



# **STAFF ANALYSIS**

## **STATE PUBLIC WORKS BOARD**

*Friday, August 12, 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/84362108276?pwd=QmloMmkrbW9oTUdPTEMwMEszS3JVZz09>

**Meeting ID: 843 6210 8276**

**Passcode: F\$P3B1zr**

Or

**Phone: (669) 219 2599\*\***

**(669) 900 9128\*\***

**(213) 338 8477\*\***

**Meeting ID: 843 6210 8276**

**Passcode: 60865389**

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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](mailto: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

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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 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](mailto: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](mailto:Kat.lee@dof.ca.gov), five days prior to the meeting.

# **BOND ITEMS**

## **BOND ITEM—1**

**JUDICIAL COUNCIL OF CALIFORNIA (0250)  
NEW LAKEPORT COURTHOUSE  
LAKE COUNTY**

*Authority: 2009 Budget Act, 0250-301-3138 (3)  
Sections 70371.5 and 70371.7 of the Government Code  
2014 Budget Act, 0250-301-3138 (4)  
2021 Budget Act, 0250-301-0001 (1) and 0250-301-0660 (1)  
2022 Budget Act, 0250-301-0660 (.5)*

**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) Authorize and direct the Executive Director and Deputy Directors to take any and all such actions and to execute and deliver documents as may be needed to carry out the purpose of this resolution.**

**Total Bond Appropriation**

**\$77,227,000**

## **STAFF ANALYSIS ITEM—1**

Judicial Council of California  
New Lakeport Courthouse  
Lake 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, approve the form of and authorize the execution and delivery of a Project Delivery Agreement, and other related actions.**

### Scope Description

**This project is within scope.** The authorized scope of the New Lakeport Courthouse project is to construct a new, full-service courthouse which will replace the county-owned existing courthouse. This new approximately 46,000 SF facility will include four (1 large and 3 multi-purpose) courtrooms for criminal, civil, juvenile, family law, and probate cases. The project will provide approximately 100 surface parking spaces with solar power generation capability. The project will increase security and expand the

capacity for in-custody proceedings by replacing the existing inadequate and obsolete Lakeport Courthouse. The project will consolidate active records storage from the lease Gateway Business Park and provide jury assembly, child waiting rooms, and attorney-client meeting rooms, which are currently lacking in the existing facility. As a component of the prior authorized project, a site was acquired on Lakeport Boulevard in Lakeport.

#### Funding and Cost Verification

**This project is within cost.** The 2009 Budget Act appropriated \$1,775,000 for Acquisition, Government Code Sections 70371.5 and 70371.7 appropriated \$2,459,000 for Preliminary Plans, the 2014 Budget Act appropriated \$777,000 for Working Drawings, the 2021 Budget Act appropriated \$1,626,000 General Fund for Performance Criteria, and the 2022 Budget Act appropriated \$77,227,000 lease revenue bond authority for Design-Build.

The project was originally funded as a Design-Bid-Build project and was indefinitely delayed in 2016. After the SB847 re-prioritization in 2019, it was re-evaluated and was the number one ranked project for Judicial Council. The project was re-activated in the 2021 Budget Act.

Judicial Council has adopted Design-Build as the delivery method for all new capital projects and hence the project was transitioned to Design-Build and a new funding request was submitted and approved indicating the new delivery method starting in the 2021 Budget Act.

\$83,864,000	Total authorized project costs
\$83,864,000	Total estimated project costs
\$ 6,637,000	Project costs previously allocated: \$1,775,000 for acquisition, \$2,459,000 for preliminary plans, \$777,000 for working drawings, and \$1,626,000 for performance criteria
\$77,227,000	Project costs to be allocated: \$77,227,000 for design-build (\$63,833,000 contract, \$1,915,000 contingency, \$2,367,000 AE&E, and \$9,112,000 other project cost)

#### CEQA

The Judicial Council filed a Notice of Determination with the State Clearinghouse on December 9, 2010 and the 30-day statute of limitations expired without challenge. On July 29, 2022 the Judicial Council notified the Board that there had been no change to the 2010 Notice of Determination information.

#### Real Estate Due Diligence

An outside firm, on behalf of the Judicial Council, completed a Summary of Conditions Letter for this project on March 31, 2022 and no issues that would adversely affect the beneficial use and quiet enjoyment of the project were identified.

