

Memorandum of Understanding

**Joint Rules Committee, California State Legislature
And
Department of Finance
And
Department of General Services**

This Memorandum of Understanding ("MOU") is entered into this 9th day of November 2018, among the Joint Rules Committee, California State Legislature ("JRC"), the Department of Finance ("Finance") and the Department of General Services ("DGS") (collectively, the "Parties"), to make effective the authorization in Government Code Section 9112(a) to pursue the construction of a new, restored, rehabilitated, renovated, or reconstructed capitol building annex and associated projects ("Annex Projects"), as well as the authorization in Government Code Section 9125(a)(1) to pursue the construction of a state office building ("State Office Building"). The Annex Projects and State Office Building are collectively referred to herein as the "Projects."

RECITALS

WHEREAS, Government Code Sections 9112(b), 9113, 9114.5, 9125, and 14692 (Ch. 40, Stats. 2018) require the establishment of an agreement among the Parties.

WHEREAS, Government Code Sections 9112, 9114, 9125, and 9125.6 require that the Parties adopt a process of regular, good faith consultation and expeditious collaboration to advance the Projects and to avoid any unreasonable delays.

WHEREAS, Government Code Section 9112 requires that all work performed pursuant to that article shall be "administered and supervised" by DGS, the Parties agree that with respect to the Annex Projects, that phrase refers to DGS' provision of counsel and advice to JRC in JRC's direct execution and management of the Annex Projects.

NOW, THEREFORE, in consideration of the foregoing recitals and the covenants and conditions hereinafter set forth, the Parties hereby agree as follows:

AGREEMENT

1. Term

- a. The term of this MOU ("Term") shall commence upon execution of this MOU by all Parties and shall end upon completion of the warranty period of all Projects.

2. Annex Projects: Scopes, Schedules, Budgets, and Delivery Methods



- a. The scopes, schedules, budgets, and delivery methods for the Annex Projects are set forth in Attachment A.
- b. JRC shall prepare in consultation with the other Parties and distribute to the other Parties a Project Overview and Sequence Report ("POS Report") providing more specific information on the scopes, schedules, budgets, and delivery methods set forth in Attachment A. Upon approval of the POS Report by all Parties, the Parties shall amend this MOU to incorporate the POS Report.
- c. Changes to Scopes, Schedules, Budgets, and Delivery Methods. JRC may at any time change the scopes, schedules, budgets, and delivery methods set forth in Attachment A as amended by the POS Report upon providing written notice to DGS and Finance, provided that JRC shall obtain written approval by DGS and Finance prior to making any significant scope change to any of the Annex Projects. The Parties recognize that JRC shall have the preeminent role in making decisions about the design and management of the Annex Projects, and DGS and Finance shall not unreasonably object to any significant scope change desired by JRC. For purposes of this Section 2.c (Changes to Scopes, Schedules, Budgets, and Delivery Methods), "significant scope change" is defined as a change in the scope of an Annex Project as set forth in Attachment A as amended by the POS Report that has an associated cost of more than \$10 million, delays substantial completion of the Annex Project by more than six months from the schedule set forth in Attachment A as amended by the POS Report, or changes the size of an Annex Project by more than 50,000 square feet from the size set forth in Attachment A as amended by the POS Report. It is anticipated that the State Public Works Board, as a ministerial act, shall recognize any change in scope of the Annex Projects approved under this Section 2.c (Changes to Scopes, Schedules, Budgets, and Delivery Methods).
- d. The Parties agree that scope changes with regard to the Annex Projects, especially after construction commences, are discouraged and should be limited to only those necessary to correct significant issues.
- e. Input on Design Layout and Impacting Elements. DGS shall provide to JRC (i) an architectural space program within the Executive Branch's allocated space delineating the space, size, and function that will be required for the space to be occupied by the Executive Branch and (ii) input regarding the Impacting Elements (as defined in Section 4.e (Director of Operations Approval)).

3. State Office Building: Scope, Schedule, Budget, and Delivery Method

- a. The scope, schedule, budget, and delivery method for the State Office Building are set forth in Attachment B.

