work which is not planned for several years.

3. What is the risk that the owner of the subject property will be required to conduct assessment or remediation of onsite contamination, **IF** found?
 - There is no current regulatory requirement to investigate the unconfirmed presence of subsurface contamination at the subject acquisition property. In the absence of new information, it is not anticipated that any government agency would require site assessment or remediation in the near future. The East Side Cleaners has been identified as the past land use most likely to have caused contamination of soil or groundwater with chemicals with established regulatory cleanup levels. Since the cleaners operated in the 1920s, it is assumed that petroleum-based compounds were used, rather than more modern chlorinated compounds, such as perchlorethylene (PCE), used by dry cleaners since the 1930s.

Biochemical degradation of petroleum products is known to occur at a faster rate than it does with PCE, suggesting that a contamination problem, *if it exists*, may be relatively minor. The small size of the building, the short time period the dry cleaner operated, and the 80 years transpired since it operated also improve the chances of a small or non-existent contamination problem (Campbell Geo, June 2005:3).

The acquisition of these parcels is necessary to complete Phase III development of El Presidio de Santa Barbara State Historic Park which would involve conducting archaeological investigations. Phase III is not intended to be undertaken for several years at which time more information regarding site characterization and remediation of nearby contaminated properties will be known. Subsurface investigations for soil and/or groundwater contamination of the subject property, if deemed necessary, may be undertaken at the time of Phase III development implementation. The coordination of any potential remedial investigation and cultural resource investigation would protect site workers as well as subsurface archaeological deposits. No additional “visible” (e.g., ground and or vegetation staining) potential problems with hazardous materials were observed during the ESS site visit and the property is compatible with the proposed future use.

Other:

- The purchase price shall not exceed the 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 unoccupied and there is no relocation assistance involved with this project.
 - There is no implied dedication applicable to this property.
 - The property is currently used as a parking lot that will continue to be operated as such by current owner Santa Barbara Trust for Historic Preservation (Trust) for DPR's Channel Coast District. Eventually, the parcel will be built out as El Presidio buildings and grounds reminiscent of the original El Presidio that was built in 1782. DPR has an Operating Agreement (OA) with the Trust to acquire property, develop, manage and operate El Presidio de Santa Barbara SHP. Revenue generated by the Front Gate Property will remain with the Trust as outlined in the OA.
 - Because the property will continue to be used as a parking lot operated by the Trust, the Department does not anticipate the need for additional staffing and operating expenses to continue operation under the operating agreement.
 - Any changes to public access, development, or resource needs will be addressed through the normal budget process.
 - Prior to DPR seeking acquisition approval, staff recommends that assurances be put in place to protect against any soil and/or groundwater contamination that may exist on the property due to either the dry cleaning operation or the service stations. Assurances may be satisfied by, but are not limited to, either a remediation escrow account funded by the Trust, or a pollution legal liability insurance policy insuring the State or other means that would protect the State's interest.

Staff Recommendation: Authorize site selection

CONSENT ITEM

CONSENT ITEM – 7

DEPARTMENT OF TRANSPORTATION (2660)
DISTRICT 4 OFFICE BUILDING, OAKLAND, ALAMEDA COUNTY
Seismic retrofit of District 4 Office Building

Authority: Chapter 208/04 Item 2660-311-0042 (1) (b) P
Chapter 38/05 Item 2660-311-0042 (1) (c) W

- a. **Approve Preliminary Plans**
- b. **Approve Augmentation of Working Drawings** **\$200,000**
(6.0% Total Project)
(9% Cumulative Augmentations to Total Project)

APPROVED:
3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 7

Department Of Transportation
District 4 Office Building, Oakland, Alameda County
Seismic Retrofit of District 4 Office Building

Action requested

The requested action will provide approval of preliminary plans and augmentation of working drawings.

Scope Description

This project is within scope. This building has been rated as a risk level V under the State Seismic Guidelines and will be retrofitted to meet risk level III requirements. The project will retrofit the District 4 office building using a combination of viscous dampers and retrofit (using double welded haunches) approximately 60% of the moment connections.

Funding and Cost Verification

This project is not within cost.

