

Johnson County Courthouse Conundrum

Facilities Management, May 9, 2013



The Real Problem

- Minimal investment since 2001 when Strategic Facilities Master Plan called for a new courthouse
- Today - 25 Courtrooms, 23 judges and 2 hearing officers with building constraints that do not allow additional growth for judicial spaces
- The majority of existing courtrooms have inadequacies that cannot be remedied
- Investment in courthouse underway and even greater investment needed to maintain building and improve functionality to extent possible

Long-Term Solution

Implement Courthouse Advisory Panel "CAP" recommendation to design and construct a new building on site "A" with 36 courtroom capacity to accommodate growth beyond 2030.

...and demolish existing courthouse once all functions are relocated to new courthouse.

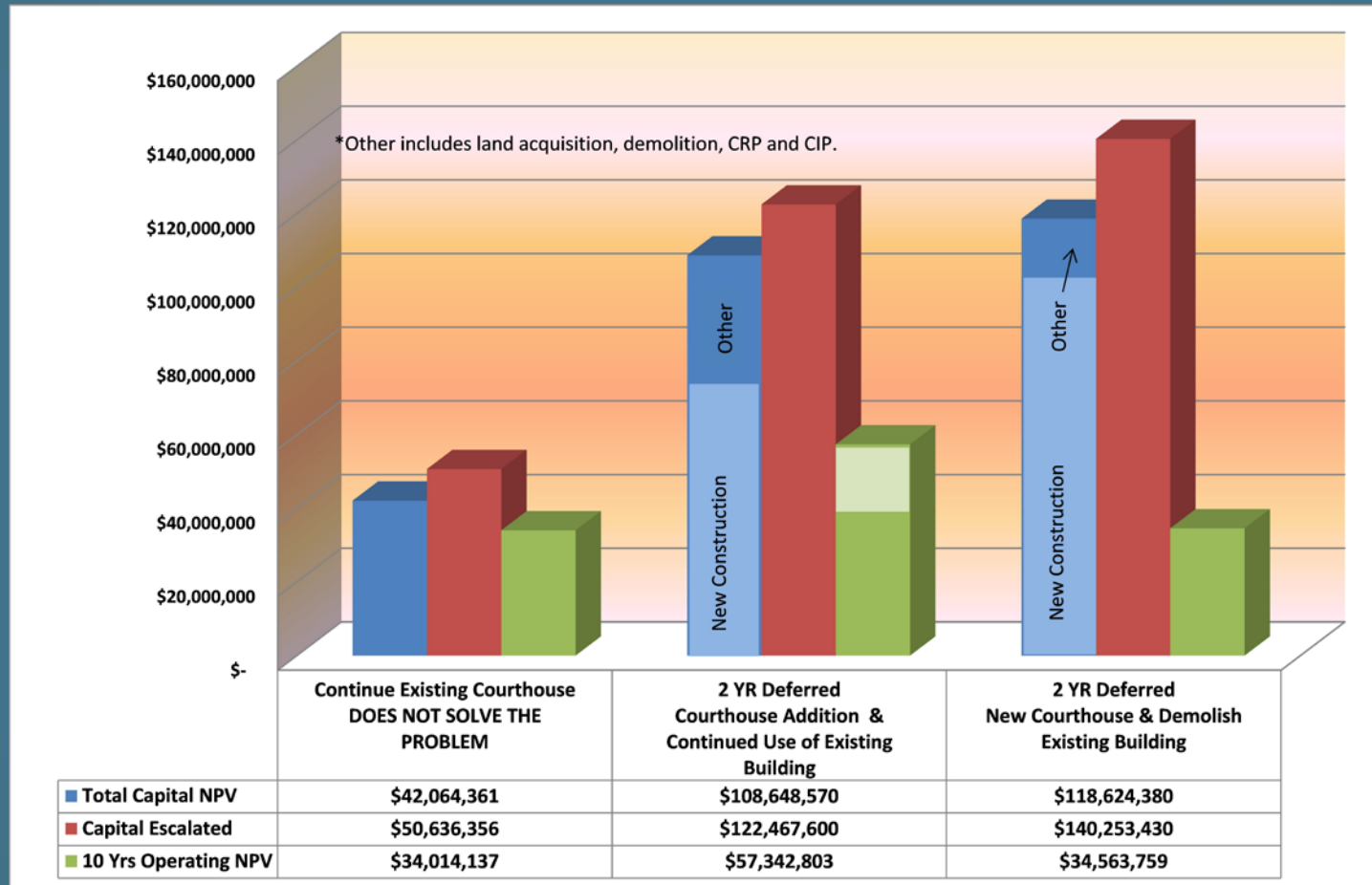
Position based upon the following:

