



STAFF ANALYSIS

STATE PUBLIC WORKS BOARD

Friday, September 15, 2023, at 10:00 a.m.

Redwood Room

915 L Street, Sacramento, CA 95814

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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 Maria.Zadran@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 Maria Zadran (916) 445-9694 or e-mail to Maria.Zadran@dof.ca.gov, five days prior to the meeting.

BOND ITEMS

BOND ITEM—1

JUDICIAL BRANCH (0250)

CALIFORNIA DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)

CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (8570)

2023 SERIES C, LEASE REVENUE REFUNDING BONDS

VARIOUS CAPITAL PROJECTS

SERIES 2023C PROJECTS:

Judicial Branch

- San Diego Central Courthouse

California Department of Corrections and Rehabilitation

- Calaveras Jail
- San Bernardino Jail
- Shasta Juvenile Rehabilitation Center
- Wasco State Prison (Leased Property)
- Health Care Facility Improvement Projects (Financed Facilities)
 - California Medical Facility
 - California State Prison, Solano
 - Richard J. Donovan Correctional Facility
 - California Institution for Women
 - California Institution for Men

SERIES 2013I REFUNDED PROJECT:

California Department of Food and Agriculture

- Animal Health and Food Safety Laboratory

Consider adoption of resolution to:

Authorize the sale of lease revenue refunding bonds to refund Board's lease revenue bonds 2013 Series F, 2013 Series G, and 2013 Series I in accordance with the Board's refunding policy.

- 1) Approve the form of and authorize the execution of various documents in connection with the sale of said revenue bonds, including the termination of leases related to the 2013 Series I bonds.**
- 2) Approve the form of and authorize the release of a Preliminary Official Statement and authorize the preparation and delivery of an Official Statement.**
- 3) Approve and authorize other related actions in connection with the authorization, issuance, sale, and delivery of said lease revenue refunding bonds and to otherwise effectuate the purpose of the resolutions.**

The following are the currently outstanding amounts of the bonds to be refunded by the 2023 Series C Lease Revenue Refunding Bonds:

Bond Series	Currently Outstanding Amount
2013F:	\$83,575,000
2013G:	\$100,385,000
2013I:	\$519,880,000

STAFF ANALYSIS ITEM—1

Judicial Branch (0250)
California Department of Corrections and Rehabilitation (5225)
California Department of Food and Agriculture (8570)
2023 Series C Lease Revenue Refunding Bonds
(Tax-Exempt Bonds)
Various Capital Projects

Action Requested

If approved, the requested action would adopt resolutions authorizing the sale of the 2023 Series C lease revenue refunding bonds and other related actions in connection with the issuance, sale, and delivery of the bonds.

Under Government Code section 15840, the Board is authorized to issue refunding bonds to refund any of its outstanding bonds. Additionally under the Board's refunding policy refunding bonds may be issued when (i) the refunding generates positive net present value savings equal to at least 3 percent of the par amount of bonds refunded, or (ii) whether or not the issuance results in overall debt service savings if the Board determines in the resolution authorizing the issuance of the refunding bonds that such refunding will produce benefits to the Board's bond program apart from debt service savings.

2023 Series C Bonds:

The 2023 Series C bonds have an estimated par amount of approximately \$617 million. Refunding the Board's 2013 Series F, 2013 Series G and 2013 Series I Bonds is expected to achieve a net present value savings of approximately \$79 million, which is approximately 11 percent of the par amount of the refunded bonds.

The 2023 Series C bonds will be sold through a negotiated sale, as described in the Notice of Sale. Proceeds from the 2023 Series C Bonds will be used with other lawfully available moneys, to establish irrevocable escrows to refund and defease the Board's outstanding 2013 Series F, 2013 Series G, and 2013 Series I Bonds.

