



STAFF ANALYSIS

STATE PUBLIC WORKS BOARD

**Friday, September 13, 2024, at 10:00 a.m.
1021 O Street, Suite 3110, Sacramento, California**

**This meeting can also be accessed by the public through the following zoom link or phone number:
<https://us06web.zoom.us/j/89653485658?pwd=e178zxiO27yDSncgm8cqrftk1fuZzP.1>**

Meeting ID: 896 5348 5658
Passcode: 4kh=@tkZ
By Phone: 1 669 219 2599
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Members of the Board will attend the meeting at the physical location identified above. The public may observe the meeting and address the Board in person, through the Zoom link, or via the telephone number 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 Angela.Noland@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 Angela.Noland@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 Raghdha Nassar at (916) 445-9694 or e-mail to Angela.Noland@dof.ca.gov, five days prior to the meeting.

BOND ITEMS

BOND ITEM—1

JUDICIAL BRANCH (0250)

CALIFORNIA DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)

2024 SERIES C, LEASE REVENUE REFUNDING BONDS

VARIOUS CAPITAL PROJECTS

SERIES 2024C PROJECTS:

Series 2014A

California Department of Corrections and Rehabilitation

1. RJ Donovan Correctional Facility: Medium Security Infill Complex
2. Mule Creek State Prison: Medium Security Infill Complex

Series 2014B

Judicial Branch

1. New Stockton Courthouse

Series 2014C

California Department of Corrections and Rehabilitation

1. North Kern State Prison: Various Buildings (Leased Property)
2. Health Care Facility Improvement Projects (Financed Facilities)
 - a. California State Prison, Sacramento
 - b. Mule Creek State Prison
 - c. California State Prison, Los Angeles County
 - d. California Institution for Men
 - e. Folsom State Prison

Consider adoption of resolutions to:

- 1) Authorize the sale of lease revenue refunding bonds to refund Board's lease revenue bonds 2014 Series A, 2014 Series B, and 2014 Series C in accordance with the Board's refunding policy.**
- 2) Approve the form of and authorize the execution of various documents in connection with the sale of said revenue bonds.**
- 3) Approve the form of and authorize the release of a Preliminary Official Statement and authorize the preparation and delivery of an Official Statement.**
- 4) 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 resolution.**

The following are the currently outstanding par amounts of the bonds to be refunded by the 2024 Series C Lease Revenue Refunding Bonds:

Bond Series Outstanding Par Amount as of the date of the State Public Works Board meeting

2014A	\$610,660,000
2014B	\$210,190,000
2014C	\$98,420,000

STAFF ANALYSIS ITEM—1

Judicial Branch (0250)
California Department of Corrections and Rehabilitation (5225)
2024 Series C, Lease Revenue Refunding Bonds
(Tax-Exempt Bonds)
Various Capital Projects

Action Requested

If approved, the requested action would adopt a resolution authorizing the sale of the 2024 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.

2024 Series C Bonds:

The 2024 Series C bonds have an estimated par amount of approximately \$804 million. Refunding the Board's 2014 Series A, 2014 Series B and 2014 Series C Bonds is expected to achieve a net present value savings of approximately \$114 million, which is approximately 13 percent of the par amount of the refunded bonds.

The 2024 Series C bonds will be sold through a negotiated sale, as described in the Purchase Contract. Proceeds from the 2024 Series C Bonds will be used with other lawfully available moneys, to establish irrevocable escrows to refund and defease the Board's outstanding 2014 Series A, 2014 Series B, and 2014 Series C Bonds.

Refunded Projects: The 2024 Series C bonds will refund and defease the Board's 2014 Series A, 2014 Series B, and 2014 Series C Bonds that financed the projects listed above and more specifically described in Appendix B of the Preliminary Official Statement.

Staff Recommendation: Adopt the resolution.

MINUTES

Consider approving the minutes from the August 9 and August 27, 2024, meetings.

Staff have reviewed the minutes from the August 9 and August 27, 2024, meetings and recommend approval.

Staff Recommendation: Approve minutes from the August 9 and August 27, 2024, meetings.

