

PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS AGENDA ITEM SUMMARY

Meeting Date:	March 23, 2010	[Consent				
Department:	Facilities Development and Operations	[]	Workshop	I]	Public Hearing	

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to:

- A) Approve a budget transfer of \$1,730,000 in the Public Building Impact Fee Fund from reserves, to establish a project entitled West County Jail Expansion Fit-up (Project);
- B) Approve a budget transfer of \$1,377,466 in the Public Building Improvement Fund from Restricted Reserves, recognizing revenue from the Sheriff's Office and establishing a project budget for PBSO West County Jail Expansion Fit-up Purchases;
- C) Authorize the Director Facilities Development & Operations, to make certain purchases in an amount estimated at \$404,000, for specific items and/or vendors determined by the Sheriff's Office through its established procurement process, without any County source selection process; and
- D) Approve the transfer of all assets purchased for use in the jail, substation and Eagle Academy from the County to the Sheriff's Office at the completion of the Project.

Summary: A total of \$3,107,466 in new equipment, fixtures and furniture is necessary to outfit the West County Jail (which includes the associated relocated and expanded substation, relocated Eagle Academy and expanded courthouse) currently under construction. Funding for the County's share of the Project was originally funded in 2008 in the amount of \$2,400,000 from Public Building Impact Fees, but then was defunded in 2009 due to an insufficient impact fee balance. The costs were shifted to the bond. Impact fee funds are now sufficient and Staff is recommending that the Project be reestablished in the amount of \$1,730,000 in order to not finance the purchase of equipment whose life spans are significantly shorter than the life of the bonds. The Sheriff and Staff have determined that it is in both parties' best interests for all aspects of the Project to be managed by a single entity to; 1) ensure proper coordination between specification and construction preparation and in terms of installation and delivery, and 2) take advantage of economies of scale associated with combined larger purchases; for the County to undertake all purchases. As a result, the Sheriff has transferred the funding for his share of the Project to the County which now needs to be recognized and established in an expenditure line. In order for the County to implement the entire purchase program, FDO would be required to make purchases in an amount not to exceed \$404,000, without further source selection, for items specifically identified by the Sheriff in order to; 1) standardize equipment at all facilities, and/or; 2) to provide equipment specifically required by its contractual service providers. The final motion authorizes the transfer of all assets purchased for use in the jail, substation or Eagle Academy to the Sheriff for on-going maintenance, tracking, surplus and replacement. (FDO Admin) Countywide/District 6 (JM)

Background and Justification:

Continued on Page 3

Attachments:

- Budget Transfer Fund 3805
- 2. Budget Transfer Fund 3804

Recommended by:	Ahmy Work	3(11/10
	Department Director	Date
Approved by:	argelin	3/19/10
	County Administrator	Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of	Fiscal Impact:				
Fiscal Years	2010	2011	2012	2013	2014
Capital Expenditures Operating Costs External Revenues Program Income (County) In-Kind Match (County)	\$ 3,107,4do 0 0 0	0 0 0 0	0 0 0 0	0 0 0	
NET FISCAL IMPACT	\$ 3,107,4Kdp				
# ADDITIONAL FTE POSITIONS (Cumulative)					
Is Item Included in Curren	t Budget? Yes	_ No			
Budget Account No: Fund	Dept.	Unit	Object		
B. Recommended Sources of C. Departmental Fiscal Rev		2) 4 8)	St.		
	III. <u>REVIEV</u>	V COMMEN	<u>VTS</u> :		
A. OFMB Budget and/or (Contract Development	and Control (Comments:		
B. Legal Sufficiency: Assistant County Attor		Con	ntract Developm	feed out	3)17))0
C. Other Department Revie	w:				

This summary is not to be used as a basis for payment.

Page 3

Background & Policy Issues:

In 2006, the Board approved the Jail Expansion Program 2 which involves three primary projects. The first of the three primary projects is the construction of the West County Jail Expansion Project which includes two secondary projects; the West Region Substation, and West County Court Expansion. In order to occupy the facilities that are currently under construction and slated for a phased completion beginning in December 2010, it is necessary to procure and have installed over 9800 individual pieces equipment, fixture and furniture (collectively referred to as "Equipment" for this Item) that all classify as capital. Despite all Equipment being capital and necessary to provide a full and functional facility which meets all codes and accreditation standards, historical budgetary practices have made certain Equipment purchases the responsibility of the Sheriff and some the responsibility of the County; the two primary factors are whether the Equipment is fixed or mobile, and maintenance responsibility.

Another characteristic of all of the Equipment is that each piece requires some level of coordination in terms of; 1) specifying equipment that fits into the space allocated, 2) has appropriate and sufficient power, electric, communications infrastructure, structural support, gas, air, etc., 3) requires coordination in delivery, movement through the facility, and installation, and/or 4) is impacts the critical path of the completion of overall project. Because of this delicate balance and coordination between the Equipment required for fit-up and the construction activities, the Sheriff and County Staff determined it to be in both parties best interests to have a single entity manage the entire fit-up. In addition, it is thought that savings will accrue to both parties by combining purchases for more buying power and, in some cases, utilizing County contracts and price agreements that have better pricing is available to the Sheriff.

To that end, the Sheriff, has transferred a total of \$1,377,465.26 to the County to implement its purchases. Of \$1,377,465.26; \$239,965.26 is reimbursement for expenses previously approved and incurred by the County, \$847,500 for items solely made necessary due to the expanded facilities, and \$290,000 for; 1) an upgrade to an electronic system being installed in the jail which will benefit investigative efforts and 2) a portion of the challenge course expenses for the EAGLE Academy.

