



County of Santa Barbara  
Northern Branch Jail-AB900 Phase II  
Greg Chanis, Assistant Director  
General Services Department  
June 2, 2015



# Staff Recommendations

- a) Status update on the Northern Branch Jail Project
- b) Adopt resolution approving and authorizing execution of:
  - Ground Lease as to form
  - Right of Entry for Construction & Operation as to form
- c) Adopt Owner's Controlled Insurance Program (OCIP) Resolution
- d) Permission to Bid
- e) Goal for percentage of local participation
- f) CEQA

# Project Update -Timeline

- Project Establishment at State Public Works Board 12/14/2012 ✓
- Schematic Design Submittal 11/22/2013 ✓
- Design Development Submittal 4/25/2014 ✓
- Approval of Preliminary Plans 8/13/2014 ✓
- Submit Documents to BSCC, SFM, CDCR 12/19/2014 ✓
- **County approval to Bid 6/2/2015**
- State Approval/Proceed to Bid September 2015
- Advertise For Bids September 2015
- Bids Due October 2015
- Approval of Award by County November 2015
- Contract Award Approval by State December 2015
- Notice to Proceed/ Mobilization December 2015
- Substantial Completion December 2017
- Final Completion March 2018
- Occupancy May 2018

# Project Update - Budget

BSCC "BUDGET SUMMARY TABLE"

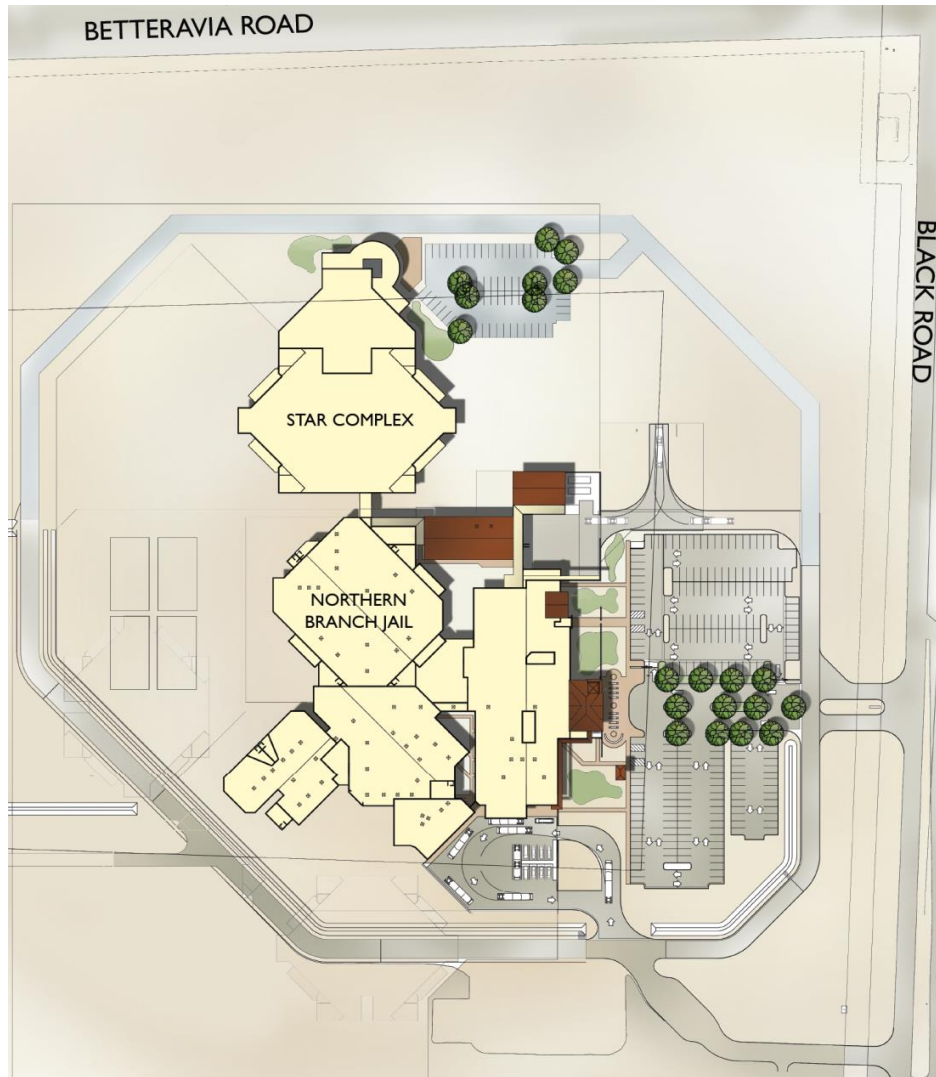
LINE ITEM	STATE REIMBURSED	CASH MATCH	IN-KIND MATCH	TOTAL	County Overmatch Eligible	County Overmatch Ineligible
1 Construction	\$68,981,999	\$3,596,203		\$72,578,203	\$701,080	40,000
2 Additional Eligible Costs	\$3,622,000	\$603,881		\$4,225,881	\$920	
3 Architectural	\$5,101,000	\$101,000		\$5,202,000	\$373,613	\$122,750
4 Construction Management	\$2,295,000	\$328,585		\$2,623,585	\$593,881	\$76,500
5 CEQA		\$383,000		\$383,000	\$0	
6 Audit			\$20,000	\$20,000		
7 Site Acquisition			\$602,000	\$602,000	\$10,000	\$4,481,315
8 Needs Assessment			\$70,000	\$70,000		
9 County Administration			\$2,988,309	\$2,988,309		\$95,205
10 Transition Planning			\$200,000	\$200,000	\$700,000	\$11,300
11 Real Estate Due Diligence			\$11,938	\$11,938		
<b>TOTAL AB900-ELIGIBLE PROJECT COST</b>	<b>\$80,000,000</b>	<b>\$5,012,670</b>	<b>\$3,892,247</b>	<b>\$88,904,916</b>	<b>\$2,379,494</b>	<b>\$4,827,070</b>
<b>PERCENT OF TOTAL</b>	<b>90.0%</b>	<b>5.6%</b>	<b>4.4%</b>	<b>100.0%</b>		

