




MEMORANDUM

Date: March 10, 2009

To: The Honorable Chairman and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator 

Re: Design Status of Joint Consolidated Justice and Tucson Municipal Courts

On June 27, 2008, I communicated with the Board and indicated project cost implementation far exceeded funding made available through the 2004 bond issue (Attachment 1). Since that time staff has been reviewing design projections regarding the number of courtrooms and space necessary to meet future needs and re-examining fundamental facility design to determine if the building can be appropriately designed to accommodate a future expansion. As the Board will recall, the original scope included 42 courtrooms and 9 hearing rooms, with a total building size of approximately 415,000 square feet at an estimated construction cost of \$117 million.

By re-examining project design parameters, it has been determined that the facility can be significantly downsized to accommodate courtroom needs through 2018, with an initial phase of 26 courtrooms and 6 hearing rooms being constructed and the balance of the courtrooms to be constructed prior to 2028 in a second project phase.

This downsizing will allow the size of the first phase of the building to be reduced to 255,800 square feet with a future second phase to be 132,200 square feet, down by about 10 percent from the original building size design of 415,000 square feet.

More importantly, the initial construction cost can be reduced to less than \$70 million if constructed next year. A PowerPoint presentation showing the discussion and decisions reached in this building phasing and downsizing is attached at Attachment 2.

The amount of funds allocated to be spent on various project components from voter-authorized bonds of \$76 million in 2004 is as follows:

Project Spending Summary

<u>As of 2/28/09</u>	<u>Budget</u>	<u>Spent to Date</u>
Architectural/Engineering Fees	\$18,905,000	\$ 6,605,750
Land Acquisition	4,782,104	4,782,104
Archaeology Work	16,906,000	12,097,912
Demolition, Abatement and Utility Relocations	1,626,600	1,576,607
Court Complex Construction	27,518,296	0
Equipment and Furnishings	2,000,000	0
Project Administration/Permits/Public Art	1,646,000	149,884
Project Contingency	<u>2,616,000</u>	<u>0</u>
Total Project Expenses to Date	\$76,000,000	\$25,212,256

Subtracting the funds spent or obligated for the above referenced purposes leaves an unobligated balance of \$27,519,000 in 2004 voter approved bonds. In addition, design of additional Superior Court courtrooms on the 8th floor of the Superior Court Building has been underway, utilizing the balance of 1997 voter-authorized bonds for courtroom development in the Superior Court. Design will exhaust available 1997 general obligation bond funds, leaving approximately \$10 million in construction costs unfunded. This cost is higher than normal since by constructing additional courtrooms on the 8th floor, Adult Probation functions will need to be relocated into additional downtown space, more than likely space now vacated in the Health and Welfare Building.

Total costs associated with finishing the construction of the Joint Consolidated Justice and Tucson Municipal Court to meet needs until 2018 and to construct additional courtrooms in the Superior Court Building and relocate administrative Adult Probation functions will cost a total of \$80,000,000, leaving a presently unfunded courtroom development amount of \$52,500,000.

Funding the Gap

Funding of this capital gap can occur through a variety of sources. Neither the County or City are in a position to contribute General Fund monies for this purpose and will probably not be in such a position for a period of five or more years. Hence, this capital gap funding will not be funded by General Fund appropriations of the City or County. A likely scenario for funding this capital facilities grant is to ask the voters to approve funding for this gap in the next general obligation bond issue of the County, which may occur in November of 2009. However, a bond election in this time frame appears to be more and more unlikely; therefore, the earliest possible date would be November of 2010.

The most promising and innovative way to fund this gap would be to have both the City and County, through the Board of Supervisors and Tucson Mayor and Council, enact a facilities fee surcharge for all case filings that occur within the co-located Justice and Municipal Court facility. It is estimated that a \$10 surcharge per case would generate more than \$6 million in new revenues per year. Using a 3.5 percent interest rate, 15-year payback period, and applying the appropriate capital recovery facility, a \$6 million per year revenue sum will retire an initial debt of approximately \$70 million. Hence, the new facility can be financed using both remaining available voter authorized bond funds and a \$10 facilities fee surcharge per filed case.