CONSENT CALENDAR A

CONSENT ITEM—1

CALIFORNIA TAHOE CONSERVANCY (3125)
OPPORTUNITY ACQUISITIONS PROGRAM
TROUT CREEK UPPER TRUCKEE MARSH PROPERTY
EI DORADO COUNTY

Authority: 2022 Budget Act, 3125-301-6088 (1)
2022 Budget Act, 3125-301-0140 (1)

Consider authorizing:

- a) Acquisition of real property.
- b) The Executive Director and Deputy Directors of the Board to execute documents as may be required to complete the acquisition.

STAFF ANALYSIS ITEM—1

California Tahoe Conservancy
Opportunity Acquisitions Program
Trout Creek Upper Truckee Marsh Property
El Dorado County

Action requested

If approved, the requested action will authorize the acquisition of real property and the execution of such documents required to complete the acquisition.

Scope Description

This project is within scope. This request is part of the California Tahoe Conservancy's ("Conservancy") opportunity acquisitions project. Approving this request will authorize acquisition of a parcel of land totaling 0.29 acres (the Property). The parcel is adjacent to the Upper Truckee Marsh ("Marsh") and Trout Creek. Authorization for the Property is in support of the mission of the Conservancy, which includes the protection of the natural environment, provision of public access or public recreational facilities,

preservation of wildlife habitat areas, and the provision of access to or management of acquired lands.

Funding and Cost Verification

This project is within cost. The 2022 Budget Act authorized \$14,000,000 for the Opportunity Acquisitions project, including \$7,500,000 from the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Fund and \$6,500,000 in reimbursements to the Environmental License Plate Fund. The purchase price for the Property is \$1,215,000.

\$14,000,000	Total authorized project costs
\$1,215,000	Total estimated project costs
\$14,000,000	Project costs previously allocated: \$14,000,000 for acquisition
\$0	Project costs to be allocated

CEQA

CTC filed a Notice of Exemption with the State Clearinghouse on August 20th, 2024. The 35-day statute of limitations will expire on September 24th, 2024. The Conservancy and the Department of General Services do not anticipate any challenges as the project includes the acquisition of land to allow for the preservation and restoration of natural conditions and the demolition and removal of an existing single-family residence from the parcel.

Project Schedule

Close of escrow shall occur no later than October 18, 2024, unless such time is extended by mutual written agreement by Grantor and State.

Condition of Property

On May 30, 2024, the Department of General Services (DGS), Environmental Services Unit (ESU) staff conducted a site visit to assess the general condition of the Property.

No hazardous waste containers or staining were observed around the exterior of the structures nor on the forested open space and meadow areas of the Property.

Related data searches for the parcel identified a form submitted by the former owner to the State Water Resources Control Board ("State Water Board") in June 1988 that noted a 3,000 gallon diesel underground storage tank had been installed on the Property in 1967, and was still in use as of the date of the form. The former owner and the current owner verified verbally the tank had been closed around 1990 by being emptied, filled with sand and left in place (to Lahontan Regional Water Resources Control Board--"Lahontan"--standards at that time). Neither Lahontan, the State Water Board, nor El Dorado County have any formal record regarding the tank closure. Lahontan staff noted this was not unusual for a residential tank closure at that time, and recommended standard soil sampling around the tank to confirm whether there was any current issue. Soil sampling was completed as recommended on June 25, 2024, lab results were non-detect or below state water quality standards and no further action was recommended.

Approximately two thirds of subject Property is mapped by FEMA as being located in Flood Zone X unshaded. The most southwesterly, approximately one third of the Property, is mapped by FEMA as being located in Flood Zone X shaded. The site plan included in the TRPA files indicates the most southwesterly approximately one third of the subject property is encumbered with a Stream Environment Zone. The Stream Environment Zone portion of the Property is located adjacent to the Marsh. The underground storage tank is located very near or in the stream environment zone. The Conservancy will consult with the Tahoe Regional Planning Agency and El Dorado County when completing the demolition of structures on the property to determine if any other action is appropriate with the tank.

Phase I Environmental Site Assessment Review

As described under "Condition of Property" above, CTC completed a Phase I and limited Phase 2 Site Assessment in June 2024. There were no recognized environmental conditions (REC's) associated with the Property. No further investigation is recommended.