Project Schedule

Approve performance criteria July 2022  
Start design-build August 2022  
Complete design-build February 2026

**Staff Recommendation:** **Adopt resolution.**

**BOND ITEM—2**

**DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)  
CALIFORNIA INSTITUTION FOR MEN — 50-BED MENTAL HEALTH CRISIS FACILITY  
SAN BERNARDINO COUNTY**

*Authority: Budget Act of 2017, 5225-301-0001 (9)  
Budget Act of 2018, 5225-301-0001 (8)  
Budget Act of 2020, 5225-301-0660 (1), as reappropriated by the 2021  
Budget Act and as reverted by the 2022 Budget Act  
Budget Act of 2022, 5225-301-0660 (1)*

**Consider adoption of an amended and restated resolution to:**

- 1) Update the reference to the law authoring the bond financing of this project.**
- 2) 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.**
- 3) Authorize the sale of lease revenue bonds.**
- 4) Authorize and direct the Executive and Deputy Directors to take any and all such actions and to execute and delivery any documents as may be necessary to carry out the purpose of this resolution.**

**Total Bond Appropriation \$120,576,000**

**STAFF ANALYSIS ITEM—2**

Department of Corrections and Rehabilitation  
California Institution for Men — 50-Bed Mental Health Crisis Facility  
San Bernardino County

Action Requested

**If approved, 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.**

The 2020 Budget Act appropriated \$91,032,000 for the construction of a 50-Bed Mental Health Crisis Facility at CIM. A resolution in 2021 gave authority for \$91,032,000 in interim

financing expected to be repaid with subsequent lease revenue financing to fund construction. The 2022 Budget Act reverted the entire 2020 appropriation and included a new appropriation for \$120,576,000. This amended and restated resolution will update the reference to the law authorizing the bond financing of the project consistent with the 2022 Budget Act resulting in a maximum bond amount of \$120,576,000.

#### Scope Description

**This project is within scope.** This project consists of the design and construction of a new, 50-Bed Mental Health Crisis Facility (MHCF) at the California Institution for Men to provide housing, treatment, and office space to allow for patients in a mental health crisis state or patients requiring other levels of licensed mental health care to be treated. This building will provide licensed space that can be operated at either MHCF or Intermediate Care Facility level of care for both male and female patients. The building will be approximately 70,000 square feet to accommodate housing, administration, treatment, and custody services required to support 50 patients.

#### Funding and Cost Verification

**This project is within cost.** The Budget Act of 2017 appropriated \$3,661,000 General Fund for preliminary plans; the Budget Act of 2018 appropriated \$3,441,000 General Fund for working drawings; and the Budget Act of 2020 appropriated \$91,032,000 lease revenue bond authority for construction for this project. The Budget Act of 2021 reappropriated the full lease revenue construction appropriation of \$91,032,000. The Budget Act of 2022 reverted the original lease revenue construction appropriation of \$91,032,000 and appropriated \$120,576,000 lease revenue bond authority for construction of this project.

On February 12, 2018, the Board approved a scope change to reflect demolition of existing structures and the deletion of perimeter fencing and the guard tower. On September 13, 2019, the Board approved preliminary plans and recognized a scope change to increase the building size from approximately 47,500 square feet to 70,000 square feet, and recognized a revised project cost. The new estimated total project cost as result of this action was \$97,536,000 with a savings of \$598,000 stemming from preliminary plans. On December 11, 2020, the Board approved an augmentation for working drawings in the amount of \$598,000 (EO #C 20/21-7), for a total project cost of \$98,134,000. On May 14, 2021, the Board approved an augmentation for working drawings in the amount of \$350,000 (EO #C 20/21-27), for a total project cost of \$98,484,000. On July 5, 2022, the Department of Finance approved working drawings and proceed to bid for a total project cost of \$128,028,000.

\$ 128,028,000	Total authorized project costs
\$ 128,028,000	Total estimated project costs
\$ 7,452,000	Project costs previously allocated: \$3,063,000 for preliminary plans and \$4,389,000 for working drawings
\$ 120,576,000	Project costs to be allocated: \$120,576,000 for construction (\$98,563,000 contract, \$4,928,000 contingency, \$4,964,000 A/E, \$5,857,000 other project costs, and \$6,264,000 agency retained)

#### CEQA

A Notice of Determination was filed with the State Clearinghouse on May 8, 2019 and the 30-day statute of limitations expired with several parties challenging the project.

These parties are the County of San Bernardino, the City of Chino, the City of Chino Hills, and the Chino Valley Independent Fire District. On February 24, 2021, the San Bernardino County Superior Court ruled in favor of the petitioners on three of the ten challenges. In response to the Court's decision, CDCR prepared a legally adequate revised Environmental Impact Report in compliance with CEQA. On December 29, 2021, CDCR filed a Motion to Discharge the Writ of Mandate (motion) that was issued in this action. The court granted the motion on June 30, 2022.

