STATE PUBLIC WORKS BOARD
February 11, 2005
MINUTES

PRESENT:
Ms. Anne Sheehan, Chief Deputy Director, Department of Finance
Ms. Cindy McKim, Chief Financial Officer, Department of Transportation
Mr. Rob Cook, Deputy 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:
Michael Carter, Assistant Administrative Secretary, State Public Works Board
Rocel Bettencourt, Assistant Administrative Secretary, State Public Works Board
Deborah Cregger, Legal Counsel, State Public Works Board
Kathy Chovan, Legal Counsel, State Public Works Board
Tamara Moss, Acting Executive Secretary, State Public Works Board
Brian Dewey, Budget Analyst, Department of Finance
Debbie Dills, Budget Analyst, Department of Finance
Chris Lief, Budget Analyst, Department of Finance
Peter Brown, Budget Analyst, Department of Finance

OTHERS PRESENT:
Rob Kane, Department of Parks and Recreation
David Wrightsman, Department of Parks and Recreation
Pat Rogers, Department of Parks and Recreation
Geoff Palmertree, State Treasurer’s Office
Aaron Todd, State Treasurer’s Office
Chris Kooyman, State Treasurer’s Office
Barbara Tanaka, State Treasurer’s Office
Etsuko Stone, State Treasurer’s Office
Diane Elliott, Department of General Services
Shelley Whitaker, Department of General Services
Bob Clark, Department of General Services
Michael Salyer, Department of General Services
CALL TO ORDER AND ROLL CALL:
Ms. Sheehan, Chairperson, Chief Deputy Director, Department of Finance at 10:01 am called the meeting to order. Ms. Karen Finn, Administrative Secretary for the State Public Works Board called the roll. A quorum was established.

APPROVAL OF MINUTES
Ms. Finn reported that staff has reviewed the minutes from the January 14, 2005 meeting and believe them to accurately represent the actions of the Board.

Hearing no objections, the minutes from the January 14, 2005 regular meeting were unanimously approved.

It is noted a correction has been made to the January 14, 2005 minutes. Items of Other Business was reported as no items, when in fact there was one Item #19 to authorize an amendment to each of the Board's bond counsel contracts to add time-only. The item was approved with a 3/0 vote.

There were no contingent actions from the previous meeting and staff recommends approval.

BOND ISSUES:
Ms. Finn stated that there were five bond items.

Bond Item #1, California Science Center, Phase II, Los Angeles County. If approved, the requested action will adopt a resolution authorizing the use of interim financing and the eventual sale of lease revenue bonds. Staff recommends adoption and approval of the resolution.

A motion was made by Ms. Aronberg and Second by Mr. Lujano to approve Bond Item #1. Bond Item #1 was approved by a 5-0 vote.

Bond Item #2, Department of Forestry and Fire Protection, Sonora Forest Fire, Relocate Facility. If approved, the requested action will adopt a resolution authorizing the use of interim financing and the eventual sale of lease revenue bonds. Staff recommends adoption and approval of the resolution.

A motion was made by Mr. Cook and second by Mr. Lujano to approve Bond Item #2. Bond Item #2 was approved by a 5-0 vote.

Bond Item #3, Department of Forestry and Fire Protection, Fort Jones Forest Fire, Relocate Facility. If approved, the requested action will adopt a resolution authorizing the use of interim financing and the eventual sale of lease revenue bonds. Staff recommends adoption and approval of the resolution.

A motion was made by Mr. Lujano and Second by Ms. Aronberg to approve Bond Item #3. Bond Item #3 was approved by a 5-0 vote.

Bond Item #4, Department of Forestry and Fire Protection, Ukiah Forest Fire, Replace Apparatus Building. If approved, the requested action will adopt a resolution authorizing the use of interim financing and the eventual sale of lease revenue bonds. Staff recommends adoption and approval of the resolution.

A motion was made by Mr. Cook and Second by Ms. Aronberg to approve Bond Item #4. Bond Item #4 was approved by a 5-0 vote.
Bond Item #5, Department of Veterans Affairs, Los Angeles and Ventura Counties, Greater Los Angeles and Ventura County Homes. If approved, the requested action will adopt a resolution authorizing the use of interim financing and the eventual sale of lease revenue bonds. Staff recommends adoption and approval of the resolution.

A motion was made by Mr. Lujano and Second by Ms. Aronberg to approve Bond Item #5. Bond Item #5 was approved by a 5-0 vote.

CONSENT CALENDAR:
Ms. Finn stated that in summary, the Consent Calendar covers Items #6 through #17 proposes: one request to the "Construction Management and Funding Agreement" between the California Science Center, the California Science Center Foundation, and the Department of General Services, two requests to authorize site selection, one request to authorize a no cost acquisition, one request to authorize the sale of state surplus property, three requests to approve scope change, one request to approve use of Inmate Day Labor, approve new line items within the agency retained cost category, and approve redirection of existing project authority, two requests to approve preliminary plans, and one request to approve augmentation.

There were four 20-day letters for these items: Item #11, Department of Parks and Recreation, Eastshore State Park, Alameda and Contra Costa Counties, Planning and Public Park Improvements—Scope Change. A 20-day letter was sent to the Legislature on January 27, 2004, and approval is contingent upon the expiration of the notification period on February 16, 2005 without comment.

Item #14, California Community Colleges, Mt. San Jacinto Community College District, Menifee Valley Center, Riverside County Learning Resource Center—Augmentation. A 20-day letter was sent to the Legislature on January 27, 2005, and approval is contingent upon the expiration of the notification period on February 16, 2005 without comment.

Item #15, California Community Colleges, Palo Verde Community College District, Palo Verde College, Riverside County, Technology building Phase II—Scope Change. A 20-day letter was sent to the Legislature on January 26, 2005, and approval is contingent upon the expiration of the notification period on February 15, 2005 without comment.

4) Item #16, California Community Colleges, San Luis Obispo County Community College District, Cuesta College, San Luis Obispo County, Theater Arts Building—Scope Change. A 20-day letter was sent to the Legislature on January 27, 2005, and approval is contingent upon the expiration of the notification period on February 16, 2005 without comment.

Staff recommends approval of the Consent Calendar Items #6 through #17.

A motion was made by Mr. Cook and Second by Ms. McKim to adopt the Consent Calendar Items #3 through #17.

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

ACTION ITEMS:
Ms. Finn stated that there were three Action Item.

Action Item #18 is for the Department of General Services, Department of Parks and Recreation, Richardson Grove State Park, Forster-Gill/Hostetter, Humboldt County, to authorize the acquisition of three parcels of approximately 51 acres contiguous to the Richardson Grove State Park.

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Action Item #19 is for the Department of General Services, Department of Parks and Recreation, Sand Hill Bluff, Santa Cruz County, to authorize the acquisition of 90 acres and appropriate appurtenant public access easements from a total of 154 acres that will be protected as coastal agriculture along the Santa Cruz coastline.

Action Item #20 is for the Department of General Services, Department of Parks and Recreation, Humboldt Lagoons State Park, Cook and Eel River Sawmills, Humboldt County, to authorize the acquisition of approximately 184 acres of forest land in three parcels contiguous to the Humboldt Lagoons State Park.

Ms. Finn stated that the items are all acquisitions which the department is asking for acquisition exclusive of the normal indemnification actions that we ask the departments to take. We ask that the departments to come brief the Board.

Although PWB’s staff are recommending approval of these items, Department of Parks and Recreation staff would like to present to the Board why the standard indemnification language for these three items is not included in the proposals. Also, for Items #18 and #20, DPR staff will explain revisions to their previously estimated needs.

Ms. Susan Stratton, Department of General Services, stated that there was repeated agricultural and pesticide use at Sand Hill Bluff, and that limited soil samples and found out that the limits for one particular chemical were at or below residential use. Parks is not planning on putting any camping sites. It has been 15 years since the particular chemical has been allowed to be used in the area. There is no indication that there were areas of dumping or mixing, so no heavily identified concentration areas at the site. The only recommendation would be that when trails are going to be built a hygienist work with the maintenance crews wearing gloves when working with the soil.

Mr. Pat Rogers, Department of Parks and Recreation, stated that he was addressing why Parks feels the indemnification concerns is a low risk to the State. Given the historical use of the property as indicated through the Department of General Services, that it is a relatively low risk harm to the State.

A motion was made by Mr. Cook and Second by Ms. McKim to approve Action Item #18.

Action Item #18 was approved by a 3-0 vote.

A motion was made by Ms. McKim and Second by Mr. Cook to approve Action Item #19.

Action Item #19 was approved by a 3-0 vote.

A motion was made by Mr. Cook and Second by Ms. McKim to approve Action Item #20.

Action Item #20 was approved by a 3-0 vote.

OTHER BUSINESS:
Ms. Finn stated there was one item of other business the PWB calendar. Ms. noted that the dates of the Screening Meetings had been changed.

REPORTABLES:
Ms. Finn indicated that there were four reportable items that Finance staff had approved under the authority delegated by the Board.
**NEXT MEETING:**
Ms. Finn stated that the next regularly scheduled meeting is set for Friday, March 11, 2005, at 10:00 am, at the State Capitol in Room 112.