Court Review

On Friday, February 27, 2009, the Joint Court Design Review Team, consisting of court representatives of the Superior Court, Justice Court and Tucson City Court, both judges and administrative staff as well as facilities staff of the City and County, reviewed and approved the phased conceptual plan developed to reduce overall costs and improve implementation. Hence, the courts have endorsed this phased approach toward facility implementation.

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Next Steps

Moving capital construction of this facility forward this year will depend on the ability of the City and County courts to enact a facilities fee surcharge for cases filed in these courts. If they are unable to enact these fees it is likely new court construction cannot occur until 2012 at the earliest (2010 bond election and first sale of capital construction bonds in 2012).

CHH/jj

Attachments

- c: The Honorable Jan Kearney, Presiding Judge, Superior Court
- The Honorable John Leonardo, Superior Court Judge
- The Honorable Maria Felix, Presiding Judge, Pima County Justice Court
- The Honorable Antonio Riojas, Presiding Magistrate, Tucson City Court
- The Honorable Clarence Dupnik, Pima County Sheriff
- The Honorable Steve Leal, Council Member, City of Tucson
- Mike Hein, City Manager, City of Tucson
- Reid Spaulding, Facilities Management Director
- Lisa Royal, Pima County Justice Court Administrator
- Joan Harphant, City of Tucson Court Administrator


Attachment 1



MEMORANDUM

Date: June 27, 2008

To: The Honorable Chairman and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator 

Re: Joint Justice and Municipal Court Project

The Joint Justice and Municipal Court Project has been the subject of several news media articles related to project development and implementation. The project is located in downtown Tucson on property acquired by the County between Toole on the north, Stone on the west, Alameda on the south, and Grossetta on the east, a total of approximately 4.1 acres. The project expenditures to date have been for land acquisition, utility relocation, archaeological mitigation, and design/engineering through Design Development. These costs total approximately \$30 million. In May of 2004, a bond issue was approved by the voters of Pima County to construct a new Consolidated Municipal and Justice Court at this location. The amount of bonds approved was \$76 million. The total estimated cost to construct the project as now programmed for a structure of 413,000 square feet would be \$157 million, (less parking garage) or \$81 million in excess of remaining revenues (Exclusive of any potential cost sharing between the City of Tucson and the County for shared land acquisition or shared site development cost to date. This cost also includes over \$11 million in anticipated inflation and \$3 million for furnishings.) Questions have arisen as to: A) how did the project cost increase, and B) what alternatives to implementation are available for consideration?

I am attaching a memorandum from the Facilities Management Director dated June 25, 2008, that outlines the historical evolution of this project since originally studied in 1997. At that time the project envisioned an approximate 261,000 square foot building with 29 courtrooms. By the bond proposal of 2004, the project had increased in size to 337,000 square feet, and 38 courtrooms, with a total estimated cost of \$91 million. After bond approval of \$76 million, architectural planning and programming was initiated through a committee process chaired by the then Presiding Judge of the Superior Court, John Leonardo. This process resulted in the programming of a building of approximately 413,000 square feet, with 42 courtrooms. This is an increase in building size from that originally envisioned in the bond issue of 2004 of 23 percent.

In addition, there have been several programmatic costs not originally anticipated in the bonds. These relate primarily to the archaeological mitigation costs. These costs were originally estimated to be in the vicinity of \$500,000. Due to the discovery of historic graveyards dating to the original presidio, a total of approximately 1,100 bodies have been recovered through archaeological excavation for documentation and reburial, and archaeological mitigation costs have increased to approximately \$16 million.

