

The decisions made by the ESC in the following pages have yet to be approved by the State stakeholders and the CSA Board.

**CORRECTIONS STANDARDS AUTHORITY
AB 900 JAIL CONSTRUCTION FUNDING PHASE II
EXECUTIVE STEERING COMMITTEE
MEETING MINUTES**

COMMITTEE CHAIR: Donny Youngblood, Sheriff, Kern County

LOCATION: California Highway Patrol Academy
3500 Reed Avenue, Training Room #10
West Sacramento, CA 95605

TIME CONVENED: August 1, 2011 10:00 am
TIME ADJOURNED: August 1, 2011, 4:15 pm

Present:

Executive Steering Committee Members:

Donny Youngblood, Sheriff, Kern County; Dave Robinson, Sheriff, Kings County; Kathy Long, County Supervisor, Ventura County; Gary Wyatt, County Supervisor, Imperial County; Jerry Powers, Chief Probation Officer, Stanislaus County; Terri Daly, Chief Administrative Officer, El Dorado County; Scott Kernan, Undersecretary, California Department of Corrections and Rehabilitation (CDCR); and Cynthia Florez-DeLyon, Chief, Office of Policy Standardization, Adult Institutions, CDCR.

Absent: Steve Moore, Sheriff, San Joaquin County.

Corrections Standards Authority (CSA) Staff:

Bob Takeshta, Deputy Director; Leslie Heller, Field Representative; Charlene Aboytes, Field Representative; John Kohls, PhD., Corrections Consultant; and, John Berner, PhD., Corrections Consultant.

Minutes Prepared By: Leslie Heller and Charlene Aboytes

Bob Takeshta welcomed the group and began the meeting with introductions. Mr. Takeshta discussed the goals of the meeting including laying the framework for the funding application process and timeline, and described the past practice of members recusing themselves due to conflict of interest. He explained that the public will be given several opportunities to provide testimony throughout the meeting.

Mr. Takeshta then asked the committee to elect a Chair and the committee unanimously elected Sheriff Donny Youngblood.

Mr. Takeshta asked the committee to determine whether they will proceed through this process with the full membership given the absence of Sheriff Moore who had contacted him ahead of time to advise he had a schedule conflict. The committee agreed that

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attendance at this first meeting was crucial given that the foundation of the process was determined at this time. As is past practice, the committee excused Sheriff Moore from future duties on the ESC.

Mr. Takeshta provided a brief history of the CSA's (formerly Board of Corrections) history of funding the construction of local jails and juvenile facilities in California and provided a brief history of Assembly Bill (AB) 900, AB 111 and AB 94. He explained the preferences stated in AB 111 and AB 94. He briefly described the typical Request for Proposal (RFP) process, the urgency to shorten this Phase II process and outlined a new application process for the committee's consideration. He explained the role of this ESC and reminded the group that the decisions reached here today would be forwarded to the CSA Board as recommendations.

John Kohls, PhD., provided a brief comparison of the typical RFP process and the proposed application process.

CSA staff guided the group through a discussion of the Issues Paper for the Executive Steering Committee. The following represents the decisions by the committee to be forwarded to the CSA Board as recommendations. The CSA Board has final approval authority for the funding process, timeline and awards.

Mandated Funding Preferences. In recognition of the language in AB 111 and AB 94 ("The CDCR and CSA shall give funding preference to counties that committed the largest percentage of inmates to state custody in relation to the total inmate population of CDCR in 2010."), the ESC determined that the admissions preference in legislation shall be a "hard preference." Hard preference means following the CDCR 2010 admissions data to determine a potential rank-ordering of funding. In further recognition of the Governor's signing message for AB 94, the ESC agreed to funding set-asides for small, medium and large counties.

In recognition of the language in AB 94 ("A participating county that has received a [Phase I] conditional award...may relinquish its conditional award... and may reapply for a [Phase II] conditional award... ." and "The CDCR and CSA shall give funding preference to counties that relinquish their [Phase I] conditional awards ..., provided that those counties agree to continue to assist the state in siting reentry facilities... .") the ESC agreed that the relinquish preference in legislation shall be a "hard preference." In this case, "hard preference" means that the Phase I funds associated with counties that are relinquishing their awards would move to Phase II and would be awarded to those specific counties following the legislative process of shifting the dollar authority from Phase I to Phase II. Those counties would be able to change their scope, but would be unable to receive more funds than what was requested in Phase I. If Phase I counties wish to apply for more funds, they would be required to reapply without the benefit of the preference.

