



# STAFF ANALYSIS

## STATE PUBLIC WORKS BOARD

Friday, October 13, 2023, 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/82228747346?pwd=8XqYwLiwLxW5mluxcQ5tWXDChTo0rL.1>

Meeting ID: 822 2874 7346

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I.	Roll Call		
II.	Action Items	Page	2
III.	Bond Items	Page	4
IV.	Minutes	Page	7
V.	Consent Items	Page	7
VI.	Other Business	Page	11
VII.	General Public Comment	Page	11
VIII.	Reportables	Page	11

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

# **ACTION ITEMS**

## **ACTION ITEM-1**

### **JUDICIAL COUNCIL OF CALIFORNIA (0250) RENOVATION AND ADDITION TO WILLOWS COURTHOUSE GLENN COUNTY**

*Authority: 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)*

**Consider approving an augmentation. \$2,171,000**  
**(3.8 percent of total project appropriations)**  
**(12.6 percent cumulative)**

## **STAFF ANALYSIS ITEM-1**

Judicial Council of California  
Renovation and Addition to Willows Courthouse  
Glenn County

### Action Requested

**If approved, the requested action will approve an augmentation.**

### Scope Description

**This project is within scope.** The authorized scope for this project includes the renovation of the existing one-courtroom, approximately 16,000 square feet historic courthouse and the construction of a new approximately 26,000 program square feet two-courtroom addition, in the city of Willows in Glenn County. The project will consolidate court operations from two other facilities and will relieve the current space shortfall, increase security, and replace inadequate and obsolete facilities in Glenn County.

### Funding and Cost Verification

**This project is not within cost.** The current authorized total project is \$62,768,000. The funding source for this project consists of appropriations from Judicial Council's Immediate and Critical Needs Account including acquisition authorized by Government Code Sections 70371.5 and 70371.7 (\$1,361,000), preliminary plans authorized by Government Code Sections 70371.5 and 70371.7 (\$1,964,000), working drawings appropriated by the 2013 Budget Act (\$2,600,000) and augmented twice (\$235,000 and \$350,000), construction appropriated by the 2014 Budget Act (\$1,611,000) and reappropriated in the 2015 Budget Act, and appropriations from the Public Buildings Construction Fund (\$54,647,000) as authorized in the 2018 Budget Act (\$38,292,000), 2020 Budget Act (\$11,813,000), and EO 22/23-8 (\$4,542,000).

The Judicial Council is requesting an augmentation of \$2,171,000 in lease revenue bond authority from the Public Buildings Construction Fund for the construction phase of the Renovation and Addition to the Willows Courthouse project in Glenn County. The augmentation is needed to address costs associated with the following issues:

- Potential Contractor Compensation due to Schedule Delays - \$1,838,000, which is net of \$2,332,000 and the remaining \$494,000 in existing contingency. Schedule delays were the result of several new and ongoing factors including: (a) extended plaster peeling and moisture-related issues in the historic courthouse, (b) elevator procurement delays due to supply chain issues created by the COVID-19 pandemic, (c) elevator installation delays due to staggered delivery of elevator components requiring modifications to construction sequencing, and (d) supply chain delays in the procurement of electrical panel components.
- Contract Extension for Soft Costs - \$333,000. Because of project delays, services have increased for the construction management agency, architect, inspector of record, and for special inspection, material testing, and commissioning activities. Additionally, due to the increased hard costs and time extension, the fees have increased for agencies having jurisdiction and for the owner-controlled insurance program.

With this augmentation, the revised total project cost is \$64,939,000.

On September 20, 2023, the Department of Finance notified the chairs of the Joint Legislative Budget Committee and the fiscal committees in each house of its intent to approve the augmentation and recommend that the Board approves this augmentation no sooner than 20 days from that date.

\$62,768,000	Total authorized project cost
\$64,939,000	Total estimated project cost
\$62,768,000	Project costs previously allocated: \$1,361,000 for acquisition, \$1,964,000 for preliminary plans, \$3,185,000 for working drawings, and \$56,258,000 for construction (\$44,988,000 contract, \$3,836,000 contingency, \$2,262,000 A&E, and \$5,172,000 other project costs)
\$2,171,000	Augmentation to be allocated: increase of \$2,171,000 for construction (increase of \$1,838,000 contract, \$71,000 A&E, and \$262,000 other project costs)

#### CEQA

The Judicial Council filed a Notice of Exemption with the State Clearinghouse on December 1, 2010, and the 35-day statute of limitations expired without challenge.