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

BOND ITEM – 1

CALIFORNIA SCIENCE CENTER (1100)
CALIFORNIA SCIENCE CENTER, LOS ANGELES COUNTY
Phase II

Authority:  Chapter 52/00, Item 1100-301-0001
Chapter 106/01, Item 1100-301-0001
Chapter 379/02, Item 1100-301-0660, as reappropriated by
Chapter 157/03, Item 1100-490

Adopt resolution to:

1. Authorize the use of interim financing, to be repaid from the Public Buildings Construction Fund, from proceeds generated 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 with the consent of the California Science Center.

3. Approve the form of and authorize the execution and delivery of a Site Lease between the California Science Center and the State Public Works Board.

4. Approve the form of and authorize the execution and delivery of a Facility Lease between the California Science Center and the State Public Works Board.

5. Authorize the sale of the State Public Works Board Lease Revenue Bonds.

Total Estimated Bond Authorization: $19,137,000

APPROVED
5/0
STAFF ANALYSIS – 1
California Science Center
California Science Center, Phase II

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

Scope Description
This project is within scope. The California Science Center Phase II project represents and expansion of the existing Phase I facility. This expansion project will provide an approximately 170,000 gross square foot (gsf) facility consisting of World of Ecology exhibit space, service space, and staff offices, as well as expansion to the existing World of Life and special exhibit galleries. The project also includes some additional exterior exhibit and service areas. Live animal exhibits include a rain forest, a desert exhibit, and a two-story reef tank.

Funding and Cost Verification
This project is within cost.

$109,016,000 total authorized project costs
$8,363,000 state project costs previously allocated: preliminary plans and working drawings
$19,137,000 state project costs to be allocated: construction
$3,762,000 project costs previously allocated paid with reimbursements: preliminary plans and working drawings
$77,754,000 project costs to be allocated paid with reimbursements: construction

CEQA
The proposed project conforms to the 1993 Exposition Park Master Plan EIR. An amendment to that EIR confirming that the project was in compliance with the original was prepared and a Notice of Determination was filed with the State Clearinghouse on November 13, 2001, and the 30-day litigation expired December 13, 2001.

Due Diligence
Due Diligence will be completed prior to SPWB staff allowing the project to proceed to bid.

Project Schedule
The project schedule is as follows:

Approve preliminary plans: December 2001
Approve working drawings: June 2004
Complete construction: December 2007

Staff Recommendation: Adopt resolution.

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BOND ITEM – 2

DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540)
SONORA FOREST FIRE STATION RELOCATE FACILITY

Authority:  Chapter 379/02, Item 3540-301-0660 (14)
Chapter 208/04, Item 3540-301-0660 (4.5)

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 sale of the State Public Works Board Lease Revenue Bonds.

Total Estimated Bond Authorization: $3,116,000

APPROVED
5/0
STAFF ANALYSIS – 2
Department of Forestry and Fire Protection
Sonora Forest Fire Station—Relocate Facility, Tuolumne County

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

Scope Description
This project is within scope. The approved project includes site acquisition and the construction of a standard CDF two-engine Forest Fire Station, a 1,900 sq. ft. administrative office building, and all necessary sitework.

Funding and Cost Verification
This project is within cost. Chapter 379, Budget Act of 2002, and Chapter 208, Budget Act of 2004, provide a total of $3,116,000 (lease-revenue bonds) for the working drawings and construction phase of this project. The project was recently re-bid with an increased budget and is anticipated to award in March 2005 within budget.

$3,525,000 total authorized project costs
$3,525,000 total estimated project costs
$616,000 project costs previously allocated: acquisition $322,000, preliminary plans $87,000, and working drawings $207,000
$2,909,000 project costs to be allocated: construction $2,909,000 ($2,511,000 contract, $126,000 contingency, and $272,000 A&E/other)

CEQA
A Notice of Determination was filed with the State Clearinghouse on August 4, 2000, and the waiting period expired on September 4, 2000.

Project Schedule
The project schedule is as follows:

Complete construction: April 2006

Staff Recommendation: Adopt resolution
BOND ITEM – 3

DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540)
FORT JONES FOREST FIRE STATION
Relocate Facility

Authority: Chapter 379/02, Item 3540-301-0660 (5.5)
Chapter 208/04, Item 3540-301-0660 (1)

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 sale of the State Public Works Board Lease Revenue Bonds.

TOTAL ESTIMATED PROJECT COST: $2,698,000

APPROVED
5/0
STAFF ANALYSIS – 3
Department of Forestry and Fire Protection
Fort Jones Forest Fire Station Relocate Facility, Fort Jones, Siskiyou County

Action requested
The action requested will adopt a resolution authorizing interim financing.

Scope Description
This project is within scope. The approved project authorizes the construction of a standard CDF 14 bed barracks/mess hall building, three-bay apparatus building, a flammable storage building, fueling facility, upgrade water, electrical, and LPG services, demolition of existing buildings, grading and site work; utilities; paving; landscaping; and all appurtenances.

Funding and Cost Verification
This project is within cost. Chapter 379, Budget Act of 2002, provides $1,980,000 for the construction phase of this project. The Board previously adopted a resolution in September 2002 authorizing interim financing and the sale of lease revenue bonds for this amount. Subsequently, Chapter 208, Budget Act of 2004, appropriated an additional $718,000 for the construction phase of this project. This action will authorize interim financing and the sale of lease revenue bonds, for a total of $2,698,000. Based on a low bid of $1,907,000, received on December 8, 2004, an estimated bid savings of $249,000 (8.6 percent total project) will be available when the contract is awarded.

$2,888,000  total authorized project costs
$2,538,000  total estimated project costs
$202,000  project costs previously allocated: preliminary plans $72,000, working drawings $118,000 and construction $12,000 (due diligence)
$2,366,000  project costs to be allocated: construction $2,366,000 ($1,907,000 contract, $95,000 contingency, $334,000 A&E and other project costs)
$350,000  estimated bid savings

CEQA
A Notice of Determination was filed with the State Clearinghouse on January 2, 2000 and the waiting period expired on February 3, 2000.

Project Schedule
The project schedule is as follows:

Complete construction: December 2006

Staff Recommendation: Adopt resolution.
BOND ITEM – 4

DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540)
UKIAH FOREST FIRE STATION, MENDOCINO COUNTY (COAST CASCADE)
Replace Apparatus Building

Authority: Chapter 379/02, Item 3540-301-0660 (01)
Chapter 208/04, Item 3540-301-0660 (.5)

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 sale of the State Public Works Board Lease Revenue Bonds.

Total estimated bond authorization: $3,622,000

APPROVED
5/0
Action requested
The action requested will adopt a resolution authorizing interim financing.

Scope Description
This project is within scope. The approved project authorizes the construction of a new 3-bay 1,984± sf apparatus building, a standard 2,929 ± sf barracks/messhall (12 beds), 1,987± sf 2-bay dozer shed, 1,800± sf office and telecommunications shop, 100± sf flammable storage building, site work including underground utilities, paving and appurtenances. Demolition of the exiting facility is also included.

Funding and Cost Verification
This project is within cost. Chapter 379, Budget Act of 2002, provides $3,071,000 in lease revenue bonds for the working drawings ($175,000) and construction ($2,896,000) phases of this project. Subsequently, Chapter 208, Statutes of 2004, appropriated an additional $551,000 for the working drawings ($18,000) and construction ($533,000) phase of this project to address increased project costs. It is anticipated that the project will go out to bid in May 2005.

$3,780,000 total authorized project costs

$315,000 project costs previously allocated: preliminary plans $140,000 and working drawings $175,000

$3,465,000 project costs to be allocated: working drawings $18,000 and construction $3,447,000 ($2,875,000 contract, $144,000 contingency and $410,000 A&E/Other)

CEQA
A Notice of Determination was filed with the State Clearinghouse on April 11, 2001 and the waiting period expired on May 10, 2001.

Due Diligence
Due diligence was completed on August 8, 2003. The subject property was acquired and is held by the State of California. No conditions were identified that would negatively affect the project.

Project Schedule
The project schedule is as follows:

Complete construction: August 2006

Staff Recommendation: Adopt resolution
BOND ITEM – 5

DEPARTMENT OF VETERANS AFFAIR (8950)
LOS ANGELES AND VENTURA COUNTIES
Greater Los Angeles and Ventura County Homes

Authority: Government Code §§15819.60 and 15819.65

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 and delivery of the Construction Agreement between the Department of General Services and the State Public Works Board, with the consent of the Department of Veterans Affairs.

3. Approve the form of and authorize the execution of a Facility Lease between the Department of Veteran Affairs and the State Public Works Board.

4. Approve the form of and authorize the execution of a site lease between the Department of Veterans Affairs and the State Public Works Board.

5. Authorize the sale of the State Public Works Board Bonds.

Total estimated cost: $78,158,000

APPROVED
5/0
Action Requested
The requested action will adopt a resolution authorizing interim financing.