Refunded Projects: The 2023 Series C bonds will refund and defease the Board's 2013 Series F, 2013 Series G, and 2013 Series I Bonds that financed the following projects:

2013F

California Department of Corrections and Rehabilitation

- Calaveras Jail
- San Bernardino Jail
- Shasta Juvenile Rehabilitation Center

2013G

California Department of Corrections and Rehabilitation

- Wasco State Prison (Leased Property)
- Health Care Facility Improvement Projects (Financed Facilities)
 - California Medical Facility
 - California State Prison, Solano
 - Richard J. Donovan Correctional Facility
 - California Institution for Women
 - California Institution for Men

STAFF ANALYSIS ITEM—2

Judicial Council of California
New Ukiah Courthouse
Mendocino 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 scope of this project includes the design and construction of a new seven-courtroom, approximately 82,000 building gross square feet courthouse in the city of Ukiah, in Mendocino County. The project will replace the existing deficient court facilities in the Mendocino Superior Courthouse and the Willits Branch facility, creating operational efficiencies through consolidation of current court services, and allowing for centralized full-service proceedings.

Funding and Project Cost Verification

This project is within cost. The funding source for this project consists of appropriations from Judicial Council's Immediate and Critical Needs Account including acquisition (\$1,857,000) in Sections 70371.5 and 70371.7 of the Government Code to partially finance the acquisition phase, acquisition (\$3,466,000) in the 2012 Budget Act, an appropriation from the General Fund for performance criteria (\$3,334,000) in the 2021 Budget Act, an appropriation from the Public Buildings Construction Fund for design-build (\$136,267,000) in the 2022 Budget Act, and as augmented (\$6,046,000) per Executive Order C 23/24-5.

\$150,970,000	Total authorized project cost
\$150,970,000	Total estimated project cost
\$8,657,000	Project costs previously allocated: \$5,323,000 for acquisition and \$3,334,000 for performance criteria
\$142,313,000	Project costs to be allocated: \$142,313,000 for design-build (\$116,792,000 contract, \$3,504,000 contingency, \$3,486,000 A&E, and \$18,531,000 other project costs)

CEQA

The Judicial Council filed a Notice of Determination with the State Clearinghouse on April 25, 2012. Subsequently, the Judicial Council completed an addendum to the Notice of Determination, which was filed December 27, 2022, and the 30-day statute of limitations expired without challenge.

Real Estate Due Diligence

An outside firm, on behalf of the Judicial Council, completed a Summary of Conditions Letter for this project on June 20, 2022, and no issues that would adversely affect the beneficial use and quiet enjoyment of the project were identified.

Project Schedule

Approve performance criteria
Start design-build
Complete design-build

January 2023
September 2023
June 2027

Staff Recommendation: **Adopt resolution.**

MINUTES

Consider approving the minutes from the July 21, 2023, and August 11, 2023, meetings.

Staff have reviewed the minutes from the July 21, 2023, and August 11, 2023, meetings and recommend approval.

Staff Recommendation: **Approve minutes from the July 21, 2023, and August 11, 2023, meetings.**

CONSENT ITEMS

CONSENT ITEM—1

**CALIFORNIA CONSERVATION CORPS (3340)
NONRESIDENTIAL CENTER, LOS ANGELES ACQUIRE EXISTING NONRESIDENTIAL CENTER
LOS ANGELES COUNTY**

Authority: 2022 Budget Act, 3340-301-6088 (1)

Consider Authorizing:

- 1) Acquisition of real property.**
- 2) The Executive Director and Deputy Directors of the Board to Execute a Property Acquisition Agreement and other such documents as may be required to complete the acquisition.**

STAFF ANALYSIS ITEM—1

California Conservation Corps
Nonresidential Center, Los Angeles Acquire Existing Nonresidential Center
Los Angeles County

Item Pulled

CONSENT ITEM-2

**CALIFORNIA DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540)
SOUTH LAKE TAHOE FIRE STATION: NEW FACILITY
EL DORADO COUNTY**

*Authority: 2022 Budget Act, 3540-301-0001 (17)(a)
2021 Budget Act, 3790-301-0001 (1)*

Consider:

