



STATE PUBLIC WORKS BOARD

Gavin Newsom ■ Governor

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STATE PUBLIC WORKS BOARD

January 12, 2026

FINAL MINUTES

MEMBERS PRESENT:

Michele Perrault, Chief Deputy Director, for the Department of Finance
Jason Kenney, Chief Deputy Director, for the Department of General Services
Erin Holbrook, Chief Counsel, for the Department of Transportation
Dave Oppenheim, Deputy Controller, for the State Controller
Blake Fowler, Deputy Treasurer, for the State Treasurer
Bryan Cash, Assistant Secretary, for the Natural Resources Agency

MEMBERS ABSENT:

None.

CALL TO ORDER AND ROLL CALL:

Michele Perrault, Chairperson of the State Public Works Board (Board), called the meeting to order at 10:01 a.m. Karina Garay, Staff to the Board, called the roll. A quorum was established.

Ms. Perrault noted that Consent Calendar A would be heard before the Bond items due to the project in consent item one of Consent Calendar A being included in Bond Item two. Ms. Perrault also noted that Bond Item two had been pulled from the agenda and would be heard at a later date.

CONSENT CALENDAR A

The first order of business was to consider one item on Consent Calendar A.

CONSENT ITEM 1:

Sydney Tanimoto Corley, Executive Director, stated that the requested action would authorize an augmentation of \$3 million Public Buildings Construction Fund (which is 2.9 percent of the total project appropriation and 15.9 percent cumulative), for the Turlock North Valley Laboratory Replacement in Stanislaus County for the Department of Food and Agriculture.

The augmentation was needed to address added costs resulting from project delays caused by unexpected groundwater on site. CDFA previously requested an augmentation to address removal of the groundwater from beneath the basement of the facility; however, that request underestimated the impact this work would have on the project schedule. Additionally, the criteria did not initially specify the number of data ports, which were required to fully connect all computers and equipment in the

laboratory space. At the time of the meeting, the project was anticipated to be completed in March 2026.

Ms. Tanimoto Corley noted that the item required a 20-day notification letter to the Chairs of the Joint Legislative Budget Committee and the fiscal committees in each house. The letter was sent on December 31, 2025, and the 20-day notification period would expire on January 20, 2026, and therefore approval of the item was contingent upon expiration of the 20-day notice without adverse comment.

Ms. Perrault asked if there were any questions or comments from the Board, or from the public. There were none.

A motion was made by Mr. Kenney and seconded by Ms. Holbrook to approve Consent Calendar A. The motion passed unanimously through a 3-0 roll-call vote (Ms. Perrault, Mr. Kenney, and Ms. Holbrook all voting aye).

BOND ITEMS

The next order of business was to consider one Bond Item.

BOND ITEM 1:

Ms. Tanimoto Corley stated that the requested action would adopt an amended and restated resolution authorizing actions to be taken to provide for interim financing, authorize the sale of lease revenue bonds, and other related actions, for the Jesse Unruh Building Renovation in Sacramento County.

The project scope included the renovation of major building systems, rehabilitation of historic elements, including restoration of the State Capitol Fountain, corrections to fire and life safety and ADA deficiencies at the existing facility. The project scope also included modernization of the State Treasurer's Office's vault. The project is expected to achieve LEED Platinum certification and Zero Net Energy status.

The amended resolution was necessary to correctly reflect updated bond authority for the project.

Bonds for this project will be issued in an amount not to exceed \$202,102,000.

Ms. Perrault stated that she was anticipating the completion of this building project.

Ms. Perrault asked if there were any other questions or comments from the Board, or from the public. There were none.

A motion was made by Mr. Fowler and seconded by Mr. Oppenheim to approve Bond Item One. The motion passed unanimously through a 5-0 roll-call vote (Ms. Perrault, Mr. Kenney, Ms. Holbrook, Mr. Fowler, and Mr. Oppenheim all voting aye).

Ms. Perrault thanked and excused Mr. Fowler and Mr. Oppenheim.

MINUTES

The next order of business was to approve the minutes from the December 15, 2025, Board meeting.

