



STAFF ANALYSIS

STATE PUBLIC WORKS BOARD

Friday, October 11, 2019 at 10:00 a.m. in

Room 113, State Capitol, Sacramento, California

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Pursuant to section 11125 of the Government Code, notice of all Board meetings will be given at least ten days in advance and such notice must include a copy of the agenda. Members of the Public may address the Board prior to it taking action on any matter in the agenda.

This notice and the Board agenda for the current month are available on the Internet at: <http://www.spwb.ca.gov>.

Individuals who need disability-related accommodation, including auxiliary aids for effective participation at this public meeting are invited to make their requests and preferences known to Kat Lee at (916) 445-9694 or e-mail to Kat.lee@dof.ca.gov, five days prior to the meeting.

BOND ITEMS

BOND ITEM—1

**JUDICIAL COUNCIL OF CALIFORNIA (0250)
NEW MODESTO COURTHOUSE
STANISLAUS COUNTY**

*Authority: Sections 70371.5 and 70371.7 of the Government Code
Chapters 21 and 29, Statutes of 2012, Item 0250-301-3138(22)
Chapter 25 and 663, Statutes of 2014, Item 0250-301-3037(1)
Chapter 25 and 663, Statutes of 2014, Item 0250-301-3138(12)
Chapters 10 and 11, Statutes of 2015, Item 0250-301-3138(5),
as reappropriated by the Budget Act of 2016, Item 0250-490(1)(5)
Chapters 29, 30, and 449, Statutes of 2018, Item 0250-301-0660(4.3)*

Consider adoption of a resolution to:

- 1) Authorize actions to be taken to provide for interim financing and declare the official intent of the Board to reimburse certain capital expenditures from the Public Buildings Construction Fund from the proceeds of the sale of bonds.**
- 2) Authorize the sale of lease revenue bonds.**
- 3) Approve the form of and authorize the execution and delivery of a Project Delivery Agreement between the Judicial Council of California and the Board.**
- 4) Approve and direct the Executive Director and Deputy Directors to take any and all such actions and to execute and deliver any documents as may be needed to carry out the purpose of this resolution.**

Total Bond Appropriation

\$237,243,000

STAFF ANALYSIS—1

Judicial Council of California
New Modesto Courthouse
Stanislaus County

Action Requested

If approved, the requested action would adopt a resolution authorizing actions to provide for interim financing, authorize the sale of lease revenue bonds, and other related actions.

Scope Description

This project is within scope. The authorized scope for this project is to construct a new 27-courtroom (5 courtrooms are unfinished), approximately 309,000 gross square foot facility in the City of Modesto, Stanislaus County. The project will provide space for 27 judicial officers and a modern, secure courthouse for the residents of Stanislaus County. It will replace 4 existing deficient court facilities and create operational efficiencies and on-going savings through consolidation of current court services. This new courthouse will provide centralized criminal proceedings for the entire county.

Funding and Cost Verification

This project is within cost. The current authorized total project budget is \$279,353,000. The funding sources for this project consist of appropriations from Judicial Council's Immediate and Critical Needs Account (\$39,027,000) and the State Court Facilities Construction Fund (\$3,083,000). Currently, a total of \$42,110,000 has been appropriated for this project which includes acquisition (\$13,766,000), preliminary plans (\$11,026,000), working drawings (\$15,252,000), and construction (\$2,066,000). The remaining funding for the construction phase will be paid for by the Public Buildings Construction Fund (\$237,243,000) as authorized in the Budget Act of 2016 and reappropriated in the Budget Act of 2018.

\$279,353,000	Total authorized project costs
\$279,353,000	Total estimated project costs
\$ 42,110,000	Project costs previously allocated: \$13,766,000 for acquisition (land cost), \$11,026,000 for preliminary plans, \$15,252,000 for working drawings, and \$2,066,000 for construction (demolition)
\$237,243,000	Projects costs to be allocated: \$237,243,000 for construction (\$205,955,000 contract, \$10,525,000 contingency, \$4,001,000 A&E, and \$16,762,000 other project costs)

CEQA

A Notice of Exemption was filed with the State Clearinghouse by the Judicial Council on August 29, 2013, and the 35-day statute of limitations period expired without challenge.

Real Estate Due Diligence

A Summary of Conditions Letter for this project was completed by an outside contractor as contracted by the Judicial Council on June 14, 2018, and no issues that would adversely affect the beneficial use and quiet enjoyment of the project were identified.

