



**CALIFORNIA STATE
PUBLIC WORKS BOARD**

EDMUND G. BROWN JR. • GOVERNOR

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STATE PUBLIC WORKS BOARD

October 12, 2018

APPROVED MINUTES

PRESENT:

Ms. Jacqueline Wong-Hernandez, Chief Deputy Director, Department of Finance
Mr. Jeff McGuire, Chief Deputy Director, Department of General Services
Ms. Ellen Greenberg, Deputy Director, Department of Transportation

CALL TO ORDER AND ROLL CALL:

Ms. Jacqueline Wong-Hernandez, Chairperson of the Board, called the meeting to order at 10:03 a.m. Ms. Kathryn Lee, serving as Secretary to the Board, called the roll. A quorum was established.

Approval of Minutes:

The first order of business was to approve the minutes from the September 14th Board meeting.

Ms. Lukenbill reported that staff had prepared and reviewed the minutes from the September 14th Board meeting, and recommended approval of the minutes.

A motion was made by Ms. Greenberg and seconded by Mr. McGuire to approve the minutes. The minutes were approved through a 3-0 oral vote. (Ms. Wong-Hernandez, Mr. McGuire, and Ms. Greenberg all voting aye).

CONSENT ITEMS:

The next order of business was to consider the Consent Calendar, which consisted of four items. Ms. Lukenbill presented the following:

- Consent Item 1: Consider recognizing a scope change for the New Indio Juvenile and Family Courthouse in Riverside County project, for the Judicial Council.
- Consent Item 2: Consider recognizing an anticipated deficit and to approve preliminary plans for the El Capitan State Beach, Entrance Improvements project in Santa Barbara County, for the Department of Parks and Recreation.
- Consent Item 3: Consider authorizing an acquisition and acceptance of title for improved property through the exercise of an option to purchase pursuant to a lease for the City of Fortuna Residential Center in Humboldt County, for the California Conservation Corps.
- Consent Item 4: Consider authorizing the execution of an Irrevocable Option Agreement for an above-market value acquisition of a parcel located on the southwest corner of 9th Street and Quill Alley in Sacramento County, for the Department of General Services.

Ms. Lukenbill noted that Consent Items 1 and 2 required a 20-day notice to the Joint Legislative Budget Committees and the fiscal committees in each house, and the review period for these actions has expired without adverse comment.

Staff recommended approval of the Consent Calendar consisting of Consent Items 1 through 4.

Ms. Wong-Hernandez asked if there were any questions from the Board on any of the items.

Ms. Greenberg, Deputy Director of Department of Transportation was interested in hearing from DGS regarding the justification for the above-market price on property and the connection with what policy purposes are being served by the investment.

Ms. Wong-Hernandez asked representatives from Department of General Services to address Ms. Greenberg's questions.

Mike Butler, Chief, Property Services Section and Jim Martone, Chief, Asset Management Branch, addressed the Board.

Mr. Butler stated that the property is \$45,000 above the appraised value, and noted that a number of factors contributed to the higher price, including DGS's need to compete on the open market for the property, and recent market activity in the area putting upward pressure on property prices. He further stated that purchasing the property at the above-market value will offset costs related to further delays to the parking structure project, which are calculated at approximately 5% annually. Mr. Butler concluded by stating that this was the minimum amount the owner would accept for the property, and that after extensive negotiations, he believes this is a reasonable offer.

Ms. Greenberg stated for the record that the policy issue of providing additional parking for State employees in downtown Sacramento is counter to administration policy related to reducing vehicle miles travelled, and that VW settlement monies that will be invested in Sacramento will provide other transportation and commute alternatives. She also questioned whether this was the highest and best use of the property, when there was a desire to support other transportation modes in downtown Sacramento.

Jeff McGuire, Chief Deputy Director of Department of General Services, stated that the Board and legislature had previously approved the project, and based on the ongoing demand for parking downtown, he believes it is the best use for this property.

Mr. Martone added that the additional parking will also address parkers that will be displaced by the new downtown office buildings.

Ms. Greenberg stated that she hopes the parking structure will provide preferential spaces to carpools and High Occupancy Vehicles.

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

A motion was made by Mr. McGuire and seconded by Ms. Greenberg to approve the Consent Items. The Consent Items were approved through a 3-0 oral vote. (Ms. Wong-Hernandez, Mr. McGuire, and Ms. Greenberg all voting aye).

ACTION ITEMS:

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

- Action Item 1: Ms. Lukenbill indicated to the Board that if approved, the requested action would rescind Resolution of Necessity 2018-0001 authorizing the use of eminent domain to acquire the Brazil Property in Kings County, for the High Speed Train System project.

Ms. Wong-Hernandez asked if there were any questions or comments from the Board or from the public.

Mr. McGuire asked how property owners are made whole when a Resolution of Necessity is rescinded, but resources have already been invested related to the condemnation of their property.

Ms. Kendall Bonebrake, counsel for the Authority, responded to Mr. McGuire, saying that any issues related to this rescission can be addressed through the ongoing negotiations and litigation related to the larger Brazil properties.

Ms. Wong-Hernandez asked some additional clarifying questions, which Ms. Bonebrake addressed.

A motion was made by Ms. Greenberg and seconded by Mr. McGuire to approve staff recommendation. The Action Item was approved through a 3-0 roll-call vote. (Ms. Wong-Hernandez, Mr. McGuire, and Ms. Greenberg all voting aye).

OTHER BUSINESS:

NO OTHER BUSINESS

REPORTABLES:

Ms. Lukenbill presented the reportable items, and told the Board that she would be happy to answer any questions. The Board had none.

NEXT MEETING:

Ms. Wong-Hernandez stated that the next Board meeting is scheduled for Friday, November 16, 2018 at 2 pm in Room 113 at the State Capitol.

Ms. Wong-Hernandez asked if there were any additional comments or questions from the public. There were none.

The meeting was adjourned at 10:19 a.m.