#### Real Estate Due Diligence

The Department of General Services, on behalf of CDCR, completed a Summary of Conditions Letter for this project on June 6, 2019 and no issues that would adversely affect the beneficial use and quiet enjoyment of the project were identified.

#### Project Schedule

Approve preliminary plans	September 2019
Complete working drawings	July 2022
Start construction	October 2022
Complete construction	January 2025

**Staff Recommendation:**                      **Adopt amended and restated resolution.**

## **BOND ITEM—3**

**DEPARTMENT OF GENERAL SERVICES (7760)  
SACRAMENTO REGION: JESSE UNRUH BUILDING RENOVATION  
SACRAMENTO COUNTY**

*Authority:*     2018 Budget Act, 7760-301-0001 (3)  
                      2021 Budget Act, 7760-301-0660 (2)  
                      2022 Budget Act, 7760-301-0660 (1)

**Consider adoption of an amended and restated resolution to:**

- 1) Update the reference to the law authorizing the bond financing of the project.**
- 2) 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.**
- 3) Authorize the sale of additional lease revenue bonds.**
- 4) Authorize and direct Executive Director and Deputy Directors to take any and all such actions and to execute and deliver any documents as may be necessary to carry out the purpose of this resolution.**

**Total Bond Appropriations \$187,502,000**

# STAFF ANALYSIS ITEM—3

Department of General Services  
Sacramento Region: Jesse Unruh Building Renovation  
Sacramento County

## Action Requested

**If approved, 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.**

A prior resolution in 2021 gave authority for \$124,392,000 in interim financing expected to be repaid with subsequent lease revenue financing to fund the design-build phase of the project. The 2022 Budget Act provided an additional \$63,110,000 for the design – build phase of the project to increase the total bond appropriations for the project in the amount of \$187,502,000. This amended resolution will update the reference to the law authorizing the bond financing of the project.

## Scope Description

**This project is within scope.** This project includes renovation of major building systems, rehabilitation of historic elements, including restoration of the State Capitol Fountain, and corrections to ADA, fire, and life safety deficiencies at the existing Jesse Unruh Building located at 915 Capitol Mall in Sacramento. Existing mechanical, plumbing, electrical, and telecommunication systems will be comprehensively replaced. The project scope includes modernization of the STO vault's structural, security, fire suppression, air conditioning, and ventilations systems. Other project elements include elevator modernization, roof and skylight repairs, window replacement, repairs to exterior granite, brick, and terra cotta, and abatement of lead paint and asbestos-containing materials. Due to the invasive nature of the remodeling and renovation, STO occupants will temporarily relocate to the Bonderson Building at 901 P Street in Sacramento for the duration of the construction. The project will target Zero Net Energy.

## Funding and Cost Verification

**The project is within cost.** The 2018 Budget Act provided \$6,335,000 for the performance criteria phase of this project, the 2021 Budget Act provided \$124,392,000 for the design-build phase, and the 2022 Budget Act provided an additional \$63,110,000 for the design-build phase.

\$193,837,000	Total authorized project costs
\$193,837,000	Total estimated project costs
\$ 23,724,000	Project costs previously allocated: \$6,335,000 for performance criteria and \$17,388,000 for preconstruction activities
\$170,113,000	Project costs to be allocated for design-build: \$170,113,000 (\$144,426,000 contract/GMP, \$11,116,000 contingency, \$3,839,000 A&E, and \$10,732,000 other project costs)

## CEQA

A Notice of Determination was filed with the State Clearinghouse December 4, 2019 and the 45-day statute of limitations expired without challenge. An updated Notice of Determination related to modifications to restore the historic Capitol Fountain was filed with the State Clearinghouse December 1, 2021 and the 45-day statute of limitations expired without challenge.

Real Estate Due Diligence

A Summary of Conditions Letter for this project was completed on January 6, 2020, and no issues that would adversely affect the beneficial use and quiet enjoyment of the project were identified.

Project Schedule

Start Preconstruction Phase	October 2021
Approve Guaranteed Maximum Price	August 2022
Notice to Proceed, DB Contract	October 2022
Estimated Construction Start	November 2022
Estimated Project Completion	April 2025

**Staff Recommendation:**                      **Adopt amended and restated resolution.**

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# MINUTES

Consider approving the minutes from the July 15, 2022 meeting.

