

FREQUENTLY ASKED QUESTIONS
SB 81 Local Youthful Offender Rehabilitative Facility
Construction Funding Program
New from the Bidders' Conference held
August 6, 2008

1. Will the grant pay for the City department indirect costs?

Salaries and benefits of the county workforce may be claimed as in-kind match within the eligible budget line items outlined in the Request for Proposals (RFP). The state dollars (grant) covers actual construction costs only.

2. What are the contract procurement requirements (of the state)?

Counties are responsible for compliance with the requirements established by the local contracting authority as well as compliance with county bidding and construction contracting rules and procedures.

3. Is there a (spending) cap on design costs and construction soft costs (borne by the county)?

There is no limit to the amount of county dollars that can be spent on design costs. The construction dollars claimed are tied to the contractor's bid amount plus contingency. Keep in mind, however, the total in-kind (soft) match cannot exceed 20% for small and medium counties, and 15% for large counties, of the total eligible project costs.

4. What are the specific ineligible costs (for state funds, cash match and in-kind match)?

Examples of ineligible costs for state funds, cash match and in-kind match are given on pages 16 through 19 of the RFP. However, this is not an exhaustive list of ineligible costs. Counties are encouraged to contact Corrections Standards Authority (CSA) staff if they are unsure if an item is eligible for state funds or matching funds.

5. Is it possible that the Executive Steering Committee (ESC) could recommend funding counties at an amount less than what they have applied for in their proposals?

In previous funding processes the ESCs have recommended awarding counties, beginning with the county at the top of the rank ordered list, with the amount of state funding they requested in their proposals until the available funding ran out (usually leaving one county "on the cusp" that would receive an amount less than what was asked for in their proposal). We anticipate that

the SB 81 funding process will be the same. However, the process can be changed at any time by the CSA Board who also has the final determination of the ranking of the projects. (Note: clarification added.)

6. What state agencies have to sign-off on the regulations that must be adhered to by the county?

There are two types of regulations that pertain to this process. The local youthful offender rehabilitative facilities must be built and operated pursuant to the Minimum Standards for Local Juvenile Facilities as outlined in Titles 15 and 24 of the California Code of Regulations (CCR). The other Title 15 CCR regulations that are applicable to this program are those that are currently under development and have to do with how the state funds are to be administered. Counties are advised to check with their local building departments for applicable local regulations.

7. Which agency is the lead agency for CEQA?

The county is the lead agency for ensuring that the project complies with the necessary provisions of the California Environmental Quality Act (CEQA) process prior to the start of any renovation or construction.

8. What are the Fish and Game regulations that counties must satisfy with regard to preserving habitats?

All projects funded through this process must comply with CEQA requirements. (As indicated above, the county is the lead agency for the CEQA process.) The CEQA process should identify all issues of potential significance including if the new facility would require permits from the California Department of Fish and Game for such things as modification of stream crossings and/or the modification of sensitive natural habitats (wetlands, endangered species, etc.). (Note: clarification added.)

9. If the project includes adding support space to an existing/core building, will the county be required to demonstrate that it is keeping up with maintenance of the existing/core building in order for it to last 35 years?

Buildings associated with the SB 81 funded project, whether new construction or existing, will be required to be maintained for the life of the bond indebtedness – at least 35 years. (Note: clarification added.)

10. If the new building is connected to an existing building, can the two buildings share utilities and infrastructure?

Shared infrastructure (i.e. water, power, sewer) is allowable, although when the new construction is separated by a buffer from the existing facility for purposes of limiting the project site or footprint, the new construction must be functionally independent. This requires that the new portion have its own controls of the infrastructure components so that it cannot be shut off by the existing facility without the ability to override. This is a bond marketing requirement. (Note: clarification added.)

11. Can the lease-revenue bond project tie into existing infrastructure on the site (e.g. septic system)?

Yes, shared infrastructure (water, power, sewer) is allowable, keeping in mind that the new construction must be functionally independent with its own controls of the infrastructure components so that it cannot be shut off by the existing or other facility without the ability to override.

12. What is meant by “stand-alone” facility? For example, if building only an additional housing unit, does that housing unit have to include a kitchen or can meals be prepared elsewhere?

A stand-alone facility is one that is functionally independent for its intended operational purpose. The building must have its own controls of the infrastructure components (power, water, electrical). Adding a kitchen to a building intended to be only a housing unit is not necessary.

13. Large and medium counties have the same amount of set-aside funding (\$35 million each). Will the size of the county be given any more weight in the rating process?

No, there is no separate evaluation factor that considers only the size of the county. However, the size of the county in relation to the need for the project could be addressed in the narrative portion of the Proposal Form.

14. What is being used as criteria to measure the types of rehabilitative programs the county intends to utilize? Must the programs be evidence-based?

There is no requirement that the rehabilitative programs be evidence-based. However, the Narrative section of the RFP under “County’s Approach to the Rehabilitation of Juvenile Offenders,” asks for a description of the results of process and outcome evaluations (if any) of county rehabilitation programs for juvenile offenders.

15. What are the consequences for the county if they are unable to staff and operate the facility within 90 days of construction completion?

