



# Monterey County

## Budget Committee Report

Legistar File Number: BC 20-080

Board of Supervisors  
Chambers  
168 W. Alisal St., 1st Floor  
Salinas, CA 93901

June 24, 2020

**Introduced:** 6/16/2020

**Version:** 1

**Current Status:** Agenda Ready

**Matter Type:** Budget Committee

Receive a Status Report on the Jail Housing Addition, Project 8819.

It is recommended that the Budget Committee receive a Status Report on the Jail Housing Addition, Project 8819.

### SUMMARY

This report reflects the project status at the time of writing. Subsequent monthly updates will track progress for outstanding items (completed items will be removed). Staff will also provide the committee with a verbal update on any developments that occur following the submittal of this report.

Soft cost projections through September 2020 are \$412,708. The current remaining construction contingency is \$246,747. This would create a shortfall of \$165,961. In addition, an additional fifteen (15) change order requests are pending pricing from the contractor.

### DISCUSSION:

The Jail Housing Addition (Project) provides 576 new beds in eight (8) housing units distributed on two (2) floors, program spaces for inmates, administration and staff support spaces, and a public entrance with video visitation.

The Project is located on the west side of the existing jail on the site of an existing parking lot and unused secure outdoor yard. The addition consists of a single-story administration and public entrance area and a two (2) story, four (4) level inmate housing unit with a connection to the existing jail.

The Project area is approximately 134,000 square feet with a building footprint of approximately 55,400 square feet. The structure includes precast concrete cells, columns, beams, and hollow core pre-cast planks with some load bearing concrete masonry units, metal decking, and reinforced concrete slabs. The single-story portion is a steel frame

### **Project Schedule**

Construction Completion: August 2020

Transition Period: Phased occupancy to be determined by Sheriff's Office

### **Project Status**

The majority (ninety eight percent [98%]) of construction is complete. Remaining tasks include:

- Implement California State Fire Marshall (CSFM) approved revisions
- Obtain Engineering Judgements (EJs) for outstanding CSFM issues

- Accessibility fixtures to meet Americans with Disabilities Act (ADA) requirements (shower heads and grab bars)
- Heating Ventilation and Air Conditioning (HVAC) testing and balancing (pending fan speed resolution)
- Fencing and gate completion
- Board of State and Community Corrections (BSCC) punch items from virtual site walk
- Complete Architect punch list corrections
- Fire Alarm and smoke control system testing
- Security System Functionality Testing

**Project Budget**

- Original Project budget: \$88,900,000
- Projected Costs: \$89,065,961\*
- Projected Budget Shortfall: \$165,961

*\*Approximately fifteen (15) change order requests are pending pricing from the contractor and are not included in this projected cost.*

A summary of the Project budget is included as Attachment A.

Staff looked for ways to operate within the established budget. However, project delays to address CSFM requirements and other unanticipated work have extended the Project schedule into August 2020 and have resulted in continued monthly soft costs and added services.

Field modifications to the HVAC system have extended the schedule into August 2020. An additional fifteen (15) change order requests are pending pricing from the contractor. Pending change order requests and potential HVAC changes, plus added soft costs, will exceed remaining contingency. Until these costs are known, budget projections continue to show a contingency of \$246,747 as available.

With rescoping the New Juvenile Hall project, staff anticipates funding could be available to offset these additional Project costs. Previous reports referenced an added water softener system to extend the life of the hot and cold water systems. Due to Project budget constraints this work will be managed as a separate project through the County's Job order Contracting (JOC) program. The Sheriff's Office submitted a budget augmentation request for this work which is anticipated to be included in the Fiscal Year (FY) 2020/21 adopted budget. The water softener installation will not impact the Project budget or schedule.

OTHER AGENCY INVOLVEMENT:

Resource Management Agency (RMA) and the Sheriff's Department continue to work jointly with the project team (construction manager, architect and staff augmentation engineer consultant) to meet all State requirements to maintain the conditional award for the grant funding. State Water Resources Control Board and CSFM construction phase inspections will continue throughout the duration of construction. RMA will work closely with the County Administrative Office (CAO) on estimating additional project funding needs and financing sources.

FINANCING:

The current Board of Supervisors approved budget is \$88,900,000 which consists of \$80,000,000 in

State AB-900 Lease Revenue Bonds and a County match of \$8,900,000.

The Project construction contingency budget is \$6,627,700. Projected change order costs of \$6,380,953 include \$6,322,707 in approved change orders and \$58,246 in Contractor change order requests. Of the \$6,322,707 in approved change orders, \$3,305,407 are categorized as Scope Changes, including \$1,307,936 for fuel tank and generator replacement approved by the Board on October 16, 2018. The remaining change orders (\$3,017,300) are considered Errors & Omissions or Other (such as unknown site conditions, CSFM inspection requirements, etc.). The County is also awaiting contractor estimates on approximately fifteen (15) additional change order requests. The validity of these change order requests is under review. Using these projections, the remaining construction contingency budget is \$246,747. Projected soft costs exceed the budget by \$412,708. Total expenditures invoiced to date are \$86,378,349 including \$72,617,481 in construction costs and \$13,760,868 in soft costs.

To date, the County has claimed \$66,083,287 of the \$80,000,000 AB-900 Lease Revenue Bonds grant. Claims for the remaining \$13,916,713 are being processed for submittal to the State. If additional costs above the approved budget are identified, a funding request or existing funding reallocation will be presented to the Capital Improvement Committee (CIC) and Budget Committee (BC).

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Attachments:

Attachment A: Project Budget

Attachment B: Change Order History