Staff have reviewed the minutes from the July 15, 2022 meeting and recommend approval.

**Staff Recommendation:**                      **Approve minutes from the July 15, 2022 meeting.**

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# CONSENT ITEMS

## CONSENT ITEM—1

JUDICIAL COUNCIL OF CALIFORNIA (0250)  
CENTRAL BRANCH COURTHOUSE  
SAN MATEO COUNTY

*Authority: Trial Court Facilities Act of 2002, Chapter 1082, Statutes of 2002, commencing with Section 70301 of the Government Code, as amended (the "Act")*

**Consider authorizing acquisition of real property.**

## STAFF ANALYSIS ITEM—1

Judicial Council of California  
Central Branch Courthouse  
San Mateo County

### Action Requested

**If approved, the requested action would authorize the acquisition of real property.**

### Scope Description

**This transaction is within scope.** The requested action would authorize the acceptance of a transfer of title of the Central Branch Courthouse (Court Facility) pursuant to that certain Transfer Agreement, by and between the Judicial Council of California (Council) and the County of San Mateo (County) for the Transfer of Title for Court Facility, dated March 17, 2009 with no cash consideration. The Court Facility is located at 800 N. Humboldt Street, City of San Mateo, County of San Mateo California, which consists of approximately 2-acres (the Property). The Court Facility is improved with a single-story, 16,610 square foot building constructed in 1960, with on-site parking area and associated landscaping.

Pursuant to provisions of the Act, on March 17, 2009, the Administrative Office of the Courts (AOC) entered into the Transfer Agreement ("Agreement") for the transfer of responsibility for funding and operation of the Court Facility.

As of March 17, 2009, the Council has been responsible for the operations and maintenance of the Property.

### Funding and Cost Verification

**This transaction is within cost.** The only costs for acceptance are for staff processing.

### CEQA

The AOC filed a Notice of Exemption with the State Clearinghouse on December 5, 2008 and the 35-day statute of limitations expired without challenge. On July 27, 2022 the Council notified the Board that there had been no change to the 2008 Notice of Exemption information.

Condition of Property

A Phase I Environmental Site Assessment (ESA) was conducted for the building and seismic assessments. The following findings were made:

**Phase I ESA** - A Phase I report was completed on June 22, 2022 by Terracon Consultants in accordance with the American Society for Testing and Materials (E-1527-13) Standard Practice for Environmental Assessments. The ESA includes an evaluation of significant environmental, health, and safety conditions impacting the interior and exterior of the Court Facility. In preparing the Phase I, a visual inspection of the Court Facility was performed to detect any apparent hazardous conditions in, on, or about the Court Facility, and the historical uses of the real property were reviewed.

No potential issues of concern were identified and the ESA recommended no further action be taken at this time.

Seismic Safety Assessment of the Improvements:

The County of San Mateo has completed seismic upgrades to meet seismic requirements under the Trail Court Facilities Act of 2002 (SB 1732).

Project Schedule

The anticipated close of escrow is within 60 days of the Board's action.

Other

- The seismic upgrades caused a delay for the Transfer of Title approval.
- In accordance with SB1732, there is adequate parking for the Court Facility. The transferred property includes 66 parking spaces for use by the Court.
- Neither the County nor the Judicial Council are aware of any lawsuits pending concerning the property.
- There are no relocation assistance, historic or implied dedication issues associated with this transfer of title.

**Staff Recommendation:**                      **Authorize acquisition of real property.**

**CONSENT ITEM—2**

**DEPARTMENT OF GENERAL SERVICES (7760)  
SACRAMENTO REGION: JESSE UNRUH BUILDING RENOVATION  
SACRAMENTO COUNTY**

*Authority:*     2018 Budget Act, 7760-301-0001 (3)  
                      2021 Budget Act, 7760-301-0660 (2)  
                      2022 Budget Act, 7760-301-0660 (1)

**Consider approving Guaranteed Maximum Price and authorizing proceeding with the Design-Build Phase.**

## STAFF ANALYSIS ITEM—2

Department of General Services  
Sacramento Region: Jesse Unruh Building Renovation  
Sacramento County

### Action Requested

**The requested action would approve the Guaranteed Maximum Price (GMP) and allow the Design-Build portion of the project to proceed.**

**The GMP for this project is: \$144,426,000**

### Scope Description

**This project is within scope.** This project includes renovation of major building systems, rehabilitation of historic elements, including restoration of the State Capitol Fountain, and corrections to ADA, fire, and life safety deficiencies at the existing Jesse Unruh Building located at 915 Capitol Mall in Sacramento. Existing mechanical, plumbing, electrical, and telecommunication systems will be comprehensively replaced. The project scope includes modernization of the STO vault's structural, security, fire suppression, air conditioning, and ventilations systems. Other project elements include elevator modernization, roof and skylight repairs, window replacement, repairs to exterior granite, brick, and terra cotta, and abatement of lead paint and asbestos-containing materials. Due to the invasive nature of the remodeling and renovation, STO occupants will temporarily relocate to the Bonderson Building at 901 P Street in Sacramento for the duration of the construction. The project will target Zero Net Energy.