Ms. Tanimoto Corley stated that staff had prepared and reviewed the minutes from the December 15, 2025, Board meeting and recommended approval of the meeting minutes.

Ms. Perrault asked if there were any questions or comments from the Board, or from the public. There were none.

A motion was made by Ms. Holbrook and seconded by Mr. Kenney to approve the minutes. The motion passed unanimously through a 3-0 roll-call vote (Ms. Perrault, Mr. Kenney, and Ms. Holbrook all voting aye).

CONSENT CALENDAR B:

The next order of business before the Board was to consider one Consent Item on Consent Calendar B.

CONSENT ITEM 1:

Ms. Tanimoto Corley indicated that the requested action would authorize the acquisition of real property and authorize the Executive Director and Deputy Directors of the State Public Works Board to execute a Property Acquisition Agreement, and other such documents as may be required to complete the acquisition, for the Auburn State Recreation Area in Placer County for the Department of Parks and Recreation.

The request would authorize the acquisition of approximately 10 acres of natural land at the Upper Lake Clementine for land preservation located along the unimproved private road maintained by Parks, in Placer County.

The Property was a single parcel adjacent to the Upper Lake Clementine Beach Recreation Area, which offered a strategic opportunity for Parks to expand and connect key areas within and around the Auburn State Recreation Area. The Property presented for site selection consideration was owned by the Placer Land Trust.

The anticipated close of escrow was within 60 days of the Board's approval and the acquisition amount was \$125,000.

Ms. Perrault asked if there were any questions from the Board or from the public on Consent Item 1. There were none.

A motion was made by Mr. Cash and seconded by Ms. Holbrook to approve Consent Calendar B. The motion passed unanimously through a 4-0 roll-call vote (Ms. Perrault, Mr. Kenney, Ms. Holbrook, and Mr. Cash all voting aye).

Ms. Perrault thanked and excused Mr. Cash.

ACTION ITEMS:

The next order of business was to consider one Action Item.

ACTION ITEM 1:

Ms. Tanimoto Corley stated that if approved, the requested action would adopt twelve Resolutions of Necessity authorizing the use of eminent domain by the High-Speed Rail Authority, to acquire the following properties or interests in properties for the High-Speed

Train System:

1. Reese Family Property (Kern County)
2. Wilbur Ellis Property (Kern County)
3. Sidhu Farm Property (Kern County)
4. Pen Properties Property (Kern County)
5. Related Properties Property (Kern County)
6. KD & Kids Property (Kern County)
7. Bakersfield Property Investments Property (Kern County)
8. Melikian Property (Kern County)
9. Grapevine Entertainment Property (Kern County)
10. Bains/Sandhu Property (Madera County)
11. Millwee Family Property (Kern County)
12. Yuyama Property (Fresno County)

The Authority notified the Board's staff that between April 2025 and October 2025 the respective property owners were provided with a first written offer to purchase the subject properties, as required by Government Code section 7267.2. The Authority had informed the Board's staff that negotiations to acquire the properties were continuing; however, to keep the project on schedule, the adoption of a Resolution of Necessity to authorize the use of eminent domain was required at that time.

On December 23 and 24, 2025, Notices of Intent to adopt a Resolution of Necessity were mailed by Board staff to the owners. These notices were sent in accordance with Code of Civil Procedure section 1245.235.

Ms. Tanimoto Corley indicated that the board member briefing packets contained the Resolutions of Necessity and surveyor maps for the properties. The packets also included correspondence from the representatives of the following seven properties, as well as the High-Speed Rail Authority's response:

1. Wilbur-Ellis Company – Property #2
2. Sidhu Farm – Property #3
3. Pen Properties – Property # 4
4. Related Properties – Property #5
5. Bakersfield Property Investment - Property #7
6. Grapevine Entertainment, Inc. – Property #9
7. Millwee Family – Property #11

She noted that Board counsel had reviewed the objections raised in these letters, and based on that review, staff recommended that the Board move forward with the adoption of the Resolutions of Necessity for these properties. However, she recommended the Board consider the opposed Resolutions of Necessity separately from the Resolutions of Necessity which did not receive objections.

As a result, the unopposed Resolutions of Necessity for Properties #1, #6, #8, #10, and #12, were presented first, with a separate vote.

