

# Scott County JDAAC Finance and Next Steps Review

June 8, 2021



Item #4  
6/10/2021

# JDAAC new building – 40 Beds

- 40 Beds – 4 Holding
  - 28,550 square feet
    - Current 12,185; 14-16 beds & 2 holding
  - 2 -10 bed units; 2 – 8 bed units, 4 special management
  - Public lobby, JDC administrative, Intake/Processing, Medical / Health; Laundry; Kitchen / Food Prep; Housing Support; Housing 2 pods of 12/ 8 and 4 special management
  - \$450 cost per Square Foot + 10% Design & Construction Contingency, Soft Costs, FFE
  - \$16,156,725
  - Does not include increased operations costs



# JDAAC new building

- JDC Assessment Center
  - 2,850 square feet – Offices, classrooms, conference room, storage
  - \$375 cost per Square Foot + 10% Design & Construction Contingency, Soft Costs, FFE
  - Assumes connected to Detention Center through lobby
  - \$1,648,025
  - Does not include operations cost



# Cost Comparison

	Assessment Center	40 Bed Facility
Square Footage	2,850	28,550
Construction	\$1,369,500	\$14,852,750
Soft Costs	168,525	1,261,575
FF & E	<u>110,000</u>	<u>715,000</u>
	\$1,650,875	\$16,829,325



# How to fund Large Capital Project

- 1) Current savings
- 2) Issuance of debt: State code allows \$1.2 M per year on essential purpose buildings for projects not exceeding \$1.2 M.
  - Swap qualifying property tax transfers for debt issuance, thereby allowing property tax transfer to be used for large capital projects.
- 3) “Pay as you Go” through current property tax increase.
- 4) Grant Funding

The County general constructs large projects through current saving and “pay as you go” financing.



# Potential Resources

	Resource	Source Type	Projected Amount Available	Notes
1	Capital Fund Equity	Current Savings	\$6,500,000	\$7.2 M FY Fund Balance June 30, 2023
2	ARPA – COVID Response	Grant Funding	\$4,500,000	Prelim. Estimate of HVAC and Spacing
3	General Fund Equity	Future Savings	\$1,500,000	Estimate Fund Balance over current levels to transfer to Capital Fund FY 2021 -2022
4	General Fund Equity	Current Savings	\$2,700,000	Drawdown general fund to 15%-20% expenditures.
5	ARPA – Loss of Revenue	Grant Funding	?	Unknown until; awaiting further guidance
6	Issuance of Essential Debt	Debt	\$4,800,000	Limited to \$1.2 M per fiscal Year
7	General Fund Tax Levy – Capital	Pay as you Go	<u>\$1,000,000</u>	Need to plan in budget process
			\$21,000,000	

\*Project may require shifting priority of resources as funding needs develop.

# Cost vs Resource Comparison

	Assessment Center	40 Bed Facility
Square Footage	2,850	28,550
Construction	\$1,369,500	\$14,852,750
Soft Costs	168,525	1,261,575
FF & E	<u>110,000</u>	<u>715,000</u>
	\$1,650,875	\$16,829,325
Current Savings; Grant Funding; Future Savings;		\$15,200,000

ARPA Loss of Revenue, Essential Debt Issuance; Pay as you Go Funding utilized as required.



# County General CIP Plan - \$16 Million Project

	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26
Fund Balance FY 21 Budget	\$5,126,842	\$4,451,442	\$7,157,342	\$6,487,142	\$6,884,942	\$8,657,242
ARPA COVID Response (1)			\$4,500,000			
Issuance of Bonds (2) - \$4.8M			\$1,200,000	\$1,200,000		
Increased General Fund Transfer (3) – Equity		\$1,500,000	\$500,000	\$700,000		
Issuance of General Fund Transfer above current Tax Levy Amount- Property Tax Increase			\$500,000	\$500,000		
Capital Costs associated with JDAAC - \$16 M	=	<u>(\$4,000,000)</u>	<u>(\$10,000,000)</u>	<u>(\$2,000,000)</u>	_____ -	_____ -
Adjusted Estimated Fund Balance (4)	\$5,126,842	\$1,951,442	\$1,357,342	\$1,087,142	\$1,484,942	\$3,257,242

(1): Grant Funding - ARPA

(2): Essential Purpose Bonds (Public Buildings and Equipping)

(3): Increase Transfers from General fund through increased tax levy or savings from prior budget year. Current Assumptions are FY 21 - \$1,651,035; FY 22 - \$125,000; FY 23 - \$2,000,000; FY 24 - \$1,000,000; FY 25 - \$1,000,000; FY 26 - \$1,000,000.

(4): Computation of Fund Balance + Budgetary changes of activity FY 21 – FY 26.