Scope Description
This project constructs approximately 520 beds in three new veterans' homes offering various levels of care for the Greater Los Angeles and Ventura Counties (GLAVC). The largest of the three homes will have 400 beds in 344,000 gross square feet on approximately 12 acres of the U.S. Department of Veterans Affairs (USDVA) site in West Los Angeles. The two smaller homes in Lancaster and Saticoy will each have 60 beds in approximately 46,000 gross square feet and also contain a maximum 50 person adult daycare facility. The Lancaster site is approximately 22 acres and the Saticoy site is approximately 20 acres. Both the Lancaster and Saticoy sites provide room for future expansion to 400-bed facilities. This project includes the construction of a 34,000 gross square foot central kitchen on approximately 1.5 acres on the West Los Angeles site to serve all three homes, as well as, the USDVA Los Angeles hospital, which is located across the street from the future West LA home. Site improvements including access roads, surface parking and landscaping are included for each site.

Funding and Project Cost Verification:
Approximately $125.9 million of total project costs are anticipated to be funded through a grant from the federal government. The remaining project costs will be funded by the State through $78.1 million lease revenue bonds authorized in Government Code §15819.65 and $31.0 million general obligation bonds authorized in Military and Veterans Code §1104.1.

$235,041,000 total estimated project cost
$12,825,000 project costs previously allocated: preliminary plans
$222,216,000 project costs to be allocated: working drawings $10,543,000; construction $211,673,000

CEQA
The project will require compliance with CEQA.

Due Diligence
The project will require due diligence.
**Project Schedule**

The project schedule is as follows:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Date (Projected)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preliminary plans approved</td>
<td>February 2006</td>
</tr>
<tr>
<td>Working drawings approved</td>
<td>December 2006</td>
</tr>
<tr>
<td>Complete construction</td>
<td></td>
</tr>
<tr>
<td>Lancaster</td>
<td>October 2008</td>
</tr>
<tr>
<td>Saticoy</td>
<td>October 2008</td>
</tr>
<tr>
<td>Kitchen West LA</td>
<td>December 2008</td>
</tr>
<tr>
<td>West LA</td>
<td>February 2010</td>
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</tbody>
</table>

**Staff Recommendation:** Adopt resolution.
CONSENT ITEM

CONSENT ITEM – 6

CALIFORNIA SCIENCE CENTER (1100)
CALIFORNIA SCIENCE MUSEUM, LOS ANGELES COUNTY
Phase II

Authority: Chapter 52/00, Item 1100-301-0001
Chapter 106/01, Item 1100-301-0001
Chapter 379/02, Item 1100-301-0660,
as reappropriated by Chapter 157/03, Item 1100-490

a. Consent to the “Construction Management and Funding Agreement” between the California Science Center, the California Science Center Foundation, and the Department of General Services

APPROVED
3/0
Action Requested
The requested action will consent to the terms and conditions within the “Construction Management and Funding Agreement” (the CMFA) between the California Science Center, California Science Center Foundation, and Department of General Services.

Scope Description
This project is within scope. The California Science Center Phase II project represents and expansion of the existing Phase I facility. This expansion project will provide an approximately 170,000 gross square foot (gsf) facility consisting of World of Ecology exhibit space, service space, and staff offices, as well as expansion to the existing World of Life and special exhibit galleries. The project also includes some additional exterior exhibit and service areas. Live animal exhibits include a rain forest, a desert exhibit, and a two-story reef tank.

Funding and Cost Verification
This project is within cost.

$109,016,000 total authorized project costs
$8,363,000 state project costs previously allocated: preliminary plans and working drawings
$19,137,000 state project costs to be allocated: construction
$3,762,000 project costs previously allocated paid with reimbursements: preliminary plans and working drawings
$77,754,000 project costs to be allocated paid with reimbursements: construction

The CMFA outlines the responsibilities and obligations of the parties for securing the reimbursement funding and State funds, as well setting up guidelines for project construction management. The agreement is intended to ensure the project is delivered within scope and cost and that the parties are fully apprised of obligations and expectations. Therefore, proceed to bid will be authorized once all parties have approved and executed the CMFA.

Project Schedule
The project schedule is as follows:

Complete construction: December 2007

Staff Recommendation: Consent to the CMFA, contingent upon approval and execution of the CMFA by all parties. Approval to proceed to bid shall be authorized once all parties authorize the CMFA.
CONSENT ITEM

CONSENT ITEM – 7

DEPARTMENT OF GENERAL SERVICES (1760)
CALIFORNIA TAHOE CONSERVANCY (3125)
TWIN PEAKS WATERSHED RESTORATION, EL DORADO COUNTY
CTC Project Number 056A, DGS Parcel Number 10274

Authority: Chapter 379/02, Item 3125-301-0005(3)

a. Authorize site selection

APPROVED
3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 7

Department of General Services
California Tahoe Conservancy
Twin Peaks Watershed Restoration

Action requested
The requested action will authorize site selection for this project.

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 21,954 square feet (0.504 acre) for acquisition of fee title for purposes of watershed restoration, restoring and protecting the natural environment and scenic beauty.

Funding and Cost Verification
This project is within cost. Chapter 379, Budget Act of 2002, Item 3125-301-0005(3), provides $4,599,000 for the acquisition of land or interests therein as well as for site improvements. The property interest can be acquired with the funds available and in accordance with Legislative intent.

Project Schedule
The project schedule is as follows:

The anticipated close of escrow is March 2005.

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Condition of Property
On December 10, 2004, staff from the Department of General Services (DGS), Environmental Services Section (ESS) staff conducted a site visit of the proposed acquisition of an approximately half-acre parcel near the intersection of Highway 50 and Jewell Street in El Dorado County. The property is proposed for acquisition by the California Tahoe Conservancy to increase open space and provide a site for water quality improvements. This triangular-shaped parcel is developed with three small buildings, including a former automotive garage. The property currently houses Steve’s Transmission Service. A majority of the parcel is either developed or covered with asphalt. Adjacent land uses include residential/storage (west), Highway 50 (east/north), and industrial (south). The parcel is slightly sloping from approximately west to east.

The subject property has a history of use for automotive servicing dating from approximately 1960 through present. Up until approximately the late 1980’s the property was used as a gas station. In 1996 all the underground petroleum storage facilities were removed under permits from El Dorado County Health Department, as required by state law. For the past several years, the original gas station building has been used for transmission repair. The other two smaller buildings are used for non-automotive commercial uses such as food service and jewelry production.

In accordance with State Public Works Board policy, a preliminary site assessment was commissioned for the proposed acquisition. As part of this process a series of soil tests were taken in areas that had the potential to contain petroleum contamination from the past use as a gas station and the current use for transmission repair. Slightly elevated findings for total petroleum hydrocarbons (TPH) were found in some samples. The buildings, however, are not reported to contain hazardous materials. The current transmission shop is a well maintained facility that meets state health and environmental standards.

The property owner and the California Tahoe Conservancy are working with the due diligence consultant and El Dorado County Health Department to determine the extent of remediation needed to address these elevated TPH findings. Remediation of contaminated materials would occur prior to the close of escrow when the site is being cleared of buildings, some of the asphalt, and other improvements. A final Condition of Property Statement would be submitted once the final abatement plan is determined and agreed to by the County.

Other:
• The purchase price shall not exceed estimated fair market value as determined by a DGS approved appraisal.

• The Grantor will indemnify the State against any liabilities associated with hazardous materials found on the property for which they may be responsible.

• The California Tahoe Conservancy (CTC) will, after acquisition, perform site restoration work related to the elimination of 16,826 square feet of area currently associated with buildings, pavement and compacted areas on the site. Once this work is completed under CTC’s established budget for such work, CTC’s ongoing management obligation will be limited to an annual inspection of the property and minor maintenance of its restoration work.

Staff Recommendation: Authorize site selection.
CONSENT ITEM – 8

DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF PARKS AND RECREATION (3790)
DELT NORTE COAST REDWOODS STATE PARK, HAMILTON BUFFER
DEL NORTE COUNTY
DPR Parcel No. A8252-01, DGS Parcel No. 10289

Authority: Public Resources Codes 5005

a. Authorize a no cost acquisition

APPROVED
3/0

STAFF ANALYSIS ITEM – 8
Department of General Services
Department of Parks and Recreation
Del Norte Coast Redwoods State Park, Hamilton Buffer

Action requested
The requested action will authorize a no cost acquisition of real property.

Scope Description
This project is within scope. This request will authorize the Department of Parks and Recreation (DPR) to accept a donation of an approximately 26 acre in-holding parcel as an addition to the Del Norte Coast Redwoods State Park. The Hamilton Buffer parcel is an in-holding parcel that was omitted from the 25,000 acre Mill Creek acquisition that DPR acquired through Save the Redwoods League (“League”) in 2002.

This acquisition helps DPR fulfill two important missions: acquiring in-holdings and adjacent properties as additions to our State Park system and the long-term preservation of sustainable redwood forest ecosystems.