### Funding and Cost Verification

**The project is within cost.** The 2018 Budget Act provided \$6,335,000 for the performance criteria phase of this project, the 2021 Budget Act provided \$124,392,000 for the design-build phase, and the 2022 Budget Act provided an additional \$63,110,000 for the design-build phase.

\$193,837,000	Total authorized project costs
\$193,837,000	Total estimated project costs
\$ 23,724,000	Project costs previously allocated: \$6,335,000 for performance criteria and \$17,388,000 for preconstruction activities
\$170,113,000	Project costs to be allocated for design-build: \$170,113,000 (\$144,426,000 contract/GMP, \$11,116,000 contingency, \$3,839,000 A&E, and \$10,732,000 other project costs)

### CEQA

A Notice of Determination was filed with the State Clearinghouse December 4, 2019 and the 45-day statute of limitations expired without challenge. An updated Notice of Determination related to modifications to restore the historic Capitol Fountain was filed with the State Clearinghouse December 1, 2021 and the 45-day statute of limitations expired without challenge.

### Real Estate Due Diligence

A Summary of Conditions Letter for this project was completed on January 6, 2020, and no issues that would adversely affect the beneficial use and quiet enjoyment of the project were identified.

Project Schedule

Start Preconstruction Phase	October 2021
Approve Guaranteed Maximum Price	August 2022
Notice to Proceed, Design Build Contract	October 2022
Estimated Construction Start	November 2022
Estimated Project Completion	April 2025

**Staff Recommendation:**                      **Approve Guaranteed Maximum Price**

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# **ACTION ITEMS**

## **ACTION ITEM—1**

**CALIFORNIA HIGHWAY PATROL (2720)  
TRACY AREA OFFICE REPLACEMENT  
SAN JOAQUIN COUNTY**

*Authority:*     *Section 14669.18 of the Government Code*

**Consider approving a fourth amendment to the lease purchase agreement.**

## **STAFF ANALYSIS ITEM—1**

California Highway Patrol  
Tracy Area Office Replacement  
San Joaquin County

Action Requested

**If approved, the requested action would approve a fourth amendment to the lease purchase agreement as presented to the Board at this meeting.**

The lessor-developer, Magnon Companies, Inc. (Magnon), has experienced unexpected delays and increased costs in completing the Tracy Area Office Replacement (Project) creating a financial gap for Magnon and affecting its ability to complete the Project. Magnon approached the state seeking help to close its financial gap to facilitate the completion of the Project. Magnon, Department of General Services (DGS), California Highway Patrol (CHP), and Board staff have negotiated a fourth amendment to the lease. In particular, the fourth amendment provides:

1. A \$3.0 million supplemental payment to Magnon in the first month of the lease. Funding for this supplement will be provided through savings from fewer 2022-23 rental payments for the facility and lower than anticipated moving costs.
2. Changes to dates regarding the start of occupancy, rental payments, early option purchase dates, and the state's ability to terminate the lease for lessor's failure to meet certain conditions.

In exchange, the state will receive:

1. An additional early purchase option date in year 1 of the lease. This option purchase price is \$3 million less than what the state estimated for a year 1 option based on the purchase prices for option years 5, 10, and 15."
2. Modest reductions of the early option purchase price for each of the current option dates (Years 5, 10, and 15 of the lease).
3. An explicit prohibition against Magnon seeking additional funds, other than for increased costs directly caused by the state between the time of the amendment and occupancy by the state.

### Background

On September 24, 2018, the Board authorized an acquisition through the approval of a lease-purchase agreement with early options to purchase (Lease Purchase Agreement). Under this agreement Magnon, would acquire property and construct the Project. At the end of the term of the agreement, or when the early option is exercised, the state will own the facility and property.