- b. Changes to Scope, Schedule, Budget, and Delivery Method. DGS may at any time change the scope, schedule, budget, and delivery method set forth in Attachment B upon providing written notice to JRC and Finance, provided that DGS shall obtain written approval by JRC and Finance prior to making any significant scope change to the State Office Building. For purposes of this Section 3.b (Changes to Scope, Schedule, Budget, and Delivery Method), “significant scope change” is defined as a change in the scope of the State Office Building as set forth in Attachment B that has an associated cost of more than \$10 million, delays the Legislature’s use of the State Office Building as swing space from the schedule set forth in Attachment B, or changes the size of the State Office Building by more than 50,000 square feet from the size set forth in Attachment B. It is anticipated that the State Public Works Board, as a ministerial act, shall recognize any change in scope of the State Office Building approved under this Section 3.b (Changes to Scope, Schedule, Budget, and Delivery Method).
- c. DGS shall make diligent efforts to recover any schedule delays and to maintain the schedule set forth herein with regard to the State Office Building.
- d. The Parties agree that scope changes with regard to the State Office Building, especially after construction commences, are discouraged and should be limited to only those necessary to correct significant issues.
- e. Input on Design Layout. JRC shall provide to DGS an architectural space program delineating the space, size, and function that will be required for space to be occupied by the Legislature as swing space.
- f. The legislative and executive branch entities will maintain permanent joint occupancy of the State Office Building as contemplated by Government Code Section 9125(g).

4. Governance: Annex Projects

- a. Pursuant to JRC’s authority in Government Code Section 9112 to pursue the Annex Projects and in recognition of its preeminent role under Government Code Section 9114, subject to Sections 2.c (Changes to Scopes, Schedules, Budgets and Delivery Methods) and 4.e (Director of Operations Approval), JRC shall have the decision-making authority regarding the Annex Projects.
- b. To effectuate this authority, the Parties shall establish an executive committee (“Executive Committee”). The Executive Committee’s voting members shall consist of the Chair of JRC, who will act as the Chair of the Executive Committee, a Senate representative determined by the Senate Rules Committee, and the Governor’s Director of Operations. The Director of General Services and an owner representative designated by JRC shall serve as non-voting members of the Executive Committee. Each

Executive Committee member may designate an alternate member to serve in his or her absence.

- c. The Executive Committee shall meet as needed during the Term, with a monthly standing meeting that can be more frequent or cancelled as necessary.
- d. Subject to Sections 2.c (Changes to Scopes, Schedules, Budgets, and Delivery Methods) and 4.e (Director of Operations Approval), decisions made by the Executive Committee shall be subject to majority vote, provided that the Executive Committee shall collaborate with the Director of General Services regarding the Annex Projects, including building systems.
- e. Director of Operations Approval. The design layout prepared by JRC related to the space to be occupied by the Executive Branch shall be subject to approval by the Governor's Director of Operations in collaboration with the other members of the Executive Committee. The Impacting Elements (defined below) with reference to the architectural space program and input prepared by DGS under Section 2.e (Input on Design Layout and Impacting Elements) shall be subject to approval by members of the Executive Committee. The term "Impacting Elements" is defined as:
 - i. Building security, including access/badging systems; entrance and egress from the building; security equipment, devices, and systems; stations of California Highway Patrol (CHP) officers; emergency planning and back-up systems; and architectural or engineered elements of the building related to security.
 - ii. Those Information Technology systems, including infrastructure, connectivity, and redundancy, that impacts the Executive Branch.
 - iii. Building Systems that will be operated, maintained, or otherwise repaired by DGS. Specifically, the building's heating, ventilation, and air conditioning systems; plumbing; electrical, lighting, energy management, and power control systems; fire suppression and alarms; water conservation measures; and connectivity to the state's central plant.
- f. The Executive Committee shall make decisions related to changes in scope as set forth in Attachment A as amended by the POS Report and decisions that deviate from the POS Report.
- g. JRC shall select two voting Authorized Representatives (one designated to represent each House) and one non-voting Authorized Representative (owner's representative) and the Executive Branch shall select one non-voting Authorized Representative. The Authorized Representatives are responsible for those decisions relating to the Annex Projects that are not retained by the Executive Committee.

- i. Subject to Section 4.e (Director of Operations Approval), decisions made by the Authorized Representatives shall be made by mutual agreement of the two voting Authorized Representatives selected by JRC.
- ii. The Authorized Representatives shall meet as necessary for the Annex Projects, though not less than weekly.
- h. Upon direction from the Executive Committee or the Authorized Representatives, the Parties shall form working groups on an ad-hoc basis to review and provide input into specific design topics, such as security, historicity, sustainability, and site infrastructure. These working groups shall report to the Executive Committee or Authorized Representatives, as applicable.
- i. By mutual agreement between JRC and DGS, DGS may provide services in addition to those enumerated in this MOU. Any such services shall be provided expeditiously and on a fee for service basis.