Scope of Work Issues. The ESC agreed that counties should not be required to add beds to be eligible for an award in Phase II. This process should be flexible to allow counties to build not only beds, but to fulfill other needs (e.g. day-reporting and program space) in order to meet the demands and impact of realignment. **Note: Subsequent to the meeting, and upon review by the State stakeholders, it was determined that the legislative intent of**

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AB 900 is to increase the capacity of county jail systems in California. Therefore, participating counties applying for state financing through AB 900 Phase II must add beds as a component of their scope of work. (See Government Code Section 15820.914.)

With respect to how counties will justify their construction needs, Mr. Takeshta indicated that Title 24, Part I, Section 13-102(c)2 of the California Code of Regulations requires that if a county intends to construct a facility or add 25 or more beds to an existing facility, the county must complete a needs assessment study. If a county has a recently completed needs assessment, updating pertinent information would satisfy this requirement. The counties will also have to justify their needs to the ESC in their funding application.

The committee determined that counties should be able to use Phase II awards for renovation or deferred maintenance.

The ESC further determined that counties should be able to design and construct for a projected bed need six years beyond the due date of the application to CSA.

Use of State Funds. It was recognized that AB 111 allows this funding process to finance the cost of acquisition and design as well as the actual costs of construction. The committee agreed that given the flexibility in legislation, this funding should enable the counties to finance with state funds the design of the project and construction management. They expressly disallowed site acquisition because of concern that doing so would overly complicate the state financing process.

Funding Set-Asides. The committee determined there should be three separate set-asides of funding for like-size counties (small 200,000 or less in general population; medium 200,001 to 700,000; and large 700,001 and above). The \$602,881,000 (AB 111) would be divided as follows:

- Large counties: \$300,000,000
- Medium counties: \$200,000,000
- Small counties: \$102,881,000

Cost and Project Caps. The committee determined that there should be a cap of a maximum dollar amount that may be awarded to a given county, Phases I and II combined in total, regardless of the number of projects for which any one county may apply for and be awarded. The county cap amounts are as follows:

- Large counties: \$100 million
- Medium counties: \$80 million
- Small counties: \$33 million

Keeping within the above stated county cap amounts, the committee further agreed the following should apply:

- There is no limit to the number of projects any one county may submit in Phase II as part of its application, provided the projects in total stay within the county cap amount. The committee will review each project for its worthiness and may recommend any or all of them for funding.

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- Phase I counties with a current award that plan to maintain their Phase I award may also apply for an additional award under Phase II, but only for an amount not to exceed the county cap limit when the Phase I award amount is combined with the Phase II total requested.

Match Requirements. In recognition of the ten percent county contribution (match) requirement for Phase II (AB 94), the committee determined the contribution could be any combination of allowable cash and/or in-kind match.

The committee further recognized the legislative allowance for small counties to petition the CSA Board for a reduction in its contribution. The committee recommended the application document serve as the petition and the CSA Board's acceptance of county contribution reductions, provided the county abides by all terms and conditions of the program. The committee determined that all small counties requesting the reduction must still provide a minimum of five percent match contribution, to include any combination of allowable cash and/or in-kind match.

Regional Jail Facilities. The committee decided that if multiple counties wish to construct a regional jail facility for the purpose of housing county inmates from multiple counties, the lead county in which the jail is to be constructed determines the county size. The application will be subject to one award to that lead county, within the appropriate county cap amount, and any preferences gained (Phase I relinquishing counties preference or state prison admissions preference) will be applicable to that one lead county.

Application Process. The committee determined a two-step application process would be recommended. An application package will be released to the field (all 58 counties) for review so that counties can determine their level of interest and intended participation in the process.

