



STAFF ANALYSIS

STATE PUBLIC WORKS BOARD

Friday, October 14, 2022 at 10:00 a.m.

This meeting will take place virtually and can be accessed through the following link or phone numbers*:

<https://us06web.zoom.us/j/82060145696?pwd=SWYvUC9ETnFrU3I6V2R5cFRhZS9kdz09>

Meeting ID: 820 6014 5696

Passcode: 5rZ=5+Nc

Or

Phone: (669) 219 2599**

(669) 900 9128**

(213) 338 8477**

Meeting ID: 820 6014 5696

Passcode: 86531584

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Members of the Board will participate remotely via telephonic or video conference. Members of the public may observe the meeting and address the Board through the Zoom link or the telephone numbers identified above. If using the Zoom platform, please install the Zoom application and enter the virtual conference room prior to the meeting start time. Members of the public may also submit comments in advance of the meeting. If members of the public wish to submit comments, the Board asks members of the public to provide written comments to Kat.Lee@dof.ca.gov prior to the meeting. To the extent possible, all written comments will be distributed to the members of the Board prior to the meeting

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 State Public Works Board website. [Please click here to view.](#) The full Board member briefing package is available upon request. Please send an email to Kat.Lee@dof.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

CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (8570) TURLOCK NORTH VALLEY LABORATORY REPLACEMENT STANISLAUS COUNTY

Authority: 2017 Budget Act, 8570-301-0001 (1)
2019 Budget Act, 8570-301-0001 (1)
2021 Budget Act, 8570-301-0660 (1)

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 General Services, the Department of Food and Agriculture (CDFA) and the Board.**

Total Bond Appropriations

\$97,958,000

STAFF ANALYSIS ITEM—1

Department of Food and Agriculture
Turlock North Valley Laboratory Replacement
Stanislaus County

Action Requested

If approved, the requested action would adopt a resolution authorizing actions to be taken to provide for interim financing, authority the sale of lease revenue bonds, and approve the form of and authorize the execution and delivery of a Project Delivery Agreement.

Scope Description

This project is within scope. The authorized scope of the Turlock North Valley Laboratory Replacement project is to replace the Northern San Joaquin Valley, CDFA Laboratory for the Animal Health and Food Safety program and the Animal Health and Food Safety Services. This single-story building will be approximately 41,000 square feet on a newly acquired site of approximately 7.5 acres. The project includes built-in laboratories, a necropsy suite, cremator, storage-out-buildings, offices, conference room, site work, and building utilities.

Funding and Cost Verification

This project is within cost. The Budget Act of 2017 included \$3,088,000 for Acquisition. The Budget Act of 2019 included \$3,946,000 for the Performance Criteria phase and the Budget Act of 2021 included \$88,565,000 for the design-build phase. In March 2022, an augmentation of \$9,393,000 (9.8 percent total project authority) was approved.

\$104,800,000	Total authorized project costs
\$104,800,000	Total estimated project costs
\$6,842,000	Project costs previously allocated: \$2,896,000 acquisition, and \$3,946,000 performance criteria
\$97,958,000	Project costs to be allocated: \$97,958,000 design-build (\$83,911,000 contract, \$2,517,000 contingency, \$4,237,000 A&E, \$4,293,000 other project costs, and \$3,000,000 agency retained)

CEQA

CDFA filed a Notice of Determination with the State Clearinghouse on August 19, 2022 and the 30-day statute of limitations expired without challenge.

Due Diligence

The Department of General Services, on behalf of CDFA, completed a Summary of Conditions Letter on March 17, 2020 and no issues that would adversely affect the beneficial use and quiet enjoyment of the project were identified.

Project Schedule

Approve performance criteria	March 2022
Start design-build	February 2023
Complete design-build	May 2025

Staff Recommendation: **Adopt resolution.**

MINUTES

Consider approving the minutes from the September 9, 2022 meeting.