Chapter 208, Statutes of 2004, Item 2660-311-0042 (1) (b) appropriated \$1,338,000 for Preliminary Plans (PP). The project was augmented by \$120,000 to pay for an additional full scale testing at the University of California San Diego (UCSD) of the retrofitted moment connection.

An additional augmentation is required to proceed with working drawings for structural analysis and design of the Double Welded Haunch and the associated mechanical, architectural, plumbing design and detailing (plans & specification) associated with this change in retrofit scheme.

\$48,347,400 Total estimated project costs.

\$3,847,000 Project costs previously allocated: (working drawings \$2,210,000, preliminary plans \$1,458,000, study \$179,000).

\$44,300,400 Project costs to be allocated: construction \$44,300,400 (\$32,072,300 contracts, \$2,245,100 contingency, \$9,983,000 A&E/Agency Retained/other project costs).

\$200,000 Augmentation of working drawings

CEQA

A Notice of Exemption was filed with the State Clearinghouse on March 30, 2005. No comments were received. The project qualified for Categorical Exemption and is clear environmentally.

Due Diligence Status

Due Diligence was completed and submitted to the Department of Finance on January 13, 2005.

Project Schedule

The project schedule is as follows:

Approve preliminary plans:	October 2005
Approve working drawings:	August 2006
Approve to proceed to bid:	September 2006
Complete construction:	January 2010

Staff Recommendation: **Approve Preliminary Plans and augmentation for working drawings.**

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CONSENT ITEM

CONSENT ITEM – 8

DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540)
BAUTISTA CONSERVATION CAMP, RIVERSIDE COUNTY
Replace Modular Buildings

Authority: Chapter 50/99, Item 3540-301-0001(47)
Chapter 379/02, Item 3540-301-0660 (20)
Chapter 208/04, Item 3540-301-0660 (6)
Chapter 38/05, Item 3540-301-0660 (3.9)

a. Approve preliminary plans

APPROVED:
3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 8

Department of Forestry and Fire Protection
Bautista Conservation Camp - Replace Modular Buildings

Action requested

The requested action will approve preliminary plans for this project.

Scope Description

The project is within scope. The approved project will replace existing dormitories, kitchen/mess hall and bachelor officers quarters (BOQ) with five 1,500 +/- sf dormitories, a 4,500 +/- sf kitchen/mess hall, a 2,450 +/- sf BOQ using either wood frame construction or structural insulated panels (SIPs) with a stucco exterior treatment and a 300 +/- sf generator storage building. Purchase one 800 amp, 208 volt generator to supplement the existing emergency generator.

Funding and Cost Verification

This project is within cost.

\$4,898,000 total authorized project costs

\$4,898,000 total estimated project costs

\$180,000 project costs previously allocated: preliminary plans \$168,000 and construction \$12,000

\$4,718,000 project costs to be allocated: working drawings \$323,000, construction \$4,407,000 (\$3,613,000 contract; \$252,000 contingency; \$318,840 A & E and \$202,260 other project costs; \$20,000 agency retained)

CEQA

A Notice of Exemption was filed on January 31, 2000, and the waiting period expired on March 5, 2000.

Project Schedule

The project schedule is as follows:

Approve preliminary plans:	October 2005
Approve working drawings:	April 2006
Complete construction:	April 2008

Staff Recommendation: Approve preliminary plans

CONSENT ITEM

CONSENT ITEM – 9

**DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540)
MOUNT SAINT HELENA, SONOMA COUNTY**

Mount Saint Helena, Communications Facility: Renovation

Authority: Chapter 208/04, Item 3540-301-0001 (4)

- a. **Approve preliminary plans**

APPROVED:

3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 9

Department of Forestry and Fire Protection
Mount Saint Helena, Sonoma County
Mount Saint Helena, Communications Facility: Renovation

Action requested

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

Scope Description

This project is within scope. This project will replace portions of telecom transmission facility: construct a combination radio equipment vault/generator building, with interior climate control equipment and new backup electric generator. Project also includes site preparation, 2-propane tanks with concrete pad, on-site utilities connections, transfer and installation of existing and upgraded CDF radio equipment onto/into new tower and vault, site perimeter fencing and demolition and removal of existing radio equipment vault, generator building and radio tower.