#### Real Estate Due Diligence

An outside contractor, on behalf of the Judicial Council, completed a Summary of Conditions Letter for this project on April 23, 2014, and no issues that would adversely affect the beneficial use and quiet enjoyment of the project were identified.

#### Project Schedule

Approve preliminary plans	May 2014
Complete working drawings	September 2020
Start construction	December 2020
Complete construction	September 2023

# **BOND ITEMS**

## **BOND ITEM—1**

**JUDICIAL COUNCIL (0250)  
CALIFORNIA DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540)  
BOARD OF STATE AND COMMUNITY CORRECTIONS (5227)  
2023 SERIES D (TAX EXEMPT) AND E (TAXABLE), LEASE REVENUE BONDS  
VARIOUS CAPITAL PROJECTS**

Project: Shasta County: New Redding Courthouse  
Location: 1515 Court Street, Redding, CA 96001  
Authority: 2018 Budget Act

Project: Imperial County: New El Centro Courthouse  
Location: 650 Wake Avenue, El Centro, CA 92243  
Authority: 2018 and 2019 Budget Acts

Project: Glenn County: Renovation and Addition to Willows Courthouse  
Location: 526 West Sycamore Street, Willows, CA 95988  
Authority: 2018 and 2020 Budget Acts

Project: Cayucos Forest Fire Station: Replace Facility  
Location: 108 Chaney Avenue, Cayucos, CA 93430  
Authority: 2019 Budget Act, as reappropriated by the 2020, 2021, 2022, and 2023 Budget Acts

Project: Yolo Jail Project  
Location: 140A Tony Diaz Drive, Woodland, CA 95776  
Authority: Government Code sections 15820.93 – 15820.936 (SB 863)

Project: Ventura Jail Project  
Location: 600 Todd Road, Santa Paula, CA 93060  
Authority: Government Code sections 15820.93 – 15820.936 (SB 863)

**Consider adoption of a resolution to:**

- 1) Authorize the sale of the State Public Works Board lease revenue bonds to finance and refinance the costs of the construction related to various projects for the Judicial Council, the California Department of Forestry and Fire Protection, and the Board of State and Community Corrections.**
- 2) Approve the form of various documents related to and approve and authorize other related actions in connection with, the authorization, issuance, sale, and delivery of said lease revenue bonds.**

**Estimated Project Costs to be Financed**

**\$382,226,000**

## STAFF ANALYSIS ITEM—1

Judicial Council (0250)  
California Department of Forestry and Fire Protection (3540)  
Board of State and Community Corrections (5227)  
2023 Series D (Tax Exempt) and E (Taxable), Lease Revenue Bonds  
Various Capital Projects

### Action Requested

**If approved, the requested action would authorize the sale of the 2023 Series D and E lease revenue bonds and approve the form of various documents related to and approve and authorize other related actions in connection with, the issuance, sale, and delivery of said revenue bonds.**

### Background

The Budget Act of 2018 authorized the Board to issue bonds to fund the construction of the **Shasta County: New Redding Courthouse for the Judicial Council.**

The Budget Acts of 2018 and 2019 authorized the Board to issue bonds to fund the construction of the **Imperial County: New El Centro Courthouse for the Judicial Council.**

The Budget Acts of 2018 and 2020 authorized the Board to issue bonds to fund the construction of **Glenn County: Renovation and Addition to Willows Courthouse for the Judicial Council.**

The Budget Act of 2019, as reappropriated by the Budget Acts of 2020, 2021, 2022 and 2023, authorized the Board to issue bonds to fund the construction of the **Cayucos Forest Fire Station: Replace Facility for the Department of Forestry and Fire Protection.**

