

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT General Services Agency	(2) MEETING DATE 4/2/2013	(3) CONTACT/PHONE Janette Pell, General Services Agency Director 805/781-5200	
(4) SUBJECT Presentation and Update on Juvenile Hall Expansion Project located at 1065 Kansas Avenue.			
(5) RECOMMENDED ACTION It is recommended that the Board receive and file the presentation on the current status of the Juvenile Hall Expansion project.			
(6) FUNDING SOURCE(S) \$13.12 M State SB81 Funding \$3.5 M County General Government Building Replacement Reserves - Juvenile Hall Bldg. Designation \$1.37M County in-kind match	(7) CURRENT YEAR FINANCIAL IMPACT \$556,032 Additional Estimated County Cost (Source TBD)	(8) ANNUAL FINANCIAL IMPACT \$194,142 additional operating cost to Probation Dept. beginning in FY 2015-16	(9) BUDGETED? \$3.5 million authorized from reserves \$556,032 source TBD
(10) AGENDA PLACEMENT <input type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ___) <input checked="" type="checkbox"/> Board Business (Time Est. <u>40 min.</u>)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input checked="" type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) NA		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: NA <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP Attached	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: 2/07/12, 6/02/09, 9/21/10, 12/16/08, 10/14/08	
(17) ADMINISTRATIVE OFFICE REVIEW Geoff O'Quest, Administrative Analyst			
(18) SUPERVISOR DISTRICT(S) District 2 -			

County of San Luis Obispo



TO: Board of Supervisors
FROM: General Services Agency / Janette Pell, GSA Director, 781-5200
Probation Department / James Salio, Chief Probation Officer, 781-5300
DATE: 4/2/2013
SUBJECT: Presentation and Update on Juvenile Hall Expansion Project located at 1065 Kansas Avenue.

RECOMMENDATION

It is recommended that the Board receive and file the presentation on the current status of the Juvenile Hall Expansion project.

DISCUSSION

The purpose of this report is to review the Juvenile Hall Expansion Project with an overview of the history and project description, and provide an update of the financial status and project schedule. In summary, a re-evaluation of the project cost estimate suggests the Project will cost \$931,032 more than originally estimated in 2008. Funding authorized for this project by the Board in 2009 included \$375,000 to cover significant, unforeseen issues. If this funding is used to offset a portion of the estimated costs increase to the project, approximately \$556,000 of additional funding will need to be added prior to requesting bids for construction of the project in the fall of 2013.

Background

The existing 18,068 square foot Juvenile Hall, constructed in 1980, has a maximum capacity of 45 youth in 3 housing units, and has been modified over the years to ensure a safe and secure environment for detained juveniles. However, the facility's ability to increase housing and develop a treatment unit is not possible without a major expansion. A 2007 facility needs assessment identified numerous concerns at the older facility emphasizing the growing need for additional secure housing, educational and recreational program space, and a treatment facility to house youth who require counseling and medical treatment. The proposed project will increase the maximum housing to 65, including the future treatment unit.

In 2008, the Probation Department successfully applied for and received \$13,120,983 in SB81 funding to expand the existing Juvenile Hall. The County accepted the conditional award of \$13.12 million in SB81 funding in June of 2009, and authorized \$3.5 million in General Building Replacement Reserves for this Project. In February 2012, the Board awarded a professional services contract to the architectural firm of Ravatt Albrecht and Associates to design the expansion.

The design for the facility expansion includes three primary structures and associated site improvements.

1. The housing unit is a single story 8,586 square foot building with 20 single sleeping rooms, 2 counseling/interview rooms and an outdoor recreational yard. The design includes a bid option to add 10 more sleeping rooms to the new housing unit. The option is not funded at this time, and is not eligible for SB81 funding.
2. The expansion includes a two story 9,824 square foot building that will accommodate three classrooms, a teacher's meeting room which will also provide educational instruction to students in a small group or one-on-one environment, and medical support offices on the first floor. The second floor houses staff offices, staff training room, staff showers and lockers, administrative offices and break area.
3. A free-standing 5,006 square foot multipurpose facility is proposed to provide all-weather recreational needs and support for assembly and other programs. The building is undersized for a typical school gym and basketball court. A bid option to enlarge the gym to 5,688 square feet is included in the bid package. The option is not current funded, but is eligible for SB81 funding.