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In addition, since the project was originally estimated in 1997, the cost per square foot for construction has increased from \$160 per square foot to today's estimate of \$242 per square foot, for an increase of 66 percent. The recent reported action in the media was related to the County clearly indicating to the project design team that the programmed facility size of 413,000 square feet could not be afforded and that continued design and engineering efforts for such a facility with no new revenue source would be a waste of resources. Hence, final project design at the size programmed was deferred. That is the only action that has occurred to date.

After final project design for this size of building was suspended, County and City staff were requested to appear before the Mayor and Council Subcommittee for Neighborhood and Public Safety to provide an update on the project. Such occurred on Thursday, June 12. At this meeting the City Court Administrator was requested to report on a number of items and/or matters. The County has received a copy of Council Member Leal's memorandum on this subject to other members of the Mayor and Council Subcommittee. This memorandum is attached. The communication is somewhat confusing. However, I will endeavor to answer the two fundamental issues apparently raised in Council Member Leal's memorandum, and provide a copy of this memorandum and supporting documents to City staff for their use in the Neighborhood and Public Safety Subcommittee meeting.

Relocation of the Pima County Jail to the Downtown

It appears the communication from Council Member Leal suggests relocating the Pima County jail. This matter was discussed by the Bond Advisory Committee in 1996 in preparation for the 1997 Bond Program, and rejected. Presently the size of a facility that would need to be constructed in the downtown to house inmates currently detained in the Pima County Adult Detention Center would be a facility housing at least 3,000 beds. Based on present space allocated to the Consolidated Justice and Municipal Court, it is likely such a facility could not be constructed on the present parcel.

In addition, our experience with a number of downtown jail facilities, including the City and County of Los Angeles, would indicate that the facility would be between 15 and 20 stories, and cost approximately \$500 million to construct, without considering any of the ancillary court supported facilities. The present cost to construct a jail detention facility is approximately \$150,000 per bed.

Adding these court support functions, which go beyond the simple lower courts of Justice and Municipal but also into the felony disposition courts of the Superior Court system, it is likely that to construct additional supporting courts in such a complex would cost at least another \$500 million, and require a land footprint of approximately 20 acres. Today, only 4.1 acres are available. Clearly, relocating the Pima County jail to the downtown as possibly suggested in the memorandum from Council Member Leal is impractical and unreasonable.

Relocation of Courts to the Existing Pima County Jail Site

Another possible interpretation of Council Member Leal's memorandum would be to relocate the courts to the Pima County jail. Unfortunately, the courts in discussion in the 2004 Bond Issue are the lower courts, which are the Municipal and Justice Courts, which deal very little with detained inmates in the Adult Detention Facility, except for preliminary hearings and/or arraignments. This option has been studied previously in the attached report dated February 20, 2007. The possibility of relocating the criminal Superior Courts to the Mission Road Complex surrounding the jail was explored earlier in 2007. This report concludes that the cost of relocating simply the criminal courts and supporting prosecution and defense functions would cost \$166 million (Appendix F of February 20, 2007 report).

It should be noted that this action would not address the function for which the 2004 Bond Issue was authorized, that being the lower courts or Municipal and Justice Courts where a number of civil and lesser criminal matters are adjudicated, as opposed to those criminal offenses for which individuals are retained in our Adult Detention Facilities.

Consolidated Versus Dispersed Courts

Another issue raised by Council Member Leal that the City Court Administrator is to address is the issue of the dispersal of court functions, particularly at the municipal level. Such is an appropriate issue for the City Court Administrator to address. However, for County Justice Courts this matter has been studied previously. It is clear that a consolidated court system is the most practical and most cost-effective to support for local taxpayers. To proliferate, a diverse set of sub-regional courts simply costs substantially more in support services and duplication of effort. While we have no jurisdiction over the form of the City Municipal Court, either consolidated or dispersed, a decision was made some time ago that a consolidated Justice Court is the most cost-effective for our taxpayers and will not be evaluated further.

Options for Co-Located Justice and Municipal Court

Given the current project cost in developing a desired and programmed Joint Municipal and Justice Court System of \$157 million, of which only \$76 million is available, the following options are apparent.