Staff have reviewed the minutes from the September 9, 2022 meeting and recommend approval.

Staff Recommendation: **Approve minutes from the September 9, 2022 meeting.**

CONSENT ITEMS

CONSENT ITEM—1

JUDICIAL COUNCIL OF CALIFORNIA (0250)
NEW FORT ORD COURTHOUSE
MONTEREY COUNTY

Authority: 2021 Budget Act, 0250-301-0001 (6), as reappropriated by 2022 Budget Act

Consider recognizing a scope change.

STAFF ANALYSIS ITEM—1

Judicial Council of California
New Fort Ord Courthouse
Monterey County

Action Requested

If approved, the requested action will recognize a scope change.

Scope Description

This project is not within scope. The authorized scope for this project includes the construction of a new, 7-courtroom building containing approximately 83,000 square feet (SF) and 102,000 SF of parking on a 3.4-acre site in the Fort Ord area in Monterey County. The project will allow for the consolidation of court operations in three facilities in Monterey County and will relieve the current space shortfall, increase security, and replace inadequate and obsolete facilities.

The New Fort Ord Courthouse is currently in the Site Acquisition phase. The site under consideration is a 5-acre parcel within a larger parcel of approximately 49 acres in the City of Seaside in Monterey County.

As part of the Site Selection and conceptual site test scenarios of prospective sites by the Project's Criteria Architect, it was determined that a site of 3.4 acres would not accommodate the authorized project scope. In a study to determine the reasons driving the need for increased site acreage, the planning assumptions for the project approval were compared against the conceptual site test scenarios. The primary reasons driving the need to increase the site acreage from 3.4 to 5 are as follows:

- **Site size did not include area for on-site stormwater retention.** Regulations that govern the site require a complete capture and disposal of storm water runoff (utilizing a 100-year storm event) be accommodated on site. No storm water run-off is allowed to leave the site perimeter. This requires use of on-site bioswale retention areas to contain the storm water run-off to allow percolation back into the site soil without leaving the site.
- **Vehicle parking and vehicle/pedestrian circulation were underestimated.** The initial planning site area assumption suggested 102,000 SF was needed. However, the site specific layout by the Criteria Architect requires 120,000 SF to accommodate the

required surface parking spaces, drive aisles, drive aprons, and pedestrian circulation.

On September 16, 2022, the Department of Finance notified the chairs of the Joint Legislative Budget and fiscal committees in each house of its intent to recommend the Board approve the scope change no sooner than 20 days from that date.

Funding and Cost Verification

This project is within cost. The 2021 Budget Act appropriated \$35,619,000 for acquisition and \$3,101,000 for performance criteria. The 2022 Budget Act reappropriated \$3,101,000 for performance criteria. The requested change in scope for this project increases the site acreage of approximately 3.4 acres to approximately 5 acres. The procurement of a 5-acre site can be accommodated within the current Acquisition phase budget.

\$38,720,000	Total authorized project cost
\$174,684,000	Total estimated project cost
\$35,619,000	Project costs previously allocated: \$35,619,000 for acquisition
\$139,065,000	Project costs to be allocated: \$3,101,000 for performance criteria and \$135,964,000 for design-build (\$113,160,000 contract, \$3,395,000 contingency, \$4,779,000 A/E, and \$14,630,000 other project costs)

CEQA

As part of the Site Selection process, the Judicial Council will take all necessary actions required under the California Environmental Quality Act.