Government Code sections 15820.93 – 15820.936 (SB 863) authorized the Board to issue bonds to finance a portion of the cost of the design and construction of certain local jail facilities. This action would authorize the sale of lease revenue bonds, in part, to provide funds to finance and refinance, on behalf of the Board of State and Community Corrections (BSCC), a portion of the costs for the design and construction of the **Yolo and Ventura Jail Projects.**

Concurrent with the issuance of the bonds, the departments will enter into site leases with the Board for their respective projects, under which the Board will lease the sites at which the projects are located from the departments. The Board will lease the respective facilities to the departments. The rental payments under these facility leases secure the payment of the principal and interest on the Board's bonds. Additionally, with the consent of the Board, BSCC will enter into facility subleases with each respective county for the county's use, operation, and maintenance of the projects.

The leases for the BSCC projects are scheduled to terminate at the end of 15 years. Upon termination, the projects will be owned by the respective counties. The bonds are scheduled to be fully paid and the leases for the Judicial Council and CalFire projects are scheduled to terminate in 25 years.

The 2023 Series D bonds will be sold as tax exempt, and the Series E bonds will be sold as taxable, through a competitive sale on the basis described in the form of Notice of



Scope Description

**This project is within scope.** The scope of this project includes the design and construction of a new 12,371 square foot new single-story Department of Motor Vehicles (DMV) Field Office on a 3-acre site in the city of Delano. The project will provide 9 customer transaction terminals and will include a motorcycle test area, drive-test canopy, solar canopies for parking areas and electric vehicle charging stations.

Funding and Project Cost Verification

**This project is within budget.** The 2015 Budget Act provided \$1,022,000 Motor Vehicle Account (MVA) for acquisition. The 2016 Budget Act provided \$1,483,000 MVA for the preliminary plans (\$688,000) and working drawing (\$795,000) phases of the project. The 2021 Budget Act provided \$16,982,000 General Fund for construction. However, during this construction phase, the contractor was terminated for convenience by the State. As such, of the \$16,982,000 appropriation, approximately \$6,311,000 has been expended, \$411,000 will be redirected to the new contract, and \$10,200,000 will be reverted per the 2023 Budget Act. Finally, the 2023 Budget Act allocated \$17,314,000 Public Buildings Construction Fund for the construction phase.

\$36,801,000	Total authorized project cost
\$26,601,000	Total estimated project cost
\$19,487,000	Project costs previously allocated: \$1,022,000 for acquisition, \$688,000 for preliminary plans, \$795,000 for working drawings, and \$16,982,000 for construction
\$17,314,000	Project costs to be allocated: \$17,314,000 for construction (\$14,090,000 contract, \$704,000 contingency, \$1,022,000 A&E, \$308,000 agency retained, and \$1,190,000 other project costs)
-\$10,200,000	Anticipated project savings: \$10,200,000 construction

CEQA

The Department of Motor Vehicles filed a Mitigated Negative Declaration with the State Clearinghouse on May 6, 2019, and the 30-day statute of limitations expired without challenge.

Real Estate Due Diligence

The Department of General Services, on behalf of Department of Motor Vehicles, completed a Summary of Conditions Letter for the project on January 30, 2018, and no issues that would adversely affect the beneficial use and quiet enjoyment of the project were identified.

Project Schedule

Approve preliminary plans	July 2019
Complete working drawings	October 2021
Start construction (new contract)	November 2023
Complete construction	March 2025

**Staff Recommendation:**

**Adopt resolution.**

# MINUTES

Consider approving the minutes from the September 15, 2023, meeting.

Staff have reviewed the minutes from the September 15, 2023, meeting and recommend approval.

**Staff Recommendation:**                      **Approve minutes from the September 15, 2023 meeting.**

## CONSENT ITEMS

### **CONSENT ITEM—1**

**JUDICIAL COUNCIL OF CALIFORNIA (0250)  
RIVERSIDE HALL OF JUSTICE  
RIVERSIDE COUNTY**

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

**Consider accepting real property through transfer of title.**

### **STAFF ANALYSIS ITEM—1**

Judicial Council of California  
Riverside Hall of Justice  
Riverside County

#### Action Requested

**If approved, the requested action will accept real property through transfer of title.**

#### Scope Description

**This transaction is within scope.** The requested action would authorize an acquisition of real property through a transfer of title of the Riverside County Hall of Justice (Court Facility) pursuant to the Transfer Agreement by and between the Judicial Council of California and the County of Riverside (County) for the Transfer of Title for Court Facility dated July 29, 2008 (Transfer Agreement). The Court Facility is located at 4100 Main Street, Riverside, California, which is approximately 1.7 acres of real property improved with a six-story building, parking lot and associated landscaping.

