

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Chief Executive Office

BOARD AGENDA # *B-9

Urgent Routine

AGENDA DATE July 24, 2012

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval to Authorize the Project Manager to Update the Budget for the State Board of Community Corrections/California Department of Corrections and Rehabilitation AB 900 Phase II \$80 Million Jail Construction Financing Program for the Design Build Project at the Public Safety Center Expansion and Related Matters

STAFF RECOMMENDATIONS:

Approval to Authorize the Project Manager to Update the Budget for the State Board of Community Corrections/California Department of Corrections and Rehabilitation AB 900 Phase II \$80 Million Jail Construction Financing Program for the Design Build Project at the Public Safety Center Expansion and Related Matters

FISCAL IMPACT:

With the Board of Supervisors' approval of this matter, the total project budget remains unchanged at \$89.5 million to fund the construction of 384 maximum security beds, 72 medical/mental health beds, a security control facility, and a program/day reporting facility at the Public Safety Center site. The funding sources remain unchanged with State funding of \$80 million and a County cash match contribution totaling \$9.5 million. At this time, the Board of Supervisors is requested to authorize the Project Manager to update and make necessary budget adjustments within the existing total budget authority for the design build construction of new jail beds with the State of California Department of Corrections and Rehabilitation.
(Continued on Page 2)

BOARD ACTION AS FOLLOWS:

No. 2012-386

On motion of Supervisor Chiesa, Seconded by Supervisor De Martini
and approved by the following vote,

Ayes: Supervisors: Chiesa, Withrow, Monteith, De Martini, and Chairman O'Brien

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) Denied

3) Approved as amended

4) Other:

MOTION:



ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

Approval to Authorize the Project Manager to Update the Budget for the State Board of Community Corrections/California Department of Corrections and Rehabilitation AB 900 Phase II \$80 Million Jail Construction Financing Program for the Design Build Project at the Public Safety Center Expansion and Related Matters
Page 2

FISCAL IMPACT: (Continued)

The original budget summary that was submitted as part of the County’s final application on January 10, 2012 totaled \$89.5 million as outlined below. Although the total project budget remains \$89,500,000, there are two allocation changes needed to provide for an accelerated approach to construction.

The first change is in the budget for the construction contract. The January 10, 2012 budget included \$71,280,000 for the construction contract based upon a design bid build project delivery system. In order to accelerate the Project’s construction, we have asked the State to assist us to use a Design Build approach. As a result, while the totals remain the same, the allocation for design and architectural services moves within the state budget categories, from design (State item 3) to construction (State item 1) in the amount of \$3,787,420.

The second change is to appropriately reflect the County’s staffing for the delivery of Capital Projects. The County’s Capital Projects team is responsible for the delivery of these and other capital projects and as a result, the funding should be allocated in the State’s category of County Administration from the State’s category of Construction Management in the amount of \$3,439,420 moving within the approved budget. These are significant capital improvement efforts that are staff intensive and staffing costs are both reimbursable and used for local match to the \$80 million State funds.

		INITIAL BUDGET SUMMARY 01/10/12			
Line Item	Description	STATE REIMBURSED	CASH MATCH	IN-KIND MATCH	TOTAL
1	Construction	\$71,280,000	\$0		\$71,280,000
2	Additional Eligible Costs	\$0	\$230,000		\$230,000
3	Architectural	\$7,650,000	\$0		\$7,650,000
4	Construction Management	\$1,070,000	\$4,070,000		\$5,140,000
5	CEQA		\$50,000		\$50,000
6	Audit			\$30,000	\$30,000
7	Site Acquisition			\$500,000	\$500,000
8	Needs Assessment			\$140,000	\$140,000
9	County Administration			\$3,745,000	\$3,745,000
10	Transition Planning			\$735,000	\$735,000
11	Real Estate Due Diligence			\$0	\$0
Total		\$80,000,000	\$4,350,000	\$5,150,000	\$89,500,000

		REVISED BUDGET SUMMARY 07/24/12			
Line Item	Description	STATE REIMBURSED	CASH MATCH	IN-KIND MATCH	TOTAL
1	Construction	\$75,000,000	\$67,420	\$0	\$75,067,420
2	Additional Eligible Costs	\$0	\$535,000	\$0	\$535,000
3	Architectural	\$3,910,000	\$0	\$0	\$3,910,000
4	Construction Management	\$1,090,000	\$610,580	\$0	\$1,700,580
5	CEQA	\$0	\$59,000	\$0	\$59,000
6	Audit			\$30,000	\$30,000
7	Site Acquisition			\$500,000	\$500,000
8	Needs Assessment			\$140,000	\$140,000
9	County Administration			\$6,823,000	\$6,823,000
10	Transition Planning			\$735,000	\$735,000
11	Real Estate Due Diligence			\$0	\$0
Total		\$80,000,000	\$1,272,000	\$8,228,000	\$89,500,000

Approval to Authorize the Project Manager to Update the Budget for the State Board of Community Corrections/California Department of Corrections and Rehabilitation AB 900 Phase II \$80 Million Jail Construction Financing Program for the Design Build Project at the Public Safety Center Expansion and Related Matters
Page 3

Stanislaus County is the first County funded by the AB 900 Phase II Jail Construction Financing Program ready to proceed to the State Public Works Board (SPWB) for approval of the project. With the Board of Supervisors prior approval, the Project Manager has successfully negotiated and obtained State approval to modify the project delivery method from traditional design-bid-build as originally submitted in the County's final application submission, to a design-build construction delivery method, in order to speed up its construction.

