



Staff Analysis

STATE PUBLIC WORKS BOARD

Friday, April 12, 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 Kathryn Lee at (916) 445-9694 or e-mail to Kathryn.lee@dof.ca.gov, five days prior to the meeting.

BOND ITEMS

BOND ITEM—1

DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540) PINE MOUNTAIN FIRE STATION: RELOCATE FACILITY TULARE COUNTY

*Authority: Chapters 171 and 172, Statutes of 2007, Item 3540-301-0001 (3) as reappropriated by the Budget Act of 2010
Chapter 712, Statutes of 2010, Item 3540-301-0660 (3) as reappropriated by the Budget Acts of 2012 and 2016
Chapters 25 and 663, Statutes of 2014, Item 3540-301-0660 (15) as reappropriated by the Budget Act of 2016*

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 Department of Forestry and Fire Protection and the Board.
- 4) Approve and take actions and execute documents as may be needed to carry out the purposes of this resolution.

Total Bond Appropriations

\$10,576,000

STAFF ANALYSIS ITEM—1

Department of Forestry and Fire Protection
Pine Mountain Fire Station: Relocate Facility
Tulare County

Action Requested

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

Scope Description

This project is within scope. The project constructs a prototypical single-building, 1-Engine fire station (6,061sf), a generator/pump/storage building with generator, transfer switch and fuel supply (648 sf), and a water treatment building (175 sf) on State property acquired in 2010. Site improvements to include 1,000-gallon fuel vault with cover and fueling equipment, water storage tank, well housing and pressure distribution system, a septic tank and leach field, all utilities and site work, including grading, paving, hose wash rack, wharf hydrant, site fencing, flagpoles, trash enclosure, site/curb/gutter/sidewalks, site lighting, landscaping/irrigation, storm drainage, entrance and all appurtenances.

Funding and Cost Verification

This project is within cost. A total of \$10,576,000 lease revenue bonds has been appropriated for this project. Other fund sources (excess proceeds) were identified to cover the cost of preliminary plans and working drawings in the amount of \$1,311,000. Therefore, interim financing is only requested for the balance of the need to complete construction.

\$10,969,000	Total authorized project costs
\$10,969,000	Total estimated project costs
\$ 1,699,000	Costs previously allocated: \$393,000 acquisition, \$582,000 preliminary plans, \$724,000 working drawings.
\$ 9,270,000	Costs to be allocated: \$9,270,000 construction (\$7,696,000 contract, \$385,000 contingency, \$622,000 A&E, \$527,000 other project costs, \$40,000 agency retained)

CEQA

A Notice of Determination was filed with the State Clearinghouse on April 15, 2015, and the 30-day statute of limitations expired without challenge.

Real Estate Due Diligence

A Summary of Conditions Letter for this project was completed on June 15, 2015. The letter identified that the project site consists of 4.62 acres of property that is encumbered by the Williamson Act. Upon consultation with counsel it was determined that the project is a compatible use of the project site under the Williamson Act and a related Land Conservation Contract. Therefore, it has been determined that the provisions of the Williamson Act and the Land Conservation Contract, as they relate to this site, will not adversely affect the beneficial use and quiet enjoyment of this project.

In an effort to clear up any future questions or concerns related to this issue, a Notice of Partial Non-Renewal of Land Conservation Contract was recorded on August 18, 2015. The Notice of Partial Non-Renewal starts the phase out of the contract over a 10 year period. Therefore, the contract will terminate in 2025 and will then no longer encumber the property

Project Schedule

Approve preliminary plans	August 2015
Complete working drawings	March 2019
Start construction	July 2019
Complete construction	November 2020

Staff Recommendation: Adopt resolution.

BOND ITEM—2

DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540) 2012 SERIES G, PROJECT ADDITION AND BASE RENTAL ADJUSTMENTS

*Authority: Chapter 106, Statutes of 2001, Item 3540-301-0001 (23)
Chapter 379, Statutes of 2002, Item 3540-301-0660 (13) as partially reverted
by the Budget Act of 2005
Chapters 47 and 48, Statutes of 2006, Item 3540-301-0660 (3) as reappropriated
by the Budget Acts 2009, 2012 and 2016
Chapters 171 and 172, Statutes of 2007, Item 3540-301-0660 (7.7) as
reappropriated
by the Budget Acts 2009, 2012 and 2016
Chapters 268 and 269, Statutes of 2008, Item 3540-301-0660 (8) as
reappropriated
by the Budget Acts 2009, 2011, 2013 and 2016
Chapter 25, Statutes of 2014, Item 3540-301-0660 (13) as reappropriated by the
Budget Act of 2016
Chapter 23, Statutes of 2016, Section 28.0*

Consider adoption of a resolution to:

1. Approve and authorize the adjustment of the Base Rental payments related to the State Public Works Board 2012 Series G lease Revenue Bonds (Bonds) under the Facility Leases for the Dewitt Nelson Correctional Annex project (the “DeWitt Project”), the Renovation to Old Solano Courthouse project (the “Old Solano Renovation Project”), the New North Butte County Courthouse project, the New Woodland Courthouse project, and the Stringfellow Pre-Treatment Plant project (the Stringfellow Project).
2. Approve and authorize the addition of the South Operations Area Headquarters: Relocate Facility project to the Bonds by utilizing a portion of the available proceeds of such Bonds pursuant to section 212.07 of the One Hundred Twelfth Supplemental Indenture.
3. Approve and authorize the attachment of an amended Exhibit B, “List of Departments and Description of Projects” to the One Hundred Twelfth Supplemental Indenture.
4. Approve and authorize the execution of a Site Lease between the Department of Forestry and Fire Protection (CalFire) and the Board for the South Operations Area Headquarters: Relocate Facility project.
5. Approve and authorize the execution of a Facility Lease between the Department of Forestry and Fire Protection (CalFire) and the Board for the South Operations Area Headquarters: Relocate Facility project.
6. Approve other related documents, findings, and actions in connection with the adjustment of base rental and the approval of the addition of the South Operations Area Headquarters: Relocate Facility project.

