



CALIFORNIA STATE  
**PUBLIC WORKS BOARD**

ARNOLD SCHWARZENEGGER, GOVERNOR

915 L STREET ■ NINTH FLOOR ■ SACRAMENTO CA ■ 95814-3706 ■ (916) 445-9694

STATE PUBLIC WORKS BOARD

December 14, 2007

**MINUTES**

**PRESENT:**

Ms. Ann Sheehan, Chief Deputy Director, Department of Finance  
Mr. Doug Button, Deputy Director, Department of General Services  
Mr. Gregg Albright, Deputy Director, Department of Transportation  
Mr. Jim Lombard, Deputy Controller, State Controller's Office  
Mr. Francisco Lujano, Deputy Treasurer, State Treasurer's Office

**STAFF PRESENT:**

Greg Rogers, Administrative Secretary  
Karen Finn, Assistant Administrative Secretary  
Jim Martone, Assistant Administrative Secretary  
Deborah Cregger, Staff Counsel  
Nathan Brady, Assistant Administrative Secretary  
Theresa Gunn, Assistant Administrative Secretary  
Lucinda Winward, Budget Analyst  
John Erickson Ponce, Budget Analyst  
Andy Ruppenstein, Budget Analyst  
John Silva, Budget Analyst  
Stacey Sappington, Secretary

**CALL TO ORDER AND ROLL CALL:**

Ms. Sheehan, Acting Chairperson of the SPWB and Chief Deputy Director of the Department of Finance, called the meeting to order at 10:04 a.m. Mr. Greg Rogers, Administrative Secretary for the State Public Works Board, called the roll. A quorum was established.

The first order of business was approval of the Minutes from the November 9, 2007 meeting.

**A motion was made by Mr. Lombard and Second by Mr. Button to approve the minutes from the November 9, 2007 meeting.**

**The minutes were approved by a 5-0 vote.**

**BOND ITEMS:**

Mr. Rogers reported that there was one Bond Item for consideration. Bond Item #1 for the Judicial Council – Administrative Office of the Courts, Court of Appeal, Fourth Appellate District, Division Three, Santa Ana: New Courthouse, Orange County. The requested action would adopt a supplemental resolution authorizing the use of interim financing and the sale of lease revenue bonds consistent with increased project authority. The authorized scope of the project is to construct a new appellate court of approximately 52,000 gross square feet. Staff recommended adoption of the supplemental resolution to authorize interim finance and the sale of the lease revenue bonds consistent with increased project authority.

There were no comments or questions from the Board or the public.

**A motion was made by Mr. Button and Second by Mr. Lombard to approve Bond Item #1.**

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

**CONSENT CALENDAR:**

Mr. Rogers reported that the Consent Calendar covered Consent Items numbered 1 through 10. In summary these items proposed:

- **1 request to authorize acceptance of real property and improvements thereon through a transfer of title [1]**
- **1 request to authorize site selection [2]**
- **6 requests to approve preliminary plans [3, 6-10]**
- **1 request to authorize acquisition of real property through the acceptance of a no cost acquisition [4]**
- **1 request to approve the use of Inmate Ward Labor [5]**

**In review staff recommended approval of the Consent Calendar consisting of Consent Items numbered 1-10.**

There were no comments or questions from the Board or the public.

**A motion was made by Mr. Albright and Second by Mr. Button to approve the Consent Calendar**

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

**ACTION ITEMS**

Mr. Rogers now moved onto the Action Items. There was one Action Item on the agenda. Action Item #1 is for the Department of General Services, Department of Toxic Substances Control -Stringfellow-Riverside Mining, Riverside County. The requested action was to consider adopting a Resolution of Necessity authorizing the use of eminent domain (condemnation) to acquire approximately 33 acres adjacent to the current state-owned property known as the Stringfellow Federal Superfund Site and to approve the augmentation of the acquisition phase of this project. The acquisition of this site will allow work to proceed for the construction of a new pre-treatment plant to replace the existing, obsolete plant. The acquisition will also provide a means to control the existing monitoring and extraction wells located on the property.

Mr. Rogers outlined the history of the Stringfellow site, which having been operated pursuant to a state issued permit as a bulk liquid hazardous waste site for several decades, has since been declared a federal Superfund site for which the state (through the Department of Toxic Substances Control) is responsible to remediate. He also noted that they were provided with a letter from the Department of Toxic Substances Control setting forth the need for this site and a letter from an attorney representing the landowner that raises several legal challenges to the requested action.

Allen Wolfenden, on behalf of the Department of Toxic Substances Control provided the Board with a brief overview of the project, focusing on the need for the new pretreatment plant and why the proposed site is essential for the project. Mr. Wolfenden discussed the variety of facts

that indicated the proposed project is conservatively sited in a manner necessary to protect the public safety.

Paul Bruguera, on behalf of the Attorney General's Office representing the Board in the condemnation proceedings, addressed the Board regarding the objections raised by the land owner and his attorney. Mr. Bruguera also responded to questions Board members had with respect to the timing and court procedures related to the condemnation court case.

Staff recommended that the Board adopt a Resolution of Necessity making the findings that:

1. The public interest and necessity require the proposed project.
2. The proposed project is planned or located in a manner that will be most compatible with the greatest public good and the least private injury.
3. The property described in the resolution is necessary for the proposed project.
4. A just and fair offer of purchase was made in accordance with Government Code Section 7267.2.

This action would start the process of condemnation for the specified site and to approve an augmentation for the acquisition phase of this project, consistent with the staff analysis.

**There were no comments or questions from the public.**

**A motion was made by Mr. Button and Second by Mr. Albright to approve Action Item 1. Action Item 1 was approved by a 3-0 vote.**

OTHER BUSINESS:

**Other Business #1 requested approval to rescind appointment of Teresa Bierer as Assistant Administrative Secretary to the Public Works Board.**

**There were no comments from the Board or the public.**

A motion was made by Mr. Albright and Second by Mr. Button to rescind appointment. Other Business #1 was approved by a 3-0 vote.

**Other Business #2 requested approval to appoint Nathan Brady as Assistant Administrative Secretary to the Public Works Board.**

**There were no comments from the Board or the public.**

A motion was made by Mr. Button and Second by Mr. Albright to approve appointment. Other Business #2 was approved by a 3-0 vote.

REPORTABLES:

Mr. Rogers reported that there are **thirteen** reportable items for this month that staff have approved under authority delegated by the Board.

NEXT MEETING:

**Mr. Rogers noted that the next meeting is set for Friday, January 11, 2008, at 10:00 a.m. at the State Capitol in Room 113.**

**There were no comments or questions from the public before adjournment.**

Ms. Sheehan adjourned the meeting at 10:30 a.m.



CALIFORNIA STATE  
**PUBLIC WORKS BOARD**

ARNOLD SCHWARZENEGGER, GOVERNOR

915 L STREET ■ NINTH FLOOR ■ SACRAMENTO CA ■ 95814-3706 ■ (916) 445-9694

## AGENDA AND STAFF ANALYSIS

NOTICE OF MEETING  
STATE PUBLIC WORKS BOARD  
Friday  
December 14, 2007

The STATE PUBLIC WORKS BOARD will meet on Friday December 14, 2007, at 10:00 a.m. in Room 2040 in the State Capitol, Sacramento, California. In accordance with provisions of Section 11125 of the Government Code, a copy of the Agenda is attached.