Other:

- The Property was approved for site selection (by delegated authority) in July 2024.
- The purchase price does not exceed estimated fair market value as determined by a DGS approved appraisal.
- All improvements existing are slated to be demolished post close of escrow by the Conservancy and any asbestos or lead paint present on the property will be properly disposed, according to all state and local laws and regulations. The Conservancy also will do any necessary analysis of historic and cultural resources prior to the demolition.
- The proposed project location is consistent with the state's planning priorities in accordance with the Statewide Environmental Goals and Policy Report (commencing with Section 65041 of the Government Code).
- The Property shall be delivered "As-Is" in its present physical condition, with all faults except as to title.

Staff Recommendation:

Authorize acquisition of real property and execution of a Property Acquisition Agreement and other such documents as may be required to approve the acquisition.

CONSENT ITEM—2

**DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540)
ALMADEN FIRE STATION
SANTA CLARA COUNTY**

Authority: 2023 Budget Act, Item 3540-301-0001 (3)

Consider authorizing:

- 1) Acquisition of real property.**

- 2) **The Executive Director and Deputy Directors of the Board to execute documents as may be required to complete the acquisition.**

STAFF ANALYSIS ITEM—2

Department of Forestry and Fire Protection
Almaden Fire Station
Santa Clara County

Action Requested

If approved, the requested action would approve the acquisition of real property and the execution of such documents required to complete the acquisition.

Scope Description

This project is within scope. This request will approve the acquisition of approximately 3.36 acres (the Property) assessor parcel number (APN) 742-08-002 located at 20255 McKean Road, in the town of San Jose, Santa Clara County.

The Property is currently being used by the Department of Forestry and Fire Protection (CAL FIRE) as a fire station pursuant to an existing lease. The Property is available for purchase pursuant to an option under the lease. The purchase price for the Property is \$1,315,000. CAL FIRE intends to continue utilizing the property as a fire station after the acquisition.

Funding and Project Cost Verification

This project is within cost. The 2023 Budget Act, Item 3540-301-0001(3) provided \$1,500,000 for the acquisition and in accordance with legislative intent.

CEQA

CAL FIRE filed a Notice of Exemption with the State Clearinghouse on August 5, 2024, and the 35-day statute of limitations expired without challenge.

Project Schedule

The anticipated close of escrow is September 2024.

Condition of Property

The Department of General Services (DGS) Environmental Services Unit (ESU) conducted a site visit to the Property on July 1, 2024. The site is Zone D, unstudied area where flood hazards are undetermined, but flooding is possible.

There is one above ground storage tank containing both gasoline and diesel, a propane generator and one propane tank on cement pads were observed behind the station. Portable liquid flammables and paints were observed inside lockers in storage sheds behind the fire station. The fire station has a septic system with the leach field in front of the station. There were no signs of leaks or spills inside or outside of the station. No overhead utilities were observed.

Other

- The site meets the requirements of CAL FIRE.

- CAL FIRE has no seismic concerns, as there are no planned seismic upgrades.
- There are no historic issues and no implied dedication associated with this property.
- CAL FIRE is not aware of any lawsuits pending on the Property. The property acquisition agreement will require delivery of title to the state free and clear of any liens.
- There is no relocation assistance required for this property.
- The proposed project location is consistent with the state's planning priorities in accordance with the Statewide Environmental Goals and Policy Report (commencing with Section 65041 of the Government Code).

Staff Recommendation: **Authorize acquisition of real property and execution of a Property Acquisition Agreement and other such documents as may be required to approve the acquisition.**

CONSENT CALENDAR B

CONSENT ITEM—1

**JUDICIAL COUNCIL OF CALIFORNIA (0250)
NEW INDIO JUVENILE AND FAMILY COURTHOUSE
RIVERSIDE COUNTY**

*Authority: Sections 70371.5 and 70371.7 of the Government Code
2011 Budget Act, Item 0250-301-3138 (9)
2013 Budget Act, Item 0250-301-3138 (1), as reappropriated by the 2014
Budget Act
2016 Budget Act, Item 0250-301-0668 (2)
2016 Budget Act, Item 0250-301-3138 (1)
2018 Budget Act, Item 0250-301-0660 (2), as reappropriated by the 2020
Budget Act
2019 Budget Act, Item 0250-301-0660 (2)
2019 Budget Act, Item 0250-301-3138 (1)*