County Overmatch - Eligible \$2.379M  
 County Overmatch - Ineligible \$4.827M  
 Total Project Cost \$96.1M

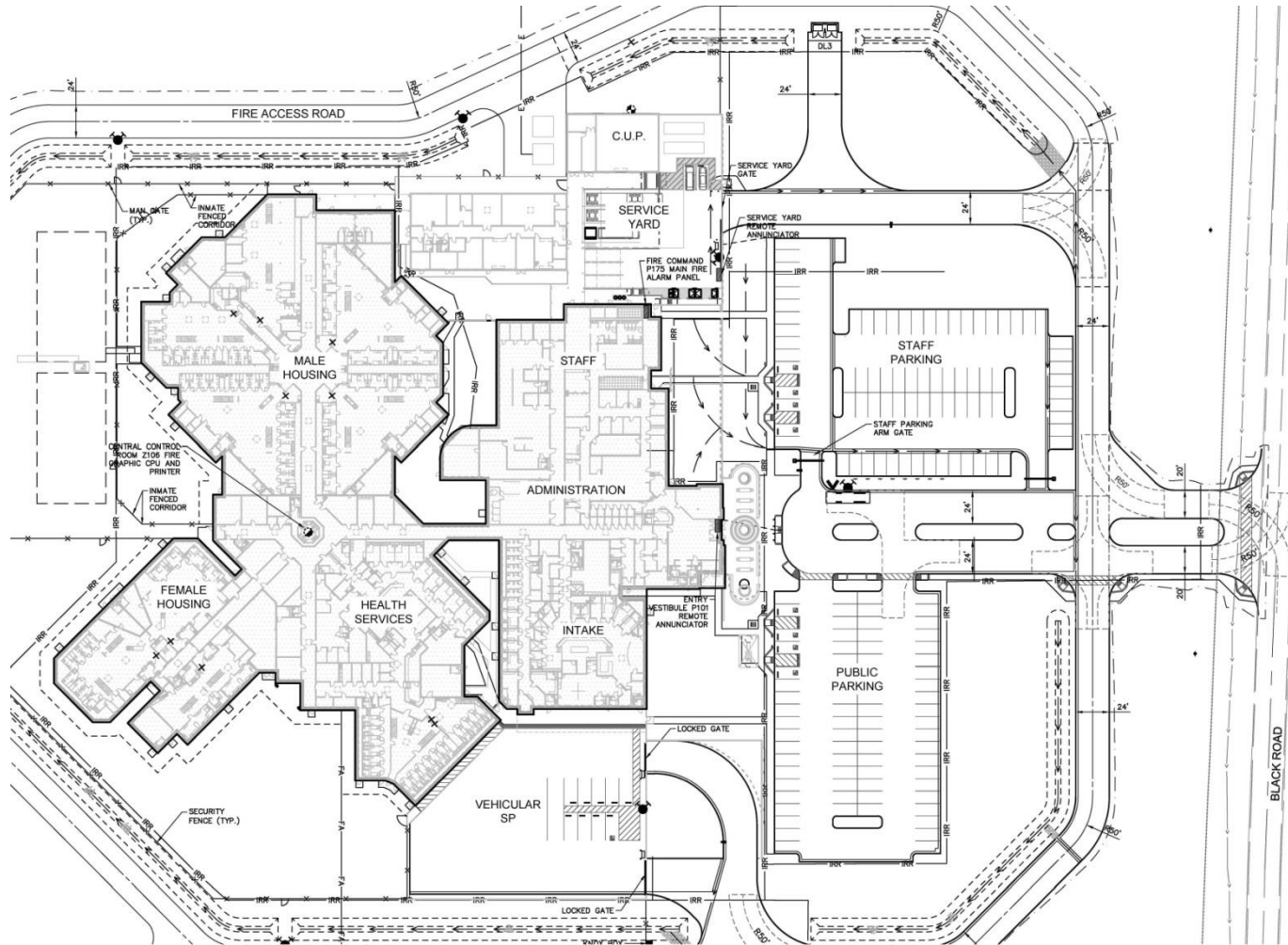
# Project Update - Budget

- Estimated cost of Supplemental Water for AB 900 = \$545,076
- Construction Cost Escalation