Project Schedule

Approve site selection	June 2022
The anticipated close of escrow is	April 2023
Approve performance criteria	November 2023
Start design-build	January 2025
Complete design-build	August 2027

Staff Recommendation: **Recognize a scope change.**

CONSENT ITEM—2

DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225) IRONWOOD STATE PRISON – HEATING, VENTILATION, AND AIR CONDITIONING SYSTEM RIVERSIDE COUNTY

*Authority: Budget Act of 2008, 5225-301-0001 (16)
Budget Act of 2013, 5225-301-0001 (1)
Budget Act of 2014, 5225-301-0668 (1), as reappropriated by 2015, 2017,
and 2020 Budget Acts
Budget Act of 2021, 5225-301-0668 (1)
Budget Act of 2022, 5225-301-0001 (1)*

Consider approving an augmentation. \$5,268,000
(3.1 percent of total project appropriations)
(17.4 percent cumulative)

STAFF ANALYSIS ITEM—2

Department of Corrections and Rehabilitation
Ironwood State Prison – Heating, Ventilation, and Air Conditioning System
Riverside County

Action Requested

If approved, the requested action will approve an augmentation.

Scope Description

The project is within scope. This project includes the construction of a new, closed loop heating, ventilation, and chilled water cooling system at Ironwood State Prison. The project also includes the construction of a chilled water distribution system as well as supporting electrical and control systems. In addition, the housing units will receive new roofing, additional roof insulation, and minor structural repairs.

Other buildings will receive new roofs without additional insulation. However, metal roofs will not be replaced. The central chilled water plant will consist of a main equipment room, a storage room, an electrical room, an office, restrooms, and an exterior yard. A backup generator will also be onsite to operate the plant in the event of a power outage.

Funding and Project Cost Verification

This project is not within cost. The 2008 Budget Act (Chapters 268 and 269, Statutes of 2008) appropriated \$5,758,000 General Fund for preliminary plans; of this amount, \$2,661,000 reverted on June 2011. The 2013 Budget Act (Chapters 20 and 354, Statutes of 2013) appropriated \$5,444,000 General Fund for working drawings; of this amount, \$1,626,000 reverted in 2016. The 2014 Budget Act (Chapters 25 and 663, Statutes of 2014) authorized \$145,029,000 lease revenue bond financing for construction of this project, as reappropriated in the 2015, 2017, and 2020 Budget Acts. Total estimated project costs at the time were \$151,944,000. In June 2015, the Department of Finance approved a revised project cost estimate in the amount of \$120,139,000 and a potential project construction savings in the amount of \$33,431,000 for a total authorized project cost of \$153,570,000 in association with contract award for this

project. Due to a San Diego County Superior Court decision upholding a bid protest by the second lowest bidder and issuing a permanent injunction prohibiting work by Hensel Phelps Construction Company on the project, CDCR believed their best course of action required the rebid of the project and proceeding with the completion of work under a new contract. In June 2016, the working drawings phase reverted \$1,626,000 to its original fund. The 2021 Budget Act (Chapter 21, Statutes of 2021) authorized an additional \$11,491,000 lease revenue bonds for construction of this project. From April 2016 to August 2020, there were three augmentations to the project totaling \$23,989,000 (14.3 percent cumulative): \$2,275,000 General Fund for working drawings and \$21,714,000 lease revenue bond financing for construction. The 2022 Budget Act appropriated \$182,375,000 General Fund to pay off an outstanding interim loan for the construction phase of the project because the extended duration and other related issues associated with this project made it difficult to sell bonds to repay the interim loan; this appropriation included funds to reimburse interest costs and administrative fees on the interim loan and \$178,234,000 for direct construction costs appropriated to date.

On August 5, 2022, a revised project cost estimate was prepared in association with increased construction costs for a total revised project cost of \$192,692,000. The increased construction costs for this additional augmentation are a result of the following:

- **Design Errors and Omissions (E/Os).** The additional cost for Design E/Os (approximately \$1,351,000) is attributed to (a) insufficient cooling design that requires replacement of the air handling units in the dormitory housing units to meet interior temperature requirements (approximately \$450,000), and (b) replacement of pressure treated wood with fire rated wood used for fastening roofing materials, for various buildings (approximately \$901,000).
- **Extended job costs.** Approximately \$500,000 for extended schedule related to the procurement and installation of materials for the air handling units and fire rated wood.
- **Construction contract contingency.** The construction contract contingency was increased by approximately \$129,000 to allow for change orders through the end of construction.

