



Monterey County

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Board Report

Legistar File Number: RES 15-048

May 19, 2015

Introduced: 4/29/2015

Version: 1

Current Status: Agenda Ready

Matter Type: BoS Resolution

It is recommended the Board of Supervisors adopt a resolution:

- a. Approving and authorizing the Chair of the Board of Supervisors to execute the Project Delivery and Construction Agreement with the State Public Works Board, California Department of Corrections and Rehabilitation, and Board of State and Community Corrections (in substantially the form attached), thereby allowing the New Juvenile Hall Project to proceed under the terms of SB 81 Local Youthful Offender Rehabilitative Facility Financing Program;
- b. Approving and authorizing the Chair of the Board of Supervisors to execute the Board of State & Community Corrections Jail Facility Construction Agreement (in substantially the form attached), thereby allowing the New Juvenile Hall Project to proceed under the terms of SB 81: Local Youthful Offender Rehabilitative Facility Financing Program;
- c. Approving and authorizing the Chair of the Board of Supervisors to execute a Certificate of Matching Funds (in substantially the form attached) for the Monterey County New Juvenile Hall Project for Monterey County's "Cash and In-kind Match" of \$17,791,824 ; and
- d. Directing that an updated County Project Staff Designation be provided to the State as follows: Architectural Services Manager as the construction manager; RMA Finance Manager as the project financial officer, and Probation Department Juvenile Hall Division Director as project contact person (current incumbents Donald Searle, Shawne Ellerbee, and Jose Ramirez respectively) and authorizing the County Administrative Officer to provide written notice to the State on the County's behalf regarding any future project staff designation updates.

RECOMMENDATION:

It is recommended that the Board of Supervisors adopt a resolution:

- a. Approving and authorizing the Chair of the Board of Supervisors to execute the Project Delivery and Construction Agreement with the State Public Works Board, California Department of Corrections and Rehabilitation, and Board of State and Community Corrections (in substantially the form attached), thereby allowing the New Juvenile Hall Project to proceed under the terms of SB 81 Local Youthful Offender Rehabilitative Facility Financing Program;
- b. Approving and authorizing the Chair of the Board of Supervisors to execute the Board of State & Community Corrections Jail Facility Construction Agreement (in substantially the form attached), thereby allowing the New Juvenile Hall Project to proceed under the terms of SB 81: Local Youthful Offender Rehabilitative Facility Financing Program;
- c. Approving and authorizing the Chair of the Board of Supervisors to execute a Certificate of Matching Funds (in substantially the form attached) for the Monterey County New Juvenile Hall Project for Monterey County's "Cash and In-kind Match" of \$17,791,824; and
- d. Directing that an updated County Project Staff Designation be provided to the State as

follows: Architectural Services Manager as the construction manager; RMA Finance Manager as the project financial officer, and Probation Department Juvenile Hall Division Director as project contact person (current incumbents Donald Searle, Shawne Ellerbee, and Jose Ramirez respectively) and authorizing the County Administrative Officer to provide written notice to the State on the County's behalf regarding any future project staff designation updates.

SUMMARY:

On June 12, 2015, the County New Juvenile Hall Project (Project) is scheduled before the State Public Works Board (SPWB) for approval of Preliminary Plans and direction to proceed to the Construction Documents phase. Approval of the recommended actions will complete required steps for State approval of Preliminary Plans: 1) Entering into two concurrent agreements with the State 2) Providing the State a required certificate of matching funds to keep the Project moving forward with the SPWB and 3) Providing the State with an updated County Project Staff Designation for the Project.

This process of submitting draft examples of the agreements and certificate of matching funds to the Board of Supervisors (Board) is the same process used for the execution of the agreements on the Jail Housing Addition (Project # 8819). We anticipate the final agreements will be submitted to the County for signature shortly after approval of preliminary plans by the State and require a short turn-a-round with signatures. On November 4, 2014, the Board approved the transfer of funds to the General Fund Assignment 3127 and confirmed the set aside on February 2, 2015 this fund was for the sole use for the Monterey County SB 81 Project. The Certificate of Matching Funds certifies the existence of these funds to the State.

DISCUSSION:

The SB 81 Local Youthful Offender Rehabilitative Facility Financing Program makes this Project feasible with up to \$7.3 Billion in lease revenue bonds that the State is authorized to issue and up to \$350 Million that the State may appropriate in general funds. The State will repay the bonds. The County is providing approximately \$17.8 Million in hard match and in-kind services and collateral in the form of a "free and clear site" as improved with the new juvenile facilities. The County's risk is essentially this collateral, which it would lose only if the State defaults on the payment of the bonds and resorts to the collateral where necessary to pay outstanding bonds. In order for the County to comply with the June 12, 2015 Milestone set by the State for Preliminary Plans, the County must submit a Certificate of Matching Funds, the Board of State & Community Corrections Juvenile Construction Agreement (BSCCCA) and the Project Delivery & Construction Agreement (PDCA) signed by the Chair of the Board. The Certificate and the two Agreements are similar to those recently signed by the County for the Monterey County Jail Housing Addition (AB 900 Project). Due to County staffing changes since project initiation, the County's Project Staff Designation on file with the State must be updated. Staff also recommends that the CAO be authorized to provide written notification to the State on the County's behalf of all future updates to this official project designation.

CONDITIONAL NATURE OF PROJECT/ENVIRONMENTAL REVIEW

The State award to the County is conditional on further State approval. The County is entitled to withdraw from the SB 81 program up until the time that construction bids are awarded. Therefore, Board approval of the agreements and certificate does not irrevocably commit the County to construct the New Juvenile Hall. Final Project approval is also contingent upon the

completion and Board adoption of the Mitigated Negative Declaration (MND). The public review period for the proposed MND ended on April 16, 2015; it is anticipated that the MND will be brought to the Board to adopt on June 9, 2015.

OTHER AGENCY INVOLVEMENT:

RMA-PW and Probation are working jointly with the Board of State and Community Corrections to meet all State-mandated milestones to maintain the conditional award and move forward to the Construction Document phase.

FINANCING:

On January 15, 2013, the Board approved a Five-Year CIP financing plan, which included this Project. In addition to the State grant of \$35 Million, the County has contributed \$17.792 Million from Fund 404 for a total project cost of \$52,791,824. Anticipated, yet undetermined, increased staffing costs associated with operation of a facility larger than the present one may also impact the General Fund Contribution.

Prepared by: Donald D. Searle, Architectural Services Manager (831) 755-5061

Approved by:

Robert K. Murdoch, P.E., Director of Public Works

Carl P. Holm, RMA Acting Director

Dated: May 4, 2015

Attachments: BSCCCA; PDCA; Certificate of Matching Funds; SB81 Project Milestone Schedule; Resolution; Location Map