5. Governance: State Office Building

- a. Pursuant to DGS' authority in Government Code Section 9125(a)(1) to pursue the State Office Building, subject to Sections 3.b (Changes to Scope, Schedule, Budget, and Delivery Method) and 5.d (JRC Approval), DGS shall have the decision-making authority regarding the State Office Building.
- b. JRC shall designate one or more representatives to serve as a liaison between JRC and DGS. The liaison(s) shall be responsible to be DGS' point of contact for understanding and coordinating legislative needs relative to the State Office Building and to provide DGS with counsel and advice. DGS shall consult and collaborate with JRC's representatives regarding the scope, budget, design, scheduling, organization, management, choice of delivery method, and other approaches needed to ensure that the State Office Building serves the needs of the Legislature as well as the needs of the Executive Branch.
- c. DGS, in consultation with JRC's liaison(s), shall form working groups on an ad-hoc basis to review and provide input into specific design topics, such as security, historicity, sustainability, and site infrastructure. These working groups shall report to DGS and JRC's liaison(s).
- d. JRC Approval. The design layout prepared by DGS related to the space to be occupied by the Legislature with reference to the architectural space program prepared by JRC under Section 3.e (Input on Design Layout), including location in the building, shall be

subject to approval by JRC in collaboration with DGS, and shall take into account security, operational efficiencies of the Executive Branch, and other relevant factors.

- e. The Parties agree that the State Office Building, for the duration of its use as swing space for the Legislature and Executive Branch during the construction of the Annex Projects, and afterwards as permanent space, shall be designed, to the maximum extent practical, in such a way to meet those programmatic needs identified by JRC in Section 3.e (Input on Design Layout) and to be identified by JRC regarding use of the State Office Building as permanent space.

6. Collaboration

- a. The Parties agree that the Projects are of the highest priority and will assign sufficient staff and/or consultants to accomplish the activities under this MOU competently and expeditiously.
- b. The Parties agree that active participation in project planning and execution are necessary for project success, and commit to regular meetings and a collaborative environment to advance the Projects and avoid any unreasonable delays.
- c. Subject to Section 15.d (Confidentiality), upon request, information regarding the Projects may be shared among the Parties; risks, next steps, and upcoming milestones regarding the Projects shall be regularly discussed among the Parties; each Party shall be invited to attend all planned meetings regarding the Projects; and the Parties shall have the opportunity to provide comments on the Projects.
- d. The Parties agree to conduct themselves in good faith at all times, and agree that decisions shall be made based upon attention to efficient and fiscally sound administrative practice to advance what is in the best interests of the Projects at all times.

7. Execution of Contracts

- a. Except contracts entered into under Section 10 (California Environmental Quality Act (CEQA)), JRC shall be the procuring and contracting agency for the Annex Projects, including letting any necessary solicitations, executing awarded contracts, and issuing payments.
 - i. JRC has sole discretion in the selection of firms and contractors, with DGS providing counsel and advice.
 - ii. JRC shall provide prior notice to DGS of all Annex Projects solicitations; DGS may review and comment on solicitations, contract approaches, and contract terms and

conditions; and DGS may observe and comment on the selection of firms and contractors.

- iii. JRC shall provide the other Parties with monthly progress reports on the status of each major contract regarding the Annex Projects.
- b. DGS shall be the procuring and contracting agency for the State Office Building, including letting any necessary solicitations, executing awarded contracts, and issuing payments.
 - i. DGS has sole discretion in the selection of firms and contractors, with JRC providing counsel and advice.
 - ii. DGS shall provide prior notice to JRC of all State Office Building solicitations; JRC may review and comment on solicitations, contract approaches, and contract terms and conditions; and JRC may observe and comment on the selection of firms and contractors.
 - iii. DGS shall provide the other Parties with monthly progress reports on the status of each major contract regarding the State Office Building.
- c. Within 30 days after execution of this MOU, the Parties shall develop procedures for providing comments contemplated in Section 6 (Collaboration) and this Section 7 (Execution of Contracts).