Project Schedule

Approve preliminary plans	January 2018
Complete working drawings	July 2019
Start construction	December 2019
Complete construction	January 2023

Staff Recommendation: Adopt resolution.

MINUTES

Consider approving the minutes from the September 9, 2019 and September 13, 2019 meetings.

Staff have reviewed the minutes from the September 9, 2019 and September 13, 2019 meetings and recommend their approval.

Staff Recommendation: Approve minutes from the September 9, 2019 and September 13, 2019 meetings.

CONSENT ITEMS

CONSENT ITEM—1

DEPARTMENT OF GENERAL SERVICES (7760)
SACRAMENTO REGION: NEW NATURAL RESOURCES HEADQUARTERS BUILDING
SACRAMENTO COUNTY

Authority: Government Code Section 15853
Chapters 14, 22 and 54, Statutes of 2017, Item 7760-301-0068(1)

Consider authorizing an acquisition.

STAFF ANALYSIS—1

Department of General Services
Sacramento Region: New Natural Resources Headquarters Building
Sacramento County

Action Requested

If approved, the requested action will authorize an acquisition.

Scope Description

This project is within scope. The approved project includes the construction of an approximately 800,000 gross square foot (GSF) office building, located between P, O, 7th, and 8th Streets in Sacramento. The building will include office, assembly, storage, building support, limited parking, and commercial food service space. Of this amount, approximately 700,000 GSF will be office space with an expected building capacity of approximately 3,500 employees. It is anticipated that the building will house staff from the following: California Natural Resources Agency, the Department of Water Resources, the Department of Parks and Recreation, the Department of Fish and Wildlife, the Department of Forestry and Fire Protection, the California Department of Conservation, and the Wildlife Conservation Board.

The project scope also includes minor exterior renovations of the historic Heilbron House currently located on the project site. The project will also include a new childcare facility for 120 children located on the roof of the Subterranean Building (block 203), to be used in conjunction with the tenants of the New O Street Office Building. The project will pursue LEED Silver certification for new construction (at a minimum) and will target Zero Net Energy performance.

This request seeks approval of the acquisition of property rights from the City of Sacramento (City) through a quit claim deed to a portion of Opera Alley necessary for the project.

Background

To accommodate the project, it was necessary to have the City vacate and abandon a portion of the 20-foot wide Opera Alley and utilities in the block bounded by O and P, 7th and 8th Streets in the City.

On September 26, 2017, City Council Resolution No. 2017-0373 (Resolution) was adopted and on August 20, 2019 all alley abandonment conditions were met and the City Council Resolution was recorded as Document 201908200222 of Sacramento County Official Records. Concurrent with the recordation of the Resolution, the City executed and delivered a quitclaim deed to the state for the alleyway, which requires acceptance by the State Public Works Board.

Funding and Project Cost Verification

The project is within cost. Chapter 31, Statutes of 2016 (SB 836) established the State Project Infrastructure Fund (SPIF) for the renovation or replacement of state office buildings. A total of \$11,367,000 has been allocated from SPIF for planning and studies, and for development of performance criteria. The Budget Act of 2017 appropriated \$585,132,000 in lease revenue bond funding for the design-build phase of the project.

\$596,499,000	Total authorized project costs
\$596,499,000	Total estimated project costs
\$596,499,000	Project costs previously allocated: \$2,800,000 project planning and studies, \$8,567,000 performance criteria, and \$585,132,000 design-build (\$520,479,000 contract, \$15,614,000 contingency, \$10,952,000 A&E, and \$38,087,000 other project costs).

CEQA

A Notice of Determination was filed with the State Clearinghouse on August 11, 2017, and the 30-day statute of limitations expired without challenge.

Real Estate Due Diligence

A Summary of Conditions Letter for this project was completed November 3, 2017. The letter reported that the City approved the Opera Alley abandonment resolution on September 26, 2017, and upon completion of the alleyway utility relocations, the City would quitclaim all rights and interests in the alleyway to the state. Additionally, upon State Public Works Board acceptance of the quitclaim deed, DGS would return the fully executed City quitclaim deed for recordation with the County of Sacramento County Clerk/Recorder and jurisdiction would rest with DGS.

Staff Recommendation: Authorize acquisition.

