



CALIFORNIA STATE
PUBLIC WORKS BOARD

EDMUND G. BROWN JR. • GOVERNOR

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STATE PUBLIC WORKS BOARD
January 14, 2013

MINUTES

PRESENT:

Mr. Pedro Reyes, Chief Deputy Director, Department of Finance
Mr. Esteban Almanza, Chief Deputy Director, Department of General Services
Mr. Richard D. Land, Chief Deputy Director, Department of Transportation

CALL TO ORDER AND ROLL CALL:

Mr. Pedro Reyes, Chairperson of the Board and Chief Deputy Director of the Department of Finance called the meeting to order at 10:00 a.m. Ms. Manerva Cole, Executive 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 December 14, 2012 meeting. Mr. Greg Rogers, Executive Director of the Board, reported that staff had reviewed the minutes and recommend approval and adoption of the minutes.

A motion was made by Mr. Land and seconded by Mr. Almanza to approve and adopt the minutes from the December 14, 2012 meeting. The minutes were approved by a 3-0 vote.

CONSENT ITEMS:

Mr. Rogers informed the Board there were 11 Consent Items. In summary, the consent calendar consisted of the following requested actions:

- 4 requests to approve preliminary plans, Items 1, 2, 3, and 11
- 1 request to authorize site selection, Item 4
- 1 request to authorize the execution of a Termination of Facility Lease Agreement between the Board and the Department of Corrections and Rehabilitation related to the 1990A and 1993A Bonds, Item 5
- 1 request to establish scope, cost, and schedule, Item 6
- 2 requests to recognize scope change and revised project costs, Items 7 and 9
- 1 request to recognize revised project costs, Item 8
- 1 request to authorize the execution of a First Amendment to the Site Lease and the Facility Lease by and between the Board and the Trustees of the California State University, and execute other necessary certificates and/or agreements to effectuate the transformation, Item 10

Mr. Rogers noted there were two legislative notification letters associated with the Consent Calendar, items 7 and 9, and recommended approval of Consent Items 1 through 11.

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

A motion was made by Mr. Almanza and seconded by Mr. Dougherty to approve Consent Items 1 through 11. The Consent Items were approved by a 3-0 vote.

ACTION ITEMS:

Mr. Reyes stated there was one action item on this month's agenda.

ACTION ITEM #1: Mr. Rogers reported Action Item #1 was for the High Speed Rail Authority's Initial Operating Segment, Section 1 in Madera and Fresno Counties. The proposed action was to consider approving site selection of 356 assessors or railroad parcels in full and/or in part and take all actions in furtherance thereof. Ms. Theresa Gunn, Deputy Director to the Board presented the item.

Ms. Gunn explained that this was not the typical site selection. Site selection for a transportation corridor, highway or rail alignment differs from the traditional single-parcel Board requests, in that highway and rail alignments involve miles of a longitudinal corridor, rather than a single, specific parcel where other location options may be considered. The alignment, as determined through the environmental processes, determines the sites that must be acquired.

The Initial Operating Segment, Section 1 is the first step toward a High Speed Rail System that is to extend from San Francisco to Anaheim, some 520 miles. This first section is expected to construct approximately 130 miles starting at about Madera and going to about Bakersfield with over 1,100 parcels that will be affected. The 356 parcels in this item is a subset of the 1,100 because the Initial Operating Segment, Section 1 is further divided into four sections for construction purposes, called construction packages 1 through 4. Construction package 1 is additionally broken down into 3 components, A, B, and C. This becomes important as the action for site selection is specific to parcels in the approximately 24 miles of Construction Package 1 components A and B. (the maps provided in your binder should assist you in this confusing piece of a piece concept.)

These are the only parcels being site selected because CEQA/NEPA are complete for them. Because of the geographical size of the Rail System, the environmental work for it was divided into ten geographical segments, one of which is Merced to Fresno and all 356 parcels lie within this segment. The Merced to Fresno CEQA Notice of Determination was filed on May 3, 2012, while the NEPA Record of Decision was released on September 29, 2012.

While CEQA is complete, there were three lawsuits filed challenging the Authority's decision to certify the Merced to Fresno Environmental Impact Report. In November 2012, the court denied a request for a preliminary injunction finding that both the relative balance of harms and the likelihood of success on the merits favored the Authority. The 3 lawsuits were consolidated into one action for a trial on the merits, scheduled for April 19, 2013. Once heard, the court will have 90-days to render a decision. While the court has not heard the merits of the case, we believe that the risk of moving forward with site selection and allowing the Authority to begin negotiating and acquiring parcels is minimal and further delays could postpone the construction which would increase the cost of this project. Additionally, acquisitions that occur before the court rules on the CEQA challenges are anticipated to be from willing sellers because if the state must consider filing eminent domain proceedings for any parcel, the eminent domain process itself takes a number of months to complete, by which time the court would have rendered its CEQA decision. If the court were to conclude the Authority did not comply with CEQA, it could issue an order

halting further property acquisitions until the CEQA matter is corrected. Finally, the Board can authorize site selection with outstanding CEQA litigation.

The Authority anticipates beginning to make offers immediately upon approval of site selection and that the first non-complicated acquisitions will be acquired in the next few months. As you may recall, the authority to approve HSRA acquisition transactions that meet specific criteria was delegated to Board staff at the November 2012 meeting.

In summary, Ms. Gunn recommended adopting staff's recommendation to approve site selection of the 356 assessors or railroad parcels in full and/or in part and take all actions in furtherance thereof.

There were no questions from the Board or the public.

A motion was made by Mr. Land and seconded by Mr. Almanza to approve Action Item 1. Action Item 1 was approved by a 3-0 vote.

OTHER BUSINESS:

There were no Other Business items this month.

REPORTABLES

Mr. Rogers informed the Board there were seven Reportables this month:

- Department of Parks and Recreation, Los Angeles County:
 - Approved a reversion of bid savings, in the amount of \$211,000
- University of California, Irvine Campus, Orange County:
 - Approved a reversion of bid savings, in the amount of \$1,187,000
- University of California, Riverside Campus, Riverside County:
 - Approved a reversion of bid savings, in the amount of \$1,382,000
 - Approved a reversion of bid savings, in the amount of \$65,000
- California Community Colleges, Imperial County:
 - Approved a reversion of bid savings, in the amount of \$146,000
- California Community Colleges, Santa Barbara County:
 - Approved a reversion of bid savings, in the amount of \$80,000
- California Community Colleges, Kern County:
 - Approved a reversion of bid savings, in the amount of \$187,000

NEXT MEETING:

Mr. Rogers stated the next State Public Works Board meeting is scheduled for **Monday, February 11, 2013, at 10:00 a.m., at the State Capitol, in Room 113.**

The meeting was adjourned at 10:10 a.m.