8. Media Communication and Stakeholder Outreach

- a. All media communication and stakeholder communication shall be handled by JRC for the Annex Projects. DGS shall provide all proposed media and stakeholder communication that involves the State Office Building to JRC and obtain JRC's written approval before disseminating such communication to the media or stakeholders. If JRC does not respond within DGS' deadline for approval (if provided), the communication will be deemed approved by JRC.
- b. JRC and DGS shall provide all proposed media and stakeholder communication that involves both the Annex Projects and the State Office Building to the other party and obtain the other party's written approval before disseminating such communication to the media or stakeholders. If a party does not respond within the other party's deadline for approval (if provided), the communication will be deemed approved by the party.

9. Documentation and Information Sharing

- a. JRC shall be responsible for collecting, storing, organizing, and preserving documentation, including contracts, drawings, meeting minutes, and reports for the Annex Projects.
- b. DGS shall be responsible for collecting, storing, organizing, and preserving documentation, including contracts, drawings, meeting minutes, and reports for the State Office Building.
- c. Upon request and subject to Section 15.d (Confidentiality), JRC and DGS shall provide the other Parties with access to review any information regarding the Projects, including any prior studies, design documentation, schedule and budget updates, change order logs, and reports.

10. California Environmental Quality Act (CEQA)

- a. DGS shall serve as the Lead Agency for the purposes of CEQA for the Projects.
- b. DGS shall provide to JRC all CEQA documentation regarding the Projects for review and comment before issuance. All planned CEQA outreach and public communication shall be conducted jointly between JRC and DGS.
- c. DGS shall likewise serve as the lead for Tribal consultations and negotiations for the Projects. DGS shall immediately notify JRC of any sensitive issues or concerns raised by the Tribes during the course of the Projects.

11. Construction Supervision/Inspection

- a. DGS' Construction Inspection and Management Branch (CIMB) shall perform or coordinate inspections of construction work for the State Office Building. Fire Life Safety inspections shall be performed by the State Fire Marshal when requested by CIMB. JRC shall be responsible for obtaining inspections of construction work for the Annex Projects.
- b. DGS shall supervise contractors for the State Office Building, including but not limited to, monitoring storm water prevention plans, validating contractors' progress for the purposes of payment and initial costing of proposed change orders. JRC shall supervise contractors for the Annex Projects, including but not limited to, monitoring storm water prevention plans, validating contractors' progress for the purposes of payment and initial costing of proposed change orders.

12. Real Estate Due Diligence

- a. All necessary real estate due diligence for the Projects shall be overseen by DGS or the State Public Works Board.
- b. Any such due diligence performed for the Annex Projects shall be approved in writing by JRC prior to issuance.

13. Use, Transfer, and Return of Funds

- a. Upon recognition of the scope, budget, schedule, and delivery method for the Projects set forth in this MOU (prior to amending this MOU to incorporate the POS Report), Finance shall direct transfer to the Architectural Revolving Fund an amount sufficient to fund design activities for the State Office Building and shall direct transfer to the Operating Funds of the Senate and Assembly an amount sufficient to fund preparation of the POS Report and owner representative services with regard to the Projects.
- b. Upon amending this MOU to incorporate the POS Report, Finance shall direct transfer of the remaining balance of funds in the State Project Infrastructure Fund to the Operating Funds of the Senate and Assembly to be used for the Annex Projects.
- c. Construction of the State Office Building is anticipated to be funded with lease revenue bonds, notes, or bond anticipation notes as authorized in Government Code Section 9125.5; however, if available and by written agreement of the Parties, cash may be used for the State Office Building as well.
- d. In the event that cash is not needed for all or a portion of the Annex Projects, said cash may be returned to the State Project Infrastructure Fund in accordance with Government Code 16351.5.
- e. To the extent that lease revenue bonds are used for any of the Projects, a Project Delivery Agreement is required for each of the Projects using lease-revenue bonds, the form of which is in Attachment C.
- f. The amount to be transferred from the State Project Infrastructure Fund to the Operating Funds of the Assembly and Senate shall be no less than \$745,167,700 for the Annex Projects which includes \$20,000,000 for the West Wing.
- g. The Parties agree that DGS shall not charge more than 3% of the budget for the Annex Projects to perform any services related to the Annex Projects or more than 6% of the budget for the State Office Building to perform services related to the State Office Building contemplated under this MOU.