Other site improvements include: a canopy structure from the housing units to the multipurpose building; environmental mitigation improvements for drainage; security fencing; perimeter lighting and cameras; fire access road with hydrants at the south perimeter of the facility; recreational yards; and miscellaneous infrastructure.

Additive bid options are included in the bid package to allow the County to competitively bid and consider project features that are a priority to the facility, but were not included the original project budget. Currently there are seven additive alternate bid options:

1. \$153,117 - Electronic control system for the housing unit's water system to control water in sleeping rooms and youth showers to minimize malicious tampering.
2. \$242,940 - Enlarge the new multipurpose building from 5,002 to 5,688 square feet to allow for a standard size youth court.
3. \$122,493 - Solar photovoltaic system to offset 12% of facility energy costs.
4. \$ 23,519 - LED lighting for the exterior and the multipurpose room to reduce energy use and lower maintenance.
5. \$ 33,195 - Additional concrete paving in the recreational yard.
6. \$169,871 - Provide acoustical ceiling tiles for the multipurpose building to control noise.
7. \$467,546 - Provide 10 additional single occupancy sleeping rooms at the new housing unit.

The Steering Committee will prioritize the options prior to bidding and consider including them in the project as funding allows. All of the options are eligible for State funding.

The bid option to add 10 beds to the new housing unit is estimated at \$461,152 for construction, and is not eligible for State funding. The project includes the engineering and design of the option to allow for future expansion needs. The bidding of this option will enable the County to consider the advantages of adding the additional beds at this time, or to defer the work. The project team will report back to the Board following the bidding to report on the operational advantages as well as the cost differences to add the 10 beds or to defer the option.

Status of Project Cost

The bid options enable the County to hold to a fixed construction budget. The 2008 construction estimate was accepted by the State and established the project scope and construction cost at a maximum of \$13,120,983 or 75% of the total eligible projects cost. While the State funding remains fixed, the total estimated project costs have increased from \$17,494,644 to \$18,539,815, an increase of \$1,058,671.

In September 2012, GSA identified numerous cost impacts and potential future increases to the project's professional design and construction management services. As a result, the County's revised share of cash cost for the project is now estimated at \$4,056,032, which is \$931,032 over the \$3.125 million set aside at the time the Board accepted the SB81 funding and created the project. When the project was funded in 2009, a total of \$3.5 million was set aside for the project, including \$375,000 to cover significant, unforeseen issues. If this funding is used to offset a portion of the estimated costs increase to the project, approximately \$556,000 of additional funding will need to be added prior to requesting bids for construction of the project in the fall of 2013, if the project is to be completed.

The increase in estimated cost for the project is primarily the result of two factors: delays and unforeseen costs:

Project Delays: The State funding application time frame for the project was based on completing construction in 2013, and did not consider delays in the State processing and start-up of the project. The project was deferred for 1.3 years between State funding acceptance and project start up due to the State's financial uncertainties. Processing the project documents through the levels of State agencies and the State's request to change the lease properties, and easements further impacted the project. The construction duration was estimated for 18 months and has been increased to 20 months due to environmental impacts and the complexity of working at a secure and occupied facility. The estimated time of completion of the construction is September 2015. The original estimates were based on Construction management and consultant services fees from 2008. Since then, fees have increased 20 to 22 percent.

Unforeseen Costs: There have been several expenditures that factor into this project that were unknown during the SB81 application process. The State agencies assisting in the documents invoiced the County for their services. The State has also requested the County combine the two original lease boundaries into one and provide new legal documents and appraisals. New State regulations for storm water now require extensive reporting and monitoring. Military access easements across the juvenile property require realignment to provide continuous access for the adjacent Camp San

Luis. General Services also recommends a constructability review of the construction documents, and commissioning of the facility to verify equipment is working to intended capacities.

Status of Project Schedule

The State and County have approved the Design development documents, and anticipate receiving the Construction documents in late April or early May for reviews and submittal to the State. The design is proceeding concurrently with the State tasks to complete the SB81 contracts and documents approvals in anticipation of bidding the Project in September 2013. Following the completion of the construction documents, the County is preparing requests for proposals for construction consultant services.