1. Develop the Court System in a phased approach and build only what is possible with the available bond funds of \$46 million. Such will likely require a total overall cost increase. However, the practical reality is recognized regarding the availability of funds.
2. Have the City and County jointly contribute additional capital funds to complete the project as programmed. Such will require an approximate additional capital contribution of \$41,300,000 from the City of Tucson and \$39,700,000 from Pima County based on the square footage of the building used by each jurisdiction.

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3. Ask voters to authorize supplemental bond funding to complete the project as now programmed.
4. The building as designed essentially continues the individual autonomy of City Municipal and County Justice Courts. This autonomy causes a certain amount of space duplication. If co-location, which has been the programmed architectural design objective, is replaced with a functional consolidation model, it is possible the overall size of the building could be reduced and costs reduced proportionately.
5. The City of Tucson, pursuant to apparently a request from the Neighborhood and Public Safety Subcommittee, is discussing the dispersion of their Municipal Courts to various geographic locations throughout the City. Such would obviously reduce the square footage of the consolidated downtown facility and hence reduce overall project implementation costs.

Summary

Clearly, relocating the Pima County jail to downtown Tucson is impractical for a number of reasons:

1. The substantial additional cost;
2. Relocating the criminal courts to the present location of the Pima County jail also is cost prohibitive and would not address any of the space issues associated with the lower courts of the Justice Court or City of Tucson Municipal Court System; and
3. There are insufficient funds to build the combined co-located Pima County Justice Court and Tucson Municipal Court System. Hence, alternatives to this presently unaffordable alternative have been enumerated in this memorandum.

CHH/jj

Attachments

- c: The Honorable Jan Kearney, Presiding Judge, Superior Court
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The Honorable Clarence Dupnik, Pima County Sheriff
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Reid Spaulding, Pima County Facilities Management Director
Lisa Royal, Pima County Justice Courts Administrator
Joan Harphant, City of Tucson Court Administrator

Attachment 2

Pima County Justice Courts/ Tucson City Court Complex

AECOM DESIGN • GLHN

presentation overview

- project update
- projections overview
- program summary
- concept options
- phasing

today direction

- review spaces and facilities
- confirm phase I scope / budget
- confirm direction
- discuss next steps - schedule
- request for committee action

recap status (2008)

- DD estimate \$120M
- VE savings \$10M
- current cost \$110M + 6% additional escalation = \$116.6M
- funds available = \$27.5 M +/-
- shortfall = (\$89.1 M)
- 2008 scope
 - 415,000 GSF
 - ultimate build-out – 42 courtrooms / 9 hearing rooms
 - initial fit-out – 30 courtrooms / 7 hearing rooms

2005 facts

- 2025 needs = design target
 - ultimate build-out – 42 courtrooms / 9 hearing rooms (19 county, 22 city)
- 2005 actual JPEs
 - county justice court – 8 judges
 - city court – 13 judges
- 2025 projected need
 - county justice court – 19 judges
 - city court – 22 judges