Funding and Cost Verification

This project is within cost.

\$500,000 total estimated project costs

\$34,000 project costs previously allocated: preliminary plans (\$21,000) and working drawings (\$13,000).

\$466,000 project costs to be allocated: construction (\$435,000 contract; \$22,000 contingency; \$9,000 A&E; and other project costs).

CEQA

A Notice of Exemption/Determination was filed with the State Clearinghouse on December 1, 2004 and the waiting period expired on January 1, 2005.

Project Schedule

The project schedule is as follows:

Approve preliminary plans:	October 2005
Approve working drawings:	December 2005
Complete construction:	October 2006

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

CONSENT ITEM

CONSENT ITEM – 10

**CALIFORNIA DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)
DEUEL VOCATIONAL INSTITUTION, TRACY, SAN JOAQUIN COUNTY**
Groundwater Treatment/Non-Potable Water Distribution System

*Authority: Chapter 208, Statutes of 2004, Item 5240-301-0001(3), 61.06.029
Chapter 38, Statutes of 2005, Item 5225-301-0001(9)*

- a. **Approve augmentation of working drawing phase** **\$220,000**
(16.5 percent of total appropriations)

APPROVED:
3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 10

Department of Corrections and Rehabilitation
Deuel Vocational Institution, Tracy, San Joaquin County
Groundwater Treatment/Non-Potable Water Distribution System

Action Requested

The requested action will approve an augmentation to the working drawings phase of the project.

Scope Description

This project is within scope. This project includes construction of a water treatment plant and non-potable water distribution system at the Deuel Vocational Institution (DVI). The project includes groundwater treatment by reverse osmosis (RO), a water regulating tank, brine drying and disposal, and electrical system upgrades to accommodate the RO system and drying process. The non-potable water distribution system will include a pumping system, storage tank, new transformer and motor control circuits, and piping.

Funding and Project Cost Verification

This project is not within cost. The Department of Corrections and Rehabilitation (DCR) is requesting an augmentation of the working drawings phase of the project. The original budget for working drawings was developed by estimating the project's complexity and comparing it to similar projects. The estimate included funds budgeted for architectural and engineering (A&E) services, \$880,000. When DCR developed the detailed State's estimate for A&E services, the number of drawings required was double the amount previously estimated. The increase in drawing requirements was primarily due to the underestimation of the project's complexity and additional soil testing requirements. The reverse osmosis system requires a complex plumbing system for pre-filters, back flushing, and adding chemicals. The system also has a complex control and monitoring systems, and is less tolerant to fluctuations in flow and pressure. The increase in the number of drawings required has increased the cost estimate for A&E services by \$220,000. Completion of the RO system is critical to meet the cease and desist order filed against DVI's wastewater treatment plant. Failure to comply with the order exposes the DCR to hundreds of thousands of dollars in fines for past violations. Consequently, an augmentation to the project's working drawings phase is necessary.

A 20 day letter was sent to the Legislature on September 26, 2005, and the waiting period will expire on October 16, 2005.

\$24,732,000	total estimated project cost
\$1,712,000	project costs previously allocated: preliminary plans \$624,000; working drawings \$1,088,000
\$22,800,000	project costs to be allocated: construction \$22,800,000 (contract \$20,447,000; contingency \$1,022,000; agency retained \$112,000; project administration \$544,000; other project costs \$675,000)
\$220,000	proposed augmentation: working drawings \$220,000

CEQA

A Mitigated Negative Declaration was filed with the State Clearing House on May 5, 2005.

Project Schedule

The project schedule is as follows:

Completion of Working Drawings: June 2006

Construction Completion: December 2007

Due Diligence Status

Due Diligence is anticipated to be completed in October 2005.