In addition to the construction cost increases identified above, the Architectural and Engineering (A/E) design line-item increased by approximately \$798,000 due to design for fire alarm system mounting locations based on existing structural building conditions and extended construction duration. The construction inspection, material testing, consultant program management, consultant construction management, guarding, utility costs, and State Fire Marshal line-items also increased by approximately \$2,490,000 based on actual costs to date and revised estimate to construction completion. Based on this new estimate, the revised total project cost is \$192,692,000. CDCR is requesting an augmentation in the amount of \$5,268,000 to cover this cost increase for the project.

On September 16, 2022, the Department of Finance notified the chairs of the Joint Legislative Budget and fiscal committees in each house of its intent to recommend the Board approve the augmentation no sooner than 20 days from that date.

\$187,424,000	Total authorized project costs
\$192,692,000	Total estimated project costs
\$187,424,000	Project costs previously allocated: \$3,097,000 for preliminary plans, \$6,093,000 for working drawings, and \$178,234,000 for construction (\$136,340,000 contract, \$9,544,000 contingency, \$7,562,000 A/E, \$18,234,000 other project costs, and \$6,554,000 agency retained items)
\$5,268,000	Augmentation to be allocated: \$5,268,000 for construction (\$1,851,000 contract, \$129,000 contingency, \$861,000 A/E, \$1,244,000 other project costs, and \$1,183,000 agency retained items)

CEQA

CDCR filed a Notice of Determination with the State Clearinghouse on May 19, 2014 and the 30-day statute of limitations expired without challenge. CDCR confirmed on September 27, 2022 that no changed circumstances that would necessitate any additional action under CEQA have occurred since the Notice of Determination was filed.

Real Estate Due Diligence

The Department of General Services, on behalf of CDCR, completed a Summary of Conditions Letter for this project on July 22, 2010 and no issues that would adversely affect the beneficial use and quiet enjoyment of the project were identified.

Project Schedule

Approve preliminary plans	November 2010
Complete working drawings	January 2015
Start construction	May 2018
Complete construction	April 2023

Staff Recommendation: Approve an augmentation.

ACTION ITEMS

ACTION ITEM—1

HIGH SPEED RAIL AUTHORITY (2665) CENTRAL VALLEY SEGMENT VARIOUS COUNTIES

*Authority: 2012 Budget Act, 2665-306-0890 (1), as reappropriated by the 2018 and 2021 Budget Acts
2012 Budget Act, 2665-306-6043 (1), as reappropriated by the 2018 Budget Act
2014 Budget Act, 2665-306-3228 (1),
2021 Budget Act, 2665-301-6043 (1),
Section 39719(b) (2) of the Health and Safety Code
Section 39719.1 of the Health and Safety Code
Section 15854 of the Government Code*

Consider the adoption of Resolutions of Necessity authorizing the use of eminent domain by the High Speed Rail Authority to acquire the following properties for the High Speed Train System:

- 1. Lansing LLC Property (Kings County)**
Authority Parcel Numbers: FB-16-0701-2, FB-16-0701-4, FB-16-0701-5, FB-16-0701-6, FB-16-0701-7, FB-16-0701-8; FB-16-0702-2, FB-16-0702-4, FB-16-0702-5, FB-16-0702-6, FB-16-0702-7, FB-16-0702-8; FB-16-0771-1, FB-16-0771-2; FB-16-0772-1, and FB-16-0772-2
Assessor Parcel Numbers: 028-260-005, 028-205-014, and 028-205-015
- 2. Pacific Orchards Property (Madera County)**
Authority Parcel Number: MF-20-1515-1
Assessor Parcel Number: 048-200-002
- 3. Palm Farming Company Property (Kern County)**
Authority Parcel Numbers: FB-15-0626-1 and FB-15-0626-01-01
Assessor Parcel Number: 072-110-27
- 4. Roeding Property (Fresno County)**
Authority Parcel Number: FB-10-1232-1
Assessor Parcel Number: None Assigned
- 5. Sanchez Property (Madera County)**
Authority Parcel Number: MF-20-1402-1
Assessor Parcel Number: 037-010-026
- 6. SVM Enterprises Property (Fresno County)**
Authority Parcel Number: MF-10-1067-1
Assessor Parcel Number: 504-060-85
- 7. Trejo Property (Madera County)**
Authority Parcel Number: MF-20-1528-1
Assessor Parcel Number: 032-440-016