- 1) Authorizing acquisition of real property.**
- 2) Authorizing the Executive Director and Deputy Directors of the Board to execute a Property Acquisition Agreement and any such documents as may be required to complete the acquisition.**
- 3) Approving an augmentation \$200,000
(4.4 percent of total project appropriations)
(4.4 percent cumulative)**

STAFF ANALYSIS ITEM-2

Department of Forestry and Fire Protection
South Lake Tahoe Fire Station: New Facility
El Dorado County

Action Requested

If approved, the requested action will authorize the acquisition of real property, authorize the Executive Director and Deputy Directors of the State Public Works Board to execute a Property Acquisition Agreement and other such documents as may be required to complete the acquisition, and will approve an augmentation.

Scope Description

This project is within scope. This request will authorize acquisition of an approximately 14.94 acre parcel located in the city of South Lake Tahoe, in El Dorado County (the Property) for a purchase price of \$4,500,000.

The Property is being acquired for a new Department of Forestry and Fire Protection (CAL FIRE), South Lake Tahoe Fire Station. The project includes the acquisition, design, and construction of a standard fire station with an extractor room and office, a standard administration office building, generator/pump/storage building, a vehicle wash rack with canopy, a fuel vault with canopy, a hose wash rack, and a storage building. Additionally, the scope of work will include site work as needed.

Though the Property is being acquired for the project, it is also a critical piece in providing formal public access, that currently does not exist, to Department of Parks and Recreation (Parks) properties. Washoe Meadows State Park (WMSP) is 637± acres of open space and natural habitat and contains a network of roads and trails for outdoor recreation. However, WMSP lacks a day-use entrance for public access. Existing public access points for WMSP are located in residential neighborhoods that are not

convenient for public use and do not have designated parking. This acquisition will provide the opportunity to develop a formal park entrance from Sawmill Road and Highway 50 that will include an entrance road, state park signage, and a parking lot for visitors to access the park. Public access will also enter and connect with the adjoining Lake Valley State Recreation Area, an additional 224± acres of public land.

Funding and Cost Verification

This project is not within cost. The Property can be acquired with the funds available. The 2022 Budget Act appropriated \$3,000,000 General Fund to CAL FIRE for acquisition. As discussed above, the acquisition will provide a co-benefit to the state parks system and, as a result, Parks will make available to CAL FIRE \$1,500,000 of the \$6,300,000 General Fund appropriated to Parks in the 2021 Budget Act for the Statewide: SP System Acquisition Program. In addition to the \$4,500,000 purchase price for the Property, an augmentation of \$200,000 General Fund is needed for due diligence studies and support costs. All future funding will be asked for in future budget acts.

\$4,500,000	Total authorized project costs
\$18,380,000	Total estimated project costs
\$4,500,000	Project costs previously allocated: \$4,500,000 for acquisition (\$3,000,000 CAL FIRE, \$1,500,000 Parks)
\$13,880,000	Costs to be allocated: \$200,000 for acquisition, \$704,000 for preliminary plans, \$704,000 for working drawing, and \$12,272,000 for construction (\$10,059,000 for the construction contract, \$503,000 for contingency, \$704,000 for architectural and engineering services, \$40,000 for agency retained items, and \$966,000 for other project costs)
\$200,000	Augmentation to be allocated: \$200,000 for acquisition

CEQA

The Department of General Services (DGS), on behalf of CAL FIRE, filed a Notice of Exemption with the State Clearinghouse on August 8, 2023, and the 35-day statute of limitations expired without challenge.

Condition of Property

The Department of General Services (DGS), Environmental Services Section (ESS) staff conducted a site visit to the Property on December 14, 2022, and performed an updated analysis on July 25, 2023.

The Property is relatively flat with a creek, a house, guest cabin, and a storage area that are in good condition. Infrastructure improvements such as electric power, well water, and city sewer facilities are available at the site. The subject Property site zoning and General Plan Land Use designation is R1 for Residential and is in Federal Emergency Management Agency Flood Hazard zones AE (a 1-percent annual chance of flooding), D (flood risk remains, the probability of that flood risk has not been quantified), and X (low to moderate risk of flooding).

