

Attachment B

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Attachment B – Project Budget & Financing Request

PROJECT BUDGET

A Notice to Proceed was issued to the Contractor on April 24, 2017 for initiate construction of the New Juvenile Hall at a cost not to exceed \$43,175,000, plus a 10% contingency of \$4,317,500, for a total construction budget of \$47,492,500. The total Project budget, including contracts with Kitchell CEM, Inc. for project management services and APSI/Sixth Dimension for construction management and architectural services, was \$58,671,291.

On June 25, 2019, the Board of Supervisors approved an increase in the amount of \$320,681 in the Project budget for costs incurred above the established project contingency during Fiscal Year (FY) 2018-19. On July 23, 2019, an additional increase of \$590,963 was approved by the Board of Supervisors to fund known change orders in FY 2019-20, resulting in a revised Project budget of \$59,582,935.

Total expenditures through June 2019 are \$45,444,632, including \$36,622,605 in construction costs and \$8,822,027 in soft costs (project management). The remaining Project budget, including the additional funding approved, is \$13,226,659 for tasks consisting of Phase I Close Out and Phase II construction. A budget shortfall for change orders and soft costs exists which requires additional funding (See Funding Request below).

FUNDING REQUEST

Change Orders **\$342,519.74**

Change order requests are a result of project scope changes, unanticipated field conditions, and errors and omissions on the construction documents. Some identified changes have been based on inspections from the State Fire Marshal or Bureau of State and Community Corrections (BSCC) which identified changes necessary to comply with Title 15 and/or Title 24 requirements. Other changes are based on Probation Department's assessment of items that may pose a safety issue for staff and/or occupants. All change orders are reviewed by staff and either rejected, revised or validated, and accepted. Only change requests that have been fully vetted, negotiated, and signed off by the County are brought to the Board of Supervisors to request necessary funding. Staff has reviewed and approved \$342,519.74 in change orders as of October 11, 2019. Negotiations over the scope and cost resulted in a reduction of \$208,444 from the Contractor's original request of \$550,964. A detail list of each change order and approved cost is included in Attachment C.

Dormitory (Building 7) **\$241,910**

The existing Dormitory (Building 7) was retained as part of the value engineering to save construction costs for the entire project. An estimate of \$241,910 was provided to the County through the County's Job Order Contracting (JOC) program for a new roof, new rooftop HVAC equipment, and replacement of a missing boiler for this building. There would be no additional cost beyond the soft cost request below for Kitchell CEM, Inc. to provide construction management services for this work. RMA staff also proposed to assume full-time project management through to completion of Phase II, thereby transitioning Kitchell CEM, Inc. to the construction manager role and releasing APSI-Sixth Dimension as the construction manager. RMA staff costs are included in the estimate.

Security Fencing **\$100,00**

Emergency exits between the Gym (Building 6) and Standard Housing buildings (Buildings 1A/1B) could allow access to no man's land, presenting a security risk. This request will fund two sections of ten-foot (10') security fence between the buildings.

Consultant “Soft Costs” \$1,614,486

Current contracts with project consultants anticipated a completion date of June 30, 2019. Construction delays and scope changes require additional time and funding. The approved budgets for project management, construction management and architectural services have been expended and additional funds are needed to continue work. This request funds work already completed through October 31, 2019 and future work through the end of the Fiscal Year. Starting November 1, 2019, the County will transfer construction management services from APSI-Sixth Dimension to Kitchell CEM, Inc. for the remainder of the Project. The existing budget for project management was expended as of August 31, 2019. This funding request includes Project Management services by APSI-Sixth Dimension through October 2019 and future services by Kitchell CEM, Inc. from November 1, 2019 through the end of the Fiscal Year 2020.