# Project Update-Site Plan



# Project Update – AB 900 Schematic



**ATTACHMENT E**

**NORTHERN BRANCH JAIL OVERALL FLOOR/SITE PLAN**

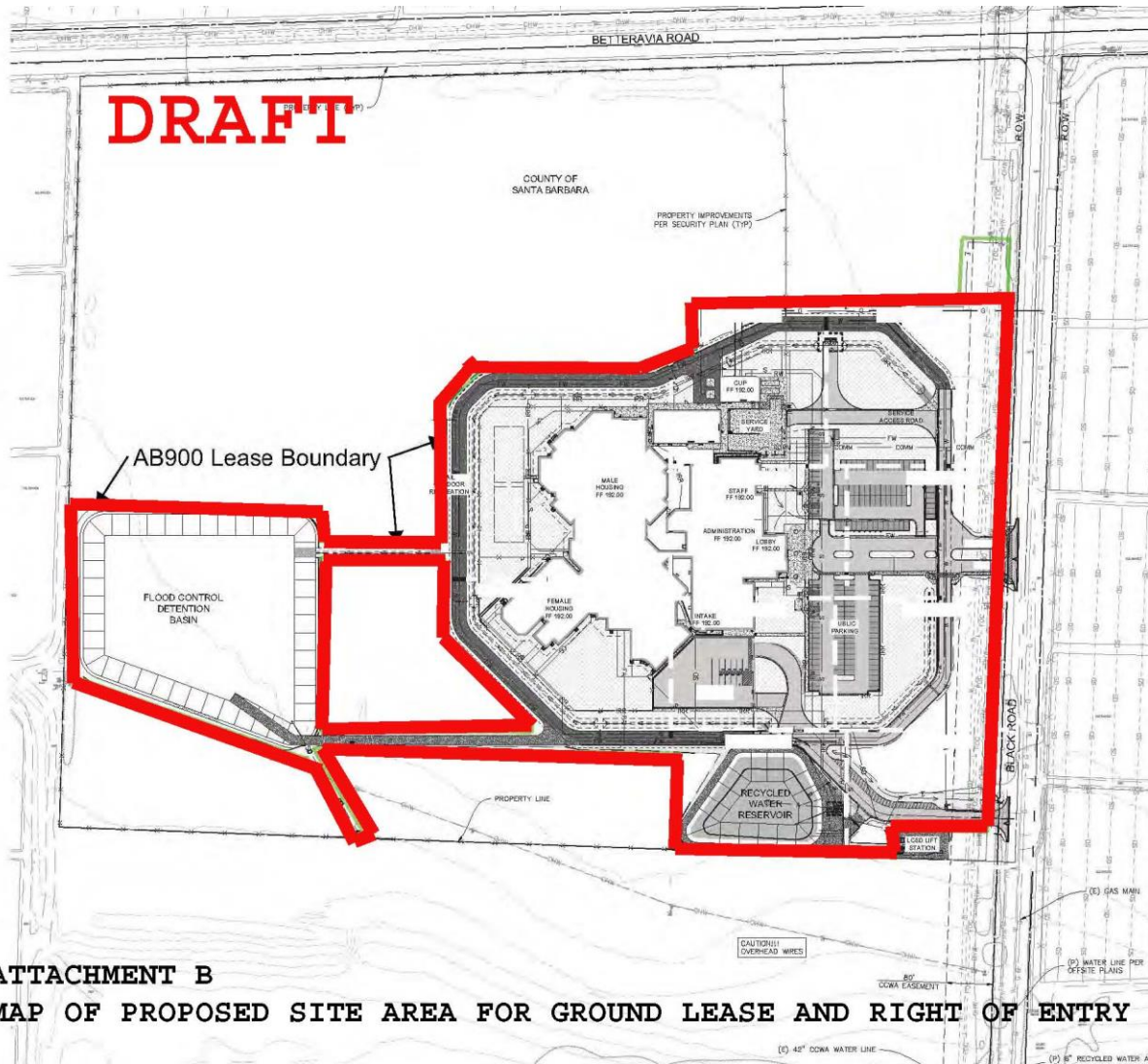
# Ground Lease / Right of Entry

The Project Delivery and Construction Agreement (PDCA), approved by the Board in May 2013, included the following provisions:

- The County agreed, as to form, to lease the site to the CDCR through a Ground Lease
- Concurrently, The CDCR agreed, as to form, to authorize the County to enter the site for the purpose of constructing the project through a Right of Entry agreement
- The form of both documents was included in the PDCA as exhibits B and C.