Staff is recommending that County's portion of the Equipment be funded from Public Building Impact Fees. For approximately the last 10 years, Staff has been recommending the use of Public Building Impact fees for primarily two purposes. First, impact fees are used to fund the design of eligible projects to postpone the time at which bonds are sold for construction and therefore limiting the risk of arbitrage payments. Second, impact fees are used to purchase fit-up equipment so as to not have to finance equipment for period of time longer than the equipment's useful life. In 2008, Board approved \$2,400,000 in Public Impact Fees for this purpose. However, during the 2009 budget cycle, the project was defunded as a result of insufficient impact fee balances and instead assigned to the bond. Since that time, additional revenues have been collected and other projects completed and remaining balances swept providing sufficient funds for this Project. Re-establishment of this project will allow the Equipment to be purchased from a non-financed funding source.

The total budget for the Project is allocated to the following categories of items.

West County Jail Expansion - Fit-up Project Project Equipment Types

Equipment Type	Value	
General Use Equipment (GUE)	\$ 45,816.00	
Audio/Visual Equipment (A/V)	\$ 56,052.00	
General Administrative Furniture (GA)	\$ 1,320,928.00	
Jail or Law Enforcement Equipment (JLE)	\$ 663,074.00	
Medical Supply/Equipment (MS)	\$ 92,130.00	
Court Expansion – Article V Expenses	\$ 400,000.00	
SubTotal:	\$ 2,578,000.00	
EAGLE Challenge Course	\$ 35,000.00	
LE VVS Investigative Upgrade	\$ 255,000.00	
Reimbursement for Previously Authorized	\$ 239,466.00	
SubTotal:	\$ 529,466.00	
Total	\$3,107,466.00	

Page 4 Background and Justification Continued:

All of the Equipment will be purchased by the County using one of the following three approaches to procurement.

West County Jail Expansion – Fit-Up Project Procurement Approaches

Procurement Approach	Value
Purchase from existing County term agreement or piggyback purchase from another jurisdiction's competitively awarde contract.	n
b. PBSO selected vendor/item	\$ 404,000.00
c. Competitive Bid/Quote	\$ 648,649.00
Total	\$2,578,000.00

Certain purchases estimated to be \$404,000, will be for items that the Sheriff has determined the specific appropriate product and/or vendor through its established procurement processes. Both the Sheriff and County Staff believe that having the County actually purchase the items and directly manage the receipt, installation and acceptance for payment of certain items will facilitate the timely completion of the Project, and decrease post-occupancy issues resulting in change orders. For these items, the County will not conduct any further source selection but proceed directly into purchase orders.

The final motion authorizes County Staff to transfer all assets purchased for use in the jail, substation, and/or Eagle Academy to the Sheriff for on-going maintenance, tracking, surplus and replacement.

10- 0442

BOARD OF COUNTY COMMISSIONERS PALM BEACH COUNTY, FLORIDA **BUDGET TRANSFER**

Page 1 of 1 pages

FUND 3805 - Public Building Impact Fee

BGEP 420 031410-9601

Use this form to provide budget for items not anticipated in the budget.

(*)							EXPENDED/	
ACCT.NUMBER	ACCOUNT NAME	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	ENCUMBERED AS OF 03/02/10	REMAINING BALANCE
	1100001111111111	202021	DODGLI	ITTEREST	DECKERSE	DUDGET	TIS OX OSTORIXO	DIMINICE
Reserves						9.6		
821 9815	9909 - Reserve for Improvement Prog	2,640,068	2,640,068		1,730,000	910,068		910,068
	s							
Jail Expansion								
411 P262	8101 Castallantian Ottan A		*8	1 222 222		1 220 000		1 222 222
411 B362	8101 - Contributions Other Agencies 4907 - Building Imp Non-Capital			1,330,000 400,000		1,330,000 400,000		1,330,000 400,000
	Total		8	1,730,000	1,730,000			
		Signatures		Date			By Board of County (Commissioners

Facilities Development & Operations

INITIATING DEPARTMENT/DIVISION Administration/Budget Department Approval **OFMB Department - Posted**

By Board of County Commissioners

At Meeting of 3/23/10

Deputy Clerk to the

Board of County Commissioners

BOARD OF COUNTY COMMISSIONERS PALM BEACH COUNTY, FLORIDA **BUDGET TRANSFER**

Page 1 of 1 pages

FUND 3804 - Public Building Improvement

Use this form to provide budget for items not anticipated in the budget.

							EXPENDED/	
		ORIGINAL	CURRENT			ADJUSTED	ENCUMBERED	REMAINING
ACCT.NUMBER	ACCOUNT NAME	BUDGET	BUDGET	INCREASE	DECREASE	BUDGET	AS OF 03/02/10	BALANCE
<u>Reserves</u> 821 9814	9906 - Reserve for Restricted Prog	0	1,377,466		1,377,466	0		0
Jail Expansion								
411 B362	6502 - Building Construction CIP 4907 - Building Imp Non-Capital		1,348,231	529,466 848,000		1,877,697 400,000		1,876,728 400,000
	Total		9	1,377,466	1,377,466			
		Signatures		Date			By Board of County	Commissioners

Facilities Development & Operations

INITIATING DEPARTMENT/DIVISION **Administration/Budget Department Approval OFMB Department - Posted**

At Meeting of 3/23/10

Deputy Clerk to the **Board of County Commissioners**