

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

DEPT: Chief Executive Office

BOARD AGENDA #: \*B-5

AGENDA DATE: March 28, 2017

**SUBJECT:**

Approval of an Amendment to the AB 900 Phase II Jail Construction Agreement with the California Board of State and Community Corrections (BSCC) and Other Related Matters

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**BOARD ACTION AS FOLLOWS:**

No. 2017-128

On motion of Supervisor Withrow, Seconded by Supervisor Olsen  
and approved by the following vote,

Ayes: Supervisors: Olsen, Withrow, Monteith, DeMartini, and Chairman Chiesa

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:

  
\_\_\_\_\_  
PAM VILLARREAL, Assistant Clerk

File No.

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
AGENDA ITEM**

DEPT: Chief Executive Office

Urgent

Routine

BOARD AGENDA #: \*B-5

AGENDA DATE: March 28, 2017

CEO CONCURRENCE: *Pat*

4/5 Vote Required: Yes  No

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**SUBJECT:**

Approval of an Amendment to the AB 900 Phase II Jail Construction Agreement with the California Board of State and Community Corrections (BSCC) and Other Related Matters

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**STAFF RECOMMENDATIONS:**

1. Approve an amendment to the AB 900 Phase II Jail Construction Agreement with the California Board of State and Community Corrections (BSCC).
2. Authorize the Chairman of the Board to Execute the Amendment.
3. Authorize the Project Manager to reconcile finances, cooperate with an audit, and perform all other items necessary to close out the Project within the previously approved Project Budget.
4. Authorize the Project Manager to negotiate and execute all closing documents including Tax Certificates and the Facility Sublease on behalf of the Board of Supervisors for the Lease-Revenue Bond Sale for financing the construction of Public Safety Center Expansion Project One (Maximum Security, Medical/Mental Health Units) and Project Two (Day Reporting Center).

**DISCUSSION:**

On December 13, 2011, the Board of Supervisors approved a financing plan and budget for the AB 900 Phase II, Public Safety Expansion Project One (Maximum Security/Medical Mental Health Units) and Project Two (Day Reporting Center). Included in the Project Budget is funding for the County's Capital Projects staff and the Sheriff's Transition team to manage the projects. In addition, there is funding for equipment, quality control inspection and for outside construction management services.

The overall budget for the project remains unchanged at \$89,500,000, with \$80,000,000 in funding being provided by the State of California and \$9,500,000 being contributed by Stanislaus County. As with most large construction projects, general accounting procedures are followed throughout construction and funds are shifted to appropriate categories as the project progresses. During construction of Project One, the County relied on CEO staff and the Sheriff's Transition team much more than anticipated while significantly underspending in the outside construction management services and outside inspection service categories.

## Approval of an Amendment to the AB 900 Phase II Jail Construction Agreement with the California Board of State and Community Corrections (BSCC) and Other Related Matters

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The State of California requires any changes to the AB 900 Phase II budget be approved by the BSCC and the California Department of Finance (DOF). Upon approval of a change to the budget, the BSCC issues an amendment to the original BSSC AB 900 Phase II Jail Construction Agreement. The County made a formal request to the BSCC to modify the budget by shifting funds within the approved budget categories. The State approved this Budget Modification on March 10, 2017, and sent an Amendment to the Jail Construction Agreement for approval and execution by the County.

### Project Close Out

The Project has been successfully completed on time and under budget and phased operations recently began. On March 7, 2017, Stanislaus County dedicated Project One, as well as, its County-funded companion Project Three (Intake Release and Transportation). Previously on August 13, 2015, Stanislaus County dedicated Project Two (Day Reporting Center). Though construction is now complete, several key steps will need to occur for the State to formally close the construction project. The County will be required to go through an audit of its expenditures and transactions. This final reconciliation of project finances must be completed prior to the County receiving its final reimbursement from the State of California for expenses. In addition, the County will be required to sign a Facility Sublease to remain in place until the lease-revenue bonds are repaid.

### **POLICY ISSUE:**

Board of Supervisors approval is needed to amend the AB 900 Phase II Jail Construction Agreement with the BSCC.

### **FISCAL IMPACT:**

As stated above, the Project Budget and funding remain unchanged with \$80,000,000 being funded by the State of California and \$9,500,000 being provided by Stanislaus County. Approval of the Amendment to the BSCC Agreement allows the County to shift funds within its approved budget categories. These changes include:

Request to move \$49,000 from State Reimbursable Construction to State Reimbursable Additional Eligible Costs to cover changes authorized in Item B-15 approved on March 31, 2015.

Request to move \$537,000 from Cash Match Project/Construction Management for outside agencies to Cash Match Additional Eligible Costs to cover the cost of needed project equipment.

Request to move \$216,000 from In-Kind Match for Needs Assessment to Transition Planning.

Request to move \$134,000 from In-Kind Match for County Administration to Transition Planning.

Moving forward, it is anticipated that during the final accounting reconciliation and audit, additional small changes may be required prior to the County receiving its final reimbursement from the State of California.

**BOARD OF SUPERVISORS' PRIORITY:**

Approval of this action is consistent with the Board of Supervisors' priority of Effective Partnerships and Efficient Delivery of Public Services by having both the State of California and Stanislaus County review and approve changes to the AB 900 Phase II Project Budget.

