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**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

FROM: Economic Development Agency

SUBMITTAL DATE:
December 5, 2013

SUBJECT: East County Detention Center Project – Commitment of Funds, District 4, [\$274,000,000],
Funds to be Reimbursed by Bond Proceeds

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the estimated project budget of \$274,000,000 for the East County Detention Center (ECDC) Project described herein;
2. Authorize and approve the Executive Office to develop a financial cash flow program to fund the additional \$174,000,000 required to support the project listed herein to process ongoing costs associated with the development and construction of the ECDC Jail and reimburse the Economic Development Agency (EDA);

(Continued)

Robert Field
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 10,000,000	\$ 65,000,000	\$ 274,000,000	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	
SOURCE OF FUNDS: 36.5% - State Financing Program; 63.5% General Fund to be reimbursed by Bond Proceeds				Budget Adjustment: No	
				For Fiscal Year: 2013/14	

C.E.O. RECOMMENDATION:

APPROVE
BY:
Rohini Dasika

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

FISCAL PROCEDURES APPROVED
 PAUL ANGULO, CPA, AUDITOR-CONTROLLER
 BY: 12/6/13
 rimental Concurrence

By: 11887 For 12/6/13
 Stanley L. Smith Jr.
 Sheriff - Coroner - PA

- A-30
- 4/5 Vote
- Positions Added
- Change Order

Prev. Agn. Ref.: 3-18 of 7/16/13; 3-13 of 6/04/13; 3-51 of 1/29/13; 3.19 of 3/27/12
District: 4/4
Agenda Number:

3-6

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

Economic Development Agency

FORM 11: East County Detention Center Project – Commitment of Funds, District 4, [\$274,000,000], Funds to be Reimbursed by Bond Proceeds

DATE: December 5, 2013

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RECOMMENDED MOTION: (Continued)

3. Ratify and approve project expenses already incurred to be reimbursed by the Executive Office; and
4. Delegate project management authority for the ECDC Jail to the Assistant County Executive Officer/EDA in accordance with applicable Board policies.

BACKGROUND:

Summary

In 2011, Assembly Bill 109, known as the Public Safety Realignment Plan, was signed by Governor Jerry Brown, which makes the county responsible for the custody, treatment and supervision of certain offenders. In order to handle a significant influx of inmates, the county needs to expand its inmate detention center capacity. On March 27, 2012, the Board of Supervisors approved the acceptance of the \$100 Million AB 900 Conditional Funding Award from the Corrections Standards Authority to be applied to the planning, design and construction of a facility known as the East County Detention Center, which will add 1,273 jail beds to the county's detention system.

East County Detention Center Project

The project replaces the existing, 353-bed Indio Jail with a 1,626-bed housing and support facility while keeping the existing jail operational. The new General Housing Units will house 192 inmates in six 32-bed dayrooms. Each dayroom will contain 16 two man cells. Each 192-bed housing unit includes outdoor recreation and video visitation accessible from the dayroom. Both men and women will be housed in the facility.

Within each housing unit will be inmate classroom space to provide general equivalency degree (GED) and other rehabilitative training, medical office with multiple exam rooms; and watch command offices for immediate supervision of the unit.

The support facility will include a full service kitchen to serve the on-site jail population; a Special Housing Unit built for inmates with physical conditions requiring their separation from other inmates and for those with a need for healthcare support; a Health Care Services Clinic built to provide a comprehensive range of ambulatory services such as dentistry and x-ray; an intake and release area to accommodate arrestees from local agencies including safety cells, holding cells, and associated inmate records, processing and classification staff; a public visiting area adjacent to the public lobby with adjoining Video Visitation Room; administrative office space to accommodate command staff, accounting staff, training staff, and other necessary support positions.

The county will construct offsite improvements specified by the City of Indio on Highway 111 from Smurr Street to Arabia Street and install a new storm drain line from Highway 111 to a parcel or parcels on the corners of Oasis Street and Dr. Carreon Boulevard.

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Economic Development Agency

FORM 11: East County Detention Center Project – Commitment of Funds, District 4, [\$274,000,000], Funds to be Reimbursed by Bond Proceeds

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BACKGROUND:

Summary (Continued)

The project is presently in the construction document (CD) phase of the design process; the 95% CD package is scheduled to be complete at the end of February 2014. In March 2014, the 95% CD package will be delivered to the State Fire Marshall (SFM) for review. The SFM review and re-submittal process could take several months. Once the SFM has approved the documents, and the Board of State and Community Corrections approves, the county must receive Department of Finance (DOF) approval to bid the project. The county construction bid process would follow, and takes 2-3 months to complete. Following receipt of a successful low bid, the county must submit the bid package and bond financing documents to the DOF for review, securing state financing, and approval before being allowed to award the contract and then begin construction; this approval could take several more months. The above process yields a construction start date in the first or second quarter of 2015.