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

Project Schedule
The project schedule is as follows:

The anticipated close of escrow is February 2005.
Condition of Property
Staff from the Department of General Services (DGS), Environmental Services Section (ESS) conducted various surveys of the acquisition properties in the Mill Creek watershed over the past three years. The subject acquisition includes a small in-holding of old-growth redwoods on approximately 26 acres that are contiguous with other old- and second-growth coniferous forest in the Mill Creek watershed. The Hamilton Buffer property is unremarkable except for its old-growth values and potential to expand State holdings in this critical fisheries watershed. The property is all undeveloped forest.

The undeveloped setting of this parcel did not require preparation of a formal preliminary site assessment since there are no industrial uses within the immediate boundaries of the site. The former mill site to the northwest, which is near the confluence of the East Fork and West Branch of Mill Creek, has been fully remediated.

Other:
- The League will donate the property with the condition that DPR and the League enter into a use restriction agreement. The recorded agreement will require the State to use the property for State park purposes only until and unless the property is declared surplus to the State’s needs or the State Public Works Board recommends that a transfer to another state agency is necessary for a higher and better public purpose. In either event, the property can be removed from the terms of the use agreement upon payment of 100 percent of the market value of the property, excluding the value of any State improvements.
- The property is vacant and unimproved and there is no relocation assistance involved with this project.
- DPR’s acquisition of this property will help improve operations through the elimination of a non-state in-holding. Support implications for this project are therefore minimal.
- DPR has not proposed a Property Acquisition Agreement (PAA) to formalize the agreement with the League regarding the donation of fee title of 26 acres. A Gift Deed, Use Restriction Agreement and written instructions to the escrow company, is intended to be the only documents used for this transfer. Normally, a PAA is utilized for the purchase of real property and sometimes used for the acceptance of gifts of real property, to formalize the parties’ intentions and to provide protection for the State in the form of grantor representations and warranties, indemnification and agreement as to governing law. In this case, the State is acquiring this property involving long-term ownership and has little reason to believe, based on knowledge regarding the history of the site and on the ESS review that any significant physical or legal issues exist on the property that would adversely impact DPR’s intended use.
- DPR is not aware of any lawsuits pending concerning the property.

Staff Recommendation: Authorize a no-cost acquisition
CONSENT ITEM

CONSENT ITEM – 9

DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF PARKS AND RECREATION (3790)
ANZA-BORREGO DESERT STATE PARK, DESERT CAHUILLA FISH TRAPS
IMPERIAL COUNTY
DPR Parcel Number 008186-77, GS Parcel Number 10272

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

a. Authorize site selection

APPROVED
3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 9
Department of General Services
Department of Parks and Recreation
Anza-Borrego Desert State Park, Desert Cahuilla Fish Traps

Action requested
The requested action will authorize site selection for this project.

Scope Description
This project is within scope. The Legislature has approved funding for the purchase of interests in lands consistent with Proposition 40 without specifying particular parcels. This request will authorize site selection of approximately 360 acres as an addition to Anza-Borrego Desert State Park, in the County of Imperial.

The property is within Critical Habitat for the Peninsular Bighorn sheep and contains pristine archaeological relics, including ceremonial and habitation sites and rare and unique stone “fish traps” of the Desert Cahuilla people who inhabited this area for over 1,000 years. This project meets Department of Parks and Recreation’s (DPR) Acquisition Guidelines, by acquiring significant cultural resources properties and adjacent parcels.

Funding and Cost Verification
This project is within cost. Proposition 40 provides funding for this project and there is a sufficient balance remaining in the accounts to pay the total project costs. The property interest can be acquired with the funds available and in accordance with Legislative intent.

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CEQA
A Notice of Exemption will be filed with the State Clearinghouse on January 6, 2005, and the waiting period will expire on February 10, 2005.

Project Schedule
The project schedule is as follows:

The anticipated close of escrow is March 2005.

Condition of Property
Department of General Services (DGS), Environmental Services Section (ESS) staff conducted a site visit to the Anza Borrego Desert Cahuilla Fish Traps site on December 22, 2004. The Department of Parks and Recreation acquisition consists of approximately 360 acres of vacant land (APN 007-970-02). The subject property is located approximately ½ mile west of State Highway 86 and 14 miles north of Highway 78 in unincorporated Imperial County.

A Phase I Environmental Site Assessment (ESA) report prepared by Rincon Consultants, Inc. August 3, 2004, was reviewed by ESS staff and found to be in accordance with American Society for Testing and Materials (ASTM) standards. No recognized environmental conditions were identified for the subject property during the completion of the Phase I ESA.

The site visit to the Desert Cahuilla Fish Traps property revealed no improvements, e.g., industrial uses, fuel storage, waste disposal, etc., on the property that would raise a concern for migration of hazardous materials. No potential problems with hazardous materials, e.g., ground and/or vegetation staining were observed during the ESS site visit and the property is compatible with the proposed future use, i.e., preservation of cultural resources and open space.

Other:
• The purchase price shall not exceed estimated fair market value as determined by a DGS approved appraisal.

• DPR is not aware of any lawsuits pending concerning the property. The Property Acquisition Agreement will require delivery of title to the property free and clear of any mortgages or liens.

• The property is vacant and unimproved.

• While DPR has not provided an estimate of future operating costs for this acquisition, DPR will evaluate the operational needs for this property and will provide this estimate prior to requesting site acquisition.

Staff Recommendation: Authorize site selection
CONSENT ITEM

CONSENT ITEM – 10

DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF THE MILITARY (8940)
QUINCY ARMORY, 125 SOUTH REDBURG AVENUE, QUINCY, PLUMAS COUNTY
Surplus Parcel Numbers SSL 609 & SSL 626

Authority: Chapter 258, Statutes of 2003

a. Authorize the sale of state surplus property

APPROVED
3/0
Action requested
The requested action will authorize the sale of state surplus property.

Scope Description
This project is within scope. Chapter 258, Statutes of 2003, authorizes the Director of General Services (DGS), with the approval of the State Public Works Board, to sell, exchange, or lease, for current market value or for any lesser consideration authorized by law and upon those terms and conditions and subject to those reservations and exceptions as the DGS determines are in the best interest of the state, all or any part of the following real property: Real property known as the Quincy Armory, located at 125 South Redberg Avenue, Quincy, Plumas County. This property consists of a 10,150 square foot armory building, a baseball diamond, and an 80 square foot storage building on 5.6 acres of land. The Department of the Military has determined that the property is no longer needed for its program purposes, and declared it surplus to the agency’s needs.

Funding and Cost Verification
The costs associated with the sale of the state surplus property are administrative staff costs of approximately $10,000. No future costs have been identified with the approval of this sale.

Project Schedule
The project schedule is as follows:

The anticipated close of escrow is February 2005.

Other
• Pursuant to Government Code §11011.1 the property was offered to state and local governmental agencies with the County of Plumas offering to purchase the property at fair market value.

• The approved appraised value of the property is $130,000. Based on the appraiser's August 2004 report, the land has a value of $185,000, but the approved value includes a demolition cost adjustment of $55,000 to remove existing structures.

• The Military Department agrees that the existing armory building is obsolete and notes that there is significant damage to that building, thereby necessitating its removal.

• The net proceeds of any moneys received from the disposition are to be deposited in the Department of the Military Armory fund established in the Military and Veterans Code §435, and shall be available for appropriation in accordance with that section.

• The State shall retain all mineral deposits below a depth of 500 feet and without surface rights of entry as required by Public Resources Code §6407.

Staff Recommendation: Authorize the sale of state surplus property
CONSENT ITEM – 11

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

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

a. Approve scope change

APPROVED
3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 11
Department of Parks and Recreation
Eastshore State Park, Alameda and Contra Costa County
Planning and Public Park Improvements

Action requested
The requested action will approve a scope change for this project.

Scope Description
This project is not within scope. The current project scope provides for initial development of the Eastshore State Park, consistent with the recently approved General Plan. The project addresses the Berkeley Meadow and Brickyard Upland areas of the park, and will provide wetland habitat protection and enhancement, trail development, fencing, a modular office building for park staff, miscellaneous site improvements, and necessary associated utility work. The Department of Parks and Recreation (DPR) is requesting a scope change to remove a modular office building from the scope of this project.

The operation of this park was originally planned as a joint effort between DPR and the East Bay Regional Park District (EBRPD). However, on November 3, 2004, the voters of Contra Costa and Alameda counties approved Measure CC—Park Access, Wildlife Protection, Public Safety and Environmental Maintenance Measure, EBRPD Zone 1. This Measure provides $400,000 per year to EBRPD for the operation and maintenance of the Eastshore State Park, which will enable the EBRPD to enter into a long-term agreement with DPR to operate the park. Because this project was originally designed to accommodate DPR operations staff, a modular office building was included in the project. As a result of this operational change, DPR will no longer have a need for this structure and will not be requesting the staffing that was initially identified when the project was approved by the Legislature. While a long-term operating agreement has not been finalized with the EBRPD, DPR anticipates this agreement will be in place prior to project completion.