Environmental Site Assessment (ESA Phase I)

Under the direction of the ESS Staff, an outside consultant, Geocon, prepared an ESA Phase I Report that revealed no evidence of Recognized Environmental Conditions, Controlled Recognized Environmental Conditions, or significant data gaps in connection with the Site.

Other

- The Board approved delegated site selection of the Property on May 24, 2023.
- The purchase price of the Property is based on a DGS-approved fair market value appraisal.
- There are no historical issues and no implied dedication associated with the Property.
- No relocation assistance is required since the tenant has vacated the Property.
- The site meets the physical and location requirements of CAL FIRE.
- Neither DGS nor CAL FIRE is aware of any lawsuits pending concerning the Property.
- The proposed location is consistent with the state's planning priorities in accordance with Government Code Section 65041 et seq. State ownership of the property will help ensure the site is protected and limit incompatible development in this area.
- The CAL FIRE project will not be exempted from state regulatory considerations as the Property falls within the Tahoe Regional Planning Agency (TRPA) area and will require approval from TRPA and/or the County of El Dorado.

Project Schedule

Close of escrow	September 2023
Approve preliminary plans	June 2025
Complete working drawings	June 2026
Start construction	August 2026
Complete construction	February 2028

Staff Recommendation:

Authorize the acquisition of real property, authorize the Executive Director and Deputy Directors of the State Public Works Board to execute a Property Acquisition Agreement and other such documents as may be required to complete the acquisition, and approve the augmentation.

CONSENT ITEM-3

**CALIFORNIA DEPARTMENT OF PARKS & RECREATION (3790)
STATEWIDE: MUSEUM COLLECTION STORAGE FACILITY
SACRAMENTO COUNTY**

Authority: 2020 Budget Act, 3790-301-6051 (4)(a)

Consider Authorizing:

- 1) Acquisition of real property.**

- 2) **The Executive Director and Deputy Directors of the Board to Execute a Property Acquisition Agreement and other such documents as may be required to complete the acquisition.**

STAFF ANALYSIS ITEM-3

Department of Parks & Recreation
Statewide: Museum Collection Storage Facility
Sacramento County

Action Requested

If approved, the requested will authorize acquisition of real property and the execution of a Property Acquisition Agreement and other such documents as may be required to complete the acquisition.

Scope Description

This project is within scope. This request will authorize the acquisition of real property consisting of 13.85 gross, non-contiguous acres with improvements, and additional real property rights. The Property is located at both 4940 Lang Avenue, in the town of McClellan Park, an unincorporated area of the County of Sacramento, and 4880 Straus Drive, in the City of Sacramento (the Property). The Property is improved with 317,282 net usable square feet of office and warehouse space, and (232) exclusive parking spaces located on two parcels. The additional real property rights include a non-exclusive bridge access easement and a non-exclusive easement for right of way, for ingress/egress purposes, for use by the state, its agents, employees, contractors, subcontractors and invitees. The purchase price for the Property is \$14,678,301.

The Department of Parks and Recreation (Department) is currently leasing the Property pursuant to a 25-year lease executed on August 19, 2011. Under the lease the state has an option to purchase the Property upon authorization and approval of the State Public Works Board.

This acquisition will allow the Department to continue to securely store its large museum collection, provide a state-of-the-art facility for training needs, and house fleet, supplies, tools, and staff from various units. The space meets the needs of the Department and will not require many improvements nor any additional moving expenses upon purchase. The Department estimates annual savings on lease payments less increased operating expenses and equipment costs from owning the facility will result in net savings to the state approximately seven years after acquisition. Written notice of the state's exercise of the option to purchase the Property was provided to the lessor on September 30, 2022.