After the execution of the Lease Purchase Agreement it became evident that the necessary easements could not be secured by the date originally anticipated in the lease. The Board approved two subsequent amendments of the lease on November 8, 2019 and June 12, 2020, to extend the date by which the state could unilaterally cancel the lease to provide additional time for Magnon to complete the acquisition process.

The Board approved a third amendment in October 2020, after Magnon informed the DGS and CHP that the lease payments under the Lease Purchase Agreement would be insufficient for Magnon to complete the project due to design revisions and significant delays in the acquisition process, and from general contractor bids being \$10 million more than previously estimated. The third amendment to the lease increased the cumulative rental payments over the 20-year term, and provided for equal lease payments of \$355,000 per month instead of escalating lease payments from year 1 to year 20. The early option purchase prices were also adjusted commensurate with the revised rental stream. In addition, construction start and completion dates were shifted to March 1, 2021 and September 1, 2022, respectively. Finally, the date by which the state could unilaterally terminate the lease due to Tracy CHP Partners' failure to acquire the property and secure the necessary easements and use permit would be extended to October 31, 2020.

Currently the Project is 80 percent complete. In May 2022, Magnon informed DGS and CHP about unexpected delays and increased costs in completing the Project, resulting from City-of-Tracy-required concrete lining of a drainage channel around the Project site and supply chain challenges. After extensive negotiations, Magnon, DGS, CHP, and Board staff have agreed to a proposed fourth amendment to the lease as described above.

### **Staff Recommendation:**

**Approve a fourth amendment to the Lease Purchase Agreement as presented to the Board at the meeting.**

## ACTION ITEM—2

### HIGH SPEED RAIL AUTHORITY (2665) CENTRAL VALLEY SEGMENT FRESNO COUNTY

*Authority:* 2012 Budget Act, Item 2665-306-0890 (1), as reappropriated by the 2018 and 2021 Budget Acts  
2012 Budget Act, Item 2665-306-6043 (1), as reappropriated by the 2018 Budget Act  
2014 Budget Act, Item 2665-306-3228 (1),  
2021 Budget Act, Item 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 a resolution rescinding the following Resolution of Necessity (RON) authorizing the use of eminent domain by the High Speed Rail Authority to acquire the following property or interest in property for the High Speed Train System:**

- 1. Resolution of Necessity 2021-0112  
Producers Ice Cream Property (Fresno County)  
Authority Parcel Numbers: FB-10-1717-1 and FB-10-1717-2  
Assessor Parcel Number: 458-240-42**

## STAFF ANALYSIS ITEM—2

High Speed Rail Authority  
Central Valley Segment  
Fresno County

### Action Requested

**If approved, adopt a resolution rescinding the Resolution of Necessity (RON) authorizing the use of eminent domain by the High Speed Rail Authority to acquire property or interest in property for the High Speed Train System.**

*Producers Ice Cream Property:* On January 14, 2022, the Board adopted the Resolution of Necessity authorizing the use of eminent domain to acquire the subject property. Since then, the High Speed Rail Authority has confirmed the need for additional land that will require a new maps, appraisal and first written offer, thereby invalidating the existing RON.

**Staff Recommendation:** Adopt a resolution rescinding of 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.

## ACTION ITEM—3

### HIGH SPEED RAIL AUTHORITY (2665) CENTRAL VALLEY SEGMENT FRESNO COUNTY

*Authority:* 2012 Budget Act, Item 2665-306-0890 (1), as reappropriated by the 2018 and 2021 Budget Act  
2012 Budget Act, Item 2665-306-6043 (1), as reappropriated by the 2018 Budget Act  
2014 Budget Act, Item 2665-306-3228 (1),  
2021 Budget Act, Item 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 an amended Resolution of Necessity authorizing the use of eminent domain by the High Speed Rail Authority to acquire the following property or interests in property for the High Speed Train System:**

- 1. BT-OH, LLC Property (Fresno County)  
Assessor Parcel Number: 449-020-48S  
Authority Parcel Number: FB-10-1714-1  
Resolution of Necessity Number: 2021-0129**

## STAFF ANALYSIS ITEM—3

High Speed Rail Authority  
Central Valley Segment  
Fresno County

### Action Requested

**If approved, adopt an amended Resolution of Necessity (RON) authorizing the use of eminent domain by the High Speed Rail Authority (Authority) to acquire the property or interests in property for the High Speed Train System (HSTS).**

*BT-OH, LLC Property:* On January 14, 2022, the Board adopted Resolution of Necessity 2021-0129, authorizing the use of eminent domain to acquire the BT-OH, LLC property or interests in the BT-OH, LLC property in Fresno County. Subsequent to adoption, an error was found in the legal description defining the portion of the greater property that is subject to the RON, precipitating the need for an amended RON.