Greg Rogers  
Administrative Secretary

Attachment



**STATE PUBLIC WORKS BOARD**

**Friday**

**December 14, 2007**

**10:00 a.m.**

**Room 2040**

State Capitol

Sacramento, California

**I. Roll Call**

Michael C. Genest, Director, Department of Finance  
Will Bush, Interim Director, Department of General Services  
Will Kempton, Director, Department of Transportation  
John Chiang, Controller, State Controller's Office  
Bill Lockyer, Treasurer, State Treasurer's Office

\* \* \* \* \*

Patrick W. Henning, Director, Employment Development Department  
(Advisory Member)

\* \* \* \* \*

Assembly Member, Legislative Advisor  
Assembly Member, Legislative Advisor  
Assembly Member, Legislative Advisor  
Senator Darrell Steinberg, Legislative Advisor  
Senator, Denise Ducheny, Legislative Advisor  
Senator, Carole Migden, Legislative Advisor

**II. Approval of minutes from the November 9, 2007 meeting**  
Report on conditional approvals of last meeting.

<b>III. Bond Items</b>	Page 4
<b>IV. Consent Items</b>	Page 5
<b>V. Action Items</b>	Page 32
<b>VI. Other Business</b>	Page 37
<b>VII. Reportables</b>	Page 37

## BOND ITEM

### BOND ITEM – 1

**JUDICIAL COUNCIL OF CALIFORNIA (0250)  
ADMINISTRATIVE OFFICE OF THE COURTS, COURT OF APPEAL, FOURTH DISTRICT  
SANTA ANA: NEW COURTHOUSE, ORANGE COUNTY**

*Authority: Chapter 379/02, Item 0250-301-0660 (1) as reappropriated by Chapter 157/03, Item 0250-490, Chapter 208/04, Item 0250-490 and Chapters 47 and 48/06, Item 0250-490  
Chapters 47 and 48/06, Item 0250-301-0660 (1)  
Chapter 171 and 172/07, Item 0250-301-0660*

**Adopt a supplemental 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 consistent with increased project authority.
2. Authorize the sale of the State Public Works Board Lease Revenue Bonds consistent with increased project authority.

**TOTAL ESTIMATED BOND AUTHORIZATION:**

**\$26,484,000**

## BOND ITEM

### STAFF ANALYSIS ITEM – 1

Judicial Council  
Administrative Office of the Courts  
Court of Appeal, Fourth Appellate District, Division Three, Santa Ana: New Courthouse,  
Orange County

Action Requested

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

Scope Description

**This project is within scope.** The authorized scope of the project is to construct a new appellate court of approximately 52,000 gross square feet. This building will accommodate nine justices and support staff. An approximately two-acre site will be acquired in the City of Santa Ana. The scope includes site work, utilities, landscaping, up to 100 surface parking spaces, and

modular work stations.

#### Funding and Cost Verification

**This project is within cost.** Funding to address a recognized deficit of \$3,086,000 was authorized with the 2007 State Budget Act. The Public Works Board recognized an additional anticipated deficit for this project at the November 2007 PWB Meeting and authorized a budget augmentation of \$2,220,000.

The Legislature previously appropriated a total project cost of \$27,479,000 for this project (acquisition \$2,783,000, preliminary plans \$432,000, working drawings \$837,000, and construction \$23,427,000). Subsequently, the Department reverted \$2,178,000 for savings associated with the acquisition, augmented the preliminary plan phase by \$198,470, and transferred \$280,000 from the construction phase to the working drawings phase. The Public Works Board approved an augmentation of \$2,220,000 to the construction phase in November 2007, based on the actual bids for construction work.

\$25,301,000 total authorized project cost (original appropriation \$27,479,000, less reversion for acquisition \$2,178,000)

\$27,719,470 total estimated project cost

\$ 2,072,470 project cost previously allocated : acquisition \$605,000, preliminary plans \$630,470 (original appropriation \$432,000 plus augmentation for \$198,470), and working drawings \$1,117,000 (original appropriation \$837,000 plus transfer of \$280,000)

\$25,367,000 project cost to be allocated: construction \$25,367,000 (contract \$22,839,000, contingency \$1,028,000, A&E \$445,200, other \$1,054,800)

#### CEQA

The CEQA documentation (Negative Declaration) was filed with the County of Orange on June 29, 2005 and expired.

#### Due Diligence

Due diligence review of the property was completed on June 27, 2005. All vesting, title or rights issues as identified in the Real Property Acquisition Agreement have been resolved. The Grant Deed and Reciprocal Easement Agreement, conveying the property to the State were recorded on September 26, 2007

#### Project Schedule

**The project schedule is as follows:**

Approve preliminary plans: December 2006  
Approve working drawings: June 2007  
Complete construction: May 2009

**Staff Recommendation: Adopt resolution.**

**CONSENT ITEM**

**CONSENT ITEM – 1**

**JUDICIAL COUNCIL OF CALIFORNIA (0250)  
ADMINISTRATIVE OFFICE OF THE COURTS (AOC)  
CORCORAN COURTHOUSE, KINGS COUNTY**  
AOC Facility Number 16-D1, DGS Parcel No. 10494

*Authority: Trial Court Facilities Act of 2002, Chapter 1082, Statutes of 2002, commencing with Section 70301 of the Government Code, as amended.*

**Authorize the acceptance of real property and improvements thereon through a transfer of title.**

**CONSENT ITEM**

**STAFF ANALYSIS ITEM – 1**

Administrative Office of the Courts  
Corcoran Courthouse, AOC Facility Number 16-D1

Action Requested

**The requested action will authorize the acceptance of real property and improvements thereon through a transfer of title consistent with the staff analysis.**

Scope

**This transaction is within scope.** The County of Kings (“County”) is transferring fee title in and to the court facility commonly known as the Corcoran Courthouse, located at 1000 Chittenden Avenue, Corcoran, California (“Court Facility”), to the State of California (“State”) on behalf of the Judicial Council of the California (“Council”), Administrative Office of the Courts (“AOC”), pursuant to that certain Transfer Agreement Between the Judicial Council of California, Administrative Office of the Courts and the County of Kings for the Transfer of Responsibility for Court Facility, dated June 19, 2007 (“Transfer Agreement”). The Court Facility consists of approximately 0.56 acres of real property improved with a one-story building, parking lot, and associated landscaping. Following the no-cost transfer of title, the AOC shall be responsible for the funding and operation of the Court Facility.

### Costs

**This transaction is within cost.** The County shall not be entitled to compensation for any equity value in the square footage occupied by the Superior Court in the Court Facility pursuant to SB 1732 (Escutia), Chapter 1082, Statutes of 2002, Section 1(d)(6). The only costs associated with acceptance of this no-cost acquisition are the staff costs to process the acceptance.

### CEQA

A Notice of Exemption was filed with the State Clearinghouse on September 28, 2007, and the 35-day statute of limitations period expired on November 2, 2007.

### Project Schedule

**The project schedule is as follows:**

The anticipated date of close of escrow is January 2008.

### Condition of Property

The AOC, staff agency to the Council, was responsible for conducting a site visit to the Court Facility site in April, 2006; for contracting for the professional services of an environmental professional for the Phase I Environmental Site Assessment (Phase 1); for the building assessment; and for the seismic assessment. The following findings were made from the combined resources identified above:

#### Phase I:

A Phase I report was completed in September 2006, by ERM, Inc., in accordance with the American Society for Testing and Materials Standard Practice for Environmental Site Assessments: Phase I (E-1527-00) (ASTM 2000). The Phase I includes an evaluation of significant environmental, health, and safety conditions impacting the interior and exterior of the Court Facility. In preparing the Phase I, a visual inspection of the Court Facility was performed to detect any apparent hazardous conditions in, on, or about the Court Facility, and the historical uses of the real property were reviewed. None were found.