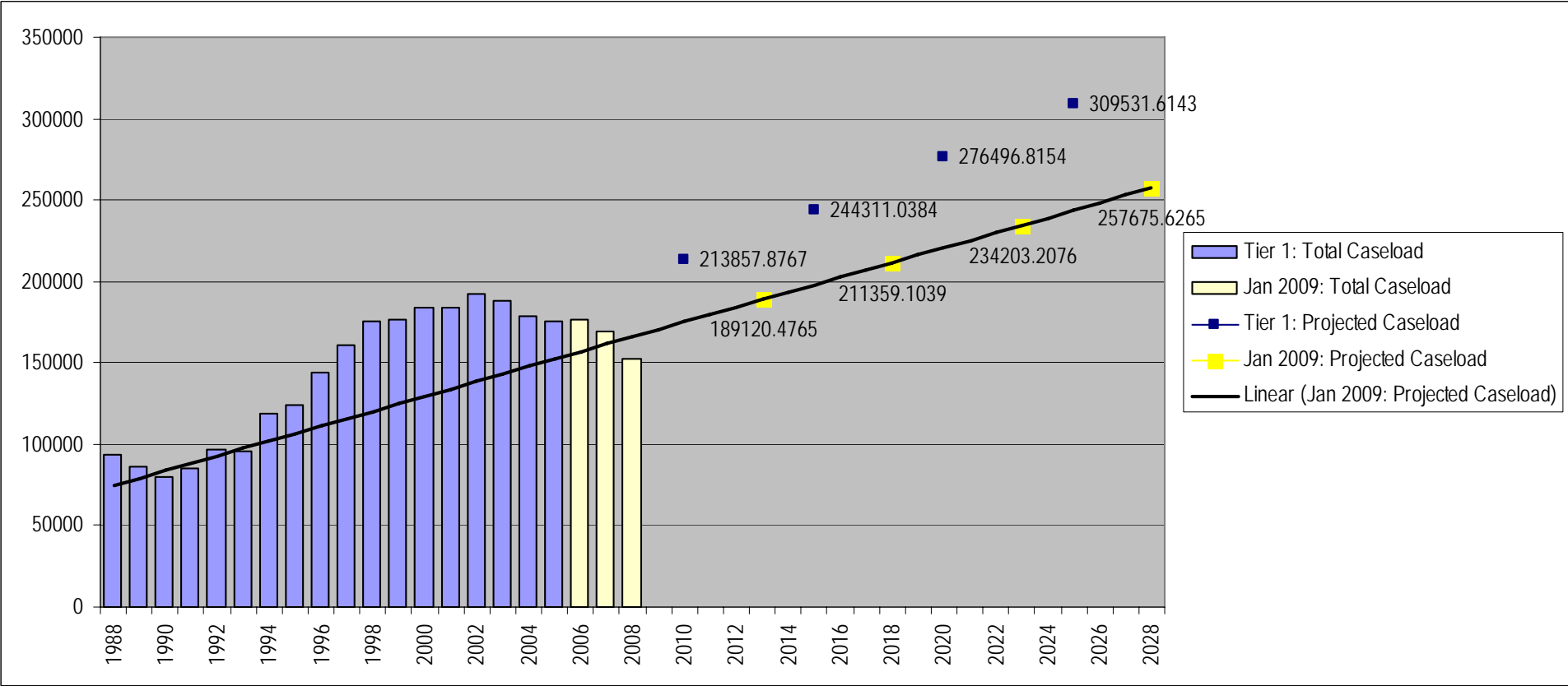
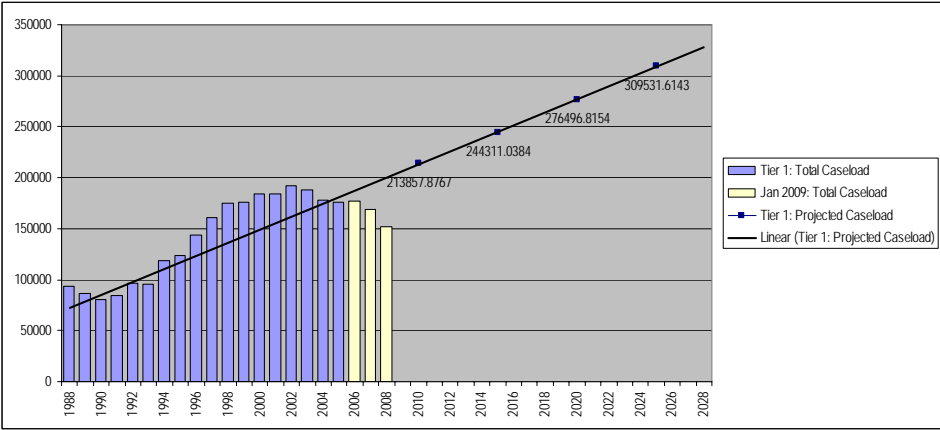
projections update

