

**MEMORANDUM
DEPARTMENT OF FACILITY SERVICES
COUNTY OF PLACER**

To: **BOARD OF SUPERVISORS**

Date: **SEPTEMBER 28, 2010**

From: **JAMES DURFEE / JOEL SWIFT**

Subject: **SOUTH PLACER ADULT CORRECTIONAL FACILITY – CONTRACT CHANGE ORDER FOR FOOD SERVICE EQUIPMENT, PROJECT NO. 4764**

ACTION REQUESTED / RECOMMENDATION: It is recommended that your Board approve and authorize the Chairman to execute Contract Change Order (CCO) #20 for Food Service Equipment, for the South Placer Adult Correctional Facility (SPACF), in the amount of \$1,793,000 and approve the attached Budget Revision shifting \$1,793,000 in appropriations from the Burton Creek Justice Center project to the SPACF project in the Capital Projects Fund.

BACKGROUND: On June 23, 2009, your Board approved a Design-Build (D-B) Contract, in the amount of \$78,988,000, with McCarthy Building Company (McCarthy) to deliver the SPACF. To date, there have been sixteen other CCO's approved to facilitate required design revisions, totaling an additional \$2,800,597.75. CCO #20 will bring the current contract total to \$83,581,597.75. With the exception of CCO #20, these costs were anticipated in the project budget contingencies. In the traditional Design-Bid-Build delivery model, the CCOs to date would normally be absorbed in the project's design contingencies.

As part of the project, a new Correctional Food Service facility is being constructed. This facility has been designed as a high output, staff efficient cook-chill food preparation and delivery operation. This new facility is designed to serve as the central kitchen for County's current Adult and Juvenile correctional population, as well as, the projected build out of the SPACF. This facility provides the means of production and food storage that maximizes the efficient delivery of meals required by the County correctional system with minimal staffing in a manner that is compliant with all state and local regulatory requirements. Major design consideration included staffing costs, equipment efficiency, bulk food storage and purchasing leverage and life-cycle costs.

The current equipment inventory has been developed based on the minimum amount of equipment necessary to operate the cook-chill process for the programmed population of the Auburn and South Placer facilities. The Facility is designed for installation of additional equipment in the processing lines when inmate population demand dictates. When demand reaches a certain level, provisions have been made to expand both the processing lines and the food storage capacity. The Probation Department estimates that the operating efficiency of the new kitchen results in four fewer full time staff positions than would be required without this change order. Furthermore, the added storage capacity provided by the equipment enhances the buying power of the food service management by at least 10% by taking advantage of large order discounts and fewer deliveries. Excluding OPEB obligations, the cost of the change order is anticipated to be recovered in six years of kitchen operation.

The original Food Service Equipment Allowance of \$3,000,000, which is included in the project budget, was based on preliminary conceptual guidelines. The current cost is derived from specific design layouts and equipment specifications. The balance of the required funding to acquire and install the food service equipment is reflected in this change order. In accordance with Section 20142 of the Public Contract Code, your Board's approval is required for any CCO in excess of \$150,000. This CCO #20 consists of a Proposed Change Order (PCO) #103, in the amount of \$1,793,000 which is required to complete the purchase and installation of the food service equipment. It is recommended that this CCO be funded through a Budget Revision appropriating \$1,793,000 from the Burton Creek Justice Center project in the Capital Projects Fund, thereby preserving the remaining project contingencies for its contemplated purpose.

In order to proceed with the acquisition and installation of the required food service equipment, it is recommended that your Board approve CCO #20, in the amount of \$1,793,000 and the attached Budget Revision.

ENVIRONMENTAL CLEARANCE: On December 11, 2003, the City of Roseville Planning Commission approved Major Project Permits (MPP 03-02 and MPP 03-03) and a Conditional Use Permit (CUP 03-05) for the South Placer Justice Center project. In accordance with Section 21083 of the Public Resources Code and Section 15075 of the California Environmental Quality Act Guidelines, a Notice of Determination for a Mitigated Negative Declaration for the project was recorded and posted on February 27, 2004, by the County Clerk of Placer County. The environmental documents include the impacts associated with construction of this project.

FISCAL IMPACT: In order to fund CCO#20, it is recommended that your Board approve the attached Budget Revision shifting \$1,793,000 in appropriations from the Burton Creek Justice Center project to the SPACF project in the Capital Projects Fund. The cost of this CCO will be recovered in six years, based on the staffing efficiencies it creates.

ATTACHMENT: BUDGET REVISION

JD:JS:RU:DS:SH

CC: COUNTY EXECUTIVE OFFICE
SHERIFF

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PAS DOCUMENT NO.

Facility Service to do journal to transfer cash

BUDGET REVISION

POST DATE:

DEPT NO.	DOC TYPE	Total \$ Amount	TOTAL LINES
12	BR	7,172,000.00	4

Cash Transfer Required

Reserve Cancellation Required

Establish Reserve Required

Auditor-Controller

County Executive

Board of Supervisors

ESTIMATED REVENUE ADJUSTMENT											APPROPRIATION ADJUSTMENT										
DEPT NO.	T/C	Rev	Fund	Sub Fund	OCA	PCA	OBJ 3	PROJ.	PROJ. DTL	AMOUNT	DEPT NO.	T/C	Rev	Fund	Sub Fund	OCA	PCA	OBJ 3	PROJ.	PROJ. DTL	AMOUNT
12											12	014		140		991078	04764	4151			1,793,000.00
											12	034		140		991078	04764	4151	704764	010000	1,793,000.00
											12	015		140		991078	04769	4151			1,793,000.00
											12	035		140		991078	04769	4151	704769	010000	1,793,000.00
TOTAL										0.00	TOTAL										7,172,000.00

REASON FOR REVISION: TO SHIFT APPROPRIATIONS FROM THE BURTON CREEK JUSTICE CENTER CAPITAL PROJECT 704769 TO THE SOUTH PLACER ADULT CORRECTIONAL FACILITY CAPITAL PROJECT 704764

Prepared by Valerie Bayne Ext 6803
 Department Head Valerie Bayne
 Board of Supervisors _____

Date: 9/28/10
 Page: _____

Budget Revision # _____ FOR INDIVIDUAL DEPT USE

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