



Monterey County

Monterey Room
168 W. Alisal St., 2nd Floor
Salinas, CA 93901

Board Report

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Matter Type: Budget Committee

- a. Receive a status report on the New Juvenile Hall, Project 8811; and
- b. Support authorizing and directing the Auditor-Controller to amend the FY 2019-20 Adopted Budget by increasing appropriations under Fund 404, Appropriation Unit RMA015 in the amount of \$2,914,514, financed by \$1,481,619 in unused discretionary funds from the East/West Wing tenant improvement project, and an increase in revenue from General Fund contingencies of \$1,432,895.

RECOMMENDATION:

It is recommended that the Budget Committee:

- a. Receive a status report on the New Juvenile Hall, Project 8811; and
- b. Support authorizing and directing the Auditor-Controller to amend the FY 2019-20 Adopted Budget by increasing appropriations under Fund 404, Appropriation Unit RMA015 in the amount of \$2,914,514, financed by \$1,481,619 in unused discretionary funds from the East/West Wing tenant improvement project, and an increase in revenue from General Fund contingencies of \$1,432,895.

SUMMARY/DISCUSSION:

The Resource Management Agency (RMA) manages the New Juvenile Hall, Project 8811 (Project), for the Monterey County Probation Department. The Project has been under construction since April 2017. The Phase I Project Close Out began in October 2019. The Phase I Project Close Out consists of addressing final construction punch list items, fine tuning security cameras, staff training, and commissioning prior to transitioning the youth out of the old facility into the new buildings. Once Phase I is completed and the buildings are occupied, two (2) original buildings will be demolished and replaced with two (2) new Phase II facilities. Initially, Phase I was scheduled to be completed in July 2018. Currently, completion is anticipated by December 31, 2019. Phase II, the final project phase, entails construction of two (2) additional buildings, Building 2-High Security Housing and Building 5-Cafeteria/Service Building, and is scheduled for completion within one (1) year from the date construction begins, which is currently estimated for December 2020.

The Project, including Phase I and Phase II, currently has an overall construction budget of \$59,582,935. A total of \$45,444,632 in Project costs have been expended through June 30, 2019, including the allocated project contingency. Though the Project is technically within the overall construction budget, Phase II construction has not started. Additionally, Building 7, an original building retained within the boundaries of Phase I, will require work prior to occupancy that is not included in the original Project scope.

All major projects are subject to ongoing change orders through project completion that impact costs and/or timeline. An extensive number of challenges involving multiple change orders and requests for additional time have impacted Phase I costs, both construction and soft costs (project management).

The Project Team is working diligently to control budgetary/time overruns by restricting Project change orders wherever possible to scope revisions and legal requirements. RMA has dedicated additional resources to the Project to ensure the County is able to react quickly to change requests to keep the project moving forward and minimize any schedule delays.

Attachment A provides a description of the Project Scope, Project Team Members, Recent Construction Progress, and Project Schedule & Time Impact Analysis Status. Attachment B discusses the Project budget and funding request. Attachment C provides a detailed description of each change order and additional cost in the funding request.

OTHER AGENCY INVOLVEMENT:

RMA and the Probation Department continue to work jointly with the Board of State and Community Corrections to meet all State requirements to maintain the conditional award. The State Water Resources Control Board and State Fire Marshal construction phase inspections will continue throughout the construction duration. RMA continues to work closely with the County Administrative Office (CAO) to review any additional project funding needs and financing sources.

FINANCING:

The current Project budget is \$59,582,935, which consists of the State lease revenue bond of \$35,000,000 and County Match of \$24,582,935. The original County Match requirement for the conditional SB 81 grant award was \$17,791,824 (Resolution 14-895). The County Match was financed by \$332,927 from the Facility Master Plan Projects, Fund 404, along with \$24,250,008 from General Capital Assignment. Previous increases of \$320,681 and \$590,963 are included in this budget amount, which were financed by Unused Discretionary Funds from the tenant improvement project for the East/West Wing from FY 2018-19. To date, the County has claimed \$34,485,812 from the State. The recommended Project budget increase would be funded from the remaining unused East/West Wing project discretionary funds and the balance from General Fund contingency.

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Approved by: Carl P. Holm, AICP, RMA Director

Attachments:

Attachment A-Project Construction Overview

Attachment B-Project Budget

Attachment C-Funding Request Detail

cc: Marcia Parsons, Chief Probation Officer