**STAFFING IMPACT:**

There is no staffing impact associated with this action. Successful delivery of the Project will be handled by the Chief Operations Officer and existing Capital Projects staff.

**CONTACT PERSON:**

Patricia Hill Thomas, Chief Operations Officer/Project Manager, Telephone (209) 525-6333.

**ATTACHMENT(S):**

1. Amendment to the BSCC AB 900 Phase II Jail Construction Agreement.

# ATTACHMENT 1

**FIRST AMENDMENT TO  
BOARD OF STATE AND COMMUNITY CORRECTIONS  
AB 900 II CONSTRUCTION AGREEMENT  
FOR STANISLAUS COUNTY**

This first Amendment (“**Amendment**”) to the February 11, 2014 Board of State and Community Corrections Jail Construction Agreement (“**Agreement**”) is entered into as of March 30, 2017 (“**Amendment Effective Date**”), by and between the Board of State and Community Corrections (“**BSCC**”), an agency of the government of the State of California (“**State**”), and Stanislaus County (“**Participating County**”). BSCC and Participating County shall be referred to collectively herein as “**Parties**,” and individually as a “**Party**.”

**RECITALS**

WHEREAS, the Parties entered into that certain Board of State and Community Corrections Jail Construction Agreement dated February 11, 2014 (“**Agreement**”).

WHEREAS, the Parties desire to amend the Agreement as set forth herein.

WHEREAS, Article 2 of the Agreement provides that any amendment to the Agreement shall be binding on (i) the State only if signed by the Agency Representative, and (ii) the Participating County only if signed or certified in form reasonably acceptable to BSCC by the Participating County Construction Administrator.

NOW, THEREFORE, by the signatures of their authorized representatives below, the Parties agree as follows:

**SECTION 1. AMENDMENTS TO AGREEMENT**

Replace Exhibit B, Section 5, Budget Classification Schedules, with the following:

	LINE ITEM	STATE REIMBURSED	CASH MATCH	IN-KIND MATCH	TOTAL
1	Construction	\$74,154,500	\$0		\$74,154,500
2	Additional Eligible Costs*	\$1,095,500	\$1,072,000		\$2,167,500
3	Architectural	\$3,493,000	\$0		\$3,493,000
4	Project/Construction Management	\$1,257,000	\$2,271,000		\$3,528,000
5	CEQA		\$59,000		\$59,000
6	Audit			\$39,000	\$39,000
7	Site Acquisition			\$500,000	\$500,000
8	Needs Assessment			\$6,000	\$6,000
9	County Administration			\$3,953,000	\$3,953,000
10	Transition Planning			\$1,550,000	\$1,550,000
11	Real Estate Due Diligence			\$50,000	\$50,000
<b>TOTAL ELIGIBLE PROJECT COST</b>		<b>\$80,000,000</b>	<b>\$3,402,000</b>	<b>\$6,098,000</b>	<b>\$89,500,000</b>
<b>PERCENT OF TOTAL</b>		<b>89.39%</b>	<b>3.80%</b>	<b>6.81%</b>	<b>100.00%</b>
				<b>10.61%</b>	

**SECTION 2. AUTHORITY**

Each Party represents to the other Party that this Amendment has been executed in compliance with the requirements of Article 2 of the Agreement.

**SECTION 3. GENERAL PROVISIONS**

Capitalized terms used but not defined in this Amendment shall have the meanings assigned to them in the Agreement. In the event of a conflict between any provision of the Agreement and a provision of this Amendment, the provision of this Amendment shall control. Except as otherwise amended by this Amendment, all of the terms and conditions of the Agreement shall remain in full force and effect. This Amendment may be executed in counterparts, each of which shall be deemed to be an original, and all of such counterparts shall together constitute one executed original instrument.

*Signatures to immediately follow on next page.*

**EXECUTION COPY**

IN WITNESS WHEREOF, the Parties have executed this Amendment, as of the Amendment Effective Date.

**BOARD OF STATE AND COMMUNITY CORRECTIONS**

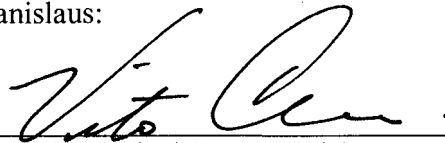
By: \_\_\_\_\_  
Signature of Executive Director or Designee

Name and Title: Kathleen T. Howard, Executive Director

Date: \_\_\_\_\_

**“PARTICIPATING COUNTY”**

County of Stanislaus:

By:  \_\_\_\_\_  
Signature of Authorized County Administrator

Name and Title: Vito Chiesa, Chairman, Stanislaus Board of Supervisors

Date: 3/28/17

**APPROVED AS TO FORM:  
STANISLAUS COUNTY COUNSEL**

**BY**  \_\_\_\_\_  
**DATE:** 3/27/17



IN WITNESS WHEREOF, the Parties have executed this Amendment, as of the Amendment Effective Date.

**BOARD OF STATE AND COMMUNITY CORRECTIONS**

By: Kathleen T. Howard  
Signature of Executive Director or Designee

Name and Title: Kathleen T. Howard, Executive Director

Date: 03/15/2017

**"PARTICIPATING COUNTY"**

County of Stanislaus:

By: \_\_\_\_\_  
Signature of Authorized County Administrator

Name and Title: Vito Chiesa, Chairman, Stanislaus Board of Supervisors

Date: \_\_\_\_\_