The Phase I did not identify any recognized environmental conditions (REC) at the subject property. However, while not considered RECs, the Phase I pointed out potential environmental concerns regarding a potential historical use and storage of inks, thinners, and solvents by a printing facility that operated during 1912, 1928, and in 1942. This site was also used as an agricultural warehouse, wagon repair shop and woodworking facility, which may have involved the potential use and storage of pesticides, thinners, shellacs, other oil-based products, and lead-based paint. Additionally, the Phase I cites the observance of a newly installed transformer on the southwestern corner of the site that is installed on a concrete slab, however, no information is provided as to whether the transformer contains PCBs.

#### Building Assessment:

Staff from the AOC's Office of Court Construction and Management conducted a site visit of the Court Facility on April 21, 2006, to assess the general condition of the property. The site visit entailed a tour of the facility and surrounding property including a review of the real property for apparent conditions that could adversely impact the habitability or safety of the property; identification of furnishings, fixtures, and equipment that the County will transfer and convey to the State along with the real property; and to identify any tenancies, encroachments, apparent easements, or other rights to occupy or use the property that might be vested in parties other than the County or the Court. The Office of Court Construction and Management concluded that the Court Facility did not contain any apparent hazards to the health and safety of the occupants or property.

### Seismic Safety Assessment of the Improvements:

Jacobs Engineers, Inc., licensed structural engineers, performed a Tier I seismic safety assessment of the building located in the Court Facility in July 2003, and inspected and evaluated the Court Facility for seismic safety in accordance with the method and criteria developed by the Department of General Services' Real Estate Services Division. This seismic evaluation of the Court Facility was then peer-reviewed by other qualified engineers.

The AOC determined that the building has a seismic safety rating of Level IV, as defined in the Risk Acceptability Table of the State Building Seismic Program, developed by the Division of State Architect, April 1994, which is an acceptable seismic safety rating for the transfer of the title to the Court Facility to the State under Government Code Section 70327.

### Other

- The State may refuse to accept responsibility for the Court Facility only if (a) the Court Facility contains one or more "deficiencies," as defined at Government Code Section 70326(b), and (b) the county and the AOC have not made provision for the correction of the deficiencies as part of the Transfer Agreement, pursuant to Section 70326(c) or Section 70327(d) of the Government Code. Neither of these situations exists.
- The County adopted a Resolution on June 19, 2007, approving the Transfer Agreement to transfer title and responsibility of the Court Facility to the State, and authorizing the Chairman to sign the Transfer Agreement, Grant Deed, and other documents related to the transaction, and the Director of the Department of General Services to execute any other documents necessary for the transfer of responsibility and title to the Court Facility to the AOC.
- The Transfer Agreement requires that delivery of title to the property would be free and clear of any mortgages or liens. Concurrently with the transfer of title to the Court Facility, the AOC will purchase an owner's policy of title insurance for the Court Facility from the title company.
- The AOC is not aware of any lawsuits pending concerning the property.
- The Transfer Agreement provides that the County will continue to maintain and provide the State with uninterrupted use of and access to the Court Facility's Building Software and, use of its telephone Line Interface Module (LIM) telecommunication services. The County and AOC will share a minimum point of entry which provides access to the LIM telecommunications system. Effective as of closing, the AOC grants the County rights of ingress, egress and access to all parts of real property to which any component or subcomponent of connection to LIM is located.
- The Superior Court occupies 86.6 percent of the facility.
- The County has been delegated managing party responsibility by the AOC until the rest of the County's court facilities transfer.
- The County has agreed to indemnify the AOC for any liability imposed on the AOC pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. Sec. 9601 et seq.), or related provisions for conditions at the time of transfer whether known or not known that existed in, on, or under the real property during the period of their ownership.

- Department of General Services – Environmental Service Section (DGS-ESS) staff has reviewed the Phase I Report. It is DGS-ESS's opinion that no further testing is required at this time as the potential environmental concerns identified do not pose any significant health and safety issues. With respect to the unconfirmed existence of PCBs in a public utilities transformer, the responsibility for any/all abatement and/or testing will be the responsibility of the public utilities company. Furthermore, JCC-AOC staff has also confirmed that because the site is encapsulated by concrete and asphalt there is no likelihood of exposure to the environmental concerns identified above.
- In accordance with SB1732, there is adequate parking for the Court Facility. The Court Facility includes a total of 31 unsecured, above-ground parking spaces, including one handicapped parking space, and seven reserved parking spaces dedicated to use by judges, Court staff and employees, and five reserved passes for the Sheriff.
- There are no historic issues associated with the Court Facility.

**Staff Recommendation:**      **Authorize the acceptance of real property and improvements thereon through a transfer of title.**

## CONSENT ITEM

### CONSENT ITEM – 2

**JUDICIAL COUNCIL OF CALIFORNIA (0250)**  
**NEW SAN BERNARDINO COURTHOUSE, SAN BERNARDINO COUNTY**  
JCC Parcel Number 36-R1, DGS Parcel Number 10495

*Authority: Chapter 171/172, Budget Act of 2007, Item 0250-301-3037(6)*

**Authorize site selection**

## CONSENT ITEM

### STAFF ANALYSIS ITEM – 2

Judicial Council of California  
New San Bernardino Courthouse

Action requested

**The requested action will authorize site selection for this project consistent with the staff analysis.**

Scope Description

**This project is within scope.** This request will authorize the site selection of land for the construction of a new 36 courtroom courthouse with secure parking for judicial officers and staff surface parking in the downtown area of the City of San Bernardino, San Bernardino County. This project will consolidate court operations from nine facilities, seven of which will be vacated due to the project, and will relieve the current space shortfall; increase security, and replace inadequate and obsolete buildings in the City of San Bernardino. The site being presented is under consideration for site selection for this project, however, if after further investigation this site is deemed to be unsuitable for the court's needs, the Judicial Council of California (JCC) will submit for site selection authority on another site(s); only one site will be considered for the acquisition phase of the project.

This site is located in the City of San Bernardino and is comprised of a single parcel totaling approximately eight (8) acres of land that is presently improved with a surface parking lot on approximately one-half of the site.

### Funding and Cost Verification

**This project is within cost.** Chapter 171/172, Budget Act of 2007, Item 0250-301-3037(6), provides no funding for land acquisition other than for due diligence costs. This property can be acquired with the funds available and in accordance with Legislative intent. The property is currently owned by the Redevelopment Agency of the City of San Bernardino. The Redevelopment Agency is agreeable to donating this site to the state for the development of a future courthouse with associated parking.

### CEQA

Subsequent to the site selection process and in accordance with the California Environmental Quality Act (Public Resources Code Section 21000-21177) and pursuant to Section 15063 of Title 14 of the California Code of Regulations, the JCC, acting in the capacity of Lead Agency, will undertake the preparation of an Initial Study to determine if the proposed project would have a significant environmental impact. This will be submitted with a future site acquisition application for the selected site.

### Project Schedule

**The project schedule is as follows:**

The anticipated close of escrow is June 2008.

