



CALIFORNIA STATE  
**PUBLIC WORKS BOARD**

ARNOLD SCHWARZENEGGER, GOVERNOR

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STATE PUBLIC WORKS BOARD  
June 12, 2009

**MINUTES**

**PRESENT:**

Mr. Tom Sheehy, Chief Deputy Director, Department of Finance  
Mr. Will Semmes, Chief Deputy Director, Department of General Services  
Mr. Randy Iwasaki, Chief Deputy Director, Department of Transportation

**STAFF PRESENT:**

Greg Rogers, Administrative Secretary  
Nathan Brady, Assistant Administrative Secretary  
Brian Dewey, Assistant Administrative Secretary  
Teresa Gunn, Assistant Administrative Secretary  
Chris Lief, Assistant Administrative Secretary  
Randy Katz, Budget Analyst  
Madelynn McClain, Budget Analyst  
Deborah Cregger, Legal Counsel  
Andy Ruppenstein, Budget Analyst  
Aurelia Bethea, Executive Secretary

**CALL TO ORDER AND ROLL CALL:**

Mr. Sheehy, Chairperson of the Board and Chief Deputy Director of the Department of Finance, called the meeting to order at 10:10 a.m. Mr. Greg Rogers, Administrative Secretary for the Board, called the roll. A quorum was established.

The first order of business was approval and adoption of the Minutes from the May 8, 2009 meeting.

Mr. Rogers reported that staff has reviewed the minutes and recommended approval and adoption.

**A motion was made by Mr. Iwasaki and Second by Mr. Semmes to adopt the minutes from the May 8, 2009 meeting.**

**The minutes were approved by a 3-0 vote.**

**BOND ITEMS:**

There were no bond items for consideration this month.

### **CONSENT ITEMS:**

Mr. Rogers reported that the Consent Calendar consists of Items 1 through 8. The Items were as followed:

- 4 requests to authorize the acceptance of real property through a transfer of title [Items 1, 2, 3, & 4]
- 1 request to authorize Department of Parks and Recreation to enter into a operating agreement with the County of San Diego [Item 5]
- 2 requests to authorize acquisition [Items 6 and 7]
- 1 request to establish scope, cost, and schedule and approve preliminary plans [Item 8]

There were two legislative notification letters associated with the Consent Calendar.

There was one 20-day letter for Consent Item #5— DEPARTMENT OF PARKS AND RECREATION—Cuyamaca Rancho State Park and Palomar Mountain State Park, Operation of Environmental Education Camps. The notification letter advising the Joint Legislative Budget Committee of the Board's intent to approve the operating agreement between Parks and the County of San Diego for environmental education camps at Cuyamaca Rancho and Palomar Mountain State Parks was sent on May 22, 2009, and no adverse comments were received.

There was one 30-day letter for Consent Item #8 — DEPARTMENT OF CORRECTIONS AND REHABILITATION, California Institute for Woman, 45-Bed Acute/Intermediate Care Facility. The notification letter advising the Joint Legislative Budget Committee of the Board's intent to establish scope, cost, and schedule for this project was sent on April 29, 2009, and no adverse comments were received.

Mr. Rogers reported that staff recommended approval of the Consent Calendar, Items 1 through 8.

Mr. Sheehy noted that there were three requests to consider authorizing acquisition of additional park lands and explained why, if approved, this action would not be inconsistent with the Governor's proposed General Fund reductions that would result in closure of a number of state parks. Mr. Sheehy recommended proceeding with the subject acquisitions at this time since if the parks are closed it will be temporary, and the nature of these acquisitions are not for property that is going to be actively used by the public but rather will create viewscapes or buffer area to insure that there'll be no further development. Further, these acquisitions will not result in additional state operations cost to the Department of Parks and Recreation.

Mr. Semmes inquired about the amount of acres being acquired. To which the answer was approximately 50 acres.

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

**A motion was made by Mr. Semmes and Second by Mr. Iwasaki to adopt staff recommendations for the consent calendar. The Consent Items were approved by a 3-0 vote.**

## **ACTION ITEMS:**

There were five Action Items before the Board this month.

Action Item #1 was for the ADMINISTRATIVE OFFICE OF THE COURTS—New Madera Courthouse. The requested action, if approved, would conditionally authorize the acquisition of a parcel of land consisting of approximately 2.2 acres dependent upon the occurrence of specifically identified tasks on which the Administrative Office of the Courts (AOC) plans to construct a 10 courtroom facility of approximately 100,000 square feet.

Mr. Brady reported that this item was brought before the Board as an action item because acquisition approval is contingent upon the Madera Redevelopment Agency (Madera RDA) satisfactorily completing various tasks prior to the state accepting title/closing escrow on the selected properties. This matter will be brought back to the Board for final acquisition approval at which time the AOC must be in a position to certify to the Board that all work has been completed and is acceptable. Given the number and nature of the outstanding work required to occur on the site before the acquisition could be finalized, Mr. Brady indicated that Finance staff will not release funds to begin the design work for the replacement court facility until the AOC certifies to the Board that various tasks have been satisfactorily performed. Mr. Brady noted that PWB staff has requested that the AOC not seek the Board's approval of future acquisitions that are dependent upon the satisfaction of numerous contingencies.