14. Project Labor and Community Workforce Agreements

- a. The Projects shall be subject to a Project Labor Agreement ("PLA") and a Community Workforce Agreement ("CWA").
- b. DGS shall serve as the lead for negotiations for the PLA and CWA, in consultation with JRC, and may delegate this responsibility to the general contractors selected for the Projects.

15. Miscellaneous

- a. The Parties may amend this MOU only by mutual written consent.
- b. Each Party has the right to perform any of its tasks under this MOU through one or more representatives.
- c. Time is of the essence for the construction of the State Office Building.
- d. Confidentiality. (i) All financial, statistical, personal, technical, and other data and information relating to the operations of each Party that are made available to the other Parties in carrying out this MOU, or that become available to the Parties in carrying out this MOU, unless designated by the Parties as not confidential, are deemed to be confidential and, unless otherwise required by law, shall be protected by the Parties from unauthorized use or disclosure. In providing that protection, each Party shall comply with any procedural requirements that are provided in writing to all Parties. The Parties shall not be required under this Section 15.d(i) to keep confidential any data or information that is or becomes publicly available, is rightfully in a Party's possession on the date this MOU becomes effective, is independently developed by a Party outside the scope of this MOU, or is rightfully obtained from third parties.

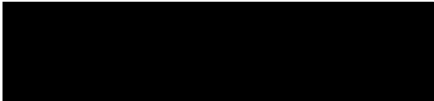
(ii) The Parties shall require each of its employees who performs services of any type in connection with this MOU and any other individual who performs services of any type in connection with this MOU, and who thereby has access to confidential data and information as described in Section 15.d(i), to sign the Confidentiality Statement attached as Attachment D. An employee or individual shall not perform services of any type in connection with this MOU until the signed Confidentiality Statement is filed with each Party.
- e. In the event of any inconsistency or conflict among the provisions of this MOU (including the Attachments), the order of precedence, from highest to lowest, shall be as follows: (i) this MOU (not including the Attachments); (ii) Attachments A, B and D; and (iii) Attachment C.

Joint Rules Committee, California State Legislature

By: 
Assembly Member Ken Cooley
Chair, Joint Rules Committee

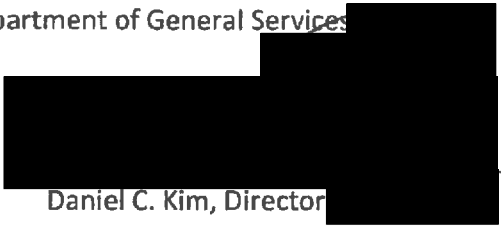
Date: 11/9/2018

Department of Finance

By: 
for Keely Bosler, Director
Department of Finance

Date: 11/9/2018

Department of General Services

By: 
Daniel C. Kim, Director
Department of General Services

Date: 11/9/18



Attachment A
Annex Projects
Scope, Schedule, Budget, and Delivery Method

1. Annex Projects (General):

a. Scope

In December 2017, the report "*California State Capitol Annex Project Planning Study*" was completed. It summarized the elements of the Annex Projects as: (1) Annex Replacement; (2) adjacent Parking Structure; and (3) Visitor Center facilities to support enhanced public engagement. On February 21, 2018, these recommendations were presented to JRC. In turn, following the JRC hearing, DGS initiated its own review of these project elements and summarized its findings in the March 2018 document "*Capitol Annex Costs Review.*"

b. Schedule

While the March 2018 DGS "*Capitol Annex Costs Review*" document assumed a possible completion date of January 2027, JRC aims to use the lead time afforded by the State Office Building construction activity and anticipates initiating an aggressive planning and project programming process to support speedy construction of the swing space facilities and developing a construction plan and strategy for the Annex Projects to achieve efficiencies and concurrent efforts so as to reduce the timeframe and provide completion in 2026.

c. Budget

The March 2018 DGS "*Capitol Annex Costs Review*" document assigned a "Total Annex Costs" estimate to the Annex Projects of \$755,591,000. As of November 1, 2018, \$751,355,700 is available in the State Project Infrastructure Fund for use for the Projects. Government Code Section 9114.5 appropriates up to \$20,000,000 from the State Project Infrastructure Fund for design and construction of modifications of the West Wing of the State Capitol necessary for the Annex Projects.