Consider approving an augmentation contingent upon expiration of the 20-day legislative notification. **\$5,575,000**
(7.1 percent of total project appropriations)
(14.3 percent cumulative)

STAFF ANALYSIS ITEM—1

Judicial Council of California
New Indio Juvenile and Family Courthouse
Riverside County

Action Requested

If approved, the requested action will approve an augmentation contingent upon expiration of the 20-day legislative notification.

Scope Description

This project is within scope. The authorized scope for this project is to provide a five-courtroom facility of approximately 53,000 building gross square feet in the City of Indio. The project will consolidate operations from two existing facilities (two courtrooms from Indio Juvenile Courthouse and three courtrooms from Larsen Justice Center). In 2018, the fifth courtroom was shelled to bring the project within budget. In 2021, at the time of construction contract award, a scope change was approved to build out the shelled fifth courtroom.

Funding and Cost Verification

This project is not within cost. Currently, the authorized total cost of this project is \$80,874,000. Appropriations from Judicial Council's Immediate and Critical Needs Account funded acquisition (\$3,329,000), preliminary plans (\$2,174,000), and working drawings (\$4,560,000). The Public Buildings Construction Fund, as authorized in the 2018 and 2019 Budget Acts funded initial construction costs (\$65,091,000), which was augmented by \$5,720,000 at the time of the award of the construction contract in October 2021.

The New Indio Juvenile and Family Courthouse is currently under construction and the work is approximately 48 percent complete. The original completion date per the construction contract was February 2024. However, due to unforeseen site conditions, pending proposed change orders, delays caused by utilities relocation, the steel subcontractor default, and Hurricane Hilary damage, the contingency is nearly 79 percent depleted. The remaining contingency balance will not cover outstanding and future proposed change orders, soft costs, and contract extensions due to delays. The current project schedule reflects a 16-month delay resulting in the projected completion date of June 2, 2025.

On August 28, 2024, 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 scope change and recommend the Board recognize the revised scope no sooner than 20 days from that date.

The Judicial Council is seeking an augmentation to address the following:

- **Contingency Replenishment – \$1,335,000 Public Buildings Construction Fund:** The remaining contingency will be inadequate to cover the current exposures due to delays caused by:
 - Incorrect certification of the welds (\$264,000): The steel baseplates that were certified by the Inspector of Record's welding inspector were found to be faulty and not compliant with specifications, resulting in a project delay of 186 days. However, the Judicial Council has negotiated with the contractor to compensate them for 45 of the 186 days of delay. While the cost associated with the 45-day delay is still being negotiated, the construction manager for the project recommends compensation of \$264,000, compared to the contractor's claim of \$1,135,000. Should the negotiated settlement require additional funds, the Judicial Council will prepare a separate request to cover the shortfall at a future date.

- Hurricane Hilary Damages (\$555,000): In August 2023, the steel reinforcement in the foundation trenches were substantially damaged due to flooding caused by Hurricane Hilary. This resulted in a delay of 82 days and is not covered by insurance. While the Judicial Council is currently in the process of negotiating the claim submitted by the contractor, the construction manager recommends compensation of \$555,000 compared to the contractor's claim for \$2,549,000. Should the negotiated settlement require additional funds, the Judicial Council will prepare a separate request to cover the shortfall at a future date.
 - Future Contingency Needs – (\$516,000): A contingency amount has been estimated for the balance of the work to cover unknown future changes. The construction of the project is currently at 48 percent and 79 percent of the contingency has been expended. To complete the project (remaining 52 percent), the Judicial Council requests additional contingency to cover the projected shortfall.
- **Soft Costs Associated with Project Delays – \$3,340,000 Public Buildings Construction Fund:** All consultant contracts are expiring and need to be extended. These costs are for the duration of the 16-month delay for the following consultants:
 - Construction Manager Agency (\$980,000)
 - Architect of Record (CO Architects) and their associated consultant engineers (\$626,000)
 - Inspector of Record, Special Inspection and Material Testing team (\$832,200)
 - Third party plan review (Interwest) (\$161,800)
 - State Fire Marshal (\$420,000)
 - Division of State Architect (Additional fee for the added cost) (\$20,000)
 - Post-Occupancy Evaluation (\$300,00)
 - **Owner Controlled Insurance Program – \$900,000 Public Buildings Construction Fund:** The final costs for coverage are determined on the final contract values. This will cover additional costs for the extended period and the time that the owner is required to carry insurance for the project.