### Condition of Properties

Department of General Services (DGS), Environmental Services Section (ESS) staff conducted a site visit to the New San Bernardino Courthouse property on November 20, 2007. This approximately 7 acre parcel is located at 247 West 3rd Street in the City of San Bernardino. Title is vested in the Redevelopment Agency of the City of San Bernardino.

The property is surrounded by the County of San Bernardino government buildings and parking lots, a municipal park, a creek bed and other multi-story commercial buildings. The local topography is relatively flat, generally sloping from northwest to southeast. The site is located adjacent to Warm Creek, which crosses through the southeast corner of the property, and flows southwest to the Santa Ana River located approximately one mile to the south. The property consists of a paved parking lot on the north side of the parcel and an un-paved compacted soil and gravel vacant lot on the south side. A chain link and razor wire fence surrounds the vacant land. An open metal gate is located on the southern boundary and near this gate are two gravel piles. Several vehicles were parked on the northern portion of the vacant lot. On the northwest side of the vacant lot is a 20 foot by 8 foot modular office trailer. Near the southwest corner is a metal 20 foot by 8 foot storage unit. There are 8 mature trees scattered throughout the vacant lot. Along the property boundary near the creek, is some litter and debris that should be removed. There is also an opening in a metal fence on the property that accesses a transient camp near the creek. The fence needs to be repaired.

According to a Phase I Environmental Site Assessment (ESA), completed in October 2007, historical property uses included an auto service, auto wrecking, and auto body paint facilities located on the northwest and southwest portions of the site as early as 1950, which remained in place until 1959 (auto repair/painting) and 1961 (auto wrecking). No fueling uses appear to be associated with these previous industrial activities. Therefore, it is unlikely that chemical releases resulting from the repair and painting services, if they occurred, would have migrated beyond the shallow soil. The site has also undergone significant excavation and refill events as a result of building demolitions and construction. The property was acquired by Caltrans in the late 1950's and the agency constructed a facility on site which included a motor pool fueling station. There were previously four tanks on site that were used for waste oil and diesel and gasoline storage. These tanks were removed some time ago and the facility was demolished

approximately six or seven years ago. At this time, the property was over-excavated and replaced with consolidated fill material and the asphalt parking lot. The ESA notes that the historical presence of the auto repair, wrecking, and paint services and the Caltrans facility are not considered as Recognized Environmental Conditions, but their former location should be noted if future excavation occurs in these areas. No new concerns were identified in this site visit.

Other:

- The proposed site meets the size, location, and compatibility requirements of the JCC.
- There is no relocation assistance involved with this project.
- The site will be donated to the state by the Redevelopment Agency of the City of San Bernardino.
- There is no implied dedication involved with this project.
- The Judicial Council approved a site selection and acquisition policy for court facilities on June 29, 2007, which delegated the authority to the Administrative Director of the Courts upon recommendation by staff of the Administrative Office of the Courts (AOC) to approve criteria established for selection of sites for specific court facility projects and to approve negotiated terms of acquisition, for selection and acquisition of new court facility sites. This approval authority is given to the Administrative Director for non-controversial sites and specific sites that have been offered to the state at no cost. The Administrative Director has directed AOC staff to proceed with the site selection process for the New San Bernardino Courthouse that will include negotiation for a non-controversial and sole-source site donated by the City of San Bernardino.

**Staff Recommendation:     Authorize site selection**

## CONSENT ITEM

### CONSENT ITEM – 3

DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540)  
STATEWIDE: CONSTRUCT COMMUNICATIONS FACILITIES  
VARIOUS COUNTIES

*Authority: Chapter 38/05, Item 3540-301-0001 (3)  
Chapter 47/06, Item 3540-301-0001 (6)*

**Approve preliminary plans**

## CONSENT ITEM

### STAFF ANALYSIS – 3

Department of Forestry and Fire Protection  
Statewide: Construct Communications Facilities  
Various Counties

Action requested

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

Scope Description

**This project is within scope.** The project replaces the telecommunication towers, vaults and other supporting infrastructures at the following nine sites: Bear Mountain, Blue Ridge, Big Valley Mountain, Boucher Mountain, Cuyamaca, Joaquin Ridge, Likely Mountain, Mt. Bullion, and Mt. Lowe. The new structures will be built to meet essential services seismic standards, withstand 100 mph winds, and have 25-year serviceable life spans. The project includes: emergency generators, fuel systems, alarms, venting cooling systems, extension of utilities, paving, security fencing, and demolition of existing structures.

Funding and Cost Verification

**This project is within cost.** Total appropriations for this project provide \$18,812,000 General Fund for preliminary plans, working drawings, and construction.

\$18,812,000 total estimated project cost.

\$18,812,000 total authorized project cost.

\$ 2,660,000 project cost previously allocated: preliminary plans \$906,000 and working drawings \$1,754,000.

\$16,152,000 project cost to be allocated: working drawings \$259,000 and construction \$15,893,000 (contract \$12,245,000, contingency \$857,000, A&E \$1,142,000, and other project costs \$1,649,000).

CEQA

The Department certifies CEQA requirements have been met. A Notice of Determination was filed with the State Clearinghouse by June 2007.

Due Diligence

The Department of General Services completed Due Diligence for all nine sites and no significant issues were identified.

Project Schedule

**The project schedule is as follows:**

Approve preliminary plans:	December 2007
Approve working drawings:	April 2008
Complete construction:	October 2009

**Staff Recommendation:                      Approve preliminary plans**

## CONSENT ITEM

### CONSENT ITEM – 4

DEPARTMENT OF GENERAL SERVICES (1760)  
DEPARTMENT OF PARKS AND RECREATION (3790)  
MARSHALL GOLD DISCOVERY STATE HISTORIC PARK, VAN NOORD PROPERTY  
EL DORADO COUNTY  
DGS Parcel Number 10491, DPR Parcel Number 014578

*Authority: Chapter 157/03, Item 3790-301-6029(10)  
as re-appropriated by 47/06, Item 3790-491-6029(10)*

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

## CONSENT ITEM

### STAFF ANALYSIS ITEM – 4

Department of General Services  
Department of Parks and Recreation  
Marshall Gold Discovery State Historic Park, Van Noord Property

Action requested

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

Scope Description

**This project is within scope.** This request will authorize the Department of Parks and Recreation (DPR) to accept a no-cost acquisition of approximately 40 acres as an addition to Marshall Gold Discovery State Historic Park.

The Public Resources Code, Section 5005 allows the DPR to receive and accept in the name of the people of the State any gift, dedication, devise, grant, or other conveyance of title to or any interest in real property, including water rights, roads, trails, and rights-of-way, to be added to or used in connection with the State Park System. It may receive and accept gifts, donations, contributions, or bequests of money to be used in acquiring title to or any interest in real property, or in improving it as a part of or in connection with the State Park System, or to be used for any of the purposes for which the department is created. It may also receive and accept personal property for any purpose connected with the State Park System.

The Van Noord property is a 76 acre parcel that offers undeveloped land which protects water quality, wildlife habitat and provides public access to the South Fork of the American River near

the towns of Coloma and Lotus in El Dorado County. The DPR will acquire approximately 40 acres of the 76 acre parcel. The property will provide a trail head and loop trail connecting the County's Lotus-Henningsen Park with the Marshall Gold Discovery State Historic Park, both river front parks. In addition, it will protect 2,193 lineal feet of a riparian corridor watered by the Coloma-Lotus ditch, constructed in 1850 and still actively managed for water transport.

