



Monterey County

Item No.29

Board Report

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

Legistar File Number: 21-199

March 09, 2021

Introduced: 3/1/2021

Current Status: RMA Administration -
Consent

Version: 1

Matter Type: General Agenda Item

Adopt a resolution to:

1. Authorize and direct the Auditor-Controller to amend the FY 2020-21 Adopted Budget to increase appropriations for the General Fund, Fund 001, Other Financing Uses Appropriation Unit CAO017 by \$2,998,000 financed by a release of General Fund Capital Projects Assigned Fund Balance (001-3123) (4/5ths vote required);
2. Authorize and direct the Auditor-Controller to amend the FY 2020-21 Adopted Budget to increase appropriations and operating transfers in for the General Liability Internal Service Fund, Fund 475, Appropriation Unit COU003 by \$2,998,000 financed by an operating transfer in from the General Fund, Fund 001, Other Financing Uses Appropriation Unit CAO017 (4/5ths vote required);
3. Authorize the Auditor-Controller to transfer \$2,998,000 from the General Fund, Fund 001, Other Financing Uses Appropriation Unit CAO017 to the General Liability Internal Service Fund, Fund 475, Appropriation Unit COU003 (4/5th the vote required);
4. Authorize the Auditor-Controller to amend the Fiscal Year 2020-21 Adopted Budget to increase appropriations by \$659,359 for Building Improvement and Replacement Fund, Fund 478, Sub-Fund BIR, Appropriation Unit CAO047, financed by fund balance (4/5ths vote required);
5. Authorize and direct the Auditor-Controller to amend the FY 2020-21 Adopted Budget to increase appropriations and operating transfers in by \$3,657,359 for Facility Master Plan Projects, Fund 404, Appropriations Unit RMA015, financed by an operating transfer in of \$2,998,000 from the General Liability Internal Service Fund, Fund 475, Appropriation Unit COU003 and \$659,359 from the Building Improvement and Replacement Fund, Fund 478, Sub-Fund 478 BIR, Appropriations Unit CAO047 for descope and settlement costs related to the New Juvenile Hall Project 8811 (4/5ths vote required); and
6. Authorize the Auditor-Controller to transfer \$2,998,000 from the General Liability Internal Service Fund, Fund 475, Appropriation Unit COU003 and \$659,359 from the Building Improvement and Replacement Fund, Fund 478, Sub-Fund 478 BIR, Appropriations Unit CAO047, to Facility Master Plan Projects, Fund 404, Appropriations Unit RMA015 for descope and settlement costs related to the New Juvenile Hall Project 8811 (4/5ths vote required).

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Adopt a resolution to:

1. Authorize and direct the Auditor-Controller to amend the FY 2020-21 Adopted Budget to increase appropriations for the General Fund, Fund 001, Other Financing Uses Appropriation Unit CAO017 by \$2,998,000 financed by a release of General Fund Capital Projects Assigned Fund Balance

(001-3123) (4/5ths vote required);

2. Authorize and direct the Auditor-Controller to amend the FY 2020-21 Adopted Budget to increase appropriations and operating transfers in for the General Liability Internal Service Fund, Fund 475, Appropriation Unit COU003 by \$2,998,000 financed by an operating transfer in from the General Fund, Fund 001, Other Financing Uses Appropriation Unit CAO017 (4/5ths vote required);
3. Authorize the Auditor-Controller to transfer \$2,998,000 from the General Fund, Fund 001, Other Financing Uses Appropriation Unit CAO017 to the General Liability Internal Service Fund, Fund 475, Appropriation Unit COU003 (4/5th vote required);
4. Authorize the Auditor-Controller to amend the Fiscal Year 2020-21 Adopted Budget to increase appropriations by \$659,359 for Building Improvement and Replacement Fund, Fund 478, Sub-Fund BIR, Appropriation Unit CAO047, financed by fund balance (4/5ths vote required);
5. Authorize and direct the Auditor-Controller to amend the FY 2020-21 Adopted Budget to increase appropriations and operating transfers in by \$3,657,359 for Facility Master Plan Projects, Fund 404, Appropriations Unit RMA015, financed by an operating transfer in of \$2,998,000 from the General Liability Internal Service Fund, Fund 475, Appropriation Unit COU003 and \$659,359 from the Building Improvement and Replacement Fund, Fund 478, Sub-Fund 478 BIR, Appropriations Unit CAO047 for descope and settlement costs related to the New Juvenile Hall Project 8811 (4/5ths vote required); and
6. Authorize the Auditor-Controller to transfer \$2,998,000 from the General Liability Internal Service Fund, Fund 475, Appropriation Unit COU003 and \$659,359 from the Building Improvement and Replacement Fund, Fund 478, Sub-Fund 478 BIR, Appropriations Unit CAO047, to Facility Master Plan Projects, Fund 404, Appropriations Unit RMA015 for descope and settlement costs related to the New Juvenile Hall Project 8811 (4/5ths vote required).