Based on the final negotiated amounts for welds and the Hurricane Hilary damage, the Judicial Council may submit an additional request for supplemental funding for the completion of the project.

\$80,874,000	Total authorized project costs
\$86,449,000	Total estimated project costs
\$80,874,000	Project costs previously allocated: \$3,329,000 for acquisition, \$2,174,000 for preliminary plans, \$4,560,000 for working drawings, and \$70,811,000 for construction (\$56,317,000 contract, \$2,816,000 contingency, \$2,545,000 project soft costs, and \$9,133,000 other project costs)
\$5,575,000	Augmentation to be allocated: increase of \$5,575,000 for

construction (increase of \$819,000 contract, \$516,000 contingency, \$1,910,000 A&E, and \$2,330,000 other project costs)

CEQA

The Judicial Council of California filed a Notice of Exemption with the State Clearinghouse on December 28, 2009, and the 35-day statute of limitations expired without challenge. In July 2018, the Judicial Council of California reviewed the CEQA for the Indio Juvenile and Family Courthouse and found no changes in the vicinity since the 2009 Notice of Exemption. Additionally, the Judicial Council of California has not proposed any substantial changes to the project and has found no new information that suggests there will be significant environmental impact that requires a mitigation measure or alternative. On August 28, 2024, the Judicial Council confirmed no additional action is necessary under CEQA.

Real Estate Due Diligence

Stradling, Yocca, Carlson, and Rauth, on behalf of the Judicial Council of California, completed a Summary of Conditions Letter for this project on May 12, 2015, and no issues that would adversely affect the beneficial use and quiet enjoyment of the project were identified. On August 28, 2024, the Judicial Council confirmed the Summary of Conditions Letter is still valid.

Project Schedule

Approve preliminary plans	June 2015
Complete working drawings	May 2021
Start construction	November 2021
Complete construction	June 2025

Staff Recommendation: **Approve an augmentation contingent upon expiration of the 20-day legislative notification.**

CONSENT ITEM—2

**CALIFORNIA COMMUNITY COLLEGES (6870)
PERALTA COMMUNITY COLLEGE DISTRICT, COLLEGE OF ALAMEDA: AVIATION COMPLEX
REPLACEMENT
ALAMEDA COUNTY**

Authority: 2020 Budget Act, Item 6870-301-6087(41) as reappropriated by the 2023 Budget Act, Control Section 20

Consider recognizing:

- 1) A scope change.**
- 2) An anticipated deficit.**

STAFF ANALYSIS ITEM—2

California Community Colleges
Peralta Community College District
College of Alameda: Aviation Complex Replacement
Alameda County

Action Requested

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

Scope Description

This project is not within scope. The authorized scope for this project includes the construction of a new building to replace the existing Aeronautical Technology Building A and material storage shed, demolition of the existing buildings, and associated site restoration work. The scope also includes modernization of the existing Aeronautical Technology Building B.

The Peralta Community College District (District) requests a scope change to expand the project to include flood mitigation improvements to address the site's designation as a flood zone per the Federal Emergency Management Agency and the United States Army Corps of Engineers. These improvements include:

- Movement of mechanical and electrical building systems above flood levels.
- Installation of a flood gate and recessed gate pan.
- Steel structural supports and accompanying pile footings.
- Flood specific drain piping and trenching around aforementioned pile footings.
- Structural system alterations to allow resistance and flexibility.

On August 23, the Department of Finance notified the Chairs of the Joint Legislative Budget Committee and fiscal committee in each house of its intent to recognize the scope change and anticipated deficit, and recommend that the Board approve these actions no sooner than 20 days from the date of the letter.