-30-

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Because the EBRPD has an existing service yard and building near the Richmond end of the park, they have stated that they do not need the proposed modular office building and are concerned about fire protection and vandalism problems if the building were constructed and not staffed. Since this structure is no longer needed and may become a liability, DPR is proposing to eliminate this component from the approved project. A 20-Day Letter was sent to the Legislature on January 27, 2005 and the waiting period will expire on February 16, 2005. Approval of this scope change shall be contingent on the expiration of the waiting period without comment.

Funding and Cost Verification

This project is within cost. Chapter 52, Budget Act of 2000, Item 3790-302-0005(16), appropriated a total of $2,600,000 for the design and construction of public park improvements for the East Bay Shoreline project. It is estimated that the proposed scope change will result in construction savings of approximately $181,000. However, the overall savings will be reduced to approximately $140,000 as a result of adding three deductive alternates that were previously removed from the project prior to awarding the construction contract. These deductive alternates were previously removed to bring the project within budget. The changes include the installation of benches, improving finishes on fences and gates, and providing sterile seed in lieu of native seed. Collectively, these additions reduce the overall savings by approximately $41,000, and will enhance public use and enjoyment of the park.

$2,625,000 previously authorized project cost

$2,485,000 total estimated project costs

$2,625,000 project costs previously allocated: studies $902,000, preliminary plans $372,000, working drawings $125,000, and construction $1,087,000 ($776,000 contract, $46,000 contingency, $159,000 A&E costs $106,000 agency retained items)

$140,000 estimated project savings: construction

CEQA

A Notice of Determination was filed with the State Clearinghouse on February 2, 2004 and the waiting period expired on March 3, 2004.

Project Schedule

The project schedule is as follows:

Complete construction: March 2005

Due Diligence Status

Due diligence is complete. The property that encompasses this construction project was acquired December 24, 1998 pursuant to a Joint Powers Agreement (JPA), dated December 17, 1998, executed by and between the East Bay Regional Park District and the State of California, Department of Parks and Recreation. The property has undergone an extensive toxic remediation process by consultants to the prior owner, Catellus Development Corp, to make it suitable for park purposes. This process was administered by and final completion certified by the State Regional Water Quality Control Board.

Staff Recommendation: Approve scope change, contingent upon the expiration of the 20-Day Letter without comment.

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CONSENT ITEM – 12

DEPARTMENT OF CORRECTIONS (5240)
CALIFORNIA STATE PRISON—KERN COUNTY AT DELANO II

Authority: Chapter 54, Statutes of 1999, Item 5240-802-0001, Item 5240-801-0660.268, 61.39.001

a. Approve use of Inmate Day Labor
b. Approve new line items within the agency retained cost category
c. Approve redirection of existing project authority

APPROVED 3/0

STAFF ANALYSIS ITEM – 12

Department of Corrections
California State Prison—Kern County at Delano II, Kern County

Action Requested
The requested action will approve the use of Inmate Day Labor (IDL) resources pursuant to Public Contract Code Section 10103.5, establish new line items within the agency retained cost category, and redirect existing project authority from the construction contingency cost category to the agency retained cost category.

Scope Description
This project is within scope. The California State Prison - Kern County at Delano II (Delano II) project consists of constructing a maximum security State prison for male inmates located near the city of Delano in Kern County. The project, when completed, will add a total of 2,248 cells to the California prison system, together with a 400-bed Level I support services facility.

Funding and Cost Verification
This project is within cost. The Department of Corrections (CDC) is requesting approval for two new agency retained items and the use of IDL for these items. Originally Bid Package (BP) 1/6’s scope of work included a metal search of all areas in the prison’s secure perimeter. The metal search involved disking, metal detection, removal of any metal found, and re-grading. The BP 1/6 contractor is essentially demobilized from the construction site. The metal detection and removal and soil re-grading is anticipated to start in April 2005 and end in June 2005. To do the metal search work, BP 1/6, after demobilizing, would have to remobilize in April. The cost estimate of BP 1/6’s demobilization and remobilization is $71,500. Consequently, CDC requested a cost estimate from its IDL program for the metal search work, and IDL provided an estimate of $314,000. If the metal search work is removed from BP 1/6’s scope of work, a credit

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of approximately $340,000 is expected, generating a cost savings of $26,000. The CDC is requesting approval to use IDL for this work due to an estimated cost savings of $97,500. Also four Enhanced Outpatient Program cells must be modified to meet ADA compliance. To achieve ADA toilet-to-grab bar/wall dimensions, the walls adjacent to the toilets need to be furred and then the grab bars mounted. The IDL estimate for this work is $26,000 and it is estimated that the BP 3 contractor's cost would be $88,000. Additionally, the BP 3 contractor would claim costs for time delays. To reduce costs, CDC is also requesting approval to use IDL for the ADA compliance work. A redirection of $340,000 of existing project authority from the construction contingency cost category to the agency retained cost category is needed for the new agency retained items.

$379,192,000 total estimated project cost

$379,192,000 project costs previously allocated: acquisition $5,072,000; preliminary plans $4,748,000; working drawings $6,200,000; project administration $33,736,000; long lead $1,084,000; group II equipment $11,853,000; agency retained $18,750,000; and construction $297,749,000 ($269,116,000 contract; $23,367,000 contingency; $5,266,000 A&E) at CCCI 3846

CEQA
The Department certifies CEQA requirements have been met. A Notice of Determination was filed with the State Clearinghouse on June 9, 2000. During the litigation period for the project, a lawsuit was filed. After the Department completed a court-ordered revision to the Cumulative Impacts Analysis of the Subsequent Environmental Impact Report, a new Notice of Determination was filed with the State Clearinghouse on December 13, 2001 and the waiting period expired on January 14, 2002. On April 4, 2002 the court issued a decision finding the Revised Cumulative Impacts Analysis to be adequate and that all CEQA requirements had been met. A Notice of Appeal was filed on July 9, 2002. The 5th Court of Appeals heard the matter on August 11, 2003 and issued a ruling favorable to the State of California on August 18, 2003 affirming the lower court's decision.

Project Schedule
The project schedule is as follows:
Complete construction: February 2005

Due Diligence
Due Diligence was completed on September 3, 2003.

Staff Recommendation: Approve the use of Inmate Day Labor, new line items within the agency retained cost category, and a redirection of existing project authority.
UNIVERSITY OF CALIFORNIA (6440)  
SANTA CRUZ CAMPUS, SANTA CRUZ COUNTY  
Alterations for Engineering, Phase 3

Authority: Chapter 208/04, Item 6440-301-6041 (21)

a. Approve preliminary plans

APPROVED
3/0
STAFF ANALYSIS ITEM – 13
University of California, Santa Cruz
Alterations for Engineering, Phase 3

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

Scope Description
This project is within scope. The Alterations for Engineering, Phase 3 project provides alterations to a portion of the basement and the second floor of the Baskin Engineering Building for use as specialized research laboratories and support space by the Biomolecular Engineering Department and the Electrical Engineering Department. This will result in 5,992 assignable square feet (asf) of specialized laboratory space to meet the program needs of these departments. Alterations on the building’s third floor will provide the Mathematics Department with replacement teaching laboratory space as their existing space on the second floor will be used to create a contiguous block of wet laboratory space for the Biomolecular Engineering and Electrical Engineering Departments. The project will also upgrade the air-handling and other building systems.

Funding and Project Cost Verification
This project is within cost.

$4,550,000 total estimated project costs

$190,000 project costs previously allocated: preliminary plans—$190,000 (State funds)

$4,360,000 project costs to be allocated: working drawings—$199,000 (State funds), construction—$4,161,000 (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: May 2005
Complete construction: October 2007

Staff Recommendation: Approve preliminary plans

February 11, 2005 Meeting Agenda Minutes
CONSENT ITEM

CONSENT ITEM – 14

CALIFORNIA COMMUNITY COLLEGES (6870)
MT. SAN JACINTO COMMUNITY COLLEGE DISTRICT
MENIFEE VALLEY CENTER, RIVERSIDE COUNTY

Learning Resource Center

Authority: Chapter 106/01, Section 6870-301-0574 (39), PW
Chapter 33/02, Section 34 (a) (4) (F), CE

a. Approve augmentation

$1,188,000
(10.5 percent of total project cost)
(13 percent of construction contract cost)

APPROVED
3/0

STAFF ANALYSIS ITEM

STAFF ANALYSIS ITEM – 14

Mt. San Jacinto Community College District
Menifee Valley Center, Riverside County
Learning Resource Center

Action Requested
This action will provide for augmentation for the construction phase of this project.

Scope Description
This project is within scope. The project constructs and equips a 27,105 assignable square feet (asf) learning resource center to include 2,045 laboratory space, 12,120 asf library space, 6,510 asf audio-video/television-video (AVTV) space, 670 asf office and administrative support space and 5,760 asf other space.

Funding and Project Cost Verification
This project is not within cost. The project was bid in November 2004. The lowest responsive and responsible contractors’ bids after taking 6 deductive alternates were $1,122,000 over the construction contract appropriation. The district requests a state augmentation of $1,188,000 (10.6 percent of total project costs), which includes $66,000 for contingencies to cover costs for due diligence project administration. The district commits to augment the project with local funds in the amount of $793,000.