Estimated Project Costs to be Financed

\$46,573,114

STAFF ANALYSIS ITEM—2

California Department of Forestry and Fire Protection 2012 Series G, Project Addition and Base Rental Adjustments

Action Requested

If approved, the requested action would adopt a resolution (1) approving and authorizing actions related to adjustment the Base Rental payments under the Facility Leases for the 2012 G projects, (2) approving a project addition to the 2012 Series G Bonds including the execution of a Site Lease and a Facility Lease and certificates for the addition of the South Operation Area Headquarters in Riverside County and (3) other related actions.

Summary

The Public Works Board 2012 Series G Lease Revenue Bonds (2012G Bonds) funded the construction of the following five projects: Dewitt Nelson Correctional Annex project (the “DeWitt Project”), the Renovation to Old Solano Courthouse project (the “Old Solano Renovation Project”), the New North Butte County Courthouse project (the “New North Butte Project”), the New Woodland Courthouse project (the “New Woodland Project”), and the Stringfellow Pre-Treatment Plant project (the “Stringfellow Project”) involving the four following departments: Department of Corrections and Rehabilitation, the Judicial Council, and the Department of Toxic Substances Control.

The requested action would add an additional project, the South Operations Area Headquarters project (the “South Ops Project”) for the Department of Forestry and Fire Protection (“CalFire”), to be financed and refinanced with the proceeds of the 2012G Bonds pursuant to 2012G Supplemental Indenture. The requested action would also lower base rental payments for the existing projects (in an amount equal to the rent for the South Ops Project), resulting from a reduction of costs for these projects.

Base Rental Adjustment

Base rental payments will be adjusted for the following 2012G Bond projects:

- Dewitt Project in San Joaquin County (Department of Corrections and Rehabilitation);
- Old Solano Renovation Project in Solano County (Judicial Council);
- New North Butte Project in Butte County (Judicial Council);
- New Woodland Project in Yolo County (Judicial Council); and
- Stringfellow Project in Riverside County (Department of Toxic Substances Control)

South Operations Area Headquarters Project

In addition to adjusting base rental payments, excess 2012G Bond proceeds in the amount of \$46,573,114 will fund the South Ops Project in Riverside County with the retirement of the original interim financing from the Pooled Money Investment Board. The South Ops Project will be added to the 2012G Bond projects and CalFire will enter into a Site Lease, Facility Lease and related agreements as part of the project addition, consistent with the requirements of the 2012G Bonds. The South Ops Project is complete and available for occupancy per a temporary certificate of occupancy issued on April 1, 2019. The final certificate of occupancy is anticipated in May 2019.

South Operations Scope Description

The South Ops Project includes a new, approximately 63,000 square foot headquarters facility consisting of an office/command center, administration building, construction/engineering office building, electrical shop, mechanical shop, auto shop, warehouse, training center, generator/hazardous materials building, and communications tower. The South Ops Project houses the CalFire operational headquarters for the southern part of the state, the function of

the facilities included in this project include fire control and dispatching of firefighting resources and administrative operations and resource management.

Funding and Cost Verification

This project is within cost. Total authority provided for lease revenue financing for the South Ops Project through the initial and supplemental resolution is \$48,289,900 (\$15,900 was paid off with CalFire Support funds). Additional appropriations provide \$3,952,300 in funding authority (\$803,000 General Fund, \$1,104,300 State Highway Account, and \$2,045,000 Federal Trust Fund). A total of \$52,242,000 has been authorized for this project.

- \$ 52,242,000 Total authorized project costs
- \$ 50,525,000 Total estimated project costs
- \$ 50,525,000 Costs previously allocated: \$1,320,359 acquisition, \$803,000 preliminary plans, \$3,719,700 working drawings, and \$44,681,941 construction (\$30,234,924 contract, \$3,159,082 contingency, \$4,219,955 A&E, \$3,977,980 other project costs, \$3,090,000 agency retained)

CEQA

A Notice of Determination was filed with the State Clearinghouse on May 7, 2002, and the 30-day statute of limitations expired without challenge.

Real Estate Due Diligence

A Summary of Conditions for this project was completed on February 12, 2016 and no significant issues that would adversely affect the beneficial use and quiet enjoyment of this project were identified.

Project Schedule

Approve preliminary plans	November 2002
Approve working drawings	February 2016
Start construction	November 2016
Complete construction	April 2019

Staff Recommendation: Adopt resolution.

MINUTES

Consider approving the minutes from the March 8, 2019 meeting.

Staff have reviewed the minutes from the March 8, 2019 meeting and recommend approval of those meeting minutes.

Staff Recommendation: Approve minutes from the March 8, 2019 meeting.

CONSENT ITEMS

CONSENT ITEM—1

DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)
PELICAN BAY STATE PRISON, FACILITY D YARD
DEL NORTE COUNTY

*Authority: Chapter 14, Statutes of 2017, 5225-301-0001 (11)
Chapter 29, Statutes of 2018, 5225-301-0001 (10)*

Consider:

- a) Recognizing a Scope Change
- b) Recognizing anticipated deficit
- c) Approving preliminary plans
- d) Approving the use of Inmate/Ward Labor

STAFF ANALYSIS ITEM—1

Department of Corrections and Rehabilitation
Pelican Bay State Prison, Facility D Yard
Del Norte County

ITEM PULLED

OTHER BUSINESS

NONE

REPORTABLES

TO BE PRESENTED AT MEETING