Funding and Project Cost Verification

This project is not within cost. The total estimated cost of the project is \$51,064,000 (\$14,322,000 GO Bond and \$36,742,000 local) compared to \$25,114,000 (\$12,718,000 GO Bond and \$12,396,000 local) at the time of the 2020 Budget Act. Drivers for the cost increase include additional unforeseen costs for flood mitigation building requirements and site improvement as mandated by Division of the State Architect, Increases in hard construction costs, construction management costs, and related soft costs resulting from current market conditions and project delays related to the flood zone designation. The state share of the preliminary plans and working drawing phases were appropriated in the 2020 Budget Act, reappropriated in the 2023 Budget Act, Control Section 20, and the state share of the construction phase is anticipated in a future budget.

\$2,107,000	Total authorized project cost
\$51,064,000	Total estimated project cost

\$539,000	State costs previously allocated: preliminary plans
\$540,000	Local costs previously allocated: preliminary plans
\$13,783,000	State costs to be allocated: \$514,000 working drawings and \$13,269,000 construction
\$36,202,000	Local costs to be allocated: \$514,000 working drawings and \$35,688,000 construction and equipment

CEQA

The district filed a Notice of Exemption with the County Clerk on October 2, 2023, and the 35-day statute of limitations expired without challenge.

Real Estate Due Diligence

Community college districts have full responsibility for clearing due diligence issues for general obligation bond projects.

Project Schedule

Approve preliminary plans	September 2024
Complete working drawings	March 2025
Start construction	May 2025
Complete construction	January 2027

Staff Recommendation: **Recognize a scope change and an anticipated deficit.**

CONSENT ITEM—3

**DEPARTMENT OF FRANCHISE TAX BOARD (7730)
CENTRAL OFFICE CAMPUS - DATA CENTER UPGRADES
SACRAMENTO COUNTY**

Authority: 2021 Budget Act, Item 7730-301-0001 (1)
2022 Budget Act, Item 7730-301-0001 (1)

Consider approving an augmentation. **\$3,952,000**
(14 percent of total project appropriations)
(14 percent cumulative)

STAFF ANALYSIS ITEM—3

Department of Franchise Tax Board
Central Office Campus - Data Center Upgrades
Sacramento County

Action Requested

If approved, the requested action will approve an augmentation.

Scope Description

This project is within scope. The Franchise Tax Board's (FTB) Central Office Campus – Data Center Upgrades project includes upgrades to various systems such as mechanical; telecommunications; fire protection; heating, ventilation, and air conditioning; and electrical to address the risk of catastrophic system failure and meet energy efficiency requirements.

Funding and Cost Verification

This project is not within cost. The 2021 Budget Act appropriated \$680,000 for the preliminary plans phase and \$937,000 for the working drawings phase of the project. The 2022 Budget Act appropriated \$26,606,000 for the construction phase of the project, bringing total authorized project costs to \$28,223,000. This augmentation increases total authorized project costs to \$32,175,000 General Fund.

The requested augmentation is required to address increased costs associated with the following issues:

- *Fire Water Line Redesign – \$1,000,000:* During construction, it was discovered that the original drawings for the data center did not accurately map the existing fire water line. This led to a necessary redesign of this system to avoid conflict with extensive underground utilities and obstructions.
- *Long Lead Times for Equipment – \$1,052,000:* The lead time was longer than expected for delivering specialized equipment required for this project. In addition, the Sacramento Municipal Utility District requires the site to have electrical switchgear equipment, itself a long-lead item, onsite before ordering the specialized equipment. This prerequisite was unknown at the time the project was bid. The additional costs associated with various contract extensions is included.
- *Compatibility Between Electrical Systems – \$300,000:* A power system study was required to ensure compatibility between equipment options before placing orders. Several revisions to the power system study were required to address questions and confirm compatibility.
- *Restoration of Contingency – \$1,600,000:* The project is currently at approximately 20 percent complete and therefore needs contingency restored to account for unforeseen cost impacts as the project moves toward completion.