#### Funding and Cost Verification

**This project is within cost.** Chapter 157/03, Item 3790-301-6029(10), as re-appropriated by Chapter 47/06, Item 3790-491-6029(10) will cover overhead costs for this acquisition. The purchase of the property will be accomplished through funding from the River Parkways Grant Program to the American River Conservancy.

#### CEQA

A Notice of Exemption was filed with the State Clearinghouse on September 8, 2006, and the statute of limitations expired on October 13, 2006.

#### Project Schedule

**The project schedule is as follows:**

The anticipated close of escrow is December 2007.

#### Condition of Property

Department of General Services (DGS), Environmental Services Section (ESS) staff conducted a site visit on September 24, 2007. The property consists of Tracts 1 and 2, each comprising approximately 20 acres. The tracts are unimproved with vegetation consisting of oak and pine species, weeds, and grasses with moderate to steep slopes. To the west of the tracts is a county park and private property and to the south is private property. El Dorado County property is to the north of Tract 1. Marshall Gold Discovery State Historic Park is contiguous to the tracts on the easterly property boundary. Survey monuments are identifiable at numerous locations. The property can be accessed via Firehouse Road off of Lotus Road.

A Phase 1 Environmental Site Assessment was not available for these tracts and is not deemed necessary given the physical setting of the properties. No potential problems with hazardous materials were observed during the ESS site visit, and the properties are compatible with the objectives of protecting water quality and wildlife habitat and providing public access. The proposed acquisition would link the Henningsen-Lotus County Park with the Marshall Gold Discovery State Park and in the future could provide a loop trail corridor linking these two parks located along the American River.

#### Other:

- The purchase price shall not exceed the estimated fair market value of the property as determined by a DGS approved appraisal.
- There is no relocation assistance involved with this project.
- There is no implied dedication applicable to this property.
- The nonprofit organization American River Conservancy (ARC) will cause the property to be directly transferred to State Parks without ARC being within the chain of title.
- ARC has received a grant from the River Parkways Grant Program, administered by the State of California Resources Agency, to purchase the property from a private property owner ("Grantor"). The River Parkways grant funds are to be used for acquisition of land for river parkways or for the restoration, protection and development of river parkways. Pursuant to the transfer of the property from the Grantor to DPR, DPR will assume the obligations imposed by the Grant Agreement ("Agreement").

- DPR will record concurrently with close of escrow, a Memorandum of Unrecorded Grant Agreement giving public notice that grant funds assisted in acquiring the property and that DPR agrees to the terms of the Agreement.
- The ARC has an account within escrow with a non-refundable deposit attributable to the purchase price. The ARC proposes to accept \$700,000 in grant funds from the State Resources Agency as a party to this escrow. ARC and the Grantor will enter into a Third Party Deposit Instructions to provide the title company with details for the disbursement of funds. Overhead for the project will be funded from Proposition 40.
- The River Parkways grant requires that the property be used for the acquisition of land for river parkways or for the restoration, protection and development of river parkways in accordance with the California River Parkways Program. Also, the interest shall hold the real property only for the purpose for which the grant was made and make no other use or sale or other disposition of the property without the written permission of the State. The terms of the Grant Agreement are consistent with DPR's intended use.
- There is an unrecorded right in favor of the Coloma Lotus Ditch Association ("Association") for a ditch to transport water across the subject acquisition property. The State agrees to convey to Grantor an underground irrigation pipeline easement between Grantor's abutting property and an existing irrigation ditch which is currently utilized by Coloma Lotus Ditch Association and is located within said real property.
- The DPR is not aware of any lawsuits pending concerning the property. The Property Acquisition Agreement (PAA) will require delivery of title to the property free and clear of any mortgages or liens.
- The PAA does not include the State's standard indemnification language, potentially exposing the State to additional fiscal liability; however, the DGS-ESS site visit of the property did not identify conditions that would likely pose an exceptional risk to the State. As such, the risk associated with acquiring this property without the standard indemnification is low. It should be noted that the lack of indemnification language does not relieve the Seller of liability under existing law.
- This acquisition will provide the public with outdoor recreational opportunities while also protecting natural resources.
- The DPR does not foresee changes at this time to public access, development, or resource needs; any such changes will be addressed through the normal budget process.

**Staff Recommendation: Authorize acquisition**

## CONSENT ITEM

### CONSENT ITEM – 5

DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)  
CALIFORNIA STATE PRISON, KERN COUNTY AT DELANO II (KERN VALLEY STATE  
PRISON), TOTAL FACILITY  
DELANO, KERN COUNTY

*Authority: Government Code Section 15819.295 (Ch. 54/99)*

**Approve the use of Inmate Ward Labor**

## CONSENT ITEM

### STAFF ANALYSIS ITEM – 5

Department of Corrections and Rehabilitation  
California State Prison, Kern County at Delano II (Kern Valley State Prison)  
Delano, Kern County

Action Requested

**The requested actions will approve the use of Inmate Ward Labor pursuant to Public Contract Code Section 10103.5 for this project.**

Scope Description

**This project is within scope.** The approved project consisted of constructing a maximum-security state prison for male inmates located near the city of Delano in Kern County. The project, when completed, added a total of 2,248 cells to the California prison system, together with a 400-bed Level I support services facility.

The requested action will provide modifications throughout Kern Valley State Prison (KVSP) to supply inmates with disabilities adequate housing and access to programs, services, and activities in accordance with the ADA. KVSP has a number of deficiencies which prevent the institution from accommodating the needs of the disabled inmate population.

The Prison Law Office requested that periodic tours of KVSP be conducted by independent accessibility compliance professionals to ensure that ADA specifications are met in all areas where Disability Placement Program (DPP) inmates are housed. On January 18, 2007, the United States District Court, Northern District of California issued an order compelling the California Department of Corrections and Rehabilitation (CDCR) to comply with the ADA, Section 504 of the Rehabilitation Act, and the amended Armstrong Remedial Plan.

Despite earlier progress toward compliance, KVSP remains in violation of the ADA and may be subject to further sanctions and costly litigation. Design irregularities have been identified that contributed significantly to the lack of ADA compliance. Renovation will be needed to bring KVSP into compliance in order to avoid further sanctions. The necessary modifications will correct a wide variety of deficient items at KVSP.

These modifications include adjustments to exterior path of travel surfaces and fixtures; relocating seating fixtures and equipment, water fountain fixtures, inmate personal effects lockers, and electrical outlets; reconfiguring inmate communication equipment, inmate access to telephone communication equipment, and inmate access to lighting controls in housing facility cells; providing sanitary facility fire alarm equipment for visual notification, means of protection equipment for water fountain path of travel, wheelchair accessible holding cage, accessible clear space, grab bars, and fixtures for sanitary facilities, mirrors, protection for sanitary facility supply and drain pipes; removing fixtures in table and seating areas; retrofitting hand railings in shared housing facilities; retrofitting, adjusting, or replacing controls, equipment and grab bars in showers; modifying slope of equipment and floors in showers; providing or replacing accessible sanitary, bathing, and safety facility fixtures and plumbing hardware; protecting plumbing fixtures; and easing elevation changes at doorways and thresholds.

#### Funding and Cost Verification

**This project is within cost.** The CDCR is requesting approval to redirect existing project authority from the construction contingency cost category to the agency retained cost category.