As a result of this change, the State of California Department of Corrections and Rehabilitation's staff has recommended that the Project Manager obtain Board of Supervisors approval to update the budget as necessary to create greater flexibility to make adjustments within the existing categories of the total project already approved by the Board of Supervisors to project expenditures to align with the appropriate State funding categories based on the design-build construction delivery method. With the Board of Supervisors approval of this action, the Project Team will greatly accelerate the design-build construction of new jail beds for the safety of our community.

As the project progresses, all milestone project and funding decisions will be brought back to the Board of Supervisors at each phase of the project for consideration, review, and approval.

DISCUSSION:

Stanislaus County is partnering with the State of California to fund construction of 384 maximum security beds, 72 medical/mental health beds, a security control facility, and a program/day reporting facility at the Public Safety Center site at 200 East Hackett Road.

On March 9, 2012, the County was notified by the Corrections Standards Authority that it was awarded \$80 million in State Local Jail Construction funding (AB 900 Phase II), which requires a \$9.5 million local cash match, for a proposed project totaling \$89.5 million.

On April 11, 2012, the County Team including the Project Manager and the Sheriff were invited to a meeting at the California Department of Corrections and Rehabilitation (CDCR) with key stakeholders from the Corrections Standards Authority (CSA), Department of Finance, Department of General Services, and CDCRs Facility Planning, Construction & Management, and the Office of Legal Affairs to discuss proceeding with the Jail Construction Financing Process and completing the required Real Estate Due Diligence.

Additionally, on April 19, 2012, the County Team including the Project Manager and the Sheriff hosted an onsite visit at the Public Safety Center with key stakeholders from the Corrections Standards Authority (CSA), Department of Finance, Department of General Services, and CDCRs Facility Planning, Construction & Management, and the Office of

Approval to Authorize the Project Manager to Update the Budget for the State Board of Community Corrections/California Department of Corrections and Rehabilitation AB 900 Phase II \$80 Million Jail Construction Financing Program for the Design Build Project at the Public Safety Center Expansion and Related Matters
Page 4

Legal Affairs. The purpose of the site visit was to provide the key stakeholders a walking tour of the proposed construction site and project description.

On May 6, 2012, the Project Manager filed with the State Clearinghouse the CEQA Notice of Determination recorded by the Stanislaus County Clerk-Recorders Office pursuant to Public Resources Code Section 21152 and CEQA Guidelines Section 15075. No further comments were received at the state level within the 30-day comment period.

Since that time, the Project Manager, Capital Projects, and Sheriff's staff have made significant progress to ensure the County can have its project established within initial approvals by the SPWB in September 2012.

Schedule

Staff anticipate completing their Real Estate Due Diligence and negotiating the form of all construction and project management Agreements with the State during the Summer of 2012, and will present the overall project for establishment and initial approval to the State Public Works Board in Fall 2012. Staff will return to the Board of Supervisors to recommend a conditional contract award for bridging architectural design services. Staff anticipates they will return to the Board of Supervisors to approve the bridging design in the Fall of 2013, and to conditionally, subject to State Public Works Board approval, award the design build construction contract in the Winter of 2014. Construction completion is anticipated in the Summer of 2016.

POLICY ISSUES:

All of the actions in this item will advance the Board of Supervisors' priority to strive for A Safe Community by increasing detention capacity to meet projected needs and minimize use of alternatives to incarceration for potentially dangerous criminals.

These actions also support the Board's priority to provide Efficient Delivery of Public Services in pursuing State funds by leveraging limited County resources effectively.

STAFFING IMPACTS:

The Project team from the Chief Executive Office Capital Projects, Sheriff's Department and Counsel will continue to focus a tremendous staff effort to successfully deliver this \$89.5 million major expansion of the Stanislaus County Public Safety Center and its companion construction project funded by Public Facility Fees along with the construction of the 192 bed Honor Farm Replacement Project.

The County's long-range financial model will forecast the additional costs starting in Fiscal Year 2016-2017.

Approval to Authorize the Project Manager to Update the Budget for the State Board of
Community Corrections/California Department of Corrections and Rehabilitation AB 900
Phase II \$80 Million Jail Construction Financing Program for the Design Build Project at the
Public Safety Center Expansion and Related Matters
Page 5

CONTACT PERSON:

Patricia Hill Thomas, Chief Operations Officer. Telephone: (209) 525-6333