



Legislation Text

File #: 19-0170, **Version:** 2

Chief Administrative Officer and Chief Probation Officer recommending the Board approve one of the following two options for the continued development of the Placerville Juvenile Detention and Treatment facility, located at the previously identified and approved construction site located on Fair Lane, Placerville:

- 1) Authorize the construction of a 20-bed facility, confirming the previously approved scope of the facility, and increasing the current General Fund cost by \$4.8 million, for a total not to exceed cost of \$15.5 million, OR
- 2) Authorize the construction of a 30-bed facility, configured as outlined in the staff report, increasing the currently approved scope of the facility by 10 beds, and increasing the General Fund cost by \$7.3 million, for a total not to exceed cost of \$18 million.

Additionally, it is recommended the Board provide conceptual approval to move forward with the following:

- 3) Closure of the existing Juvenile Detention Facility in Placerville, effective June 30, 2019;
- 4) A reduction in force commensurate with the closure of the Juvenile Detention Facility in Placerville and direct staff to return to the Board with the specific amendment to the Authorized Personnel Resolution and related budget transfer;
- 5) The subsequent closure of the South Lake Tahoe Juvenile Treatment Center upon completion of the new Placerville Juvenile Detention and Treatment facility; and
- 6) Direct staff to explore alternative uses of the South Lake Tahoe Juvenile Treatment Center which would remain in compliance with allowable uses of that facility based on grant restrictions associated with the original construction of the facility, as discussed in the staff report. (Est. Time: 1 Hr.) (Cont. 1/29/19, Item 27)

FUNDING: SB 81 Funds and General Fund.

DISCUSSION / BACKGROUND

In previous action, the Board of Supervisors (BOS) authorized the construction of a replacement facility for the aging Placerville Juvenile Hall/Juvenile Detention Facility. In support of that goal, the BOS further authorized the pursuit of granted construction funds through the Board of State and Community Corrections second round funding of State lease revenue bonds approved in accordance with Senate Bill (SB) 81 (2007). The SB 81 grant funds were conditionally awarded to El Dorado County on April 9, 2015. Unlike most local Public Works projects, the approval process for State sponsored projects tied to lease revenue bonds involves more extensive due diligence work, project establishment and the approval of a number of differing jurisdictions of authority. This approval process greatly extends the project schedule and the corresponding schedule of anticipated costs. Cost escalation associated with the five (5) year duration from the conditional award date to the start of construction has increased the total estimated cost of the project, thereby increasing the County (General Fund) cost.

Understanding the commitment and goal of the Board to construct a contemporary detention and treatment facility for youth in El Dorado County, the Chief Administrative Officer and Chief Probation

Officer have considered various options to address the increasing cost in light of limited funding resources. The following factors were considered in determining the two options and related recommendations contained in this report.

Resolution 231-2014, Amendment I, adopted by the Board June 28, 2016, authorized the construction of a 20 bed facility. At that time, it was contemplated that the design of the facility and related infrastructure would allow for an expandable capacity of up to 40 beds. The related project cost at the time the Board first approved the project in June of 2016 was identified at \$11.5 million, reflecting \$9.6 million of grant funding, along with an in-kind match and a limited General Fund cash contribution/match. Amendment II to that Resolution, adopted by the Board December 6, 2016, committed a total of \$1.2 million as the General Fund cash contribution/match. The current estimate for construction of a facility with the same configuration is approximately \$15.5 million, not including the in-kind match estimates. To date, approximately \$100,000 of the \$1.2 General Fund cash contribution/match has been spent towards project planning activities, leaving a remaining \$1.1 million to be applied towards the updated cost estimate.

Since the last approval of the project scope, various factors related to facility needs have been identified. One key factor is average daily detention populations (ADP). The measured ADP in El Dorado County has experienced a steady decline and has stabilized at levels demonstrating a decreased long-term need for facility beds, and was at 24 for both facilities combined facilities, with the facility operating at 30% of capacity. This is also true of neighboring counties. As of September of 2018, Placer County operates at 25% of capacity, and Sacramento operates at 25 - 50%, depending on how many housing units are considered operational. As a result, the need for a detention capacity ranging between 40 and 60 beds (as identified in the original facility Needs Assessment in 2014) is no longer anticipated. However, there is an increasing need for a detention facility that serves the various programming and treatment needs of youth by supporting the modern work performed by Probation. Neither facility currently operated by El Dorado County meets the community support capacity of the Probation Department or the programming needs of the youth served in both custodial and community service settings.

The Chief Probation Officer confirms that construction of a contemporary facility that has the ability to adjust for capacity and programming needs will provide for the community for the next 30 to 40 years. Bed capacity is an important consideration - - by current estimates, the most useable configuration would be a two unit facility with 20 beds and 10 beds respectively. The 30 bed capacity will handle demands for today and the foreseeable future. However, additional beds could be needed at some future point should major policy shifts occur either locally or within the State. The cost estimate for this recommended configuration is approximately \$18 million.

