

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Chief Executive Office

BOARD AGENDA # *B-4

Urgent Routine

AGENDA DATE July 27, 2010

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval to Accept an Update on the Immediate Action Plan to Secure the Men's Honor Farm as a Result of the Fire in Barracks 1 and 2 on June 26, 2010

STAFF RECOMMENDATIONS:

Accept the first update on the Immediate Action Plan to secure the Men's Honor Farm as a result of the loss of Barracks 1 and 2 due to a fire on June 26, 2010

FISCAL IMPACT:

Barracks 1 and 2 at the Men's Honor Farm were completely destroyed by a fire on June 26, 2010. The losses resulting from the fire include the building contents, the physical structure of the buildings and the costs associated with ensuring the safe and secure continuation of operations at the Honor Farm. These losses are insured by the County subject to a \$10,000 deductible.

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BOARD ACTION AS FOLLOWS:

No. 2010-479

On motion of Supervisor Chiesa, Seconded by Supervisor DeMartini
and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Monteith, DeMartini, and Chairman Grover

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) Approved as recommended

2) Denied

3) Approved as amended

4) Other:

MOTION:



ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

FISCAL IMPACT: (Continued)

Work on the Immediate Action Plan is continuing and will be reimbursed by the insurer, including the addition of security fencing, additional security, and administrative staff. The immediate costs of actions to make the site safe and secure are estimated to be less than \$25,000.

Professional services to estimate the scope and extent of the replacement facility and the estimated cost to replace the facility is in progress and is not expected to exceed \$25,000 – for a total County cost exposure of up to \$50,000 and will be reimbursed by the insurer.

The insurer is working with the Chief Executive Office - Risk Management Division and the Sheriff's department to establish the value of the lost contents of the facility. The value of the contents is covered by the insurance. The insurer has engaged the services of Belfor Restoration to conduct the site abatement, demolition, debris removal and to return the site to a clear and level condition.

DISCUSSION:

On June 26, 2010, a fire erupted at the Stanislaus County Honor Farm completely destroying Barracks 1 and 2 with the rated capacity to house 182 inmates. County staff have met with the County's insurer, Alliant to establish the provisions of the insurance policy, including replacement of the lost capacity at the Honor Farm, and to define procedures for achieving successful negotiations with the insurer; securing the facility; and abatement, demolition and removal of the debris and contents of Barracks 1 and 2. The Board of Supervisors approved a Declaration of Emergency on July 13, 2010.

Following is a summary of activities underway:

Safety and Security of the Site

The Sheriff's Staff has done an outstanding job of providing for inmate supervision and safety in the remaining housing at the Honor Farm while securing the areas that remain operational from the areas destroyed by the fire. Also underway is documentation of losses from the fire as well as identifying items needed for immediate replacement.

The insurer has hired a General Contractor, Belfor Restoration, who is preparing to abate, demolish and clean the damaged areas beginning the week of July 26th. Surveys, planning, fencing and coordination are well underway in preparation for the beginning of the demolition.

Insurance Coverage

Preliminary discussion with Alliant and the California Association of Counties – Excess Insurance Authority indicate that the insurance in effect at the time of the fire will cover:

- a) The value of the contents of the destroyed buildings;
- b) Any increased costs associated with continuation of business that are the direct result of the fire for a reasonable period of time; and
- c) Replacement of the lost capacity to meet current regulations and codes.

Discussions, coordination and planning efforts have begun between the insurer and County staff as to the scope of a replacement facility and its value. The Insurer has retained the services of Madsen Kneppers and Associates who will establish for the insurer a replacement value cost estimate. The County has retained professional assistance for this analysis, by hiring Lionakis design firm who has extensive experience with these types of local detention facilities and Lee Saylor and Associates to provide independent cost estimating. These professionals will provide a basis for the County to negotiate a settlement with the insurance provider.

On July 13, 2010, the Board of Supervisors approved taking six actions:

1. Declare an emergency as a result of a fire on June 26, 2010, which destroyed Barracks 1 and 2 at the Men's Honor Farm at 8224 W. Grayson Road.
2. Authorize the Sheriff and the Chief Executive Officer to implement an immediate action plan to house inmates displaced as a result of a fire in Barracks 1 and 2 at the Men's Honor Farm.
3. Authorize the Chief Executive Officer to contract with professional services to assist with the negotiation of a settlement with the County's insurance carrier. The cost will be reimbursed by the insurance company.
4. Authorize the Chief Executive Office - Risk Management Division to negotiate an advance payment with the County's Insurance carrier to fund initial project costs to ensure the safety and security of the site and to aid in the demolition, planning, and design services for a replacement facility.
5. Authorize the Chief Executive Officer to negotiate with the insurer for abatement, demolition and removal of debris from the site.
6. Authorize the Sheriff to designate a transition Sergeant to coordinate transition activities upon funding approval from the County's insurance carrier.

The activities underway are consistent with the six actions approved by the Board of Supervisors on July 13, 2010.

Approval to Accept an Update on the Immediate Action Plan to Secure the Men's Honor Farm as a Result of the Fire in Barracks 1 and 2 on June 26, 2010

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Public Contract Code Section 22050 provides for the process to be used in the case of emergencies declared to repair or replace a public facility. The code requires, after the declaration of an emergency that regular reports be made to the Governing Board.

POLICY ISSUES:

Approval of this update is consistent with the requirements of the Public Contracts Code and is consistent with the Board of Supervisors Priority of A Safe Community and Efficient Delivery of Public Services.

STAFFING IMPACT:

Staff from the Chief Executive Office, Capital Projects Division is responsible to manage this effort and coordinate with the Sheriff's Department in the procurement of services and to permit the conduct of essential County operations and services. Staff from the Chief Executive Office, Sheriff's Office, and Risk Management Division are working together on this effort.

CONTACT:

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