The first step in the application process would include receiving an interest statement from counties that have serious interest in applying for funding in Phase II. Knowing the number of interest statements received from counties, CSA staff will then work with the committee Chair to determine the number of counties to request application packages from within each county size set-aside. This initial step will provide the committee with a reasonable number of applications to review for project worthiness and potential funding recommendation, and will save the unnecessary expenditure of county resources on the intensive application process for counties that are not likely to be funded.

The committee agreed to include the following components in the interest statement that will be required from counties desiring to participate in the process:

- Upon receipt of conditional award by the CSA Board, the county commits to steadily moving through the planning stages and to construction completion.
- The county acknowledges the terms and conditions set forth in the application package, including project timeline requirements.
- The county understands it will have to identify at the onset, following conditional award by the CSA Board, that the project matching funds are currently available and not subject to future years' appropriations.

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- The county is prepared to submit the application package and needs assessment upon request, and acknowledges the application due date of _____.
- The county acknowledges the requirement to staff and occupy the constructed facility within 90 days upon completion.
- If the county has a Phase I award and wishes to relinquish their award to apply in Phase II, they agree to continue to assist the state in siting reentry facilities.
- The county will declare the amount of funding it is likely to request, if known.
- The interest statement will be signed by the County Administrative Officer and the Sheriff.

Regarding step two of the application process when specified counties submit the required application document for the committee's review for project worthiness and subsequent potential award from the CSA Board, the committee agreed to include the following county project timeline requirements as part of the application submittal. The county will:

- Provide assurance of site ownership or comparable long-term possession within 90 days from award.
- Submit a real estate due diligence package within 120 days from award.
- Begin the CEQA process within 90 days from award.
- Establish the project with the State Public Works Board within 9 months from award.
- Submit schematic design drawings within one year from award.
- Staff and occupy the facility within 90 days from construction completion.

The committee discussed in broad terms the potential elements that the application document would contain. Counties would be required to address these elements in sufficient detail for the ESC to determine project worthiness and subsequent potential award from the CSA Board. The recommended elements are as follows:

1. Project Need
2. Detention Alternatives
3. Scope of Work & Project Impact/Characteristics of the Jail to be Built
4. Administrative Work Plan
5. Budget
6. Timetable/Key Dates
 - Site acquisition within 90 days
 - County declares status of CEQA on project site
7. Effects of Realignment
8. Plan for Adequate Staffing of the New Facility

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Timelines and Next Steps

The ESC agreed to the following timeline for the process.

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| July 14, 2011 | CSA Board approves convening an Executive Steering Committee (ESC), ESC member composition and draft timeline. |
| August 1, 2011 | ESC meeting to develop elements of Application process and timeline. |
| August 22, 2011 | Draft Application sent to ESC for review and comment. |
| August 29, 2011 | ESC to return draft Application comments to CSA staff. |
| September 1, 2011 | Draft Application sent to CDCR, Department of Finance, Governor's Office and Attorney General's Office for review and comment. |
| September 29, 2011 (date to be confirmed) | CSA Board meeting in special session to approve final application package |
| September 30, 2011 | CSA issues final application package. |
| October 12, 2011 | Bidders' conference in Sacramento. |
| October 14, 2011 | Interest Statements due to CSA office by 5:00 PM. |
| October 19, 2011 | Specified counties are invited to provide application packages by due date. |
| January 4, 2012 | Applications due to CSA office by 5:00 PM. |
| January 5 – 17, 2012 | Staff completes technical requirements review of applications. Counties are given opportunity to correct technical deficiencies. |
| January 18 – February 7, 2012 | ESC reviews the applications. |
| February 8 – 9, 2012 | Scheduled county interviews with ESC on applications (Sacramento or teleconference). ESC makes final funding recommendations. |
| February 10 – 12, 2012 | Staff finalizes ESC recommendation package. |
| February 13, 2012 | ESC recommendations mailed to counties and CSA. |
| February 23, 2012 (date to be confirmed) | CSA Board convenes in special session. ESC recommendations presented to the CSA Board for funding action/conditional awards. |
| March 2012 | Briefings for counties who have received notice of conditional award to review State of California requirements (Sacramento). |

The meeting was adjourned.