As evidenced by Government Code Section 9112.5(f), the Legislature intends that available cash sources including, but not limited to, an allocation from funds in the State Project Infrastructure Fund, be used to the maximum extent available to fund the Annex Projects.

To the extent available cash resources are not sufficient for the Annex Projects, Government Code Section 9112.5(a)(1) authorizes the State Public Works Board to issue lease-revenue bonds, notes or bond anticipation notes for the Annex Projects in an amount not exceeding \$755,591,000.

d. Delivery Method

The Legislature will, within the array of potential delivery methods available and based upon its goals and the specific characteristics of the structures involved, adopt an appropriate delivery method for each Annex Project.

2. Capitol Annex Project:

a. Scope

The Capitol Annex Project consists of the design and construction, including any related studies, of a new, approximately 500,000 gross square foot State Capitol Building Annex.

This Capitol Annex Project includes the upgrade or replacement of existing site infrastructure, alterations to Capitol Park where necessary, alterations and improvements to the West Wing of the State Capitol where necessary, demolition of the current Annex and associated parking structure, and any other necessary ancillary improvements to construct a working Annex.

The Capitol Annex Project will provide the visiting public and employees with safer, updated, current code-compliant facilities which meet current state standards for government offices, public assembly, office accessibility, along with common use facilities for employees and public (such as toilet rooms, exit stairs, elevators, clear circulation, shared utility and mechanical/electrical spaces, areas for public waiting, daylighting, and enhanced updated and essential security infrastructure). Additionally, the Capitol Annex Project will reduce energy and water usage and upgrade site infrastructure to account for future growth.

The general boundaries of the Capitol Annex Project are those portions of 10th Street, 15th Street, L Street, and N Street, which form the boundary of Capitol Park and the area of the Capitol Park within those boundaries.

It is assumed that the existing State Capitol Building West Wing and capitol park grounds will remain and be extensively protected, except as otherwise specifically required to implement the Capitol Annex Project.

The Executive Branch will occupy the same proportional amount of space in the Capitol Annex Project as utilized by the Executive Branch in the existing State Capitol Building Annex.

The Capitol Annex Project will be designed to achieve LEED Silver certification for new construction (at a minimum) and will target Zero Net Energy performance.

b. Schedule

The schedule for the Capitol Annex Project shall be set forth in the POS Report.

c. Budget

The allocation of the overall budget estimate developed by DGS and relied upon by the Legislature and the Governor in the 2018 budget of \$755,591,000 to the Capitol Annex Project shall be set forth in the POS Report.

d. Delivery Method

The delivery method for the Capitol Annex Project shall be set forth in the POS Report and is anticipated to be construction manager at risk, design-build, or progressive design-build delivery method, or a variant thereof.

3. New Parking Structure Project:

a. Scope

The New Parking Structure Project consists of the design and construction, including any related studies, of a new, secure parking structure with a minimum of 150 stalls for use by Executive and Legislative branch officials.

This New Parking Structure Project includes the upgrade or replacement of existing site infrastructure, alterations to Capitol Park where necessary, and any other necessary ancillary improvements to construct a working parking structure.

The general boundaries of the New Parking Structure Project are those portions of 10th Street, 15th Street, L Street, and N Street, which form the boundary of Capitol Park and the area of the Capitol Park within those boundaries.

It is assumed that the existing State Capitol Building West Wing and capitol park grounds will remain and be extensively protected, except as otherwise specifically required to implement the New Parking Structure Project.

b. Schedule

The schedule for the New Parking Structure Project shall be set forth in the POS Report.

c. Budget

The allocation of the overall budget estimate developed by DGS and relied upon by the Legislature and the Governor in the 2018 budget of \$755,591,000 to the New Parking Structure Project shall be set forth in the POS Report.

d. Delivery Method

The delivery method for the New Parking Structure Project shall be set forth in the POS Report and is anticipated to be construction manager at risk, design-build, or progressive design-build delivery method, or a variant thereof.

4. New Visitor/Welcome Center Project:

a. Scope

The New Visitor/Welcome Center Project consists of the design and construction, including any related studies, of a new, approximately 30,000 to 40,000 gross square foot ADA accessible and educational Visitor/Welcome Center. This Visitor/Welcome Center may become the main entry to both the historical West Wing and the new Annex Building.