Other options considered were a single 30 bed unit (\$16.5 million), two 20 bed units (\$19 million), and one 30 bed unit / one 10 bed unit (\$19 million). The 20/10 bed unit(s) option is recommended based on need, configurability and cost. It should be noted that costs for future expansion will be higher than current cost due to construction cost escalation. Investing in additional bed capacity today will help the County to be prepared for future growth, at a lower cost. To meet fluctuating populations, separate housing units can be kept vacant, saving on staffing and operating costs, and called into service as the population count dictates.

As previously stated, since the initial approval of the project, costs for construction have increased considerably. A funding source must be identified to cover the increased costs. In recognition of this need, it is recommended by the Chief Administrative Officer, with concurrence from the Chief

Probation Officer, to close one of the two currently operating detention facilities. The operational savings realized from this action will generate the needed capital resources for the construction project. Those savings can be combined with the current grant funds and County funds that have been previously set aside to fully fund the project without accruing debt or future obligation.

The largest population center of service users is on the West slope of the County and it seems inconsistent with the recommendation to close the Placerville facility in favor of the South Lake Tahoe based Juvenile Treatment Center (JTC). However, the JTC is a sixteen year old facility, as opposed to the fifty year old Placerville facility. Financing for the JTC was secured by a grant through the United States (US) Department of Justice. In exchange for the granted funds, the County agreed to continue operation of the facility in a detention capacity for a period of 30 years. Failure to do so will result in the required repayment of approximately \$4 million to the US Department of Justice. Should the Board approve the eventual closure of the JTC (once the new Placerville Juvenile Detention and Treatment facility is open), the \$4 million repayment can be avoided by transitioning the use of the JTC to an alternate allowable use.

Closure of the current Placerville Juvenile Hall is estimated to result in a net cost savings to the County General Fund. However, there are also non-monetary costs to consider in making this decision. Closing the Placerville facility and not serving youth directly on the West slope removes them from their community support and requires more extensive efforts to reintegrate them upon their release from custody. Visitations, court hearings, treatment appointments, workforce development, and education are all investments in these youth that can be hampered by moving them either to the Tahoe Basin or to the West slope when their natural home exists in the opposite environment. Equally notable will be an impact to our colleagues and employees. Closure of the Juvenile Hall will result in a reduction in force. The Juvenile Hall is currently budgeted to be staffed with 26 Deputy Probation Officers and 5.5 administrative and support positions. The majority of the estimated cost savings will result from a reduction in staffing, with some of the savings from vacant positions, but may result in a loss of high quality, dedicated County staff should employees not be relocated to alternate positions within the County. However, considering vacancies within the Department and opportunities for transfers within the County, a reduction in force would likely result in fewer actual employees leaving County service.

ALTERNATIVES

- The Board could direct the construction of a facility with lesser or greater capacity. There are costs and benefits to each of these options worth consideration.
- The Board could direct the budgeting and operation of facilities as status quo. Consistently delivering current services is worth consideration due to the community benefit of detention services in both population centers of the County. This option maintains the current GF commitments and would require an alternative funding source be identified to accomplish the goal of construction.
- The Board could terminate the construction project. This is currently not recommended as the County has identified local juvenile detention services as a priority and has indicated a desire to provide the highest quality services possible. A new facility furthers those goals. Additionally, the County currently has \$9.6 million of State funding to support this goal.

PRIOR BOARD ACTION

Legistar 14-1586

OTHER DEPARTMENT / AGENCY INVOLVEMENT

None

FINANCIAL IMPACT

Currently the County has \$9.6 million in grant funding and \$1.1 million remaining of the original \$1.2 million General Fund cash contribution/match, for a total available of \$10.7 million.

Based on today's estimates, construction of the currently approved 20 bed facility will cost approximately \$15.5 million, creating a \$4.8 million shortfall. Construction of a 20/10 bed unit(s) detention facility will cost approximately \$18 million, creating a \$7.3 million shortfall.

It is currently estimated by the Probation Department that savings from the closure of the current Placerville Juvenile Detention Facility will equal approximately \$2.5 million in General Fund expenses annually. It is estimated that the period of design and construction will take approximately 2.5 years. This would create a General Fund savings of approximately \$6.25 million, which could then be applied toward the construction cost of either size facility.

Under this scenario, and should the Board choose to construct the larger 20/10 bed facility, the General Fund contribution/match would increase by approximately \$1.05 million. Future savings could be used to offset the additional General Fund cost, and to help offset any operational costs of the new Placerville facility.

CLERK OF THE BOARD FOLLOW UP ACTIONS

None at this time.

STRATEGIC PLAN COMPONENT

Public Safety, Infrastructure, Healthy Communities

CONTACT

Don Ashton, Chief Administrative Officer
Brian Richart, Chief Probation Officer