

OFFICE OF

BOARD OF SUPERVISORS

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August 14, 2014

Board of State and Community Corrections (BSCC)
 Facilities Standards & Operations Division
 600 Bercut Drive
 Sacramento, CA 95811

Attention: Lenard LaChappell, Field Representative

Re: Relinquishment of AB900 Phase I Conditional Award

Dear: Mr. LaChappell,

The Amador County Board of Supervisors applied for AB900 Phase I funding on March 11, 2008 and on November 19, 2008 received notification from Corrections Standards Authority (CSA) the County had been granted a conditional award of \$22.7 million for the construction of a new jail.

Although the need for increased jail capacity and other improvements remain, particularly in light of the burdens placed on the County through AB 109, difficulties followed our conditional award which included: a decline in our economy resulting in the loss of programs and staffing, increases in site development and project costs, and the amount of additional capital debt combined with projected operational and staffing costs for the proposed 165 bed facility could not be absorbed at this time. Even with the AB 900 award, additional debt service required for construction and additional operating costs for the new facility would consume approximately 15% of the discretionary portion of the General Fund.

In spite of these complications, the staff at the California Department of Corrections and Rehabilitation (CDCR) and the Board of State and Community Corrections (BSCC), have provided exemplary service and assistance throughout this process and the County is sincerely grateful for their support and efforts. The need for improvements to our jail is the highest priority on our list of capital projects and the Board of Supervisors remain committed to pursuing fiscally prudent means necessary to accomplish this goal. It is our desire and anticipation that CDCR and BSCC remain our partners as we move forward in finding a solution. Once more, thank you for all your assistance and collaboration with Amador County.

On August 12, 2014 the Amador County Board of Supervisors unanimously voted to relinquish the County's AB900 Phase I Conditional Award of \$22.7 million. Therefore, this letter shall serve as the County's official notice of the relinquishment of our AB900 Phase I Conditional Award of \$22.7 million.

Sincerely yours,

Theodore Novelli,
 Chairman, Amador County Board of Supervisors

Cc: Chuck Iley, CAO
 Board of Supervisors
 Martin Ryan, Sheriff
 Jon Hopkins, GSA Director
 file

Encl: August 12, 2014 Board of Supervisor meeting minutes

MOTION: It was moved by Supervisor Forster, seconded by Supervisor Plasse and unanimously carried to hold approval of the Consent Agenda over for approval until after the 10:30 Public Hearing today.

REGULAR AGENDA

Jail Property Assessment: Discussion and possible action regarding utilizing AB900 funds for jail construction.

Sheriff Martin Ryan addressed the Board and provided a brief timeline of the Sheriff's Office involvement in the AB900 process since its inception in 2007.

Mr. Jon Hopkins, General Services Director, advised the Jail Committee met twice and concluded a multitude of challenges existed with utilizing AB900 funds. These challenges include:

1. Analysis from CGL verified project is over budget;
2. The AB900 scope approved by the State may not be changed;
3. County's financial position has not changed and expenditures are expected to exceed revenues;
4. Combination of increased costs, further staff reductions and program cuts cannot be absorbed at this time;
5. Funding source for construction has not been identified (i.e. bond, COP, direct lending, etc.);
6. Inability to establish a reserve fund;
7. Insufficient funding for additional operational and staff costs;
8. Upon vacancy, no maintenance or capital improvement plan for the existing jail;
9. Depletes funding for future capital improvement projects;
10. Existing program exceeds needs;
11. Adding to existing debt service potentially exhausts County's equity;

Mr. Hopkins stated a response to the Board of State and Community Corrections regarding the use of AB900 funds is needed no later than August 28, 2014 in order to be placed on the State's agenda for the September 11th BSCC meeting.

Lengthy discussion ensued with the following action being taken.

ACTION: Direction given pursuant to the following motion.

MOTION: It was moved by Supervisor Forster, seconded by Supervisor Plasse and unanimously carried to authorize the Chairman's signature on a letter to the Board of State and Community Corrections informing them that the Amador County Board of Supervisors has decided to relinquish the County's AB900 Phase I Conditional Award of \$22.7 million dollars; and direction was given to staff to move forward collaboratively with the Sheriff to develop an alternative strategy for the necessary jail improvements and/or expansion.

Ayes: Supervisors Forster, Plasse, Oneto and Novelli

Noes: None

Absent: Supervisor Boitano