Staff Recommendation: Approve augmentation

**California Department of Corrections and Rehabilitation
DEUEL VOCATIONAL INSTITUTION
Groundwater Treatment/Non-Potable Water Distribution System
PROJECT COST AND FUNDING SUMMARY**

State Public Works Board Meeting: October 7, 2005

Augmentation of Working Drawings

COSTS:

AUTHORITY DATE	Supplemental Report Budget Act 2004-2005	PWB Augmentation 12/10/04	Supplemental Report Budget Act 2005-2006	PWB 10/7/05	DIFFERENCE
Preliminary Plans	\$570,000	\$624,000	\$624,000	\$624,000	\$ 0
Working Drawings	\$751,000	\$751,000	\$1,088,000	\$1,308,000	\$220,000
Construction	\$9,304,000	\$9,304,000	\$22,800,000	22,800,000	\$ 0
Contract	\$8,340,000	\$8,340,000	\$20,447,000	\$20,447,000	\$ 0
Contingency	\$348,000	\$348,000	\$1,022,000	\$1,022,000	\$ 0
Project Admin.	\$580,000	\$580,000	\$544,000	\$544,000	\$ 0
Agency-Retained	\$36,000	\$36,000	\$112,000	\$112,000	\$ 0
Other Project Costs			\$675,000	\$675,000	\$ 0
Total Project Cost	\$10,625,000	\$10,679,000	\$24,512,000	\$24,732,000	\$220,000

FUNDING:

CHAPTER/ITEM	PHASE	AMOUNT	COMMITTED	NET
Ch 208/04, 5240-301-0001(3)	P	\$570,000	\$570,000	\$ 0
Executive Order C04/05-71	P	\$54,000	\$44,062	\$9,938

CHAPTER/ITEM	PHASE	AMOUNT	COMMITTED	NET
Ch 38/05, 5225-301-0001(9)	W	\$1,088,000	\$0	\$1,088,000
Proposed Augmentation	W	\$220,000	\$0	\$220,000
Future Funding	C	\$22,800,000	\$0	\$22,800,000
TOTALS		\$24,732,000	\$614,062	\$24,117,938

CONSENT ITEM

CONSENT ITEM – 11

DEPARTMENT OF EDUCATION (6110)
STATE SPECIAL SCHOOLS AND SERVICES DIVISION,
CALIFORNIA SCHOOL FOR THE DEAF, RIVERSIDE CAMPUS
RIVERSIDE COUNTY
Dormitory Replacement and Chiller

Authority: Ch. 208/04, 6110-301-0660 (1)

- a. Approve preliminary plans (Phase II and III - Chiller Pipes and Dormitory)
- b. Approve augmentation (Working Drawings) \$110,000
(0.15% total project cost)
- c. Recognize anticipated deficit (Construction) \$335,000
(0.48% total project cost)

APPROVED:
3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 11

Department of Education, State Special Schools and Services Division,
California School for the Deaf, Riverside
Dormitory Replacement and Chiller

Action Requested

The requested action will approve preliminary plans for the dormitory and central chiller plant portion of this project, augment the working drawings phase for the dormitory, and recognize and anticipated deficit in the construction phase.

Scope Description

This project is within scope. The project will demolish and replace 11 dormitory buildings and three apartment style buildings at the California School for the Deaf in Riverside. The project also includes construction of a central chiller plant and associated infrastructure to cool the Riverside campus.

Funding and Project Cost Verification

The project is not within cost. To comply with standards to achieve Leadership in Energy and Environmental Design (LEED) Silver accreditation, the project needs additional funds.

Specifically, an additional \$110,000 is being requested during the working drawing phase for architectural and engineering (AE) costs necessary to implement the design elements to obtain Silver Certification. The anticipated costs during construction are \$200,000 for AE costs, and \$135,000 for construction hard costs (\$129,000 contract and \$6,000 contingency).

\$70,392,000 total estimated project costs

\$69,948,000 total authorized project costs

\$67,845,000 project costs to be allocated: Working Drawings \$2,240,000 and construction \$65,605,000 (\$55,097,000 contract, \$2,755,000 contingency, \$6,397,000 A&E, and 1,356,000 Agency Retained) at CCCI 4411

\$2,103,000 project funds previously allocated: preliminary plans (\$1,934,000) and partial working drawings (\$169,000) for Dorms and Central Chiller plant

\$110,000 project costs to be augmented: working drawings for dormitory

\$335,000 anticipated deficit to project costs: construction \$335,000 (\$129,000 contract, \$6,000 contingency, and \$200,000 A&E) at CCCI 4411

CEQA

A Notice of Exemption for the dormitory and chiller portion of the project was filed with the State Clearing House on September 9, 2005, and the waiting period expires on October 10, 2005.

