

MEMORANDUM

To: The Honorable Mayor and Members of City Council

From: James E. Baker, City Manager 

Date: May 12, 2015

Subject: Recommended City Council Actions Regarding Jail:
A. Resolution Approving the Amended Jail Planning Study
B. Amending the FY 2016-2020 Capital Improvement Program (CIP)

A. Amended Planning Study Resolution

During City Council's April 28, 2015 Work Session, Moseley Architects presented an update on the Jail Action Plan as well as amendments to the project's previously approved Planning Study. Sheriff O'Sullivan and City staff have worked together with Moseley Architects to refine the prior Planning Study (192 bed facility, initially estimated to cost \$21.8M), completed in December 2012, to develop further cost effective means of addressing jail overcrowding through the Jail Action Plan. A significant step towards achieving this goal was City Council's approval to join the Hampton Roads Regional Jail Authority as a full member in 2014. In that the Virginia Board of Correction's approval for use of the auxiliary units expires March 2018, it is imperative that the City continue advancing further means that address jail overcrowding, as well as replace older, more costly to operate facilities. It is important to note that over time, operating costs constitute approximately 90% of a facilities' total costs versus the actual capital cost of construction; therefore, over the long term, less staff intensive facilities, are not only more operationally cost effective, but also safer for deputies and inmates.

As presented at the recent work session, the recommended option in the Jail Action Plan, Alternate B, consists of a 192 bed minimum security dormitory building housing minimum custody, work release and external work force detainees to be constructed on a site adjacent to the main jail. In pursuing Alternate B, the jail's rated capacity will increase from 555 to 747.

The City Attorney's Office has prepared the attached resolution approving the amended Chesapeake Jail Planning Study recommending construction of additional jail facilities for submittal to the Virginia Board of Corrections for approval in connection with increasing capacity at the Chesapeake City Jail. Attached is a memorandum from Sheriff O'Sullivan supporting Alternate B.

B. FY 2016-2020 Capital Improvement Program (CIP) and 2016 Capital Budget

In February 2015 City Council approved the Capital Improvement Program (CIP) for FY 2016-2020. The total five-year plan is scheduled to cost \$384.3 million and requires an appropriation of \$98.6 million for FY 2016. On several occasions, funding for the proposed jail expansion has been noted, most recently during City Council's April 28, 2015 Work Session. You will recall that the CIP does not include construction funding to expand the jail; however, there is an active project to address overcrowding that includes \$2.62 million for three elements: completion of an assessment of the existing facilities and infrastructure, as well as costs associated with renovating or replacing aging facilities (Jail Action Plan); an amendment of the Chesapeake Jail Planning Study; and design of a facility expansion.

Since August 2014, Sheriff O'Sullivan has worked with the City's Facilities Construction Manager, Moseley Architects, and the engineering firm of Kimley-Horn to complete an assessment of jail facilities and an amendment of the Jail Planning Study. Four (4) alternates arising from the Jail Action Plan were presented during the recent Work Session. Alternate B replaces the auxiliary units and is located next to the main City Jail, but whose inmates must be segregated from the main jail population, as they are working out in the community.

Following the April 28th Work Session, several costs associated with Alternate B have been re-evaluated and re-estimated for a revised total cost for design and construction at \$29,048,877 as opposed to the \$31.8 million estimate provided at the April 28th Work Session. In 2012 the project was estimated to cost \$21.8 million. The differences between the 2012 estimate and the current estimate for the 192 bed facility are the inclusion of two possible optional additions: Maintenance Building and City Vehicle Wash; relocation of the Bell's Mill Park parking lot and the Juvenile Services Facility's recreation yard; additional site work for fire protection and storm water facilities; inflation, and contingency. As requested, attached is a cost breakdown of Alternate B, which includes value engineering. As costs continue to be refined during the actual design process, a more detailed breakdown in costs will be provided in the future.

The current project for the Planning Study, Jail Action Plan and Jail Design is funded for \$2,625,000, of which approximately \$330,000 has been expended. We recommend an increase of \$26,423,877 in both the 2016-2020 CIP and the FY 2016 Capital Budget so that the project can proceed as recommended. Financing for Alternate B is recommended through the issuance of General Obligation bonds that would be repaid over 20 years through the City's Capital Lockbox. We anticipate going to bond market in early 2017.

City staff recommends City Council approve the resolution forwarding the amended Planning Study to the Virginia Board of Corrections for approval and amend the 2016-2020 CIP and 2016 Capital Budget to incorporate the revised estimated cost of \$29,048,877 for design and construction of Alternate B (192 bed facility as originally proposed in 2012, which includes two possible optional additions: Maintenance Building and City Vehicle Wash). The total five-year CIP plan, as amended, is estimated to cost \$410.7 million and requires an appropriation of \$124.9 million for FY 2016. Please see Attachment – FY 2016-2020 Amended Capital Improvement Program for details. It should be noted that the resolution further requests an increase to the 25%

State reimbursement of eligible project costs from the previously approved amount of \$5.1 million to \$6,998,461.

MAS:sc

Attachments:

Resolution

Memorandum from Sheriff Jim O'Sullivan

Project Cost Breakdown

FY 2016-2020 Amended Capital Improvement Program (Project 04-180 Jail Expansion to Address Overcrowding)

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MEMORANDUM

TO: Members of Chesapeake City Council
FROM: Sheriff Jim O'Sullivan 
DATE: April 30, 2015
RE: Jail Action Plan

At the Chesapeake City Council meeting on Tuesday, May 12, 2015, an agenda item regarding the Jail Action Plan will come before you. This item requests a resolution be issued requesting the Virginia Board of Corrections to review and approve the updated Planning Study as amended from the original Planning Study of 2012. I am in full support of Alternate B as presented in the City Council Work Session on April 28, 2015 and hope that you will approve it at this meeting.