8. Ward Property (Fresno County)
Authority Parcel Number: FB-10-1789-1
Assessor Parcel Number: None Assigned

STAFF ANALYSIS ITEM—1

High Speed Rail Authority
Central Valley Segment
Various Counties

Action Requested

Adopt Resolutions of Necessity authorizing the use of eminent domain by the High Speed Rail Authority to acquire properties for the High Speed Train System.

Background

Under California Eminent Domain Law, the Board is the governing body of the High Speed Rail Authority (Authority) for purposes of adopting Resolutions of Necessity that are required for the Authority to initiate eminent domain proceedings. To adopt a Resolution of Necessity the Board must consider that the following conditions have been met:

- (A) The public interest and necessity require the project;
- (B) The project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury;
- (C) The property sought to be acquired is necessary for the project; and,
- (D) The offer required by Government Code section 7267.2 has been made to the owner or owners of record or the offer has not been made because the owner cannot be located with reasonable diligence.

The properties are within the right of way for the Central Valley Segment, extending from Madera to Shafter, and are within the preferred alignment as previously approved by both the High Speed Rail Authority Board of Directors and the Federal Railroad Administration. Acquisition of these properties will allow the Authority to move forward with construction of the High Speed Train System (HSTS).

The Authority notified the Board's staff that for Properties 1, 2, 3, 5, 6 and 7, between March 2022 and August 2022, the respective property owners were provided with a first written offer to purchase the subject property, as required by Government Code section 7267.2. The Authority has informed the Board's staff that negotiations to acquire the property are continuing; however, to keep the project on schedule, the adoption of Resolutions of Necessity to authorize the use of eminent domain is required at this time. For Properties 4 and 8, a formal offer to purchase the Property was not mailed due to inability to locate the owner of record or confirm the identity or any appropriate heirs, descendants, or devisees.

On September 28, 2022, Notices of Intent to adopt a Resolution of Necessity were mailed by Board staff to the owners of Properties 1, 2, 3, 5, 6 and 7. The Notices of Intent for Properties 4 and 8 were posted at the respective property boundaries. These notices were sent in accordance with Code of Civil Procedure section 1245.235.

Property Specific Information:

1. Lansing LLC Property (Kings County)

Authority Parcel Numbers: FB-16-0701-2, FB-16-0701-4, FB-16-0701-5, FB-16-0701-6, FB-16-0701-7, FB-16-0701-8, FB-16-0702-2, FB-16-0702-4, FB-16-0702-5, FB-16-0702-6, FB-16-0702-7, FB-16-0702-8, FB-16-0771-1, FB-16-0771-2, FB-16-0772-1, and FB-16-0772-2

Assessor Parcel Numbers: 028-260-005, 028-205-014, and 028-205-015

Partial Acquisition: Approximately 3.79 acres in easement

The property interests identified by the Authority Parcel Numbers are needed for six permanent utility easements, four foundation easements, two county right-of-way easements, and four temporary construction easements adjacent to the high speed rail (HSR) corridor at Lansing Avenue.

2. Pacific Orchards Property (Madera County)

Authority Parcel Number: MF-20-1515-1

Assessor Parcel Number: 048-200-002

Partial Acquisition: Approximately 0.07 acre in easement

The property interests identified by the Authority Parcel Number are needed for a temporary construction easement for the construction of the HSR corridor along Road 33 at Avenue 7.