Due Diligence

Due Diligence investigation for the entire Riverside Campus was concluded and revealed no easement, agreements or unrecorded rights that affect or adversely impact the quiet enjoyment of project or project areas.

Project Schedule

The project schedule is as follows:

Approve working drawings for Phase I (Chiller Pipes):	December 2005
Approve working drawings (Dormitory and Chiller):	July 2006
Complete construction Phase I (Chiller Pipes):	November 2006
Complete project construction (all phases):	September 2009

Staff Recommendation: **Approve Preliminary Plans (Dormitory and Chiller), approve augmentation, and recognize anticipated deficit.**

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CONSENT ITEM

CONSENT ITEM – 12

UNIVERSITY OF CALIFORNIA (6440)
LOS ANGELES CAMPUS, LOS ANGELES COUNTY
Life Sciences Replacement Building

Authority: Chapter 208/04, Item 6440-301-6041 (5)
Chapter 38/05, Item 6440-301-6041 (4)
Chapter 38/05, Item 6440-302-0574 (1)
Chapter 38/05, Item 6440-302-6028 (1)
Chapter 38/05, Item 6440-302-6041 (5.5)

a. **Approve preliminary plans.**

APPROVED:
3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 12

University of California, Los Angeles
Life Sciences Replacement Building

Action requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. The Life Sciences Replacement Building project will construct a replacement building for the existing Life Sciences Building, which does not meet program requirements or current life-safety code requirements. The new building will accommodate portions of the Departments of Molecular, Cell and Developmental Biology; Physiological Science; and Organismic Biology, Ecology and Evolution and include research laboratories, offices, special collections, scholarly activity space, a vivarium, and building support space.

Funding and Project Cost Verification

This project is within cost.

\$135,822,000	total estimated project costs
\$4,669,000	project costs previously allocated: preliminary plans -- \$2,200,000 (State funds), \$2,469,000 (campus funds)
\$131,153,000	project costs to be allocated: working drawings -- \$4,740,000 (State funds), \$1,362,000 (campus funds); construction -- \$83,382,000 (State funds), \$38,169,000 (campus funds); equipment -- \$3,500,000 (campus funds)

CEQA

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

Due Diligence

University of California (UC), on behalf of the Regents of the UC, is vested with the authority for management of the property for the benefit of the university and acknowledges that they have full responsibility for reviewing and clearing due diligence title issues for general obligation bond funded projects.

Project Schedule

The project schedule is as follows:

Approve working drawings:	May 2006
Complete construction:	May 2009

Staff Recommendation: Approve preliminary plans

CONSENT ITEM

CONSENT ITEM – 13

UNIVERSITY OF CALIFORNIA (6440)
SAN DIEGO CAMPUS, SAN DIEGO COUNTY
Music Building

Authority: Chapter 208/04, Item 6440-301-6041 (13)
Chapter 38/05, Item 6440-301-6041 (10)
Chapter 38/05, Item 6440-491 (1)

a. **Approve preliminary plans**

APPROVED:
3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 13

University of California, San Diego
Music Building

Action requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. The Music Building Project will construct 47,294 assignable square foot (asf) of new instructional spaces, practice rooms, group performance spaces, faculty studios, administrative support space and a 400-seat recital hall for the Department of Music.

Funding and Project Cost Verification

This project is within cost.

\$42,056,000 total estimated project costs

\$1,711,000 project costs previously allocated: preliminary plans -- \$1,711,000 (State funds)

\$40,345,000 project costs to be allocated: working drawings -- \$2,091,000 (State funds),
construction -- \$36,125,000 (State funds), equipment -- \$2,129,000 (State funds)

CEQA

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

Due diligence

University of California (UC), on behalf of the Regents of the UC, is vested with the authority for management of the property for the benefit of the university and acknowledges that they have full responsibility for reviewing and clearing due diligence title issues for general obligation bond funded projects.