Unopposed Resolutions of Necessity:

Ben Chandler, serving as counsel to the Board, presented the Unopposed Resolutions of Necessity.

Mr. Chandler stated that the Unopposed Resolutions of Necessity that were before the Board had been reviewed to ensure there was prima facie evidence that the factors set forth in Code of Civil Procedure Section 1245.230 were present. Specifically, the Resolutions provide:

1. The public interest and necessity require the Project.
2. That the proposed Project is planned and located in a manner that would provide the greatest public good with the least private injury.
3. The acquisition property described in Exhibit A of the Resolutions was necessary for the project; and
4. The offer of just compensation required by Government Code section 7267.2 had been made to all owners of record as required by the statute.

Mr. Chandler continued that it was counsel's opinion that for the unopposed Resolutions of Necessity, prima facie evidence for these factors were present such that the Board may adopt the Resolutions of Necessity. Mr. Chandler concluded that if the Board agreed and determined these factors were present, the Board may move to adopt the Resolutions of Necessity.

Ms. Perrault asked if there were any comments or questions from the Board, from the property owners and their counsel, or from the public. There were none.

A motion was made by Mr. Kenney and seconded by Ms. Perrault to approve the Unopposed Resolutions of Necessity. The motion passed through a 2-0 roll-call vote (Ms. Perrault and Mr. Kenney voting aye, and Ms. Holbrook abstaining).

Opposed Resolutions of Necessity

Mr. Chandler presented the opposed Resolutions of Necessity for Properties #2 through #5, #7, #9, and #11.

Property #2, the Wilbur-Ellis Property:

Mr. Chandler began with the first opposed Resolution of Necessity for Property #2, the Wilbur-Ellis Property in Kern County.

In a letter sent to the Board, counsel to the property owners objected to the acquisition and requested that the property be removed from consideration at this meeting.

Specific concerns included:

- The State Public Works Board's Notice of Intent period was insufficient due to the Holidays.
- The notice was not sent to the address on the last county assessment roll, as required in Code of Civil Procedure section 1240.030, and.
- The owner may be required to vacate the site prior to the completion of the 2026 agricultural season. As such, owner requests a delayed acquisition date for the property.

Mr. Chandler stated that the Resolution of Necessity, owner's objection, and High-

Speed Rail's response had been reviewed, and it was counsel's opinion that High Speed Rail's written response adequately addressed the objections made on behalf of the property owners. In addition, prima facie evidence that the factors set forth in Code of Civil Procedure Section 1245.230 were present. Mr. Chandler concluded that if the Board agreed and determined these factors are present, the Board may move to adopt the Resolution of Necessity.

Ms. Perrault asked if there were any comments or questions from the Board, from the property owners or their counsel, or from the public for Property #2, the Wilbur Ellis Property in Kern County.

Blaine Greene, serving as counsel for the owners, thanked Mr. Chandler for summarizing their concerns and asked to see High Speed Rail's written response. A copy was given to Mr. Greene and Property #2 was tabled until later in the meeting to allow Mr. Greene time to review and respond.

Property #3, Sidhu Farm Property:

Mr. Chandler continued with the second opposed Resolution of Necessity for Property #3, the Sidhu Farm Property in Kern County.

In a letter sent to the Board, a representative for the property owners expressed concerns with the proposed consideration at this meeting. Specific concerns included:

- There had not been adequate communication with High-Speed Rail representatives, and
- The just compensation offered by the Authority was not sufficient.

The Resolution of Necessity, owner's objection, and High-Speed Rail's response had been reviewed, and it was counsel's opinion that High Speed Rail's written response adequately addressed the objections made on behalf of the property owners. In addition, prima facie evidence that the factors set forth in Code of Civil Procedure Section 1245.230 were present. Mr. Chandler concluded that if the Board agreed and determined these factors were present, the Board may move to adopt the Resolution of Necessity.

Ms. Perrault asked if there were comments or questions from the Board, from the property owners or their counsel, High Speed Rail, or from the public. There were none.