To accelerate this process, the county is seeking approval from the state to proceed through the design, bid and award process while the state completes the necessary agreements, reviews and approvals at its State Public Works Board meetings that it deems essential. If allowed to proceed through design, bid and award in this manner, the county may get new construction underway in July 2014.

In order to expedite delivery of this project, the existing building demolition work and the site preparation component of the jail project have already been bid out for construction. This scope includes setting soldier piles, excavation of the support building's basement pad and the housing unit's Level 1 pad. This work should be complete in June 2014, and will relieve the future building contractor of 3-4 months of initial site preparation scope. In addition, general contractors will be pre-qualified for the project so that only contractors that can show a history of delivering projects of this scope and complexity will be allowed to bid. We anticipate having the contractors pre-qualified by the end of March 2014 which may provide opportunities to expedite the upcoming bidding process.

Impact on Residents and Businesses

There are no environmental impacts associated with the Board's decision to approve the estimated total project budget of the construction of the ECDC; however, once the project is awarded and construction of the project is underway, there may be minor impacts to area residents and business. These minor impacts associated with normal construction may include brief lane closures or traffic right of ways of public streets, or the interior roadways leading to and from the project. There will also be minor to moderate impacts for noise and air quality associated with the demolition and the construction of the expansion. These minor construction impacts will be reduced to a less than significant level with implementation of the mitigation measures adopted per M.O. 3-18 of 7/16/2013, that are associated with the certified Final Environmental Impact Report (SCH#2013021047).

Additional Fiscal Information

Commences on Page 4

Additional Fiscal Information

The approximate project budget shown below is based upon Design Development estimates received from the project architect, Hellmuth, Obata and Kassabaum, Inc. (HOK), and construction management firm, Vanir Construction Management (Vanir), plus anticipated offsite costs less design contingency and escalation:

PROJECT BUDGET LINE ITEMS	PROJECT BUDGET
Design	13,800,000
Construction Management	6,500,000
Building Construction	219,500,000
Offsite Construction	7,000,000
Specialty Inspections and Testing	2,700,000
Riverside County Information Technology	2,300,000
Project Management	1,300,000
County Inspections	1,100,000
Sheriff's Department Transition Planning	450,000
Furniture, Fixtures and Equipment	2,750,000
Miscellaneous Fees and Permits	2,600,000
Design Contingency	0
Escalation	0
Project Contingency	14,000,000
PROJECT BUDGET TOTAL	\$ 274,000,000

Traditionally, the county sets project budgets after bids are received. On this project, the county is receiving estimates from its architect and construction management firms as the drawings develop. These firms include the design contingency and escalation line items in preliminary budgets to account for the possibility that: (1) incomplete drawings do not reflect the total project scope; and (2) inflation and the availability of materials may significantly impact the bid climate at the actual time of bid. HOK and Vanir each represented design contingency and escalation costs in their budgets of nearly \$40,000,000. The above estimate replaces the \$40,000,000 budget number with a \$14 million number for any project contingency. The county's risk of escalation (inflationary impacts) which could significantly impact this budget increases with the passage of time which accentuates the need to seek assistance from the state so we can accelerate the bidding of this project.

In order to continue with these efforts, EDA requests the commitment of funds to be reimbursed by Bond Proceeds to begin the development and construction of the ECDC project. The total funding commitment in the estimated amount of \$274,000,000 is needed; excluding the AB900 Grant in the amount of \$100,000,000. This will ensure the ECDC project proceeds without delay.

(Continued)

Additional Fiscal Information (Continued)

The ECDC project's estimated budget has been listed below, along with AB900 Grant funds, Board approved funds to date, and the remaining balance of monies that need Capital Improvement Program approval for reimbursement.

PROJECT NUMBER	PROJECT NAME	EDA ESTIMATED PROJECT BUDGET	AB900 GRANT	BOARD APPROVED FUNDS TO DATE	ADDITIONAL FINANCING REQUIRED
FM08110000265	East County Detention Center (ECDC) Project *(M.O. 3.19 of 3/27/12)	274,000,000	* 100,000,000	0	174,000,000
TOTALS		\$ 274,000,000	\$ 100,000,000	\$ 0	\$ 174,000,000

Expenditures for FY 2013/14 are estimated at \$10,000,000 and include but are not limited to staff labor and consultants working on site entitlements, environmental compliance, grant activities, and design activities.

Expenditures for FY 2014/15 are estimated at \$65,000,000 and include but are not limited to staff labor and consultants working on design and construction activities.

Expenditures for FY 2015/16 are estimated at \$60,000,000; and expenditures for FY 2016/17 are estimated at \$39,000,000. No budget adjustment is necessary at this time.