Project Schedule

The project schedule is as follows:

Approve working drawings: October 2005

Complete construction: May 2008

Staff Recommendation: Approve preliminary plans

CONSENT ITEM

CONSENT ITEM – 14

CALIFORNIA COMMUNITY COLLEGES (6870)
RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT
SANTIAGO CANYON COLLEGE, ORANGE COUNTY
Science Building

Authority: Chapter 157/03, Item 6870-301-6028 (55) P W
Chapter 208/04, Item 6870-490-Reappropriate W
Chapter 38/05, Item 6870-490-Reappropriate W
Chapter 208/04, Item 6870-301-6041(38) C
Chapter 38/05, Item 6870-490-Reappropriate C
Chapter 38/05, Item 6870-301-6041(28) E

a. Approve Preliminary Plans

APPROVED:
3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 14

California Community Colleges
Rancho Santiago Community College District
Santiago Canyon College, Orange County
Science Building

Action Requested

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

Scope Description

The project is within scope. The authorized scope of the project constructs a new 24,128 Assignable Square Foot science building with 3,600 ASF of lecture space, 15,988 ASF of laboratory space, 4,320 ASF of office space, and 220 ASF of library space.

Funding and Project Cost Verification

This project is not within cost but cost increases will be solely supported by local funds. The district in response to passage of a local bond that would finance a number of buildings on the campus, prepared a campus-wide environmental impact report. The review and approval of the EIR delayed the completion of the preliminary plans on this project and increased the project costs. The cost increases will be paid for by the district.

\$12,612,000 total authorized project costs

\$18,948,000 total estimated project costs

\$373,000 project funds previously allocated: preliminary plans \$373,000

\$12,239,000 project funds to be allocated: working drawings \$400,000, construction \$10,972,000 (\$9,874,000 contracts, \$494,000 contingency, \$604,000 construction management, administration, testing and inspection) at CCI 4100 and equipment \$867,000 at EPI 2649

\$158,000 local funds previously allocated: preliminary plans: \$158,000

\$6,178,000 local funds to be allocated: working drawings \$255,000, construction \$5,923,000 (\$4,938,000 contracts, \$247,000 contingency, \$738,000 construction management, administration, testing and inspection) at CCI 4100

CEQA

An Environmental Impact Report Notice of Determination (#2004111151) was filed with the State Clearinghouse on July 26, 2005 and the waiting period has expired.

Due Diligence

Community college districts are local entities and the State does not have title to their real property, hence districts acknowledge that they have full responsibility for clearing due diligence issues for general obligation bond projects.

Project Schedule

The project schedule is as follows:

Complete working drawings:	January 2006
Award contract:	November 2006
Complete construction:	July 2008

Staff Recommendation: Approve preliminary plans

ACTION ITEM

ACTION ITEM – 15

DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF VETERANS AFFAIRS (8955)
REDDING VETERANS' HOME, SHASTA COUNTY
DVA Project Number 004, DGS Parcel Number 10218

Authority: Government Code Sections 15819.60 and 15819.65

- a. **Authorize the acquisition of real property through the acceptance of a no cost acquisition**

APPROVED:
3/0

ACTION ITEM

STAFF ANALYSIS ITEM — 15

Department of General Services
Department of Veterans' Affairs
Redding Veterans' Home

Action requested

The requested action will authorize the acquisition of real property through the acceptance of a no cost acquisition.

Scope

This project is within scope. The City of Redding, Shasta County, California, has offered to the State as a no cost acquisition approximately twenty-six acres of vacant land for the purpose of developing a California Department of Veterans' Affairs (CDVA) veterans' residential and day care facility.

Funding and Cost Verification

This project is within cost. Government Code Sections 15819.60 and 15819.65 provide a \$162,000,000 lease revenue appropriation for the purpose of constructing veterans' homes throughout California, including the Redding site. However, this law requires that the construction of the Redding Veterans' Home may not commence until the Greater Los Angeles and Ventura Counties Veterans Homes project (GLAVC) has been fully funded. Assuming the GLAVC project remains within budget at \$78,000,000 lease revenue bonds, it is estimated \$84,000,000 will remain for both the Redding and Fresno Veterans' Homes. Pursuant to Government Code Section 15849.1, a General Fund loan was approved to fund \$57,000 to pay Department of General Services (DGS) staff costs attributable to due diligence and CEQA compliance necessary prior to the acceptance of this no-cost acquisition. The General Fund will be repaid from the proceeds of the aforementioned lease revenue bonds.