\$28,223,000	Total authorized project costs
\$32,175,000	Total estimated project costs
\$28,223,000	Project costs previously allocated: \$680,000 for preliminary plans, \$937,000 for working drawings and \$25,293,000 for construction (\$22,620,000 contract, \$1,491,000 contingency, \$1,114,000 architecture and engineering, and \$1,380,000 other project costs)

Scope Description

This project is within scope. The project consists of replacing the California Department of Food and Agriculture (CDFA) Northern San Joaquin Valley Laboratory for the Animal Health and Food Safety (CAHFS) program and the Animal Health and Food Safety Services (AHFSS). This single-story building will be approximately 41,000 gross square feet on a new site of approximately 7.5 acres. The project includes numerous built-in laboratories, including a necropsy laboratory, cremator, and various storage buildings.

Funding and Cost Verification

This project is not within cost. The total authorized cost for the project is \$104,992,000. The Budget Act of 2017 provided \$3,088,000 for the acquisition phase. The Budget Act of 2019 provided \$3,946,000 for the performance criteria phase and the Budget Act of 2021 provided \$88,565,000 for the design-build phase of the project. In March 2022, an augmentation of \$9,393,000 (9.9% percent total project authority) was approved to address increases in costs in the construction market consistent with changes in the California Construction Cost Index.

CDFA requests an augmentation of \$2,725,000 (2.9 percent, 12.8 percent cumulative) to complete the design-build phase of the project. Reasons for the augmentation include the following: Extended costs for project delays (\$600,000), site construction issues related to dewatering efforts for excavation for cremator (\$1,500,000), extended hours for architects and engineers, on-site inspection, and project management due to schedule impacts from dewatering efforts (\$475,000) and added Electrical Vehicle Charging Stations (EVCS) scope (\$150,000). The EVCS and corresponding electrical infrastructure are included for CDFA to comply with Executive Order B-16-12, Zero Emission Vehicle Action Plan. The project currently requires (4) dual EVCS per building code; for CDFA to comply with the EO, (7) additional EVCS are required to maintain the AHFSS fleet housed at the laboratory.

\$104,800,000	Total authorized project costs
\$107,525,000	Total estimated project costs
\$104,800,000	Project costs previously allocated: \$2,896,000 for acquisition, \$3,946,000 for performance criteria, and \$97,958,000 for construction (\$83,911,500 contract, \$2,517,000 contingency).
\$2,725,000	Augmentation to be allocated for design build phase.

CEQA

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

Real Estate Due Diligence

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

Project Schedule

Approve performance criteria March 2022

Start design-build
Complete design-build

June 2023
January 2026

Staff Recommendation: **Approve an augmentation.**

ACTION ITEMS

NONE

OTHER BUSINESS

NONE

GENERAL PUBLIC COMMENT

REPORTABLES

REPORTABLE ITEMS

**For the September 13, 2024, Board Meeting
 Actions Authorized by Staff from July 27, 2024, through August 30, 2024
 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 Sacramento Criminal Courthouse Sacramento County	<i>Sections 70371.5 and 70371.7 of the Government Code 2011 Budget Act, 0250-301-3138 (10) 2012 Budget Act, 0250-301-3138 (15) 2014 Budget Act, 0250-302-3138 (1), as reappropriated by the 2016 and 2017 Budget Acts 2018 Budget Act, 0250-301-0660 (2.5), as reappropriated by the 2020 Budget Act</i>	Approve augmentation	\$7,881,000 (1.6 percent of total project appropriations, 4.7 percent cumulative)
Department of Motor Vehicles (2740)	Reedley: Field Office Replacement Fresno County	<i>2017 Budget Act, 2740-301-0044 (5) 2018 Budget Act, 2740-301-0044 (3) 2019 Budget Act, 2740-301-0044 (1) 2022 Budget Act, 2740-301-0001 (7)</i>	Approve augmentation	\$739,000 (2.9 percent of total project appropriations, 2.9 percent cumulative)
Department of Veterans Affairs (8955)	Veterans Home of California, Yountville: Skilled Nursing Facility Napa County	<i>2018 Budget Act, 8955-301-0001 (1) 2020 Budget Act, 8955-301-0660 (2)</i>	Approve augmentation	\$8,000,000 (2.5 percent of total project appropriations, 2.5 percent cumulative)