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The district has been diligent in performing rigorous constructability and value engineering reviews prior to bidding the project, providing approximately $647,000 in savings to the project. The district believes that the high bidding climate is due to impacted demands for school construction; shortages of contractors, subcontractors, and materials; elevated raw material costs such as concrete, copper and structural steel. The district, along with its independent cost estimating firm and design consultants, does not believe that to rebid the project would result in a more favorable outcome. A 20-Day Letter was sent to the Legislature on January 27, 2005 and the waiting period will expire on February 16, 2005.

$11,252,000  total authorized project costs
$13,223,000  total estimated project costs
$704,000  project costs previously allocated: $349,000 preliminary plans; $355,000 working drawings
$10,548,000  project costs to be allocated: construction $9,136,000 ($8,227,000 contracts, $411,000 contingency and $498,000 tests and inspections, architectural oversight during construction, and construction management) at CCI 4019; and equipment $1,412,000 at EI 2564
$1,188,000  project funds to be augmented: construction $1,122,000 ($1,122,000 contracts; and $66,000 contingency)
$793,000  local funds to be augmented: construction $793,000 ($584,000 contracts; and $209,000 construction management)

CEQA
A Notice of Exemption was filed with the State Clearinghouse on March 20, 2002 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 construction: August 2006

Staff Recommendation: Approve augmentation contingent on the passage of the 20-day Legislative review period without comment.
CONSENT ITEM

CONSENT ITEM – 15

CALIFORNIA COMMUNITY COLLEGES (6870)
PALO VERDE COMMUNITY COLLEGE DISTRICT
PALO VERDE COLLEGE, RIVERSIDE COUNTY
Technology Building Phase II

Authority: Chapter 106/01, Item 6870-301-0574 (41.5), P
Chapter 379/02, Item 6870-301-6028 (33), W
Chapter 157/03, Item 6870-301-6028(51), CE

a. Approve scope change

APPROVED
3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 15
Palo Verde Community College District
Palo Verde College, Riverside County
Technology Building Phase II

Action Requested
This action will provide for a scope change to the construction phase of this project.

Scope Description
This project is within scope. The authorized scope of the project constructs a 19,520 assignable square feet (asf) technology building with 15,211 asf for labs, 884 asf for offices, and 3,425 asf for audio-video/television-video (AV/TV) space types.

Funding and Project Cost Verification
This project is not within cost. This project has been out to bid with results 50 percent over budget, even after extensive pre-bid value engineering. The resulting bids were a result of inflationary construction costs and the location of the project. Although the project had three competitive bids, the bid climate in Blythe has some disadvantages in attracting contractors for this type and size project. The Palo Verde Community College District would like to rebid this project but reduce the size and scope of the construction to hopefully realize some cost savings. Any cost savings associated with this space reduction would be applied to the balance of the Technology Building Phase II project once rebid. A second 20-day letter may be necessary to augment this project if the resulting bids come in under 20 percent. The revised scope of this project and this request is to eliminate 3,425 asf for AV/TV space that was to be constructed in a separate building connected by a breezeway. The overall scope and integrity for this automotive, mechanical, and construction Technology Building will not be adversely affected by this reduction of the AV/TV lab space. A recognized future cost increase for this project was brought to the SPWB previously at the December 13, 2002 meeting. A 20-Day Letter was sent to the Legislature on January 27, 2005 and the waiting period will expire on February 16, 2005.
$8,419,000  total authorized project costs

$538,000  project costs previously allocated: $292,000 preliminary plans; $246,000 working drawings

$7,881,000  project costs to be allocated: construction $6,820,000 ($6,111,000 contracts, $306,000 contingency and $403,000 tests and inspections, architectural oversight during construction, and construction management) at CCI 4019; and equipment $1,061,000 at EI 2564

CEQA
An Environmental Impact Report, State Clearinghouse reference number 97021064, was filed on June 12, 1997.

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 construction:  September 2007

Staff Recommendation:  Approve scope change contingent on the passage of the 20-day Legislative review period without comment.
CONSENT ITEM

CONSENT ITEM – 16

CALIFORNIA COMMUNITY COLLEGES (6870)
SAN LUIS OBISPO COUNTY COMMUNITY COLLEGE DISTRICT
CUESTA COLLEGE, SAN LUIS OBISPO COUNTY
Theater Arts Building

Authority:
Chapter 106/01, Item 6870-301-0574 (58.1), P
Chapter 379/02, Item 6870-301-6028 (42), W
Chapter 157/03, Item 6870-301-6028(64), CE

a. Approve scope change

APPROVED
3/0

STAFF ANALYSIS ITEM – 16

San Luis Obispo County Community College District
Cuesta College, San Luis Obispo County
Theater Arts Building

Action Requested
This action will provide for a scope change to the construction phase of this project.

Scope Description
This project is within scope. The authorized scope of the project constructs a 24,193 assignable square feet (asf) theater arts building. The project contains 199 asf office and 23,994 asf theater arts space which contains a 400 seat conventional theater and a 100 seat experimental theater, plus support space.

Funding and Project Cost Verification
This project is not within cost. This project has been out to bid with results 57 percent over budget, even after extensive pre-bid value engineering. The resulting bids were a result of inflationary construction costs and the location of the project. Although the project had four competitive bids, the bid climate in San Luis Obispo has some disadvantages in attracting contractors for this type and size project. The San Luis Obispo County Community College District would like to rebid this project but reduce the size and scope of the construction to hopefully realize some cost savings. The request is to delete the 100-seat theater and eliminate the 1,927 asf associated with the theater and its assigned support space. The overall scope and integrity for this theater arts building project will not be adversely affected by this reduction of the theater lab space. A 20-Day Letter was sent to the Legislature on January 27, 2005 and the waiting period will expire on February 16, 2005.
$12,534,000  total authorized project costs

$869,000  project costs previously allocated: $472,000 preliminary plans; $397,000 working drawings

$11,665,000  project costs to be allocated: construction $10,215,000 ($9,195,000 contracts, $460,000 contingency and $560,000 tests and inspections, architectural oversight during construction, and construction management) at CCI 4019; and equipment $1,450,000 at EI 2564

CEQA
A Notice of Exemption was filed with the State Clearinghouse on August 14, 2002 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 construction:  September 2007

Staff Recommendation:  Approve scope change contingent on the passage of the 20-day Legislative review period without comment.
CONSENT ITEM

CONSENT ITEM – 17

CALIFORNIA COMMUNITY COLLEGES (6870)
LONG BEACH COMMUNITY COLLEGE DISTRICT
LONG BEACH CITY COLLEGE, PACIFIC COAST CAMPUS, LOS ANGELES COUNTY
Library/Learning Resource Center

Authority: Chapter 208/04, Item 6870-301-6041 (19)

a. Approve preliminary plans

APPROVED
3/0

STAFF ANALYSIS ITEM – 17

Long Beach Community College District
Long Beach City College, Pacific Coast Campus, Los Angeles County
Library/Learning Resource Center

Action Requested
The requested action will approve preliminary plans for this project.

Scope Description
This project is within scope. The project is to construct a 14,903 assignable square foot (asf) Learning Resource Center that will contain 11,260 asf of library space, 2,458 asf of audio-video/television-video related space, 348 asf of office, and 837 asf of other space. The new building is to be sited close enough to an existing two-story building so that the district may construct as part of the project and at their own expense, an elevator tower and a second floor walkway between the two buildings and thereby use the elevator to improve the access to both buildings for persons with mobility limitations.

Funding and Project Cost Verification
This project is within cost.
$5,808,000  total authorized project costs
$8,398,000  total estimated project costs
$157,000  project costs previously allocated: preliminary plans, $157,000
$5,651,000  project costs to be allocated: working drawings, $174,000, construction
$4,290,000 ($3,824,000 contracts, $191,000 contingency and $275,000 tests and inspections, architectural oversight during construction, and construction management) at CCI 4100; and equipment $1,187,000 at EI 2564
$2,590,000  Local funds to be allocated: preliminary plans, $141,000; working drawings, $85,000, construction, $2,364,000 ($2,170,000 contracts, $109,000 contingency and $85,000 tests and inspections, architectural oversight during construction, and construction management) at CCI 4100

**CEQA**
A Final Notice for a Negative Declaration (#2004111025) was filed with the State Clearinghouse on November 3, 2004 and the review was completed on 12/2/2004.

**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:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Completion Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Complete working drawings</td>
<td>September 2005</td>
</tr>
<tr>
<td>Award contract</td>
<td>May 2006</td>
</tr>
<tr>
<td>Complete construction</td>
<td>July 2007</td>
</tr>
</tbody>
</table>

**Staff Recommendation:** Approve the preliminary plans
**ACTION ITEM**

**ACTION ITEM — 18**

DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF PARKS AND RECREATION (3790)
RICHARDSON GROVE STATE PARK, FORSTER-GILL/HOSTETTER
HUMBOLDT COUNTY
DPR A40801; DGS Parcel No. 10234

Authority: Chapter 106/01, Item 3790-301-0005 (28)
Chapter 52/00, Item 3790-301-0005 (10)

a. Authorize acquisition

APPROVED
3/0

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**ACTION ITEM**

**STAFF ANALYSIS ITEM — 18**

Department of General Services
Department of Parks and Recreation
Richardson Grove State Park, Forster-Gill/Hostetter

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

Scope Description
This project is within scope. The Legislature approved funding for the purchase of interests in lands that meet criteria established for a Proposition 12 Acquisition Program. This request will authorize acquisition of three parcels of approximately 51 acres contiguous to the Richardson Grove State Park.