A motion was made by Mr. Kenney and seconded by Ms. Perrault to approve the Opposed Resolution of Necessity for Property #3, the Sidhu Farm Property. The motion passed through a 2-0 roll-call vote (Ms. Perrault and Mr. Kenney voting aye, and Ms. Holbrook abstaining).

Property #4, the Pen Properties

Mr. Chandler continued with the third opposed Resolution of Necessity for Property #4, the Pen Properties Property in Kern County.

Mr. Chandler noted that in a letter sent to the Board, counsel to the property owners objected to the acquisition and requested that the property be removed from consideration at the meeting. Their concern was that the State Public Works Board's

Notice of Intent period was insufficient due to the Holidays and the Proof of Mailing unsigned.

The Resolution of Necessity, owner's objection, and High-Speed Rail's response had been reviewed, and it was counsel's opinion that High Speed Rail's written response adequately addressed the objections made on behalf of the property owners. In addition, prima facie evidence that the factors set forth in Code of Civil Procedure Section 1245.230 were present. Mr. Chandler concluded that if the Board agreed and determined these factors are present, the Board may move to adopt the Resolution of Necessity.

Ms. Perrault asked if there were comments or questions from the Board, from the property owners or their counsel, High Speed Rail, or from the public. There were none.

A motion was made by Mr. Kenney and seconded by Ms. Perrault to approve the Opposed Resolution of Necessity for Property #4, the Pen Properties Property. The motion passed through a 2-0 roll-call vote (Ms. Perrault and Mr. Kenney voting aye, and Ms. Holbrook abstaining).

Property #5, the Related Properties Property:

Mr. Chandler continued with the fourth opposed Resolution of Necessity for Property #5, the Related Properties Property in Kern County.

In a letter sent to the Board, counsel to the property owners objected to the acquisition and requested that the property be removed from consideration at the meeting.

Specific concerns included:

- The State Public Works Board's Notice of Intent period was insufficient due to the Holidays, and
- The Authority had not negotiated in good faith with the owner, with no negotiations since the owner had provided a counteroffer.

The Resolution of Necessity, owner's objection, and High-Speed Rail's response had been reviewed, and it was counsel's opinion that High Speed Rail's written response adequately addressed the objections made on behalf of the property owners. In addition, prima facie evidence that the factors set forth in Code of Civil Procedure Section 1245.230 are present. Mr. Chandler concluded that if the Board agreed and determined these factors are present, the Board may move to adopt the Resolution of Necessity.

Ms. Perrault asked if there were comments or questions from the Board, from the property owners or their counsel, High Speed Rail, or from the public. There were none.

A motion was made by Mr. Kenney and seconded by Ms. Perrault to approve the Opposed Resolution of Necessity for Property #5, the Related Properties Property. The motion passed through a 2-0 roll-call vote (Ms. Perrault and Mr. Kenney voting aye, and Ms. Holbrook abstaining).

Property #7, the Bakersfield Property Investments Property:

Mr. Chandler continued with the fifth opposed Resolution of Necessity for Property #7, the Bakersfield Property Investments Property in Kern County.

In a letter sent to the Board, counsel to the property owners objected to the acquisition and requested that the property be removed from consideration at the meeting.

Specific concerns included:

- The project is not planned or located in a manner that would be most compatible with the greatest public good and the least private injury, and
- The property sought to be acquired was not necessary for the project.

The Resolution of Necessity, owner's objection, and High-Speed Rail's response had been reviewed, and it was counsel's opinion that High Speed Rail's written response adequately addressed the objections made on behalf of the property owners. In addition, prima facie evidence that the factors set forth in Code of Civil Procedure Section 1245.230 were present. Mr. Chandler concluded that if the Board agreed and determined these factors are present, the Board may move to adopt the Resolution of Necessity.

Ms. Perrault asked if there were comments or questions from the Board, from the property owners or their counsel, High Speed Rail, or from the public.

Ben Tragish, serving as counsel for the owners, asked for a copy of High-Speed Rail's written response. Mr. Tragish had no further comments.

A motion was made by Mr. Kenney and seconded by Ms. Perrault to approve the Opposed Resolution of Necessity for Property #7, the Bakersfield Property Investment Property. The motion passed through a 2-0 roll-call vote (Ms. Perrault and Mr. Kenney voting aye, and Ms. Holbrook abstaining).