Completed State Task Approvals

The County and the State have completed the following actions as required for State Contracts – Phase 1:

- Environmental Determination and State Clearing House review.
- State approval of In-kind match, property appraisals, administrative cost verification reports.
- Staffing Plan and Operational Program.
- Three page cost summary and budget summary tables.
- Key events table.
- Design Development Plans and Project Scope.

Future Tasks Required Board Approvals

The following will be presented to the Board for recommended action April 16, 2013:

- Adopt and file the Mitigated Negative Declaration.
- Accept the thirty year projected operational cost report for the new expanded facility.
- Approve and sign the Camp San Luis easement realignment and quit claim of prior easement.
- Request to approve a funding advance to support the project through the next steps to request and evaluate consultant services.

The following tasks are in progress and will be brought to the Board prior to project bidding:

- May – Approval of State Contracts - Phase 1: Establishes County and State commitment following the approval of the preliminary plans, staffing and operational plans, environmental determination, and project schedule and budget.
- June/July Approval of State Contracts - Phase 2: Establishes the lease boundaries and the States right of entry as required for the sale of bonds to fund the State's share of the project.
- Approval and award of Construction Management, Inspection, Testing, and Environmental monitoring consultant service contracts.

OTHER AGENCY INVOLVEMENT / IMPACT

The JHE Steering Committee with participants from Probation, Auditor-Controller, County Administrative Office, County Counsel, and GSA staff has been actively involved in project reviews and oversight. The following State agencies are involved in the approval process California Department of Corrections and Rehabilitation, Board of State and Community Corrections, Pooled Money Investment Board (PMIB), State Public Works Board, State and local Fire Marshals, the State Real Property Division of General Services, the State Architectural Review agency, State Water Quality Control Board, and the Department of Fish and Wildlife. The State SB81 and regulatory agencies and processes add to the complexity of this project. At this time, the State agencies involved are understaffed and overburdened with SB81 and AB900 projects. As a result, the State reviews and processing of project documents have taken up to six months longer what was expected.

FINANCIAL CONSIDERATIONS

The SB 81 funding for the Juvenile expansion is similar to the Women's Jail Expansion AB900 funding. Both are based on project estimates from 2008. Funding is administered through the California Department of Corrections and Rehabilitation and the Board of State and Community Corrections (CDCR and BSCC) and must comply with the State's Bond Act requirements. The State funding is restricted to construction expenses with a maximum cap of 75 percent of the total project costs and restricted to the amount in the 2008 SB81 funding application. The County is required to fund a minimum of 25 percent of the total project costs which can include cash and in-kind expenses as part of the local match. The local share can include professional and staff costs to design and manage the project through construction, additional construction costs within the approved scope, environmental studies and monitoring, the market value of the land, operational transition expenses and the final audit. State Funding cannot be used for furnishings, equipment, or any

project costs other than construction as defined in the State contract scope.

Construction costs for the Juvenile Hall Project are eligible for \$13,120,983 in State funding. Total project costs in the State funding application were estimated in the amount of \$17,494,644. The SB81 proposal includes a County cash and in-kind match of \$4,373,661. Of this match amount, the County appropriated \$3,125,000 in funding from the County General Building Replacement Reserves in 2009. The remaining match amount of \$1,248,661 will be made up of Probation operating costs, land value credit, and other County expenditures.

The table below shows the revised cost estimate for the project and identifies projected increases by types.

Revised Project Cost Estimate			
Component	Original Estimate (2008)	Revised Project Cost March 2013	Change
Construction (excluding furniture and equipment)	\$13,207,745	\$13,207,745	0
Architectural, Environmental, and Construction Management Services	\$2,288,238	\$2,798,270	\$510,032
GSA Administrative, RPS, and Support Services	\$750,000	\$871,000	\$121,000
Probation Support, Property Market Value, Transition planning, and other (in-kind match)	\$1,248,661	\$1,376,300	\$127,639
Contingency	0	\$300,000	\$300,000
Total Project	\$17,494,644	\$18,539,815	\$1,058,671
Less in-kind match (non-cash funding)			(\$127,639)
Total Estimated Increase			\$931,032
Less funding authorized for significant, unforeseen issues			\$375,000
Estimated Unfunded Cost			\$556,032