CEQA

A Notice of Exemption was filed with the State Clearinghouse on August 31, 2005, and the statute of limitations period expired on October 5, 2005.

Project Schedule

The project schedule is as follows:

The anticipated close of escrow is November, 2005.

Condition of Property

Staff of DGS, Environmental Services Section (ESS) conducted a site visit to the proposed Redding Veterans Home property on July 19, 2005. The property has also been surveyed on other site visits in the past 18 months by ESS staff. The property consists of an irregular-shaped parcel situated on the north side of Knighton Road just east of Churn Creek. The approximately 26-acre parcel is currently owned by the City of Redding.

The proposed acquisition site consists of generally undisturbed oak woodland and grassland. The only contemporary, human-induced modifications to the property are a few dirt paths through the middle and northern edge of the property. There is no evidence of any current or former structures on the property. The historic use of the property is open space and grazing; there was historically very limited access to this property prior to the recent extension of

Knighton Road to the airport from Churn Creek Road. The very northern edge of the property contains a drainage swale, but this wetland area does not encroach on any planned development areas of the property. The site contains a number of mature valley oaks. The property is generally level and appears to meet the design standards for new state veterans' homes.

The adjacent land uses are a combination of similar open space, a small area of limited aggregate mining (in-stream in Churn Creek), a golf course, and rural residential development. The Redding Airport is approximately a quarter mile east of the site on Knighton Road. There is no observable evidence of industrial, commercial, or intense agricultural uses on the directly-adjacent properties that could present a concern for indirect environmental contamination.

While the property has no history of known developed uses, a Phase I Site Assessment has been prepared for this property because of its proximity with adjacent urban development (airport, mining, golf course, etc.) in the Redding Airport area. The most recent survey of the property revealed the presence of two-three small piles of household debris near the northern edge of the parcel. ESS staff are in contact with the City regarding the removal of this debris and any other revealed during preparation of the formal site assessment prior to the transfer of the parcel, as well as possible consideration of installing a temporary access barrier to the driveway from Knighton Road. The intent of this barrier, if feasible, would be to inhibit casual, unofficial access to the property. The Phase I Site Assessment concluded no hazardous conditions or environmental concerns were observed on the property and no further assessment of the environmental conditions of the site would be necessary.

Other

- The site meets the requirements of the CDVA.
- The CDVA will manage and operate the facility once constructed.
- There is no relocation assistance involved with this project.
- The Agreement for the Conveyance and Acceptance of Real Property (Agreement) is subject to a reversionary clause. The Agreement provides for that in the event the State does not commence construction of the project within seven years from the date of transfer of title from the City to the State, the City may request that the State transfer title to the property back to the City. For the purposes of the Agreement, commencement of construction shall be the date shown on the State's "Notice to Proceed".
- The City adopted Resolution No. 2005-116 on September 6, 2005, authorizing the Mayor to sign the deed and agreement to convey the property from the City to the State to construct a Veterans home
- DGS will execute a Transfer of Jurisdiction to the CDVA upon acceptance of title.
- The City of Redding, as provided in the Agreement, has agreed to assist in maintaining the property, during the interim period prior to construction, in a safe and clean condition at no cost to the State by performing the following: 1) Post "No Trespassing" signs along the perimeter of the property; 2) Remove any and all items of debris disposed on the property; 3) Install a barricade or obstruction to any road(s) currently existing or created on the property where trespassing or intrusion are likely to occur; and 4) Provide drive-by inspections of the property periodically and notify the State of any adverse activities that may be observed.

Staff Recommendation: Authorize the acquisition of real property through acceptance of a no cost acquisition

OTHER BUSINESS

OTHER ITEM –

No Other Business.

REPORTABLES

To be presented at meeting.

Respectfully Submitted
By:

ROCEL BETTENCOURT
Assistant Administrative Secretary