\$381,831,000 total authorized project cost

\$381,831,000 total estimated project cost

\$381,831,000 project costs previously allocated: acquisition \$5,072,000; preliminary plans \$4,690,000; working drawings \$6,067,000; project administration \$34,172,000; long lead \$1,084,000; group II equipment \$12,261,000; agency retained \$20,174,000; and construction \$298,311,000 (contract \$267,916,000; contingency \$25,129,000; A&E \$5,266,000)

#### 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 statute of limitations period, a lawsuit was filed. After the CDCR 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 statute of limitations 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 5<sup>th</sup> 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.

#### Due Diligence Status

The Department of General Services prepared a Summary of Conditions Memo for this project on September 3, 2003 and no significant issues were identified.

Project Schedule

**The project schedule is as follows:**

Approve preliminary plans:	September 2000
Approve working drawings:	July 2001
Complete construction:	May 2005

**Staff Recommendation:**                      **Approve use of Inmate Ward Labor pursuant to Public Contract Code Section 10103.5 for this project.**

**PAGE INTENTIONALLY LEFT BLANK**

## CONSENT ITEM

### CONSENT ITEM – 6

UNIVERSITY OF CALIFORNIA (6440)  
SANTA BARBARA CAMPUS, SANTA BARBARA COUNTY  
Infrastructure Renewal Phase 1

*Authority: Chapter 47/06, Item 6440-301-6048 (14)  
Chapters 171 and 172/07, Item 6440-301-6048 (14)*

**Approve preliminary plans**

## CONSENT ITEM

### STAFF ANALYSIS ITEM – 6

University of California, Santa Barbara  
Infrastructure Renewal Phase 1  
Santa Barbara County

Action requested

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

Scope Description

**This project is within scope.** The Infrastructure Renewal Phase 1 project will address current deficiencies in the campus' aging infrastructure systems which constrain operations and are inadequate to meet the demands of future campus growth. The planned improvements provide renewal and upgrade of and increased capacity to storm drainage, sanitary sewer, potable water and natural gas utility systems. This is the first of two planned water, sewer and natural gas infrastructure projects. Phase 1 addresses the most critical system segments that require immediate renewal due to safety issues, regulatory issues, capacity limitation and/or poor operating condition. Phase 2 will address additional system segments that require renewal over the next ten years.

Unkn  
Field

Unkn  
Field

Unkn  
Field

Funding and Project Cost Verification

**This project is within cost.**

\$10,529,000 total authorized project costs

\$15,952,000 total estimated project costs

\$ 740,000 project costs previously allocated: preliminary plans \$489,000 (State funds),  
\$251,000 (campus funds)

\$15,212,000 project costs to be allocated: working drawings \$495,000 (State funds),  
\$255,000 (campus funds)and, construction \$9,545,000 (State funds),  
\$4,917,000 (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: September 2008

Complete construction: July 2011

**Staff Recommendation: Approve preliminary plans**

Unkn  
Field

## CONSENT ITEM

### CONSENT ITEM – 7

**UNIVERSITY OF CALIFORNIA (6440)**  
**SANTA BARBARA CAMPUS, SANTA BARBARA COUNTY**  
Arts Building Seismic Correction and Renewal

*Authority: Chapter 47/06, Item 6440-301-6048 (11)*  
*Chapters 171 and 172/07, Item 6440-491-6048 (11)*

**Approve preliminary plans**

## CONSENT ITEM

### STAFF ANALYSIS ITEM – 7

University of California, Santa Barbara  
Arts Building Seismic Correction and Renewal

Action requested

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

Scope Description

**This project is within scope.** The Arts Building Seismic Correction and Renewal project will combine major seismic safety corrections and renewal work, including fire and life safety, mandatory accessibility upgrades, renewal of mechanical, electrical and plumbing systems and waterproofing upgrades to 57,962 assignable square feet (asf) of classrooms, teaching studios, conference rooms and specialty spaces for the creation and exhibition of art for the departments of Art and History of Art and Architecture.

Funding and Project Cost Verification

**This project is within cost.**

\$21,000,000 total authorized project costs

\$21,000,000 total estimated project costs

\$ 865,000 project costs previously allocated: preliminary plans (state funds)

\$20,135,000 project costs to be allocated: working drawings \$ 990,000 (State funds),  
construction \$19,145,000 (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 preliminary plans	December 2007
Complete working drawings:	June 2008
Complete construction:	September 2010

**Staff Recommendation:                      Approve preliminary plans**

## CONSENT ITEM

### CONSENT ITEM – 8

**CALIFORNIA COMMUNITY COLLEGES (6870)  
ALLAN HANCOCK COMMUNITY COLLEGE DISTRICT, ONE-STOP STUDENT SERVICES  
CENTER  
ALLAN HANCOCK COLLEGE, SANTA BARBARA COUNTY**

*Authority: Chapters 47 and 48/06, Item 6870-301-6049 (1)  
Chapters 171 and 172/07, Item 6870-301-6049 (1)*

**Approve preliminary plans**

## CONSENT ITEM

### STAFF ANALYSIS ITEM – 8

California Community Colleges  
Allan Hancock Community College District, One-Stop Student Services Center  
Allan Hancock College, Santa Barbara County

Action Requested

**The requested action will approve preliminary plans.**

Scope Description

**This project is within scope.** The authorized project constructs a 25,188 assignable square foot (asf) One Stop Student Services Center at the Santa Maria Campus of Allan Hancock College. The district changed architects and the project's design during development of the preliminary plans without changing the proposed scope of work or project programming. The revised design creates two two-story buildings instead of one three-story building and does not modify the project's space configuration except for 61 asf being added to the employment research areas while removing 61 asf from meeting, storage and other room types. The revised project creates 720 asf of lecture, 900 asf of laboratories, 18,349 asf of office, 1,810 asf of library research and 3,409 asf of other space. The demolition of nine aged and deteriorating buildings will still occur during the last phase of the project.

### Funding and Project Cost Verification

**This project is within cost.** Estimated project costs have increased by \$8,429,000 due to the redesign efforts. These increased costs will be financed by the district.

\$24,986,000	total estimated project costs
\$24,986,000	total authorized project costs
\$ 629,000	state project costs previously allocated: preliminary plans
\$15,928,000	state project costs to be allocated: working drawings \$837,000; construction \$15,020,000 (\$13,239,000 contracts, \$927,000 contingency, and \$854,000 administration, testing, inspection) and equipment \$71,000.
\$ 240,000	local funds previously allocated: preliminary plans
\$ 8,189,000	local funds to be allocated: working drawings \$370,000; construction \$7,819,000 (\$7,044,000 contracts, \$493,000 contingency, and \$282,000 administration).

### CEQA

A Notice of Categorical Exemption (SCH 2007098341) was submitted to the State Clearinghouse September 2007 and the public comment 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:**

Approve preliminary plans: December 2007  
Complete working drawings: June 2009  
Complete construction: February 2011

**Staff Recommendation: Approve preliminary plans**

## CONSENT ITEM

### CONSENT ITEM – 9

**CALIFORNIA COMMUNITY COLLEGES (6870)  
LOS ANGELES COMMUNITY COLLEGE DISTRICT, LEARNING ASSISTANCE CENTER  
LOS ANGELES VALLEY COLLEGE, LOS ANGELES COUNTY**

*Authority: Chapters 171 and 172/07, Item 6870-301-6049 (19)*

**Approve preliminary plans**

## CONSENT ITEM

### STAFF ANALYSIS ITEM – 9

California Community Colleges  
Los Angeles Community College District, Learning Assistance Center  
Los Angeles Valley College, Los Angeles County

Action Requested

**The requested action will approve preliminary plans.**

Scope Description

**This project is within scope.** This project constructs a new Library/Learning Assistance Center to replace the existing inadequate building. The building will almost double the college's existing LRC space which will now include 2,850 asf lecture, 15,610 asf laboratory, 3,850 asf office, 35,691 asf library, 1,663 asf AV/TV, and 6,269 asf of other support space.