ACTION ITEMS

ACTION ITEM—1

LAND TRUST OF SANTA CRUZ COUNTY AGREEMENT TO PROVIDE PUBLIC ACCESS AND FOR LIMITED PUBLIC ENTITY TORT IMMUNITY FOR A PUBLIC BENEFIT NONPROFIT ORGANIZATION

Authority: Section 831.5 of the Government Code

Consider approving execution of an agreement with the Land Trust of Santa Cruz County to provide public access to property and to qualify the Land Trust for limited public entity tort immunity.

STAFF ANALYSIS—1

Land Trust of Santa Cruz County
Agreement to Provide Public Access and for Limited Public Entity Tort Immunity for a Public Benefit Nonprofit Corporation

Action Requested

If approved, the requested action will approve execution of an agreement with the Land Trust of Santa Cruz County (Land Trust) to provide public access to property and to qualify the Land Trust for limited public entity tort immunity.

Discussion

The Land Trust is a nonprofit corporation whose main purpose is to acquire, hold, and dispose of real property located within Santa Cruz County for the purpose of preserving open space, historical sites, and recreational facilities for public use and enjoyment. The Land Trust seeks to enter into an agreement with the Board pursuant to Government Code section 831.5.

The Legislature has found it beneficial to the people of the state to encourage private nonprofit entities to carry out programs that preserve open space or increase opportunities for the public to enjoy access to and use of natural resources if the programs are consistent with public safety, the protection of the resources, and with public and private rights. In furtherance of this, Government Code section 831.5 provides an opportunity for certain types of nonprofit organizations to avail themselves of the benefits of limited “public entity” status for purposes of limiting their tort liability. To secure these benefits, a nonprofit organization must meet the following requirements:

1. It is a nonprofit organization existing under the provisions of Section 501(c) of the United States Internal Revenue Code;
2. It has specifically set forth in its articles of incorporation, as among its principal charitable purposes, the conservation of land for public access, agricultural, scientific, historical, educational, recreational, scenic, or open-space opportunities; and
3. For land outside of the coastal zone or the Lake Tahoe region, it has entered into an agreement with the Board requiring the public land trust to hold the lands or, where appropriate, to provide nondiscriminatory public access consistent with the protection and conservation of natural resources.

For properties in the coastal zone or the Lake Tahoe region, Government Code section 831.5 requires nonprofits to enter into an agreement with the State Coastal Conservancy and the California Tahoe Conservancy, respectively.

The Land Trust meets the first and second requirements of Government Code section 831.5 and now asks the Board to enter into an agreement to meet the third requirement. The

agreement would require the Land Trust to provide nondiscriminatory public access over the applicable properties, as well as erect signs identifying access to the applicable properties. The agreement does not obligate the Board to perform any specific tasks or management. However, under Government Code section 831.5, the Board would be required to periodically review the agreement and determine whether the Land Trust is in substantial compliance with the agreement. To this end the agreement provides for the Trust to submit an annual report to the Board, certifying to the Land Trust's compliance with the terms of the agreement.

The agreement before the Board covers the following properties:

- Byrne-Milliron Preserve, located in Corralitos, CA—402 acre property open for public access such as hiking and picnicking. The Land Trust selectively logs a portion of the property approximately every seven years in a manner that promotes the forest's health. The portion selected for logging is closed to public access until the area is deemed safe again. Three residences exist in the southern portion of the property, which the Land Trust rents to long term renters. The agreement would not cover this portion of the property.
- Glenwood Preserve, located in Scotts Valley, CA—165 acre property over which the Land Trust holds a conservation easement and leads the management of the property per a management contract with the City of Scotts Valley. The Land Trust opened multi-use public access trails over the west portion of the property and intends to open hiking trails on the east portion by 2020. The Land Trust leases the east portion of the property to graze cattle to keep vegetation down and for coastal prairie habitat enhancement.
- Star Creek, located in Watsonville, CA—1,195 acre property on which the Land Trust hosts public access events and opportunities two to three times a year. The Land Trust plans include the possibility of harvesting redwood on the property approximately every seven years in a manner that promotes the forest's health and grazing cattle on portions of the property to keep vegetation down.
- Adams Ranch, located in Los Gatos, CA—78 acre property over which the Land Trust holds a conservation easement and the public access and timber rights deed on the property. The existing Adams Trail is open for public access and gets regular use by neighbors of the property.

Staff Recommendation: Approve execution of an agreement with the Land Trust of Santa Cruz County to provide public access to property and to qualify the Land Trust for limited public entity tort immunity.

OTHER BUSINESS

NONE

REPORTABLES

TO BE PRESENTED AT MEETING