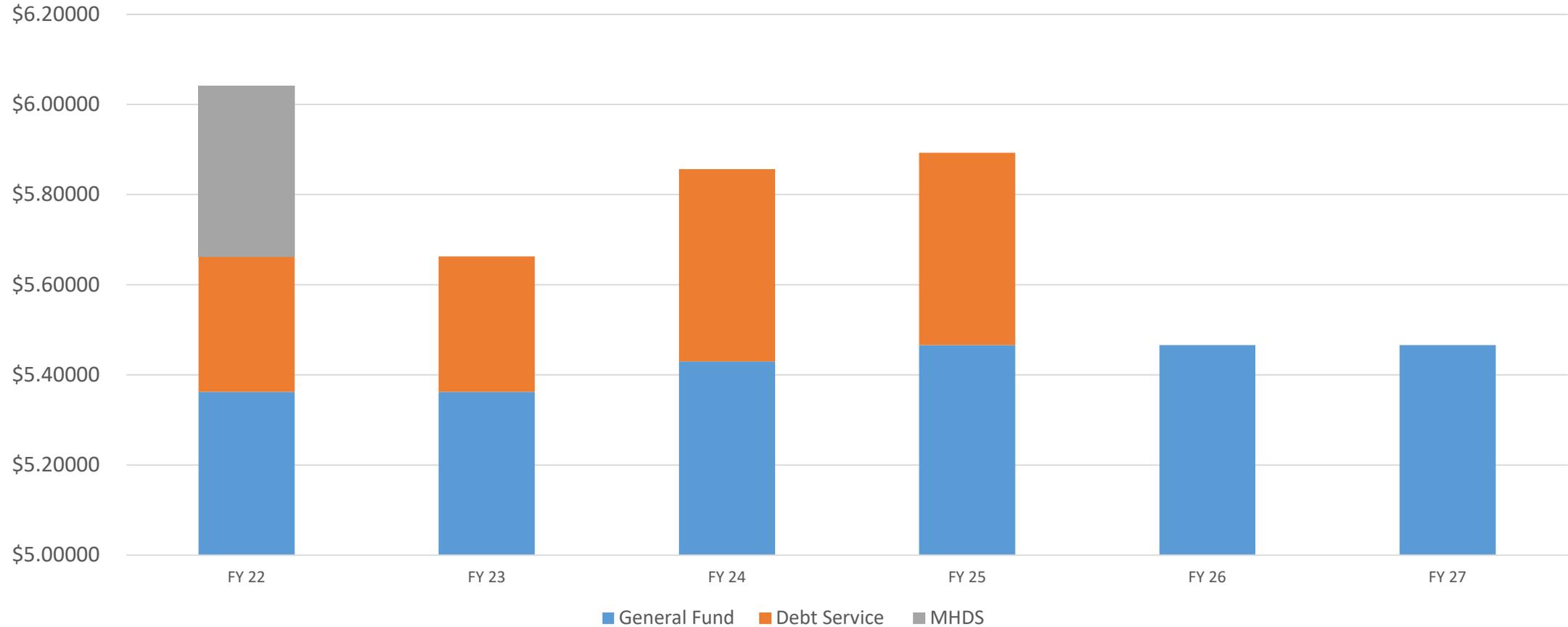
# County General CIP Plan - \$16 Million Project

	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27
Issuance of Bonds (1) -\$4.8M – Interest and Fees			\$80,000	\$80,000		
Debt Service Levy Impacts (4)			\$0.13	\$0.13		
Additional Operations (Staffing / Occupancy)			\$600,000	\$1,000,000	\$1,000,000	\$1,000,000
General Fund Levy Impact (4)			\$0.07	\$0.10	\$0.10	\$0.10

(4): Based on 2020 Assessment year / FY Taxable Valuation



# Projected Urban Tax Levy Rate



All values in FY 22 Property Tax Valuation Dollars.

Debt Service Levy is removed in FY 2026.

Assumes increased operations costs of Detention Center of \$1,000,000; rounded estimate

Project does not account for property valuation growth, or other budgetary changes.

# Next Steps

- Enter into Contract for Professional Services – A/E Schematic Design Fee
  - Wold Architects - \$131,980, based on 40 bed facility
  - Anticipated Schematic Design Schedule 3-4 month
- Identify site for JDAAC location
- Secure funding for Assessment Center
- Monitor ARPA Funding and FY 2021 Budget Performance



# Facility & Support Services

600 West Fourth Street  
Davenport, Iowa 52801  
(563) 326-8738 (Voice)

(563) 328-3245 Fax



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May 31, 2021

TO: Mahesh Sharma  
County Administrator

FROM: Tammy Speidel, FMP  
Director, Facility & Support Services

David Farmer, MPA CPA  
Director, Budget and Administrative Services

RE: Contract for Architectural & Engineering Services  
Juvenile Detention Center Project

Mahesh:

Based on the comments of several of the Board Members after the presentation of the JDAAC Committee recommendations that they would like to keep the momentum going and that they were on board with this project, we discussed internally how to best facilitate that process.

In order avoid the typical eight to ten week selection process, we discussed reaching out to Wold Architects and Engineers to request a proposal for architectural and engineering services.

Scott County and Wold have completed several successful projects together including SECC, Sheriff Patrol, Courthouse Courtroom Renovations, Clerk's Office Renovations, Juvenile Detention East Side Expansion.

The County has utilized Wold for the Administrative Center Window Replacement and Exterior Project, nearing completion, and most recently the Scott County Attorney's Office Renovation, which is in progress.