Funding and Project Cost Verification

**This project is within cost.**

\$49,049,000	total estimated project costs
\$49,049,000	total authorized project costs
\$ 392,000	state project costs previously allocated: preliminary plans
\$24,133,000	state project costs to be allocated: working drawings \$441,000; construction \$21,553,000 (\$19,686,000 contracts, \$962,000 contingency, and \$905,000 administration, testing, inspection) and equipment \$2,139,000.
\$ 1,536,000	local funds previously allocated: preliminary plans
\$22,988,000	local funds to be allocated: working drawings \$1,376,000; construction \$20,632,000 (\$18,765,000 contracts, \$961,000 contingency, and \$906,000 administration, testing, inspection) and equipment \$980,000.

CEQA

A Notice of Exemption (SCH 2003011110) was submitted and the public comment 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:**

Approve preliminary plans:	December 2007
Approve working drawings:	September 2008
Complete construction:	February 2011

**Staff Recommendation: Approve preliminary plans**

## CONSENT ITEM

### CONSENT ITEM – 10

**CALIFORNIA COMMUNITY COLLEGES (6870)  
LOS RIOS COMMUNITY COLLEGE DISTRICT, FINE ARTS INSTRUCTIONAL SPACE  
EXPANSION  
AMERICAN RIVER COLLEGE, SACRAMENTO COUNTY**

*Authority: Chapters 47 and 48/06, Item 6870-301-6049 (7)  
Chapters 171 and 172/07, Item 6870-301-6049 (20)*

**Approve preliminary plans**

## CONSENT ITEM

### STAFF ANALYSIS ITEM – 10

California Community Colleges  
Los Rios Community College District, Fine Arts Instructional Space Expansion  
American River College, Sacramento County

Action Requested

**The requested action will approve preliminary plans.**

Scope Description

**This project is within scope.** This project constructs an addition onto the existing library and remodels existing spaces for improved circulation and efficiency. Design refinements in the addition result in 17,605 assignable square feet (-15 asf) comprised of 14,867 asf laboratory (-73 asf), 455 asf office (+15 asf), 1,212 asf AVTV (+12 asf), and 1,071 asf (+31 asf) other space.

### Funding and Project Cost Verification

**This project is within cost.**

\$13,458,000 total estimated project costs

\$13,458,000 total authorized project costs

\$ 100,000 state project costs previously allocated: preliminary plans

\$ 7,302,000 state project costs to be allocated: working drawings \$77,000; construction \$7,225,000 (\$7,225,000 contracts).

\$ 619,000 local funds previously allocated: preliminary plans

\$ 5,437,000 local funds to be allocated: working drawings \$382,000; construction \$4,227,000 (\$3,077,000 contracts, \$515,000 contingency, and \$635,000 administration, testing, inspection) and equipment \$828,000

### CEQA

A Notice of Exemption (SCH 2007092070) was submitted and the public comment 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:**

Approve preliminary plans: December 2007

Complete working drawings: May 2008

Complete construction: August 2009

**Staff Recommendation: Approve preliminary plans**

## ACTION ITEM

### ACTION ITEM – 1

DEPARTMENT OF GENERAL SERVICES (1760)  
DEPARTMENT OF TOXIC AND SUBSTANCES CONTROL (3960)  
STRINGFELLOW-RIVERSIDE MINING CONDEMNATION  
RIVERSIDE COUNTY  
DTSC001, DGS PARCEL NUMBER 10034

*AUTHORITY: Chapter 50/99, Item 3960-001-0001  
Chapter 52/00, Item 3960-001-0001  
Chapter 106/01, Item 3960-490 (2)  
Chapter 157/03, Item 3960-490 (1)  
Chapter 58/05, Item 3960-490 (1)  
Chapters 47 and 48/06 Item 3960-0490 (1); Section 15854 Government Code*

- a. **Consider adoption of a Resolution of Necessity authorizing the use of eminent domain (condemnation) to acquire approximately 33 acres adjacent to the current State owned property known as the Stringfellow Federal Superfund Site. The property sought to be acquired is intended to be the site on which the Department of Toxic and Substances Control will construct a replacement pretreatment plant. Acquisition of this property will also allow the Department of Toxic Substances Control to obtain control of existing monitoring and extraction wells that are critical to its maintenance obligations at the Stringfellow Federal Superfund Site.**
  
- b. **Approve augmentation: \$100,000  
(2.5 percent of project cost)**

## ACTION ITEM

### STAFF ANALYSIS ITEM – 1

Department of General Services  
Department of Toxic Substances Control  
Stringfellow-Riverside Mining  
Riverside County

Action requested

**The requested action is to consider adopting a Resolution of Necessity authorizing the use of eminent domain (condemnation) to acquire approximately 33 acres adjacent to the current State owned property known as the Stringfellow Federal Superfund Site and approve the augmentation of the acquisition phase of this project.**

### Scope

**This project is within scope.** The Stringfellow Pretreatment Plant project (PTP) authorizes the acquisition of property on which to construct the project. On January 12, 2002 the State Public Works Board (SPWB) site selected the subject approximate 33-acre site (Acquisition Property) adjacent to the current State owned property known as the Stringfellow Federal Superfund Site (Stringfellow). Once rights to the Acquisition Property are obtained, DTSC may proceed with replacing the existing, obsolete plant and will also provide a means to control the existing monitoring and extraction wells located on the Acquisition Property. The principal contaminants of concern include, but are not limited to: acids, heavy metals, Trichloroethylene and Perchlorate.

### Project history and background

From 1956 to 1972 the area that is known as Stringfellow was operated by the Stringfellow Quarry Company as a bulk liquid hazardous waste disposal area. During that period thousands of gallons of organic and inorganic liquid industrial wastes were deposited in open lagoons on the property. Subsequently, there were significant uncontrolled releases of hazardous substances from Stringfellow. In 1981, Stringfellow was declared a federal Superfund Site and under the direction of the United States Environmental Protection Agency (USEPA), a number of interim cleanup and containment activities were implemented. These activities included the installation of 430 groundwater extraction wells and monitoring wells, 30 of these wells are located on the Acquisition Property. The existing pretreatment plant was designed and constructed by the USEPA as an interim plant, with an operational life of three to five years; however, it has been in service for over 20 years and is badly in need of replacement.

In 1995, the Federal District Court for the Southern District of California held the State of California 100% liable for the cleanup costs at Stringfellow. The California Department of Toxic Substances Control (DTSC) is responsible for the remediation of Stringfellow on behalf of the State of California. The DTSC's activities are designed to protect and preserve the environment, including limiting contamination from Stringfellow in order to protect the public drinking water. The nearby communities have been negatively impacted due to the proximity to what has been termed one of the worst federal Superfund sites in the nation.

The existing pretreatment plant cannot meet the current needs and is clearly unable to meet future demands of treatment capacity and contaminant loading because its major treatment components are undersized or worn out. In addition, the USEPA has promulgated more restrictive land disposal requirements for hazardous waste since the pretreatment plant was built. These new requirements coupled with the aging existing pretreatment plant resulted in the need to send the contaminated, dewatered sludge out-of-state for treatment. The cost is approximately four times higher than in-state land disposal. Effective pretreatment will allow the state to dispose of wastes in-state, thus resulting in a significant cost savings. In addition to increasing costs, the transport of this contaminated material is inefficient and poses a level of risk to public health and safety along the transport route.