- Deteriorating condition of courthouse and capital investment required
- Excessive costs to operate two courthouses
- Opportunity for cost efficiencies in design and operations of a new building
- Construction cost expected to escalate as economy improves
- Board Actions since 2011 mitigated the need to retain 90,000 SF in the existing courthouse
- Opportunity for comprehensive technology and security solution with new building
- Provide separate public, private and inmate circulation

Why 36 Courtroom Solution vs. Addition?

- One building less expensive to operate. \$2.3 million annual operating savings on-going equating to \$23 million savings over 10 years
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- Easier and equivalent access for the public
- Eliminate continued investment in an obsolete courthouse
- Full utilization of one building versus under utilization of two
- Demolishing existing courthouse allows for future County expansion and parking on the existing site

Analysis - Operating Savings Helps Fund Long-term Solution



Funding Options

	2 YR Deferred				
	Continue Existing Courthouse DOES NOT SOLVE THE PROBLEM	Courthouse Addition & Continued Use of Existing Building	New Courthouse & Demolish Existing Building	Courthouse Addition & Continued Use of Existing Building	New Courthouse & Demolish Existing Building
20 YEAR DEBT & CASH					
Debt/Cash Ratio	51/49	72/28	92/8	77/23	82/18
Approximate Mill Impact	0.099	0.646	0.830	0.700	0.820
2014-2022 Cash Needed	\$ 16,270,382	\$ 23,083,591	\$ 2,046,660	\$ 21,426,827	\$ 16,934,812
1/8 CENT SALES TAX, 10 YEAR DEBT & CASH					
10 Year Debt	\$ 18,223,779	\$ 111,738,700	\$ 140,111,180	\$ 123,667,490	\$ 143,004,940
2014-2022 Cash Needed	\$ 16,270,382	\$ 23,083,591	\$ 2,046,660	\$ 21,426,827	\$ 16,934,812
10 year 1/8th cent sales tax	\$ (112,448,204)	\$ (112,448,204)	\$ (112,448,204)	\$ (112,448,204)	\$ (112,448,204)
Deficit	\$ (77,954,043)	\$ 22,374,087	\$ 29,709,636	\$ 32,646,113	\$ 47,491,548