This New Visitor/Welcome Center Project includes the upgrade or replacement of existing site infrastructure, alterations to Capitol Park where necessary, alterations and improvements to the West Wing of the State Capitol where necessary, and any other necessary ancillary improvements to construct a working visitor center.

The Visitor/Welcome Center will emphasize California state geography, governance, history, and civic education and related content, in order to welcome, engage and easily accommodate large school and other tour groups while affording such groups access into the historic West Wing of the State Capitol. Modifications to the West Wing will be made on a permanent basis to facilitate ADA accessibility compliance and safe public access.

The general boundaries of the New Visitor/Welcome Center Project are those portions of 10th Street, 15th Street, L Street, and N Street, which form the boundary of Capitol Park and the area of the Capitol Park within those boundaries.

It is assumed that the existing State Capitol Building West Wing and capitol park grounds will remain and be extensively protected, except as otherwise specifically required to implement the New Visitor/Welcome Center Project.

b. Schedule

The schedule for the New Visitor/Welcome Center Project shall be set forth in the POS Report.

c. Budget

The allocation of the overall budget estimate developed by DGS and relied upon by the Legislature and the Governor in the 2018 budget of \$755,591,000 to the New Visitor/Welcome Center Project shall be set forth in the POS Report.

d. Delivery Method

The delivery method for the New Visitor/Welcome Center Project shall be set forth in the POS Report and is anticipated to be construction manager at risk, design-build or progressive design-build delivery method, or a variant thereof.

Attachment B
State Office Building
Scope, Schedule, Budget, and Delivery Method

a. Scope

The project consists of the construction of a new state office building, located on O Street, between 10th and 11th Streets, in the City of Sacramento. The building shall be approximately 472,600 gross square feet and shall comply with the height limitation specified in Government Code Section 8162.7(c). The building will include 10 floors of office, public hearing, assembly, storage, building support, and limited food service spaces. The building will temporarily house approximately 1,250 legislative and executive elected officials and staff from the Capitol Annex until the new Annex project is completed. The building will then be jointly used as office space for approximately 2,200 legislative and executive employees.

During the time that the Legislature is occupying the facility (both as temporary space and as space to be permanently occupied by the Legislature), the State Office Building will provide accommodations for the Legislature. The building shall incorporate functional space for: Committee Hearings, caucus meetings, Conference Committee meetings, meeting rooms, Legislative offices, and general office functions, including, during the time the facility is used as temporary space, space for the Office of Legislative Counsel.

A minimum of 135 parking spaces will be constructed in a three level onsite podium parking structure. The project will be designed to achieve LEED Silver certification for new construction (at a minimum) and will target Zero Net Energy performance via a power purchase agreement. The building's exterior will minimize energy usage by maximizing the amount of natural daylight into the office spaces. The roof top will be designed to be ready to install photovoltaic panels at a later date.

The building's cooling system will utilize chilled water from the State's Central Plant. However, the heating system will utilize an onsite all-electric approach to deliver a carbon-free building solution. An enclosed roof structure will include mechanical air handling equipment, storage, and window-cleaning equipment.

The project will include mitigation measures as described in the Final Environmental Impact report and as may result through good faith tribal consultation. The project will also include off-site work to provide utilities to the new building including electrical, water, storm drainage, phone and data services, to relocate existing utilities to the adjacent Legislative Office Building, and to join the new building to the City's existing civil infrastructure.

For security, the building will be hardened and include electronic systems to levels determined by a threat assessment study to be completed during the Performance Criteria phase to address the protection of continuity of Government during the legislature and executive branch's use of the building.

b. Schedule

The State Office Building will be available for beneficial occupancy beginning September 2021.

c. Budget

The budget for the State Office Building shall be as follows:

- i. **Reporting:** \$4,857,000
- ii. **Performance Criteria Phase:** \$6,188,000
- iii. **Design-Build Phase:** \$422,587,000
- iv. **Total Project Cost:** \$433,632,000

Initial reporting for the State Office Building was funded from the State Project Infrastructure Fund. Performance criteria activities are intended to be provided from that Fund. For completion of the State Office Building, the State Public Works Board may issue lease-revenue bonds, notes, or bond anticipation notes and provide interim financing.

d. Delivery Method

The State Office Building shall be delivered through the design-build delivery method. To expedite the completion of the building, the project will adapt performance criteria DGS recently prepared for construction of a building at 12th and O streets.