Property #9, the Grapevine Entertainment Property:

Mr. Chandler continued with the sixth opposed Resolution of Necessity for Property #9, the Grapevine Entertainment Property in Kern County.

In a letter sent to the Board, counsel to the property owners objected to the acquisition and requested that the property be removed from consideration at the meeting.

Specific concerns included:

- The project is not planned or located in a manner that would be most compatible with the greatest public good and the least private injury, and
- The property sought to be acquired was not necessary for the project.

The Resolution of Necessity, owner's objection, and High-Speed Rail's response had been reviewed, and it was counsel's opinion that High Speed Rail's written response adequately addressed the objections made on behalf of the property owners. In addition, prima facie evidence that the factors set forth in Code of Civil Procedure Section 1245.230 were present. Mr. Chandler concluded that if the Board agreed and determined these factors were present, the Board may move to adopt the Resolution of Necessity.

Ms. Perrault asked if there were comments or questions from the Board, from the property owners or their counsel, High Speed Rail, or from the public.

Mr. Tragish, serving as counsel for the owners, asked for a copy of High-Speed Rail's written response. Mr. Tragish had no further comments.

A motion was made by Mr. Kenney and seconded by Ms. Perrault to approve the Opposed Resolution of Necessity for Property #9, the Grapevine Entertainment Property. The motion passed through a 2-0 roll-call vote (Ms. Perrault and Mr. Kenney voting aye, and Ms. Holbrook abstaining).

Property #11, the Millwee Family Property:

Mr. Chandler continued with the seventh opposed Resolution of Necessity for Property #11, the Millwee Family Property in Kern County.

In a letter sent to the Board, counsel to the property owners objected to the acquisition and requested that the property be removed from consideration at the meeting.

Specific concerns included:

- The authority had not made a proper and legally sufficient offer for the land, as the offer was based on a flawed and deficient appraisal, and failed to consider damage to the larger property
- The property was not necessary as there were reasonable project design alternatives that would not require acquisition of the subject property
- The High-Speed Rail Authority had not engaged in substantive negotiations
- The High-Speed Rail Authority does not have sufficient funding to complete the acquisition of properties and construction of the High-Speed Rail project. Until such time, it is not necessary to proceed with acquisition of the subject property.

The Resolution of Necessity, owner's objection, and High-Speed Rail's response had been reviewed, and it was counsel's opinion that High Speed Rail's written response adequately addressed the objections made on behalf of the property owners. In addition, prima facie evidence that the factors set forth in Code of Civil Procedure Section 1245.230 were present. Mr. Chandler concluded, if the Board agreed and determined these factors are present, the Board may move to adopt the Resolution of Necessity.

Ms. Perrault asked if there were comments or questions from the Board, from the property owners or their counsel, High Speed Rail, or from the public.

Glenn Block, serving as counsel for the owners, asked for a copy of High-Speed Rail written response and the prima facie evidence High-Speed Rail used to justify the Resolution of Necessity.

Trevor Carson, attorney with High-Speed Rail, stated that there was a substantive packet submitted by High-Speed Rail which included appraisal maps, legal descriptions, analysis reports, and environmental documents. High-Speed Rail offered to send a link to those documents to Mr. Block which he accepted. Property #11 was tabled until later in the meeting to provide Mr. Block time to review the High-Speed Rail's written response.

Property #2, the Wilbur-Ellis Property:

Ms. Perrault returned to Property #2, the Wilbur-Ellis Property in Kern County.

Mr. Greene reiterated concerns mentioned previously before the property was tabled and described the services currently provided at the Wilbur-Ellis property and challenges in relocating. He expressed concerns that High Speed Rail's response letter was conclusory rather than evidentiary.

Rae Zhou, attorney with High-Speed Rail, noted that an email was sent to Wilbur Ellis in October of 2025 and that the owners were aware that High-Speed Rail would be moving forward with acquisition of the Property, even if the Notice of Intent letter came over the holidays.