This acquisition helps the Department of Parks and Recreation (DPR) to fulfill two important missions: acquiring in Holdings and adjacent properties to our park system and the long term preservation of sustainable redwood forest ecosystems.

Funding and Cost Verification
This project is within cost. Chapter 106/01, Item 3790-301-0005(28) as reappropriated by Chapter 208/04, Item 3790-491-0005(2)(28) provides $4,318,000, and Chapter 52/00, Item 3790-301-0005(10) as reappropriated by Chapter 157/03, Item 3790-490-0005(1)(10) provides $5,000,000 for this acquisition program. The property can be acquired with the funds available and in accordance with Legislative intent.

February 11, 2005 Meeting Agenda Minutes
$225,000 total acquisition costs

$3,000 project costs previously allocated (fee appraisal and DGS staff costs)

$222,000 project costs to be allocated: $200,000 acquisition purchase price and approximately $22,000 in overhead costs (title and escrow and DPR and remaining DGS staff 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 February 2005.

Condition of Property
Department of General Services (DGS), Environmental Services Section (ESS) staff conducted a site visit on March 28, 2002, to the Forster-Gill/Hostetter parcel, a proposed acquisition for an addition to the Richardson Grove State Park. The acquisition consists of approximately 51-acres of wilderness, i.e., tree covered property. There were no obvious signs of dead trees or active logging. The following two minor issues will be addressed on the property prior to acquisition:

• A plugged drainage pipe and evidence of erosion cutting back the roadway on the property.

• A telephone wire was strung across the road and looped through the trees on the property. The neighbors present at the site did not know if the phone line was "legal" or something "cribbed" together by unknown persons.

There are no improvements, e.g., industrial uses, fuel storage, waste disposal, etc., on the property that would raise a concern for migration of hazardous materials. Given the current condition of the subject property, and its prior land use, ESS staff recommends that a Phase I Site Assessment is not necessary. No potential problems with hazardous materials were observed during the site visit and the property is compatible with the proposed future use.

Other:
• The State Public Works Board approved this project for site selection on March 12, 2004.

• The owner, a non-profit organization, has offered to sell the properties to the State at 62 percent of the market value approved by DGS with the condition that a use restriction agreement be recorded requiring the State to use the property for State Park purposes. This restriction can be lifted if the property is declared surplus to the State's needs or the State Public Works Board recommends that a transfer to another State agency is necessary for higher and better public purpose. If the use restriction is removed, DPR will be required to pay 38 percent of the market value of the property at that time the use restriction is removed to the prior owner, excluding the value of any State improvements.

• DPR is not aware of any lawsuits pending concerning the property. The Property Acquisition Agreement will require delivery of title to the property free and clear of any mortgages or liens.
• The property is vacant and unimproved and no relocation assistance is involved with this project.

• The purchase agreement does not include standard indemnification language. While environmental surveys of this property have not identified any conditions that would likely pose an exceptional risk to the State, the lack of indemnification language could potentially expose the state to additional liability. However, given the historical use of this and the adjacent properties, the risk associated with the lack of indemnification language for this project appears to be relatively low.

• DPR asserts that the lack of indemnification language does not expose the State to additional liability because the State is not responsible for conditions it did not cause.

• Although there is no guarantee that the State would not be held responsible, it should be noted that case law typically finds the party causing an unacceptable environmental condition or contamination is held liable for any such condition or contamination.

• The property is heavily forested and the appraisal estimates 82 percent of the property value is timber and 18 percent land value. The property is subject to a water collection system and water line easement, private road easement and pole line easement; all three are blanket easements without detailed legal descriptions.

• Mineral rights have been reserved on the property by a prior deed, however, a review of the records of the Department of Conservation and the California Geological Survey indicate no exploration or extraction of minerals in the area.

• The Department previously estimated the need for 2 additional positions and ongoing operating expenses of $131,000 to provide for the management of this property.

• DPR has since revaluated the operational needs associated with this property and has certified that this property can be managed within existing resources. However, it should be noted that existing resources can only provide for a certain level of public access and resource protection. Any significant changes in services provided by DPR, including public access, resource protection, development, and other services, may require additional funding not considered at this time.

• Future considerations for support augmentation shall be addressed through the normal budget process. Additionally, DPR will seek grants to provide for or assist in providing for future staffing/operating expenses.

Staff Recommendation: Authorize acquisition consistent with the staff analysis
DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF PARKS AND RECREATION (3790)
SAND HILL BLUFF, SANTA CRUZ COUNTY
DPR Parcel A8161-01, DGS Parcel 10266

Authority: Chapter 157/03, Item 3790-301-6029(10)
Chapter 157/03, Item 3790-301-0890(1)
Chapter 208/04, Item 3790-301-0890(1)

a. Authorize acquisition

APPROVED
3/0

ACTION ITEM

STAFF ANALYSIS ITEM — 19

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

Scope Description
This project is within scope. The Legislature has approved funding for the purchase of interests in lands via Proposition 40: California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund without specifying particular parcels. Funds are also provided through grants from the National Oceanic and Atmospheric Administration (NOAA) and from the federal Department of Transportation Environmental Enhancement and Mitigation Program (EEMP).

This request will authorize acquisition for the purchase of 90 acres along the Santa Cruz coastline near Wilder Ranch State Park, approximately 4.5 miles north of the city of Santa Cruz on the western side of Highway One next to the Pacific Ocean. The 90 acre site is a portion of a greater parcel containing 154 acres currently owned by San Hill Bluff LLC, and held in option by the Trust for Public Lands (TPL). TPL plans to exercise its option, retaining 64 acres subject to an agricultural conservation easement and selling 90 acres to the State along with appurtenant public access easements.
The Sand Hill Bluff property encompasses a portion of a spectacular peninsula that includes stunning cliffs, sea caves, shorebird roosting, resting and nesting areas, coastal scrub habitat, riparian corridors, rich wetland communities, and 1,500 feet of pristine beach. Acquisition of the property will provide recreational opportunities and wildlife protection as well as an opportunity for DPR to preserve an ancient archaeological site whereby providing unique research and educational opportunities. The archaeological site is located next to the bluffs, and contains approximately 27 acres of shell midden estimated to be 5,000 years old.

Funding and Project Cost Verification

This project is within cost. Chapter 157/03, Item 3790-301-6029(10), Chapter 157/03, Item 3790-301-0890(1), Chapter 208/04, Item 3790-301-0890(1), and Chapter 208/04, Item 2660-101-0183 provide funding for this acquisition and this property can be acquired with the remaining funds and in accordance with Legislative intent.

<table>
<thead>
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<th>$3,135,000</th>
<th>total acquisition costs</th>
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<td>$1,300</td>
<td>project costs previously allocated (DGS environmental site visit and CEQA document preparation)</td>
</tr>
<tr>
<td>$3,133,700</td>
<td>project costs to be allocated: $3,100,000 acquisition, and approximately $33,700 in overhead costs (title and escrow and DPR and additional DGS staff costs)</td>
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CEQA

A Notice of Exemption was filed with the State Clearinghouse on December 20, 2004, and the waiting period expired on January 24, 2005.

Project Schedule

The project schedule is as follows:

The anticipated close of escrow is February 2005.

Condition of Property

Department of General Services (DGS), Environmental Services Section (ESS) staff conducted a site visit to the Sand Hill Bluff property on October 13, 2004 located at 5511 Coast Road, Davenport, Santa Cruz County, California.

A Phase I Environmental Site Assessment (ESA) report prepared by RRM, Inc. July 28, 2004, was reviewed by ESS staff and found to be in accordance with American Society for Testing and Materials (ASTM) standards. Additionally, a Phase I ESA report prepared by Rogers E. Johnson & Associates dated October 6, 1992, and included as Attachment C to the 2004 ESA report was reviewed. The Phase I reports identified the following:

The property has been used for agricultural purposes for over 80 years. In that time, pesticides and fertilizers have been utilized on the property. It is likely that some persistent pesticides were previously used on the property such as Chlordane and DDT, and it is likely that soils on the property contain concentrations of these persistent pesticides (2004 ESA report). The 1992 ESA report identifies metasystox as the primary pesticide. Concentrations of metasystox in the groundwater and soil at the property are unknown. Although metasystox is on a groundwater protection “watch” list published by the State of California it poses a low risk for groundwater or surface water contamination, assuming it was applied properly.
Pacific Mariculture used approximately three acres of the property from about 1989 to
2000 as an abalone aquaculture facility. The structures and tanks used for this
aquaculture operation were removed in 2003. During their tenure as property
owners/tenants, Pacific Mariculture inundated this land with seawater that was pumped
into tanks on the property. The portion of the land used by Pacific Mariculture cannot be
farmed due to the high salinity of the soil. This does not represent an environmental
condition according to the Santa Cruz County Environmental Health Service; this portion
of the property has been rendered unusable for agricultural purposes (2004 ESA report).