On July 28, 2022 a Notice of Intent to adopt an Amended Resolution of Necessity was mailed by Board staff to the owners of the abovementioned property. This notice were sent in accordance with Code of Civil Procedure section 1245.235.

### **Staff Recommendation:**

**Adopt an amended RON authorizing the use of eminent domain by the Authority to acquire the above-described property or interests in property for the HSTS.**

## **ACTION ITEM—4**

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

*Authority: 2012 Budget Act, Item 2665-306-0890 (1), as reappropriated by the 2018 and 2021 Budget Act  
2012 Budget Act, Item 2665-306-6043 (1), as reappropriated by the 2018 Budget Act  
2014 Budget Act, Item 2665-306-3228 (1)  
2021 Budget Act, Item 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 or interests in properties for the High Speed Train System:**

- 1. J. C. Forkner Property (Fresno County)  
Authority Parcel Number: MF-10-0815-1  
Assessor Parcel Number: None Assigned**
- 2. Gendusa Property (Fresno County)  
Authority Parcel Numbers: FB-10-0901-1 and FB-10-0901-01-01  
Assessor Parcel Number: None Assigned**
- 3. HAP Farms Property (Madera County)  
Authority Parcel Numbers: MF-20-1273-1, MF-20-1274-1, MF-20-1516-1, and MF-20-1517-1  
Assessor Parcel Number: 048-080-013**
- 4. Mahal Property (Fresno County)  
Authority Parcel Number: FB-10-1802-1  
Assessor Parcel Number: 338-110-77S**
- 5. Roeding Property (Fresno County)  
Authority Parcel Number: FB-10-1239-1  
Assessor Parcel Number: None Assigned**
- 6. Stuber Property (Kings County)  
Authority Parcel Numbers: FB-16-0703-1, FB-16-0703-2, FB-16-0721-1, FB-16-0721-2, FB-16-0951-1, FB-16-0951-3, FB-16-0952-1, and FB-16-0952-3  
Assessor Parcel Numbers: 028-260-066 and 028-260-067 (both formerly designated as 028-260-014)**
- 7. Yergat Property (Fresno County)  
Authority Parcel Numbers: FB-10-0973-1  
Assessor Parcel Number: 334-250-82**



8. **Yergat Property (Fresno County)**  
**Authority Parcel Numbers: FB-10-0974-1 and FB-10-0977-1**  
**Assessor Parcel Number: 334-250-87**
  
9. **Yergat Property (Fresno County)**  
**Authority Parcel Number: FB-10-1647-1**  
**Assessor Parcel Number: 334-250-87 (formerly designated as 334-250-78 and 334-250-85)**
  
10. **Yergat Property (Fresno County)**  
**Authority Parcel Numbers: FB-10-1648-1 and FB-10-1649-1**  
**Assessor Parcel Numbers: 334-250-72, 334-250-76, and 334-250-87 (formerly designated as 334-250-78)**

## **STAFF ANALYSIS ITEM—4**

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 or interests in 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 3, 4, and 6 through 10, between October 2020 and May 2021, 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 1, 2, and 5, 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 July 28, 2022, Notices of Intent to adopt a Resolution of Necessity were mailed by Board staff to the owners of Properties 3, 4, and 6 through 10. The Notices of Intent for Properties 1, 2, and 5 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. J. C. Forkner Property (Fresno County)**

**Authority Parcel Number: MF-10-0815-1**

**Assessor Parcel Number: None Assigned**

Full Acquisition: Approximately 0.02 acre in fee

The property interests identified by the Authority Parcel Number are needed for the realignment of N. Golden State Boulevard just south of N. Herndon Avenue.

**2. Gendusa Property (Fresno County)**

**Authority Parcel Numbers: FB-10-0901-1 and FB-10-0901-01-01**

**Assessor Parcel Number: None Assigned**

Full Acquisition: Approximately 0.05 acre in fee

The property interests identified by the Authority Parcel Number are needed for the realignment of N. Golden State Boulevard between N. West Avenue and W. McKinley Avenue.

**3. HAP Farms Property (Madera County)**

**Authority Parcel Numbers: MF-20-1273-1, MF-20-1274-1, MF-20-1516-1, and MF-20-1517-1**

**Assessor Parcel Number: 048-080-013**

Partial Acquisition: Approximately 2.28 acres in easement

The property interests identified by the Authority Parcel Numbers are needed for underground PGE utility easements along the High Speed Rail (HSR) corridor between Avenue 8 and Avenue 9, and the renewal of two temporary construction easements for an agricultural crossing beneath the HSR corridor.