Funding and Cost Verification

This project is within cost. The 2020 Budget Act appropriated \$15,000,000 Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006 for acquisition; and, Statutes of 2010, Item 3790-001-6051 (4), CA Museum Collection Center Project, authorized \$14,175,000 on behalf of the Department for the CA Museum Collection Project, to include various long term improvement alternatives, including a lease with purchase option, acquisition, and lease with tenant improvements, until June 30, 2012. The Property can be acquired with the funds available and in accordance with legislative intent.

\$15,000,000 Total authorized project costs: \$15,000,000 for the acquisition

\$14,175,000	Previously allocated: \$14,175,000 for a study and lease
\$29,175,000	Total estimated project costs: \$14,175,000 for a study, \$15,000,000 for the acquisition

CEQA

A Notice of Exemption was filed with the State Clearinghouse on September 27, 2022, and the 35-day statute of limitations expired without challenge.

Condition of Property

The Department of General Services (DGS), Environmental Services Unit (ESU) staff conducted a site inspection of the Property on August 23, 2022,

The Property is located within McClellan Park, a portion of McClellan A.F.B., which was closed as part of the "Base Realignment". McClellan Park is a master planned community, zoned for a Special Planning Area (SPA). The surrounding development is primarily light industrial, office and warehouse.

The Property is mostly level and is currently used as an office, warehouse with parking. The building houses a museum collection of historic objects requiring a sensitive environment with climate control capabilities. The Property includes a parking and storage facility located on the westerly side of Lang Avenue with a drainage channel in between.

The Property is located within Federal Emergency Management Area (FEMA) Zone X, an area not prone to flooding.

Environmental Site Assessment (ESA) Phase I

An Environmental Site Assessment Phase I study was completed by ENGEO on August 26, 2022. The report found there is no evidence of recognized environmental conditions (RECs) in connection with the Property; however, the former McClellan AFB operations are considered a historical REC. No further recommendations applicable to the acquisition phase.

Other

- Site selection was obtained on September 29, 2022.
- The purchase price of the Property does not exceed the estimated fair market value as determined by a DGS approved appraisal.
- A seismic report was completed by Buehler Engineering on December 22, 2022. The building was originally constructed in 1952 according to applicable "California Administrative Code (CAC)" standards. The report identified areas within the building requiring potential for repair to bring the building from a seismic rating level IV to a level V in accordance with CBC Part 2, Title 24 (effective as of January 1, 2020). The primary areas to be addressed are related to strengthening of the roof from panel to panel, and panel to wall as a mitigation measure, as well as other items. The Department reports the roof replacement will be included in their five-year plan. All other issues will be included for repair and maintenance.
- There are no historical issues and no implied dedication associated with the property.
- No relocation assistance is required.

- Neither DGS nor the Department is aware of any lawsuits pending concerning the Property.
- The proposed location is consistent with the state's planning priorities in accordance with Section 65041 et seq of the Government Code.

Project Schedule

Close of Escrow

November 2023

Staff Recommendation:

Authorize acquisition and acceptance of title for improved property through exercise of an option to purchase pursuant to a lease and authorize the execution of documents as may be required to complete the acquisition.

ACTION ITEMS

NONE

OTHER BUSINESS

NONE

GENERAL PUBLIC COMMENT

REPORTABLES

Reportable Items

For the September 15, 2023, Board Meeting

Actions Authorized by Staff from August 1, 2023, through September 1, 2023

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

Department/Org Code	Project Title/County	Project Authority	Action	Amount/(Percent)
Judicial Council of California (0250)	New Ukiah Courthouse Mendocino County	Sections 70371.5 and 70371.7 of the Government Code 2012 Budget Act, 0250-301-3138 (10), as reappropriated by 2015 Budget Act 2021 Budget Act, 0250-301-0001 (2) 2022 Budget Act, 0250-301-0660 (1)	Approve an augmentation	\$6,046,000 (4.1 percent of total project appropriations) (4.1 percent cumulative)
California Highway Patrol (2720)	Baldwin Park Area Office Replacement Los Angeles County	2018 Budget Act, 2720-301-0044 (2) 2023 Budget Act, 2720-301-0660 (5)	Approve performance criteria	