Ms. Zhou, in response to the concern of greatest public good with least private injury, referenced the extensive reports that High-Speed Rail attorney Trevor Carson mentioned with Property #11 and how the environmental impact reports incorporated community considerations regarding alignment and least private harm. She emphasized that least private harm did not indicate no private disruption.

Ms. Perrault inquired that ongoing negotiations would continue to take place if the Resolutions of Necessity were approved. Ms. Zhou confirmed that was true.

Ms. Zhou, in response to timing concerns, noted that High-Speed Rail had grant and contract deadlines pushing the acquisition schedule.

Ms. Perrault thanked both Mr. Greene and Ms. Zhou for their comments.

Ms. Perrault asked if there were any further comments or questions from the Board, the property owners or their council, from High-Speed Rail, or from the public. There were none.

A motion was made by Mr. Kenney and seconded by Ms. Perrault to approve the Opposed Resolution of Necessity for Property #2, the Wilbur-Ellis Property. The motion passed through a 2-0 roll-call vote (Ms. Perrault and Mr. Kenney voting aye, and Ms. Holbrook abstaining).

Property #11, the Millwee Family Property:

Ms. Perrault returned to Property #11, The Millwee Family Property and welcomed Mr. Block to comment.

After review of High-Speed Rail's response and the prima facie evidence used to justify the Resolution of Necessity, Mr. Blocks concerns remained the same. He also noted the conclusory nature of High-Speed Rail's response letter, expressed disappointment that the notice of intent letter was sent over the holiday season, and described the functions that occur on the Millwee property. Mr. Block concluded by requesting the Millwee property not be considered for the adoption of Resolution of Necessity at this meeting.

Ms. Perrault thanked Mr. Block for his comments and asked High-Speed Rail to respond.

Trevor Carson began by saying that the largest concern was an evaluation issue and that the evaluation would be determined by a jury at a later date.

Mr. Carson continued, stating that the appraisal was completed by an independent, certified California general real estate appraiser and if the property owners had an appraisal done separately, that information would be brought before experts or a jury at a later date, and that issues of compensation are not to be argued at this board meeting.

In response to Mr. Block's comment on the timing of the Notice of Intent, Mr. Carson noted that the initial written offer was sent to the property owners on October 8, 2025. In the response letter, a diary of communications between the property owners, legal counsel, and High-Speed Rail was included. Mr. Carson emphasized that communications and negotiations would continue to be conducted.

Ms. Perrault offered Mr. Chandler to respond to the timing of the notice. Mr. Chandler noticed that 15 days is the practice and that responses were received. Ms. Perrault asked if there were any further comments or questions from the property owners or their counsel, the Board, or the public.

Mr. Block stated the appraisal was flawed, and therefore there was no proper first written offer. He reiterated that the matter should not heard today as the subject property is part of an integrated car dealership.

Ms. Perrault thanked Mr. Block for his comments and asked if there were any further comments from the Board or the public.

Mr. Kenney sought confirmation that the Government Code 7267.2 standard for a first written offer is what agency believes is just and reasonable regardless of others opinions or feelings of the appraisal. Mr. Chandler confirmed that was true and that the Resolution of Necessity addresses the necessity of the parcel, not the value. Mr. Chandler concluded that communications and negotiations could and should continue.

Ms. Perrault thanked Mr. Kenney and Mr. Chandler.

A motion was made by Mr. Kenney and seconded by Ms. Perrault to approve the Opposed Resolution of Necessity for Property #11, the Millwee Family Property. The motion passed through a 2-0 roll-call vote (Ms. Perrault and Mr. Kenney voting aye, and Ms. Holbrook abstaining).

OTHER BUSINESS:

None.

GENERAL PUBLIC COMMENT:

None.

REPORTABLES:

Ms. Tanimoto Corley presented the Reportable Items for the period of December 4, 2025 through December 30, 2025.

Ms. Perrault asked if there were any questions or comments from the Board or from the public. There were none

NEXT MEETING:

Ms. Perrault stated that the next Board meeting was scheduled for Friday, February 6, 2026. The time and location of the meeting would be posted on the Board's website.

Ms. Perrault asked if there were any other questions or comments from the Board or from the public. There were none. The meeting concluded at 11:11 a.m.