The site visit revealed an abandoned hydrant/well assumed to have been associated with the
aquaculture facility. No additional improvements, e.g., industrial uses, fuel storage, waste
disposal, etc., were identified on the property that would raise a concern for migration of
hazardous materials. No potential problems with hazardous materials, e.g., ground and/or
vegetation staining were observed during the ESS site visit and the property is compatible with
the proposed future use

Other
• This property was site selected by the Board on December 17, 2004.

• The staff analysis for site selection identified 79 acres and this analysis clarifies that a recent
survey discovered that this same property actually includes an additional 11 acres of bluff
and beach area not previously noted and this is described in the updated legal description.

• The purchase price does not exceed estimated fair market value as determined by a DGS
approved appraisal.

• The Property Acquisition Agreement (PAA) does not include standard indemnification
language. TPL contends they are unaware of adverse environmental conditions and
entered into the option with Sand Hill Bluff LLC agreeing to take title “as-is.” Taking title
“as-is” from TPL could potentially expose the State to additional liability; however, conditions
identified in environmental surveys of this property have not identified conditions that would
likely pose an exceptional risk to the State.

• This acquisition meets three important DPR guidelines by providing (1) expanded outdoor
recreational opportunities, (2) significant cultural resources in the form of the 5,000 year old
shellmidden; and (3) by preserving and sustaining biologically diverse ecosystems, such as
the local sensitive habitat of the Santa Cruz area.

• There is one agricultural lease encumbering approximately 120 acres, which expires
January 31, 2005. The State will acquire a portion of the leased property and the remaining
area, including the site manager’s residential trailer is located on the 68 acres to be retained
by TPL. The parties intend to continue on a month-to-month holdover basis until a new
lease with DPR can be prepared and signed with the tenant. DPR contends there are no
relocation assistance issues and that an Entitlement Report is not necessary since there will
be no tenant displacement on the portion acquired by the State.

• 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 question of an implied dedication claim is always present for any property located between a county road and the ocean, but staff is informed that the owner has statements dating back to the 1920’s showing that use of the property from local neighbors for beach access has been permissive and there is no evidence that all of the rights for a prescriptive rights claim, including hostile and notorious use to the exclusion of all others, have been made, let alone perfected by any potential claimant. As such, and because the property will have limited beach access, staff does not feel this is or will be an issue to the State.

• The National Marine Fisheries Division of the National Oceanic and Atmospheric Administration (NOAA) has claimed stream water diversion used to irrigate the property takes juvenile steelhead in violation of the Endangered Species Act. TPL’s predecessor in interest has agreed to work with NOAA to install an acceptable fish screen at the point of diversion on the adjacent parcel. TPL agrees to indemnify the State from all expense, loss, liability, damages and claims, including attorneys’ fees, if necessary, arising out of the failure by TPL’s predecessor in interest to install an acceptable fish screen to NOAA’s satisfaction.

• The County of Santa Cruz, as a condition of a prior operational permit, requires the owner to restore abandoned water shafts to their natural condition. The water shafts extracted sea water for use on the property through holes bored from the surface to a subterranean sea cave. In accordance with the PAA the State will not take title to the property until the county’s requirements are met.

• It is anticipated the management of this property will be handled within existing resources. Access to the archaeological site is limited by a single road. DPR will provide limited authorized access to the property.

• Grant funds provided through NOAA and EEMP are conditioned upon recording acknowledgements of funding sources, complying with property management standards and disposition instructions requiring reimbursement of funds if the property is no longer used as intended.

Staff Recommendation: Authorize acquisition
ACTION ITEM — 20

DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF PARKS AND RECREATION (3790)
HUMBOLDT LAGOONS STATE PARK, COOK AND EEL RIVER SAWMILLS
HUMBOLDT COUNTY
DPR A40501, A40502; DGS Parcel Nos. 10236, 10237

Authority:
Chapter 106/01, Item 3790-301-0005 (28)
Chapter 52/00, Item 3790-301-0005 (10)

a. Authorize acquisition

APPROVED
3/0

ACTION ITEM

STAFF ANALYSIS ITEM — 20

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

Scope Description
This project is within scope. The Legislature approved funding for the purchase of interests in lands that meet criteria established for a Proposition 12 Acquisition Program. This request will authorize the acquisition of approximately 184 acres of forest land in three parcels contiguous to the Humboldt Lagoons State Park.

This acquisition helps the Department of Parks and Recreation (DPR) fulfill two important missions: acquiring in-holdings and adjacent properties to our State Park System and the long-term preservation of sustainable redwood forest ecosystems.

Funding and Cost Verification
This project is within cost. Chapter 106, Budget Act of 2001, provides $4,318,000, and Chapter 52, Budget Act of 2000, provides $5,000,000 for this acquisition program. The property can be acquired with the funds available and in accordance with legislative intent.
$703,000 total acquisition costs

$3,000 project costs previously allocated (Fee appraisal and DGS staff costs)

$700,000 project costs to be allocated: $677,500 acquisition and approximately $22,000 in overhead costs (title and escrow and DPR and remaining DGS staff 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 February 2005.

Condition of Property
Department of General Services (DGS), Environmental Services Section (ESS) staff conducted a site visits at both the Cook and Eel River Sawmills properties in January 2001. The Cook property consists of two parcels encompassing approximately 164 acres and the Eel River Sawmills property consists of one 20 acre parcel. The properties are hillside second-growth redwood forest and typical North Coast plant communities.

The properties are accessible from Old Highway 1 and/or from the existing State Park. The properties contain an electrical transmission corridor, but are otherwise in a near-natural state. Given the open space setting and condition of this property, ESS staff determined a formal preliminary site assessment was not warranted for this acquisition.

While ESS staff has not re-visited the sites since the original inspection, its steep terrain and limited access effectively prevent activities that might otherwise require a new inspection. The owner, Save-the-Redwoods League, also has an effective land management program to prevent damage to the site’s resources, illegal dumping and harvesting, etc. Accordingly, an additional site inspection was not deemed necessary for this transaction.

Other:
• The State Public Works Board approved this project for site selection on March 12, 2004.

• The owner, a non-profit organization, has offered to sell the properties to the State at approximately 51 percent of the market value approved by DGS with the condition that a use restriction agreement be recorded requiring the State to use the property for state park purposes. This restriction can be lifted if the property is declared surplus to the State’s needs or the State Public Works Board recommends that a transfer to another State agency is necessary for higher and better public purpose. If the use restriction is removed, DPR will be required to pay 49 percent of the market value of the property at the time the restriction is removed to the prior owner, excluding the value of any State improvements.

• 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.

February 11, 2005 Meeting Agenda Minutes
• The property is vacant and unimproved and no relocation assistance is involved with this project.

• The purchase agreement does not include standard indemnification language. While environmental surveys of this property have not identified any conditions that would likely pose an exceptional risk to the State, the lack of indemnification language could potentially expose the state to additional liability. However, given the historical use of this and the adjacent properties, the risk associated with the lack of indemnification language for this project appears to be relatively low.

• DPR asserts that the lack of indemnification language does not expose the State to additional liability because the State is not responsible for conditions it did not cause.

• Although there is no guarantee that the State would not be held responsible, it should be noted that case law typically finds that the party causing an unacceptable environmental condition or contamination is held liable for any such condition or contamination.

• The westerly 20 acre parcel is encumbered with one recorded non-exclusive private road easement. The 14 acre parcel contains one logging truck road easement and three non-exclusive private road easements over existing roads. The 150 acre parcel is free of recorded road easements. Most of the road easements are not specifically locatable; they only refer generally to the road easements for access purposes. While this is not an ideal situation, it is typical of this region. The easement documents do not provide for construction of new roads, only the continued use of existing roads. This non-locatable easement on the 20-acre portion of the property was considered in the appraisal.

• At site selection, DPR previously estimated the need for 1 PY and ongoing costs of $129,000 for personal services and operating expenses to provide for public safety, a minimum level of public access, resource protection, and maintenance. In addition, DPR estimated one-time costs of $51,000 for minimal boundary survey work and equipment. DPR has indicated that this need was based on providing a certain level of resource protection and public access.

• DPR has since reevaluated the operational needs associated with this property and has certified that this property can be managed within existing resources. However, it should be noted that existing resources can only provide for a certain level of public access and resource protection. Should DPR be required to provide a significantly higher level of services in the future, including public access, resource protection, development, and other services, additional funding not considered at this time may be necessary.

• Future considerations for support augmentations and increased support activities shall be addressed through the normal budget process. Additionally, DPR will seek grants and other cooperative efforts, to provide for or assist in providing additional services.

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

To be presented at meeting.

Respectfully Submitted
By:

KAREN FINN
Administrative Secretary