The comparison above estimates the total project is \$931,032 above the original estimate including a \$300,000 contingency to carry the project through construction. A large portion of the increase is for professional construction management services that will be awarded by contract prior to the project bidding in the fall of 2013. General Services will return to your Board to adjust the budget for the Construction Management, Inspection, and Testing service contracts. The remainder of the administrative services, consultant services and impact fees will be funded the existing allocation of \$3,125,000 as shown in the funding table below.

Project Cost and Funding Sources			
Component	Original Estimate (2008)	Revised Project Cost March 2013	Change in Cash Funding
State SB81 Funding	\$13,120,983	\$13,120,983	\$0
County Cash Match	\$3,125,000	\$4,056,032	\$931,032
County General Government Building Replacement Reserves	375,000		(\$375,000)
County In-Kind Match – Funding by Probation operating budget, land value credit, and previous expenditures in 2007 & 2008	\$1,248,661	\$1,376,300	\$0
Total Project	\$17,494,644	\$18,539,815	\$556,032

Furnishings and Equipment

Removable furnishings and equipment are not eligible for State funding and cannot be used for part of the County's local match. Furnishings such as bulletin boards, lockers, tables and chairs that are bolted to the floor are included in the construction documents and are State funded. The Steering committee is working with the Architects and Probation to determine what additional furniture and equipment are needed for the operation of the expansion. Probation has indicated that all options for used furnishings in support spaces will be considered, and supplemented with new from their operations budget.

Future Facility Improvements and Operational Cost Offsets

The expansion of Juvenile Hall with high security housing for 20 youth will allow the Probation Department to convert 15 existing beds on East Unit to a much needed in-custody treatment program for habitual male juvenile offenders. The program will use evidence based treatment modalities targeted at identified criminogenic factors to rehabilitate participants. The Probation Department has estimated the cost for this program during the first year to be \$685,930.

Currently, the County pays to house some male juvenile offenders in group homes through the Department of Social Services. Once the treatment program is underway, General Fund costs savings will be generated by sending fewer youths to group homes. Based on the current cost of group home placements for the 15 minors who would be eligible for the Probation Department's in-custody treatment program if it was in effect today, it is estimated that a total of \$660,114 of General Fund savings could be shifted from the Department of Social Services to Probation to support the program.

A smaller portion of the cost (approximately \$100,000) will be offset by the Probation Department's State funding for counseling and treatment services. No additional staffing will be required at the time the new housing unit is occupied. Staff from the existing housing unit intended for the future treatment center will be transferred into the new expansion areas. At the time the treatment center is occupied, additional staff will be required as shown in the table below.

IN-CUSTODY JUVENILE HALL TREATMENT CENTER PROGRAM		
Estimated Costs for Fiscal Year 2015/16		
Description	COST ESTIMATE	FUNDING SERVICES
6 Juvenile Services Officer I's	\$469,945 *	County General Fund
Counseling Services	\$100,000	State Realignment (SB81)
Food (from County Jail)	\$ 28,896 **	County General Fund
Clothing/Household	\$ 21,406 **	County General Fund
County Overhead/Utilities	\$ 65,682 **	County General Fund
TOTAL	\$685,930	
	\$585,930	County General Fund
	\$100,000	State Funding
*Costs based upon January 1, 2013 dollars at Tier 3 pension rate with 2% inflator applied each year and includes evening and night differential pay. If there are no raises for JSOs between 2012 and 2015, this cost is estimated be \$442,840.		
** Costs based upon August 21, 2012 dollars plus a 3% cost factor each year as required by the State agencies.		

RESULTS

The continued support of this project and SB81 requirements will significantly increase and improve the County's Juvenile Hall facility. The State funding provides 70 percent of the funding for this project and will enable the County to increase capacity, provide better facilities for educational, recreational and treatment programs for youth offenders. Maintaining these facilities and programs provides the County's growing population the services to support a healthy and safe community.

ATTACHMENTS

1. Vicinity Map
2. Chronological Board Actions