Wold proposed a fixed fee based on the following information:

## **Scope of Work and Approach to Establishing a Fixed Fee**

The project scope is a New JDC that will start with 40 beds and be designed

to be easily expanded to a total of 60 beds. This means the initial design will be programmed to include many core components that are sized to accommodate the future addition of beds if and when they are needed. There are a number of other variables beyond bed space that effect the scope of this project, including: site location, inclusion of an assessment center, volatility in the current construction market, etc. All of these variables will require more input and exploration in order to establish a defined construction cost and overall project cost budget for this project. These unknowns also create a risk for both Wold and the County in terms of establishing a total fixed fee proposal for design and construction phase services at this time.

A fixed fee based on a percentage on construction cost is how most of our previous projects with Scott County have been executed. Based on the issues identified above, Wold similarly recommends establishing a fixed fee percentage formula that can be used to calculate our final fixed fee once the scope, construction budget, and project budget are better defined. Specific to this project, and for the purposes of further defining the scope and design of this project, we propose starting with the project budget presented to County staff for a 40-bed facility and utilizing the identified construction cost in order to calculate an initial fee for completing the Schematic Design phase only.

The Schematic Design phase typically makes up the first 15% of the total fixed fee. Subsequently, at which time the County Board of Supervisors approves a final scope and budget for the project, we can use this same formula to set our fixed fee for the remaining design and construction phases (Design Development, Contract Documents, Bidding, and Construction Administration).

### **Preliminary Project Size and Budget**

For the purposes of this proposal we have based our Schematic Design fee using the minimum sized facility that is programmed for approximately 28,550 SF and 40 beds, with an estimated total project budget of \$16,829,325.

<b>Estimated Construction Cost</b>	<b>\$14,177,625.00</b>
<b>Construction Contingency ( 5% )</b>	<b>\$ 675,125.00</b>
<b>Soft Costs (Fees, testing, commissioning, survey, etc)</b>	<b>\$ 1,261,575.00</b>
<b>Furniture, Fixtures and Equipment (FFE)</b>	<b>\$ 715,000.00</b>
<b>Total Project Cost</b>	<b>\$16,829,325.00</b>

### **Architectural and Engineering Fixed Fee Proposal for Schematic Design**

Wold's proposed total fixed fee percentage for this JDC project is 6.5% of the estimated construction cost, which includes a 5% design contingency, and then

using a multiplier of 15% for the initial Schematic Design portion of the project. We are also proposing a fee reduction of \$6,250.00 to our Schematic Design fee which equates to 25% credit to our JDC Preliminary Design effort already completed.

Wold's proposed fixed fee formula and initial Schematic Design fee calculation is therefore as follows:

A/E Fixed Schematic Design Fee = (\$14,177,625.00 Construction Cost x .6.5% x .15) - \$6,250.00

A/E Fixed Schematic Design Fee = \$138,230.00 - \$6,250.00 = **\$131,980.00 + actual reimbursables.**

### **Proposed Schedule**

The anticipated schedule for this Schematic Design effort is approximately three to four months. If the Design and Construction Documents phases were to continue beyond Schematic Design, we would anticipate this project could be out for bid around the end of May 2022.

### **Recommendation**

Based on their familiarity with the JDAAC work process and recommendations, the scope of the project, their previous performance on Scott County Projects, and the ability to keep the project moving forward without delay, it is my recommendation that the Board award a contract to Wold Architects and Engineers for schematic design in the amount of \$131,980.00 plus actual reimbursables. There will be some savings on reimbursables as travel can be coordinated, to some extent, with the County Attorney's project visits.

David Farmer and I will be available at the next Committee of the Whole to discuss the recommendation and answer any questions you or the Board may have.

CC: Jeremy Kaiser, Juvenile Detention Center Director  
FSS Management Team

THE COUNTY AUDITOR'S SIGNATURE CERTIFIES  
THAT THIS RESOLUTION HAS BEEN FORMALLY  
APPROVED BY THE BOARD OF SUPERVISORS ON  
\_\_\_\_\_  
DATE  
\_\_\_\_\_  
SCOTT COUNTY AUDITOR

R E S O L U T I O N  
SCOTT COUNTY BOARD OF SUPERVISORS  
JUNE 10, 2021

A RESOLUTION APPROVING A CONTRACT WITH WOLD ARCHITECTS AND ENGINEERS FOR SCHEMATIC DESIGN FOR THE RECOMMENDED JUVENILE DETENTION CENTER PROJECT IN THE AMOUNT OF \$131,980.00 PLUS ACTUAL REIMBURSABLE EXPENSES.

**BE IT RESOLVED BY** the Scott County Board of Supervisors as follows:

- Section 1. That the proposal for schematic design services for the recommended Juvenile Detention Center from Wold Architects and Engineers is hereby approved and awarded in the amount of \$131,980.00 plus actual reimbursable expenses.
- Section 2. That the Director of Facility & Support Services is hereby authorized to execute contract documents on behalf of the Scott County Board of Supervisors.
- Section 3. This resolution shall take effect immediately.