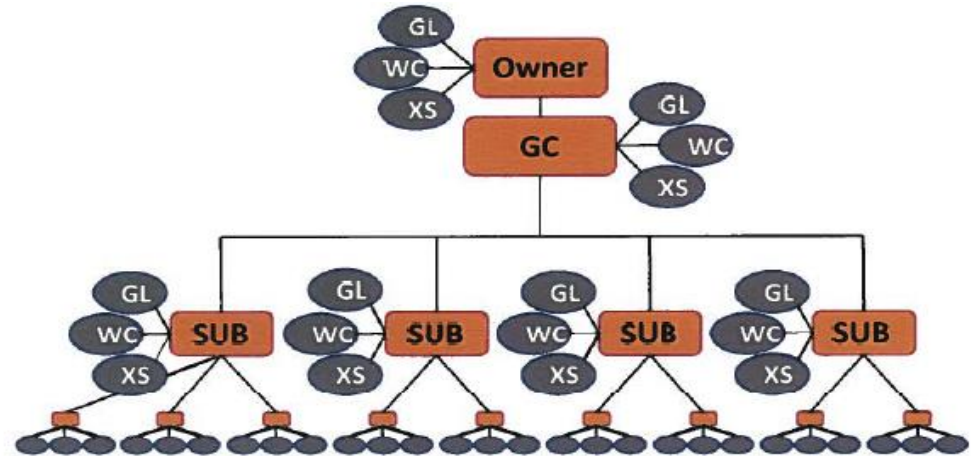
# Ground Lease / Right of Entry



# Owners Controlled Insurance (OCIP)

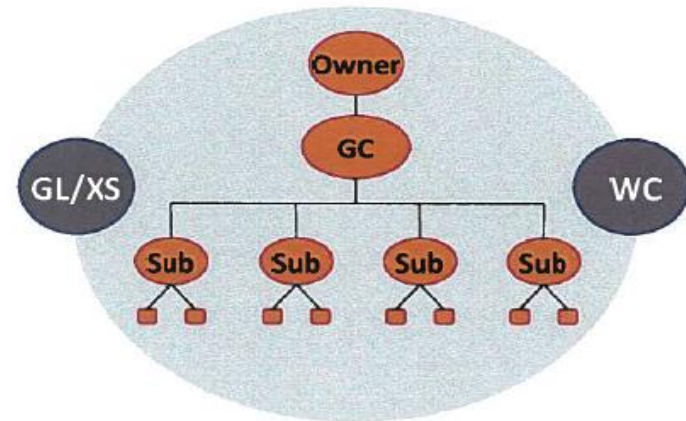
## Traditional Program

- ❑ Multiple Insurers
- ❑ Inadequate Limits
- ❑ Gaps in Coverage
- ❑ Uninsured Subcontractors
- ❑ Cross Litigation



## OCIP

- ❑ Control
- ❑ Cost Reduction
- ❑ Elimination of Redundant costs and contractor mark-up
- ❑ Higher Limits
- ❑ Consistent Coverage
- ❑ Coordinated Claims and Loss Control
- ❑ Minimize Cross Litigation/ Subrogation
- ❑ Public Relations
- ❑ Larger Contractor Pool
- ❑ Small Business Participation



# Owners Controlled Insurance (OCIP)

## **OCIP Benefits**

- Owner control over the insurance program
- Cost reduction in comparison to traditional construction insurance
- Higher limits and broader coverage
- Consistent coverage for the duration of the project, including a ten year period of completed operations coverage following project completion
- Coordinated claims and loss control
- Reduces administrative burden on county personnel
- Minimize cross litigation / subrogation
- Larger contractor pool and small business participation

## **OCIP Drawbacks**

- County has never utilized OCIP on a construction project
- Contractors may not be familiar with OCIP

# Owners Controlled Insurance (OCIP)

## Potential Cost Savings

Figures shown as a percentage of hard cost construction value, currently estimated at \$64.45M

- Estimated Contractor Insurance Costs: 2.25 – 3.25%
- Estimated OCIP Costs (Premium & Broker administration fee): 1.93 - 2.10%
- Estimated Savings = 0.32 (\$206,000) – 1.32% (\$850,000)

# Permission to Bid

## **Bid Package A- On-Site Work.**

- Estimated construction value of \$62.2M.
- Encompasses site work, onsite utilities, and construction of the 376 bed Jail facility.
- Bidding limited to the 9 prequalified contractors.

# Permission to Bid

## **Bid Package B- Off-Site Work**

- Estimated contract value of \$2.25M.
- Includes extension of potable water service, recycled water, and sewer along Black Road to service connection points south of the project, as well as street improvements.
- Bidding open to all licensed responsible contractors who are qualified and able to submit a responsive bid.

# Local Participation

Local Vendor and Labor Outreach Report prepared by Kitchell presented case studies, an outreach outline, and metrics options.

## **Case Studies**

- Local projects assessed through contract value
- Scope of project may reduce those numbers

## **Outreach Implemented**

- Communication
- Conference and events
- Database of interested contractors

# Local Participation

## **Other Local Participation Efforts**

- Design approaches
- Bid packaging
- Recoup of sales taxes



# Staff Recommendations

- a) Status update on the Northern Branch Jail Project
- b) Adopt resolution approving and authorizing execution of:
  - Ground Lease as to form
  - Right of Entry for Construction & Operation as to form
- c) Adopt Owner's Controlled Insurance Program (OCIP) Resolution
- d) Permission to Bid
- e) Goal for percentage of local participation
- f) CEQA



# Questions