Construction of the PTP is essential for the ongoing remediation of the contaminated plume of groundwater flowing under the surrounding communities. It will also protect the riparian habitats along Pyrite Creek, which flows through the area.

The footprint required for the new PTP will be quadruple the size of the existing pretreatment plant. The new PTP will not fit on the land where the existing PTP is located, even if the existing PTP is dismantled. Another important consideration is that the existing pretreatment plant must be kept in full operation while the new PTP is constructed and commissioned.

The portion of the Acquisition Property that does not contain the new PTP includes groundwater extraction and monitoring wells, and runoff control structures. The continued operation of these facilities is required to remediate Stringfellow and is mandated by one or more formal Records of Decision issued by the USEPA; acquisition of this property will assure the State maintains control of these essential facilities. Plus, it is probable that the USEPA will require additional extraction and monitoring facilities be installed and unless the state has control of the land, it would be problematic, if not be impossible, to comply with this requirement and potentially could lead to a federal enforcement action.

The Acquisition Property is part of a larger 225 acre property owned by Riverside Mining Limited. A portion of the 225 acre property includes a working quarry; however the Acquisition Property is not suited for quarry operations because part of it was the original highly contaminated disposal site and all of the Acquisition Property is underlain by shallow highly contaminated groundwater. Thus, while separation of the Acquisition Property from the larger acreage should not have an impact on the existing quarry operations, it is the essential location for the PTP and DTSC's maintenance and remediation responsibilities at Stringfellow.

The Department of General Services (DGS), on behalf of DTSC and the SPWB, has been attempting to negotiate the purchase of the Acquisition Property since early 2003. Prior to June 2006, the property was under different ownership and that owner rejected DGS' offer to purchase. In June, 2006, the fee title to the entire 225 acre property was sold to a new owner, Riverside Mining Limited; the sale price for the entire 225 acre property was approximately \$7.5 million. An appraisal for the Acquisition Property was completed by DGS and on November 27, 2006 an offer pursuant to Government Code section 7267.2 was submitted to the new ownership. The state's original appraised value for the approximate 33 acres was \$931,000. On December 7, 2006 DGS received a letter from Riverside Mining Limited rejecting the state's offer of the appraised value.

Riverside Mining Limited engaged its own appraiser and on February 21, 2007 submitted its appraisal to DGS for review; this appraised value for the 33 acre Acquisition Property is approximately \$7.1 million; just a few hundred thousand dollars less than the purchase price of the entire 225 acres last year and, almost \$6 million dollars higher than the state's appraised value. The owner's appraisal was rejected by the state's appraisers who believe the assumptions underlying the owner's appraisal are either incorrect or inadequately supported. On March 5, 2007 DGS sent a letter to Riverside Mining Limited informing it that Riverside Mining Limited's appraisal had been rejected and indicated the reasons that supported this rejection. This letter also served as the state's second (2<sup>nd</sup>) offer to purchase at the state's appraised amount.

DGS staff revised the original appraisal on November 1, 2007 due to concerns that it had been almost a year since the original appraisal was made. DGS staff analyzed the current market conditions, site specifications, and existing encumbrances and appraised the property at \$1 million. Subsequently, DGS staff sent a new offer to the current property owner for \$1 million on November 9, 2007. This offer has been rejected by the property owner in a letter, dated November 26, 2007. The property owner again reiterated their interest in settling the matter for \$7 million.

Given the wide disparity of the appraised amounts and the critical need to proceed with the PTP project to ensure the health and safety of the public is maintained, DTSC and DGS have requested the SPWB consider adopting a Resolution of Necessity in order for this acquisition to proceed.

In order to adopt a Resolution of Necessity that is required to initiate the eminent domain (condemnation) proceedings, the SPWB must consider and find the following:

1. The public interest and necessity require the proposed project.
2. The proposed project is planned or located in a manner that will be most compatible with the greatest public good and the least private injury.
3. The property described in the resolution is necessary for the proposed project.
4. A just and fair offer of purchase was made in accordance with Government Code Section 7267.2.

Funding and Cost Verification

**This project is not within cost.** Provision 2 of Item 3960-490-001 of Chapter 106, Budget Act 2001; reappropriated by Provision 1 of Item 3960-490 of Chapter 157, Budget Act of 2003; reappropriated by Provision 1 of Item 3960-490 of Chapter 58, Budget Act of 2005; reappropriated by Provision 1 of Item 3960-490 of Chapter 47, Budget Act of 2006, providing \$900,000 funding for this acquisition. DGS staff have appraised the value of the property at \$1,000,000. Once the state files suit to condemn the specified parcel, the state will need to deposit the funds sufficient to cover its appraised value until the court decides the fair market value of the property.

\$53,424,000	total estimated project cost
\$53,324,000	total authorized project cost
\$3,963,000	project cost previously allocated: acquisition \$900,000 and preliminary plans \$3,063,000
\$49,361,000	project costs to be allocated: working drawings \$2,988,000 and construction (contract \$40,104,900, contingency \$2,005,200, A&E \$1,991,820, project management \$2,271,100)
\$100,000	augmentation requested to complete the acquisition

CEQA

This acquisition is exempt from CEQA pursuant to Section 1, Chapter 784, Statutes of 1978; Section 1, Chapter 315, Statutes of 1979; and Section 3, Chapter 1302, Statutes of 1982. In addition to and in supplement of these above noted statutory exemptions from CEQA, this project also fits within categorical exemption 15061(b)(3) of the CEQA guidelines. The categorical exemption is referenced in order to provide an exhaustive listing of available exemptions, however, DTSC is of the position that the statutory exemptions alone are sufficient.

A Notice of Exemption was filed with the State Clearing House on November 5, 2007 and the 35 day limitation period expired on December 10, 2007.

Project Schedule

**The project schedule is as follows:**

Approve acquisition	December 2007
Approve preliminary plans	June 2008
Complete working drawings	June 2009
Complete construction	December 2012

Other

- The offer to purchase, required by Section 7267.2 of the Government Code, has been made to the property owner and has been rejected.

- All known property owners have been given timely notice of the SPWB hearing per Code of Civil Procedure section 1245.235.
- The condemnation will deliver the property free and clear of any mortgages or liens.
- The property was appraised using the market data approach to valuation. While this 33-acre site is part of a larger, 225-acre parcel that includes a working rock quarry, the subject site does not lend itself to a quarry operation but instead was valued as industrial land.
- Since the State of California is responsible for the clean-up of the hazardous waste at the site, there is no indemnification required from the owner(s).
- A Deputy Attorney General has been assigned to this condemnation process.

**Staff Recommendation:**

- a. **Adopt a Resolution of Necessity authorizing the use of eminent domain (condemnation) to acquire approximately 33 acres for the construction of a new pretreatment plant in order that the Department of Toxic Substances Control can effectively carry out the State's responsibility to remediate the Stringfellow Federal Superfund Site**
- b. **Approve augmentation**

## **OTHER BUSINESS**

### **OTHER ITEM –**

1. Rescind the appointment of Teresa Bierer as Assistant Administrative Secretary to the State Public Works Board.
2. Appoint Nathan Brady as an Assistant Administrative Secretary.

## **REPORTABLES**

To be presented at meeting.