Staffing and operating the facility within 90 days of construction completion is a State Public Works Board (SPWB) requirement that is reflected in regulations and will be reflected in state/county agreements. The last 20% of state funds due to the county at the end of construction will be retained until final contractual requirements are met (including staffing and operating the facility). In addition, the county may be subject to liability for a breach in the state/county agreements, potentially resulting in the county's eviction from the funded facility. Counties are encouraged to thoroughly read the required state/county agreements as they become available for any further description of potential consequences. (Note: clarification added.)

16. The RFP states that CSA will notify counties of the Intent to Award conditional project funds in March 2009. For scheduling purposes, when will the final awards be granted?

“Final” awards is a term associated with the AB 900 process wherein there is a distinction between the initial “tentative” conditional awards, and a later point when “final” conditional awards are made. Neither of these terms are related to the SB 81 funding process. The term “conditional”, however, will remain on the SB 81 project for the duration. The awards are conditional in that they are predicated, at a minimum, on the requirements that: 1) each county's project be approved by the CSA and the SPWB at various stages throughout planning and construction, as defined in this RFP; 2) each selected county enters into the state/county agreements as required; and, 3) lease-revenue bonds are sold for each selected project.

17. What is the timeframe to complete the real estate due diligence on the county site?

The real estate due diligence consists of an identification of issues, through a preliminary investigation analyzing the components of title, environmental conditions, and other site conditions on the property, and an attempt to resolve these issues. The timeframe to complete this process will depend upon the conditions and complications found at each specific county site. CSA recommends that counties use the approximate timelines for this process provided in the RFP when putting their project schedules together. (Note: clarification added.)

18. What agency is responsible for paying off the loan for the construction costs if the lease-revenue bonds do not sell?

CDCR is the responsible agency for paying off the loan obtained through the Pooled Money Investment Board if the lease-revenue bonds are not sold.

19. In our particular county's situation we may not be able to transfer full title of the property to the state due to encumbrances. Can we still apply for funding under this lease-revenue bond funding program?

The state must be able to obtain ownership interest of the property through state/county contractual agreements; actual transfer of title is not necessary. SPWB lease-revenue bond financing cannot proceed if there is a prior superior security interest in all or part of the proposed facility. A determination by the SPWB of an individual county's compatibility with the lease-revenue bond financing process will occur after project award. (Note: clarification added.)

20. Are there going to be more changes or conditions placed on this RFP process like there has been for the AB 900 process?

It is not anticipated that changes or conditions will take place after award. The CSA Board makes all policy and funding decisions. The timeline and process may be changed at any time by the CSA Board. Counties will be notified if changes or modifications occur.

21. Does the memo addressed to all counties, dated July 3, 2008, by Secretary Matthew L. Cate, regarding constraints limiting the county operation of the reentry facilities apply to operating local youthful offender rehabilitative facilities?

No, the memo does not apply to the operation of county facilities. That memo was specific to the operation of state secure community reentry facilities. The purpose of Secretary Cate's memo was to advise counties of the recent legal analysis concluding that existing law does not permit CDCR to contract out reentry facility "operations."

22. Must the Operational Program Statement be submitted with the proposal?

No, the Operational Program Statement must be submitted at a later point with the Schematic Design documents.

23. Must the source of the match funds be identified at the time the proposal is submitted?

Yes, the amount and source of cash match is one of the assurances the County Board of Supervisors must stipulate to in a Board resolution that must be submitted with the SB 81 proposal.

24. In the event of a dispute between the local Fire Marshal and the State Fire Marshal over plan review or facility inspections, who is the final authority?

The State Fire Marshal will review plans and specifications for compliance with applicable fire and life safety regulations pursuant to Title 24 CCR and is the final fire authority for approving the county's construction plans. The State Fire Marshal is also the authority to adjudicate conflicts that may arise with the local fire authority regarding the construction plans or facility inspections. (Note: clarification added.)

25. Does the site appraisal have to be submitted with the proposal?

The actual appraisal document for the site does not have to be submitted with the proposal. However, in using site acquisition as in-kind match, the county must stipulate the land cost/value in the Board of Supervisors' resolution required with the proposal submittal. Actual on-site land cost documentation (i.e. bill of sale) or an independent appraisal value will be required as a pre-agreement condition. (Note: clarification added.)

26. The RFP states that "green" building is encouraged and is incorporated into the evaluation for scope of work and project impact but there are no specific points associated with building "green." How important will building "green" be in the scope of work and project impact evaluation factor?

Building "green" is not a requirement of this lease-revenue bond funding program; however, it is encouraged. (There are no state guidelines for building "green.") While compliance is voluntary, it is one factor considered in the evaluation of proposals when assessing proposed scope of work and project impact. During the rating process it will be up to each individual ESC member to decide how important the sub-factor of building "green" is in relation to the other three sub-factors and how they choose to assign points to this evaluation factor.

27. If proposing the construction of a regional county youthful offender rehabilitative facility, does each participating county submit a separate application?

Counties desiring to construct a regional youthful offender rehabilitative facility for the purpose of housing juvenile offenders from multiple counties must submit one single proposal from the lead county in which the project is being constructed.

28. Is there a calculation for adding beds and is it part of the proposal evaluation rating process?

Unlike AB 900, there is no requirement in the SB 81 legislation to add beds under this funding program. Therefore, there is no calculation for adding beds and no points will be given for a net gain in beds.

29. Can the state funds be used to purchase modular buildings to be placed on existing county owned property?

As in past construction funding programs, the purchase of temporary, modular or portable buildings is not allowed. These types of buildings are also not compatible with the state lease-revenue bond process.