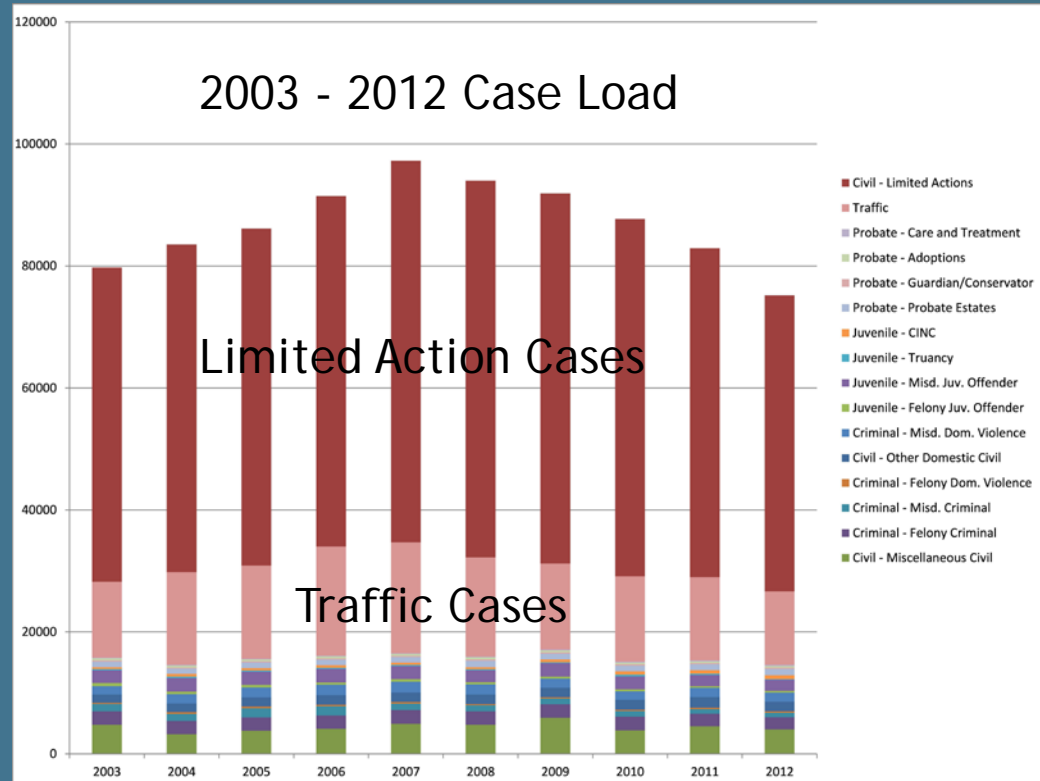
30 year debt and .25% sales tax

MILL LEVY	2 YR Deferred				
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30 YEAR DEBT					
Debt/Cash Ratio	51/49	72/28	92/8	77/23	82/18
Approximate Mill Impact	0.064	0.486	0.623	0.488	0.569
2014-2022 Cash Needed (Includes Facilities Cash Funding for Courthouse)	\$ 16,270,382	\$ 23,083,591	\$ 2,046,660	\$ 21,426,827	\$ 16,934,812
SALES TAX					
.125% Cent Sales Tax	2 YR Deferred				
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	10 Years	10 Years	10 Years	10 Years	10 Years
.125% Cent Sales Tax Revenue	\$ 112,448,204	\$ 112,448,204	\$ 112,448,204	\$ 112,448,204	\$ 112,448,204
Facilities Cash Funding for Courthouse	\$ 8,332,000	\$ 8,332,000	\$ 8,332,000	\$ 8,332,000	\$ 8,332,000
Debt/Cash Needed for Project	\$ 42,826,161	\$ 143,154,291	\$ 150,489,840	\$ 153,426,317	\$ 168,271,752
(Deficit)/Surplus	\$ 77,954,043	\$ (22,374,087)	\$ (29,709,636)	\$ (32,646,113)	\$ (47,491,548)
.25% Cent Sales Tax					
	Path 1	Path 2	Path 3	Path 4a	Path 4b
			6 Years	6 Years	7 Years
.25% Cent Sales Tax Revenue			\$ 126,840,043	\$ 126,840,043	\$ 150,278,166
Facilities Cash Funding for Courthouse			\$ 8,332,000	\$ 8,332,000	\$ 8,332,000
Debt/Cash Needed for Project			\$ 133,593,392	\$ 135,655,639	\$ 154,326,612
(Deficit)/Surplus			\$ 1,578,651	\$ (483,596)	\$ 4,283,554

The Real Problem

"The greatest reduction in case filings in Johnson County have been in Traffic Court and Limited Actions which have the lowest case weighting factors. Traffic and Limited Actions are high volume, fast moving dockets that take relatively little judge time."

*Honorable Thomas Foster



Actual Case Load Statistics

2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
51,511	53,718	55,245	57,443	62,561	61,785	60,692	58,589	53,926	48,553

Next Steps To Long-term Solution

2013 - Establish funding strategy on an ongoing basis where year-end General Fund reserves in excess of the Board's policy target will be used exclusively for the Courthouse Project

2013 - BOCC selects 36 courtroom solution and funds previously approved capital project and proceed with:

- Land acquisition on site A (\$1,400,000)
- Bridging documents (\$500,000) for design/build in 2016

2016 Budget - BOCC authorizes project to construct courthouse on site A

Questions