Attachment C
Form of Project Delivery Agreement

THIS AGREEMENT, made as of [month and day], [year] by and between the State Public Works Board of the State of California (the "Board") and the [name of the department] of the State of California (the "Department").

WITNESSETH:

WHEREAS, pursuant to [authorizing legislation] (collectively, the "Law"), the Legislature has authorized the Board to finance the [acquisition, design, construction and construction-related costs] of the [name of project] project (the "Project") for the Department through the issuance of lease revenue bonds (the "Bonds"), and as such, the Board is contracting with the Department for all activities required to [acquire, design and construct] the Project;

NOW, THEREFORE, the parties hereto agree as follows:

1. The Board has authorized actions be taken to provide for an interim loan from the State of California's General Fund or Pooled Money Investment Account pursuant to Government Code Section 15849.1 or 16312/16313, respectively, to finance the Project authorized by the Law. The Department understands and acknowledges that in the event the Bonds for the Project are not sold, Control Section 4.80 of the Budget Act requires that the Department shall commit a sufficient portion of its support appropriation to repay all interim financing costs associated with the Project.
2. The Department further understands and acknowledges the Board was induced to provide for an interim loan, in part, by the Department's covenant to execute and deliver and perform under the [Site Lease or Transfer Agreement], the Facility Lease and all related certificates (including a tax certificate), agreements or other documents (the "Bond Documents") that the Chair, the Executive Director, or Deputy Directors of the Board may deem necessary or desirable to effectuate the issuance of the Bonds. The Department has sufficiently familiarized itself with the forms of Bond Documents in order to make this covenant.
3. The Department hereby agrees to provide and perform all activities required to [acquire, design and construct] the Project on behalf of the Board in accordance with the applicable provisions of the Law and the State Building Construction Act of 1955, commencing at Section 15800 of the California Government Code, as amended, (the "Act") and in accordance with the state's established policies and procedures for the construction of major capital projects.

4. The Board does hereby authorize and direct the Department to execute and deliver a contract or contracts for the [acquisition, design and construction] of the Project, provided that such contracts are within the cost and scope previously approved by the Board. Prior to the execution of any of the above referenced contracts, the Department shall ascertain whether the Board's staff wishes to review the contract and make all necessary arrangements for such review in a timely manner.

5. The Department agrees to take all reasonable actions necessary to maintain and retain documentation evidencing expenditures for the Project, including but not limited to contracts, payment of invoices, internal state transfers of funds and other related accounting records for a minimum of thirty (30) years from the date of this agreement. Once the Bonds have been issued, this retention schedule may be increased to allow for records to remain available for at least three years after all the Bonds have been paid.

6. The Department hereby agrees, to the extent possible, to adhere to the schedule recognized by the Board. In the event the schedule for any project component is extended, or anticipated to be extended, by more than ninety (90) days, the Department will notify Board staff and provide a current status of the project component, including a revised schedule.

7. The Department hereby agrees, to the extent permitted by law and to the extent that funds are appropriated by the Legislature, to indemnify, hold harmless, and defend the Board in the matter of all claims and disputes, including but not limited to contract disputes, arising out of the development and delivery of the Project except those claims or disputes arising out of the negligence or other wrongful act of the Board.

IN WITNESS WHEREOF this Agreement has been executed as of the day and year first above written.

STATE PUBLIC WORKS BOARD OF THE STATE OF CALIFORNIA

By _____

[Name of Signatory]

[Executive Director or Deputy Director]

[NAME OF THE DEPARTMENT] OF THE STATE OF CALIFORNIA

By

[Name of Signatory]

[Title of Signatory]

**Attachment D
Confidentiality Statement**

As an employee of, or other individual performing services in the name of, _____, I warrant that I shall maintain in strict confidence any documents, diagrams, information, information storage media, and data made available to me in connection with any services I may perform in connection with the Memorandum of Understanding among the Joint Rules Committee, California State Legislature, Department of Finance and Department of General Services (collectively, the "Parties"); and that I shall not enter into any agreement or discussion with any third person concerning these materials or otherwise disclose any of these materials, unless otherwise required by law, except with prior written consent from each Party.

I understand that any failure on my part to comply with the requirements set forth in this Confidentiality Statement will subject me to liability, including, but not limited to, damages to the Parties and third parties.

(Signature of individual or employee)

(Typed name of individual or employee)

(Date)