**4. Mahal Property (Fresno County)**

**Authority Parcel Number: FB-10-1802-1**

**Assessor Parcel Number: 338-110-77S**

Partial Acquisition: Approximately 0.01 acre in easement

The property interest identified by the Authority Parcel Number is needed for a Consolidated Irrigation District pipeline easement adjacent to the E. Floral Avenue grade separation.

**5. Roeding Property (Fresno County)**

**Authority Parcel Number: FB-10-1239-1**

**Assessor Parcel Number: None Assigned**

Full Acquisition: Approximately 0.15 acre in fee

The property interests identified by the Authority Parcel Number is needed for the realignment of N. Golden State Boulevard between W. Olive Avenue and N. West Avenue.

**6. Stuber Property (Madera County)**

**Authority Parcel Numbers: FB-16-0703-1, FB-16-0703-2, FB-16-0721-1,**

**FB-16-0721-2, FB-16-0951-1, FB-16-0951-3, FB-16-0952-1, and FB-16-0952-3**

**Assessor Parcel Numbers: 028-260-066 and 028-260-067 (both formerly designated as 028-260-014)**

Partial Acquisition: Approximately 3.54 acres in easement

The property interest identified by the Authority Parcel Numbers are needed for six permanent easements for: crossing the Melga Ditch, supplemental canal crossing easements to provide for adjustments of the canal levees, and construction to perpetuate access roads under the HSR viaduct for maintenance and access, and access easements located on the north bank of Cross Creek. Finally, two temporary construction easements are needed for construction purposes.

**7. Yergat Property (Fresno County)**

**Authority Parcel Number: FB-10-0973-1**

**Assessor Parcel Number: 334-250-82**

Partial Acquisition: Approximately 0.17 acre in fee

The property interest identified by the Authority Parcel Number is needed for the underlying fee in the roadway of E. Lincoln Avenue within the HSR corridor.

**8. Yergat Property (Fresno County)**

**Authority Parcel Numbers: FB-10-0974-1 and FB-10-0977-1**

**Assessor Parcel Number: 334-250-87**

Partial Acquisition: Approximately 0.04 acre in fee

The property interest identified by the Authority Parcel Numbers are needed for the underlying fee in the roadway of E. Morton Avenue within the HSR corridor.

**9. Yergat Property (Fresno County)**

**Authority Parcel Number: FB-10-1647-1**

**Assessor Parcel Number: 334-250-87 (formerly designated as 334-250-78 and 334-250-85)**

Partial Acquisition: Approximately 0.056 acre in easement

The property interest identified by the Authority Parcel Number is needed for a Fresno Irrigation District irrigation easement between E. Morton Avenue and E. Clayton Avenue.

**10. Yergat Property (Fresno County)**

**Authority Parcel Numbers: FB-10-1648-1 and FB-10-1649-1**

**Assessor Parcel Numbers: 334-250-72, 334-250-76, and 334-250-87 (formerly designated as 334-250-78)**

Partial Acquisition: Approximately 0.84 acre in easement

The property interest identified by the Authority Parcel Number is needed for a Fresno Irrigation District irrigation easement between E. Morton Avenue and E. Clayton 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.**

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**OTHER BUSINESS**

**NONE**

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**GENERAL PUBLIC COMMENT**

# REPORTABLES

## Reportable Items

For the August 12, 2022 Board Meeting

Actions Authorized by Staff from July 2, 2022 through July 31, 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)	Butte County – Juvenile Hall Addition and Renovation, Butte County	2021 Budget Act, 0250-301-0001 (5), reappropriated by the 2022 Budget Act; 2022 Budget Act, 0250-301-0001 (3)	Approve preliminary plans	
Board of State and Community Corrections (5227)	Adult Local Criminal Justice Facilities Project, Placer County	Sections 15820.93 - 15820.936 of the Government Code	Recognize revised project costs	<p style="text-align: center;">\$22,585,000 total authorized project costs</p> <p style="text-align: center;">Increase \$9,618,000 local costs</p>
Board of State and Community Corrections (5227)	Adult Local Criminal Justice Facilities Project, Placer County	Sections 15820.94 - 15820.948 of the Government Code	Recognize revised project costs	<p style="text-align: center;">\$43,543,000 total authorized project costs</p> <p style="text-align: center;">Increase \$10,210,000 local costs</p>