SUMMARY/DISCUSSION:

The New Juvenile Hall Project 8811 (Project) consists of replacing the Juvenile Hall campus at 1420 Natividad (38,949 sq. ft., three [3] buildings) with a new campus. The grant includes a 3-year construction completion requirement to sell the State bonds. The Project was bid as a single construction project. In order to accommodate Probation operations during construction, the scope of work has been implemented in two (2) construction phases, with Phase I/IIA completed by Zovich & Sons Inc, dba Zovich Construction (Contractor) and Phase IIB to be completed under the County's Job Order Contracting (JOC) program.

In May 2020 County staff began working with the California State Department of Finance (DOF), Board of State and Community Corrections (BSCC) and California Department of Corrections and Rehabilitation (CDCR) to revise the Project scope due to the 3-year construction completion requirements to sell the State bonds and the changes required to complete Project Phase I. On June 9, 2020 the County Board of Supervisors adopted a resolution to approve a change of scope to the (Project). This descope was approved by the BSCC on June 11, 2020 and the State Public Works Board on July 13, 2020.

On February 12, 2021, the Board of Supervisors met in closed session to discuss an item of potential significant litigation related to Project Phases I/IIA. On February 23, 2021, staff presented a tentative global settlement to the Board for consideration which resolved the potential litigation. Staff will return to the Board in closed session on March 9, 2021 to present final documentation for review and

approval.

A portion of the global settlement cost will be covered by the available Project contingency; however, \$3,657,359 remains unfunded. This Board action will authorize transfer of funds necessary to pay these final Phase I/IIA costs.

The Project is now in Phase IIB which consists of completing the outdoor recreation area and courtyard, security fencing around the remaining courtyard and a modular/portable building for institutional storage. Staff has selected Precision Construction Services (Precision) to complete the remainder of Phase IIB site work. The storage unit procurement is complete using a federal Government Services Administration (GSA) contract which provides a twenty-five percent (25%) discount to state and local governments. Phase IIB is scheduled to be complete in June 2021. To avoid unanticipated delays from field changes by the California State Fire Marshall (CSFM), the Project Team is working with the Architect to conduct extra due diligence in development of the revised Phase IIB plans. The CSFM has required Phase IIB be designed to current building codes adopted after the start of the Project and the issuance of new permits. This added approval process is taking longer than originally planned. The Project team is working with Precision, the JOC contractor, to streamline the construction schedule and keep the Project within the current June 2021 project completion estimate.

OTHER AGENCY INVOLVEMENT

Public Works, Facilities & Parks (PWFP) staff have worked closely with the County Administrative Office (CAO) and The Office of the County Counsel-Risk Manager to identify eligible funding sources for the Project funding shortfall. The funding source recommendations in this report are jointly supported by PWFP, CAO and the Office of the County Counsel-Risk Manager, Risk Management Division.

FINANCING:

The current Board of Supervisors approved Project budget is \$61,272,032 which consists of a State SB81 Local Youthful Offender Rehabilitative Facilities Construction lease revenue bond of \$35,000,000, State required minimum County match of \$3,500,000, and additional County funding of \$22,772,032 for a total County funding commitment of \$26,272,032. If approved, the additional funding in this report (\$3,657,359) would increase the Project budget to \$64,929,391.

Staff recommends providing \$3,657,359 to the Facility Master Plan Projects, Fund 404, financed by General Fund, Fund 001, Capital Projects Assigned Fund Balance (\$2,998,000) and Building Improvement and Replacement Fund, Fund 478, Sub-Fund 478 BIR (\$659,359). This action would reduce the Capital Projects Assigned Fund Balance from \$4,070,894 to \$1,072,894.

Because available Project funding is being used to fund a portion of the settlement costs, the Project no longer has contingency funds to absorb any additional unanticipated costs. If additional costs arise, staff will need to come to the Budget Committee and Board to request additional funding.

Contracts/Purchasing is in possession of various construction materials purchased for Phase IIB prior to the descope which can no longer be used for this Project. The sale of these materials or internal purchase for use on other County projects would offset a portion of the costs for the global settlement.

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It is unknown at this time how much revenue may be realized from materials sales.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Provision of a New Juvenile Hall facility supports the Board of Supervisors Administration, Infrastructure, and Public Safety Strategic Initiatives by enhancing the safety of County staff, facility occupants, and the public.

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

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Approved by: Randall Ishii, Public Works, Facilities and Parks Director

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