Pursuant to provisions of the Act, on May 8, 2007, the Administrative Office of the Courts (AOC) entered into the Transfer Agreement and Joint Occupancy Agreement for the transfer of responsibility for funding and operation of the Court Facility.



As of May 8, 2007, the Council has been responsible for the operations and maintenance of the space exclusively occupied by the court and common areas of the building.

The Transfer Agreement provided that the Judicial Council would take title to the Court Facility after the County satisfied its obligation to pay off bond debt that encumbered the Court Facility. The County has satisfied the bond debt and is now ready to convey the Property to the state.

#### Funding and Cost Verification

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

#### CEQA

The Judicial Council filed a Notice of Exemption with the State Clearinghouse on July 31, 2015, and the 35-day statute of limitations expired without challenge.

#### 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 in July 2020 in accordance with the American Society for Testing and Materials (E-1527-05) 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. In addition, 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.

*Building Assessment* – In August 2004, staff from JCC conducted an initial site visit and performed a Building Observation Report of the Court Facility to assess the general condition of the Property prior to the SB1732 transfer of responsibility.

*Seismic Safety Assessment of the Improvements* – Licensed structural engineers performed a (Tier I) seismic safety assessment of the Court Facility in June 2003. The assessment was completed to determine seismic safety in accordance with the method and criteria developed by the Department of General Services' Real Estate Services Division. This seismic evaluation of the Court Facility was then peer-reviewed by other qualified engineers. The JCC determined that the building has a seismic safety rating of Level V, as defined in the Risk Acceptability Table of the State Building Seismic Program, developed by the Division of State Architect April 1994. It was recommended to complete a Tier 2 evaluation.

A Seismic Assessment (Tier 2) Evaluation was completed on September 22, 2003. The main seismic deficiency determined is the pre-Northridge moment connection. It was determined that the DSA seismic risk level under Tier 2 is a seismic safety rating of IV and no further study is recommended.

As of May 8, 2007, responsibility of the building was transferred to the state pursuant to the provisions of Government Code section 70324 (SB 10), which provides that the County shall be responsible for any seismic-related damage and injury, the County shall indemnify, defend, and hold the state harmless from those claims.

#### Real Estate Due Diligence

A thorough review of condition of title and site due diligence has been conducted, including examination of Stewart Title of Glendale Preliminary Report No. CA0310-19008965-39, dated June 13, 2019, as amended on April 11, 2022. There are no outstanding items impacting the beneficial use and quiet enjoyment of the court facility.

#### Project Schedule

The recording of the grant deed is anticipated 60 days after the Board's action.

#### Other

- The transaction includes an Agreement and Grant of Easement in favor of the County of Riverside for access to an underground tunnel connecting to Robert Presley Detention Center for the secure transport of in-custody defendants, and/or prisoners.
- The transaction includes a Grant of Easement in favor of the County of Riverside for access to the County-owned back-up generator which provides backup electrical power to County-owned buildings.
- The transaction includes an easement deed for access purposes in favor of the State of California for the benefit of the JCC of California.
- The transaction includes a non-exclusive license for the use of real property in favor of the County of Riverside for access and maintenance of the County owned COR-VOIP system located in Telecommunications Room 142 and throughout the premises.
- Neither the County nor the JCC are aware of any lawsuits pending concerning the property.
- There is no relocation assistance, historical issues or implied dedication associated with this transfer of title.
- In accordance with the Act, the transfer includes the same amount of parking that served the Court Facility in October 2001.

**Staff Recommendation:**

**Authorize accepting real property through transfer of title.**

**OTHER BUSINESS**

NONE

**GENERAL PUBLIC COMMENT**

**REPORTABLES**

NONE