City of Chesapeake Jail Action Plan Update

Alternate B – 192 Addition

Estimate of Probable Construction Cost - Summary

Building	\$16.8 million
Sitework	\$2.5 million
Juvenile Access & Recreation Relocation	\$0.5 million
Relocate Park Road and Parking	\$0.6 million
Value Engineering	\$0.1 million
Other Project Costs	\$4.5 million
Contingency	\$1.8 million
<i>Total estimate of probable construction cost</i>	<i>\$26.8 million</i>
Option: Work Release – Maintenance Building (including 8% contingency)	\$1.7 million
Option: Work Release – Vehicle Wash Facility (including 8% contingency)	\$0.6 million
<i>Grand Total estimate of probable construction cost</i>	<i>\$29.1 million</i>
State reimbursement for construction cost	\$5.1 – 7.3 million

FY 2016-2020 Amended Capital Improvement Program

Revision to plan adopted by City Council February 10, 2015 to address estimated cost to construct jail addition (Project 04-180 Jail Expansion to Address Overcrowding).

City of Chesapeake

Capital Improvement Program for Fiscal Years 2016-2020

Source of Funding	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	5 Year Total
Cash						
General Fund Transfer	1,100,000	1,006,590	200,000	-	-	\$ 2,306,590
Lockbox City	5,674,189	6,524,097	4,052,500	2,340,660	2,047,500	20,638,946
Lockbox Schools	4,750,000	5,500,000	5,500,000	5,500,000	5,500,000	26,750,000
Other City Funds	-	-	-	-	-	-
South Norfolk TIF Revenue	-	6,450,000	-	-	-	6,450,000
Stormwater Operations	5,066,000	5,550,000	5,500,000	5,500,000	5,500,000	27,116,000
Public Utility Operations	3,298,834	2,420,000	2,000,000	1,820,000	7,025,000	16,563,834
Fund Balance - Capital Projects	2,803,820	-	-	-	-	2,803,820
Fund Balance - General Fund	3,572,320	3,650,000	-	2,000,000	-	9,222,320
Fund Balance - Info. Technology	1,274,043	71,000	-	-	-	1,345,043
Fund Balance - Other Funds	1,755,000	760,000	780,000	-	-	3,295,000
Subtotal - City Cash	\$ 29,294,206	\$ 31,931,687	\$ 18,032,500	\$ 17,160,660	\$ 20,072,500	\$ 116,491,553
Grant	2,046,133	2,046,133	22,000,000	-	-	26,092,266
VDOT Revenue Share	10,000,000	10,000,000	10,000,000	2,000,000	-	32,000,000
Subtotal - Cash (all sources)	\$ 41,340,339	\$ 43,977,820	\$ 50,032,500	\$ 19,160,660	\$ 20,072,500	\$ 174,583,819
Debt Financing						
G.O. Debt - City	\$ 40,338,143	\$ -	\$ 16,696,739	\$ 640,500	\$ 5,750,836	\$ 63,426,218
G.O. Debt - Greenbrier TIF	-	16,000,000	-	-	-	16,000,000
G.O. Debt - Short Term Financing	5,630,000	1,797,500	4,207,650	2,372,500	2,587,500	16,595,150
G.O. Debt - VPSA	26,275,000	4,000,000	8,725,000	29,275,000	19,000,000	87,275,000
Revenue Bonds - Utility Fund	11,408,774	9,622,000	10,292,500	15,511,249	6,000,000	52,834,523
Subtotal - Debt Financing	\$ 83,651,917	\$ 31,419,500	\$ 39,921,889	\$ 47,799,249	\$ 33,338,336	\$ 236,130,891
Total Resources	\$ 124,992,256	\$ 75,397,320	\$ 89,954,389	\$ 66,959,909	\$ 53,410,836	\$ 410,714,710

Improvement Plans by Category

General Government						
Community Facilities	\$ 13,204,946	\$ 2,515,000	\$ 2,375,000	\$ 1,945,000	\$ 2,375,000	\$ 22,414,946
Economic Development	5,592,266	21,592,266	-	-	-	27,184,532
Education	31,025,000	9,500,000	14,225,000	34,775,000	24,500,000	114,025,000
Information Technology	1,731,739	262,590	180,000	83,160	175,000	2,432,489
Parks, Recreation & Tourism	1,690,000	1,945,000	2,565,000	1,185,000	585,000	7,970,000
Public Safety	35,606,877	1,390,464	7,816,889	2,140,500	7,250,836	54,205,566
Transportation	16,367,820	20,600,000	45,000,000	4,000,000	-	85,967,820
Subtotal - General Government	\$ 105,218,648	\$ 57,805,320	\$ 72,161,889	\$ 44,128,660	\$ 34,885,836	\$ 314,200,353
Enterprise Funds						
Public Utilities Capital	\$ 14,707,608	\$ 12,042,000	\$ 12,292,500	\$ 17,331,249	\$ 13,025,000	\$ 69,398,357
Storm Water Capital	5,066,000	5,550,000	5,500,000	5,500,000	5,500,000	27,116,000
Subtotal - Enterprise Funds	\$ 19,773,608	\$ 17,592,000	\$ 17,792,500	\$ 22,831,249	\$ 18,525,000	\$ 96,514,357
Total Requirements	\$ 124,992,256	\$ 75,397,320	\$ 89,954,389	\$ 66,959,909	\$ 53,410,836	\$ 410,714,710