Mr. Sheehy echoed staff comments and stated that by taking this contingent action today, the members were not encouraging projects to come before the Board with all these contingencies. Rather, the Board action today should be viewed as an exception to our normal process. Mr. Iwasaki asked what the estimated time between the cleanup and actual transfer and if there was any opposition. Mr. Brady stated that the Madera RDA would perform all the necessary tasks and that final acquisition approval and close of escrow is currently estimated around December of 2010 and that AOC has not advised staff of any opposition. Mr. Sheehy asked if work had been started on the tasks yet, specifically redirection of the canal; Mr. Brady stated he did not believe the work had started yet.

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

**A motion was made by Mr. Semmes and Second by Mr. Iwasaki to adopt staff recommendations and contingently authorize acquisition. Action Item #1 was approved by a 3-0 vote.**

Action Item #2 is for the ADMINISTRATIVE OFFICE OF THE COURTS – New Hollister Courthouse, San Benito County. The requested action would authorize the acquisition of a parcel of land consisting of approximately three acres on which the AOC plans to construct a three courtroom facility of approximately 41,000 square feet.

Mr. Brady reported that this item was brought before the Board as an action item because the Property Acquisition Agreement does not include the state's standard environmental indemnification language and this acquisition includes a very delayed close of escrow. Mr. Brady noted a number of staff concerns if design work were to proceed with the protracted escrow close.

Rona Rothenberg, AOC staff, reported to the Board that they would accelerate the close of escrow in order to address staff's concerns and anticipated escrow can close by August 1st.

**A motion was made by Mr. Semmes and Second Mr. Iwasaki by to adopt staff recommendation. Action Item #2 was approved by a 3-0 vote.**

**Action Item #3** is to consider approval of preliminary plans and recognize an anticipated deficit for the construction phase of the DEPARTMENT OF MOTOR VEHICLES—Stockton Field Office Reconfiguration. This Item is an Action Item because it's a contingent action, as the 20-day notification letter will not expire until June 22, 2009. To date we have not received any adverse comments from the JLBC.

Staff recommends approval of preliminary plans and recognize an anticipated deficit to the construction phase contingent on the expiration of the 20-day notification period without adverse Legislative comment.

**A motion was made by Mr. Iwasaki and Second Mr. Semmes by to adopt staff recommendation. Action Item #3 was approved by a 3-0 vote.**

**Action Item #4** is for the consideration of acquisition for the DEPARTMENT OF PARKS AND RECREATION. Mr. Dewey reported that this acquisition consists of two parcels totaling approximately 44 acres as an addition to the Gaviota State Park in Santa Barbara County. This item has been added as an action item because the property contains soil and water contaminants associated with a gas station that was removed in 1989. Based on environmental studies, the remediation of these contaminants is expected to take up to several years to clean the property to within acceptable limits.

Pursuant to the Property Acquisition Agreement, the Trust for Public Land (TPL) will be responsible for the remediation of the site and will indemnify the state against any claims or other costs related to site contaminates. Furthermore, the current owner will convey a \$950,000 grant secured from the California Underground Storage Tank Cleanup fund to TPL. This grant exceeds the \$400,000 estimated to remediate the property and any excess funds would be available in the event costs exceed this estimate and could be assigned to Parks, if needed. It should be noted, however, that the Governor's 2009 May Revision proposed temporarily closing approximately 219 state parks. Although this park is slated for caretaker status in the near future, this acquisition would provide many of the intended benefits, such as affording coastal viewshed and protection of wildlife habitat, regardless of the park's operational status.

**Mr. Iwasaki asked some questions related to the clean-up of the site and the cost estimates that were addressed by Park's staff.**

**A motion was made by Mr. Semmes and Second Mr. Iwasaki by to adopt staff recommendation. Action Item #4 was approved by a 3-0 vote.**

**Action Item #5** was withdrawn from this Agenda. The item was to establish the scope, cost, and schedule for the DEPARTMENT OF CORRECTIONS AND REHABILITATION—Salinas Valley State Prison, 72-Bed Administrative Segregation Unit/Enhanced Outpatient Program, Mental Health Facility. This item required JLBC approval.

Board staff received notification from the JLBC yesterday that they object to this project and are requesting this item be withdrawn. It is expected that staff will receive the JLBC's official letter today, and once the letter is received, staff will review their concerns.

### **OTHER BUSINESS:**

There was one informational item under other business. BOARD APPROVAL OF RDA DESIGN-BUILD PROJECTS. Public Contract Code section 20688.6 ( Chapter 2, Statutes of 2009 and effective as of May 21, 2009) authorizes redevelopment agencies to utilize a design-build project delivery method for up to ten projects, but no more than two projects per redevelopment agency. This Board is required to approve or deny a proposed design-build project within 90 days from the submission by a redevelopment agency of a complete application. Once the eligibility of the redevelopment agency under Public Contract Code section 20688.6 has been established, the ability of the Board to deny a project is limited to only those projects that are received after the initial ten have been approved.

Any request by a redevelopment agency to use the design-build project delivery method will be brought to the Board for action.

Staff created various forms including a new website with the relevant information for any interested RDA. Staff also contacted the RDA association to inform them of this authority and the Board's role.

### **REPORTABLES:**

Mr. Rogers reported that there were no reportable items for this.

### **NEXT MEETING:**

The next regular meeting is scheduled for **Friday, July 10, 2009, at 10:00 a.m.** at the State Capitol, in **Room 113**.

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

The meeting was concluded at 10:40 a.m.