3. Palm Farming Company Property (Kern County)

Authority Parcel Numbers: FB-15-0626-1 and FB-15-0626-01-01

Assessor Parcel Number: 072-110-27

Partial Acquisition: Approximately 0.51 acre in easement

The property interests identified by the Authority Parcel Numbers are needed for a permanent roadway easement for the realignment of Wasco Avenue to Jackson Avenue.

4. Roeding Property (Fresno County)

Authority Parcel Number: FB-10-1232-1

Assessor Parcel Number: None Assigned

Full Acquisition: Approximately 0.55 acre in fee

The property interests identified by the Authority Parcel Number are needed for the construction of the HSR corridor at N. Golden State Boulevard between W. McKinley Avenue and W. Pine Avenue.

5. Sanchez Property (Madera County)

Authority Parcel Number: MF-20-1402-1

Assessor Parcel Number: 037-010-026

Partial Acquisition: Approximately 0.02 acre in fee

The property interests identified by the Authority Parcel Number are needed for the construction of the HSR corridor between Road 27 and Avenue 17.

6. SVM Enterprises Property (Fresno County)

Authority Parcel Number: MF-10-1067-1

Assessor Parcel Number: 504-060-85

Partial Acquisition: Approximately 0.04 acre in easement

The property interests identified by the Authority Parcel Number are needed for a temporary construction easement along the proposed North Golden State Boulevard between Kathryn Avenue and Elgin Avenue.

7. Trejo Property (Madera County)

Authority Parcel Number: MF-20-1528-1

Assessor Parcel Number: 032-440-016

Partial Acquisition: Approximately 0.05 acre in easement

The property interests identified by the Authority Parcel Number are needed for a temporary construction easement for utility relocation along Zelkova Way near the HSR corridor.

8. Ward Property (Fresno County)

Authority Parcel Number: FB-10-1789-1

Assessor Parcel Number: None Assigned

Full Acquisition: Approximately 0.07 acre in fee

The property interests identified by the Authority Parcel Number are needed for the construction of the HSR corridor at E. Nebraska Avenue.

Staff Recommendation:

Adopt Resolutions of Necessity authorizing the use of eminent domain by the Authority to acquire the above-described properties or interests in properties for the HSTS.

OTHER BUSINESS

NONE

GENERAL PUBLIC COMMENT

REPORTABLES

Reportable Items

For the October 14, 2022 Board Meeting

Actions Authorized by Staff from August 30, 2022 through October 3, 2022

As Authorized by Resolution of the Board dated December 13, 2019

Department/Org Code	Project Title	Project Authority	Action	Amount/(Percent)
Judicial Council of California (0250)	Renovation and Addition to Willows Courthouse, Glenn County	Sections 70371.5 and 70371.7 of the Government Code, 2013 Budget Act, 0250-301-3138 (1), 2014 Budget Act, 0250-301-3138 (2), as reappropriated by 2015 Budget Act, 2018 Budget Act, 0250-301-0660 (.5), 2020 Budget Act, 0250-301-0660 (2)	Approve an augmentation	\$4,542,000 (7.9 percent of total project appropriations) (8.9 percent cumulative)
California Highway Patrol (2720)	San Bernardino: Area Office Replacement, San Bernardino County	2016 Budget Act, 2720-301-0044(5), 2019 Budget Act, 2720-301-0660(3), 2022 Budget Act, 2720-301-0660(1)	Approve an augmentation	\$779,000 (1.1 percent of total project appropriations) (1.1 percent cumulative)
Department of Motor Vehicles (2740)	Inglewood: Field Office Replacement, Los Angeles County	2015 Budget Act, 2740-301-0044 (3); unused funds reverted, 2016 Budget Act, 2740-301-0044 (3), 2022 Budget Act, 2740-301-0001 (5)	Approve an augmentation	\$453,000 (2.0 percent of appropriation) (2.0 percent cumulative augmentation)