- what's changed
 - overall population growth rate has slowed
 - caseload growth has slowed
 - local, state, national & international economic crisis has resulted in limited resources
 - actual growth to date is less than projected

impact: *the projected need for JPEs for 20 years from today (2029) is now lower than the previously projected need for JPEs for 2025 (Tier I Study projections)*

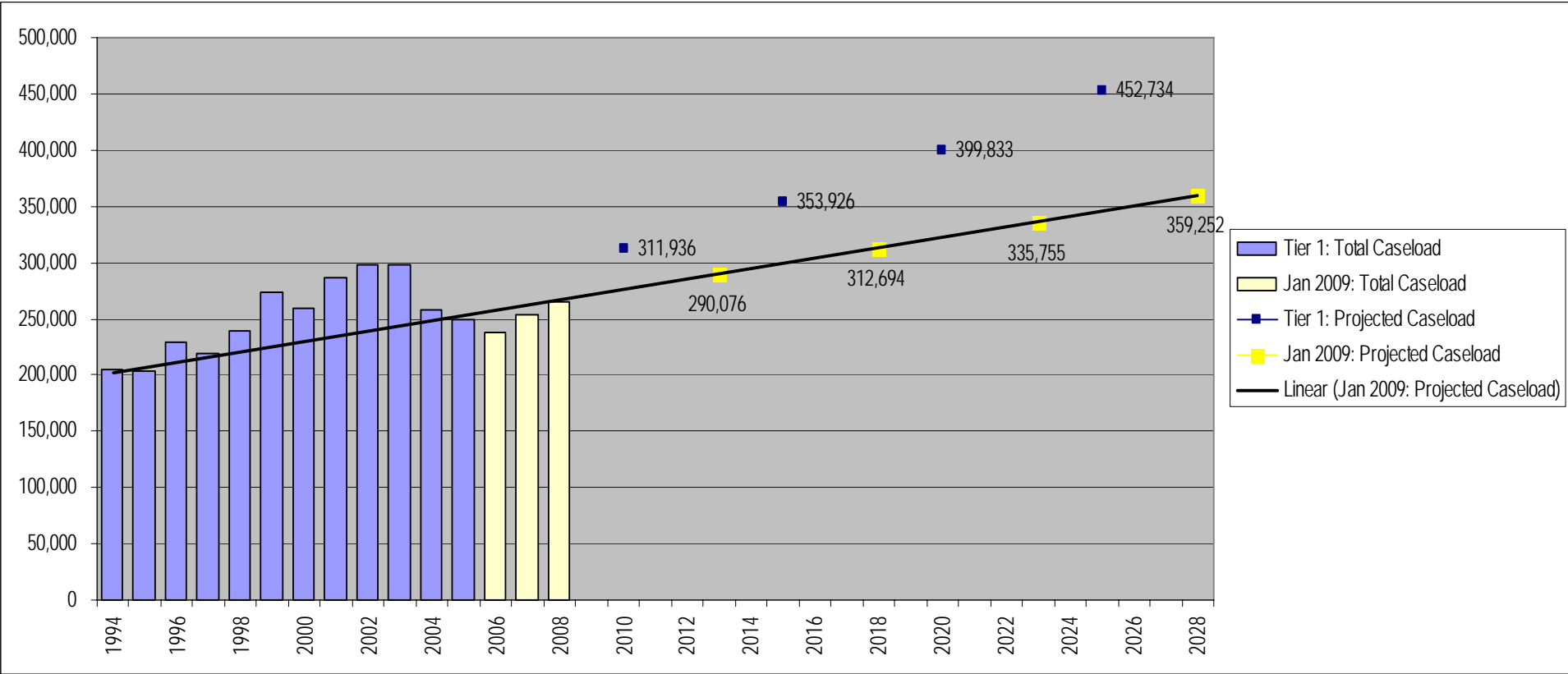
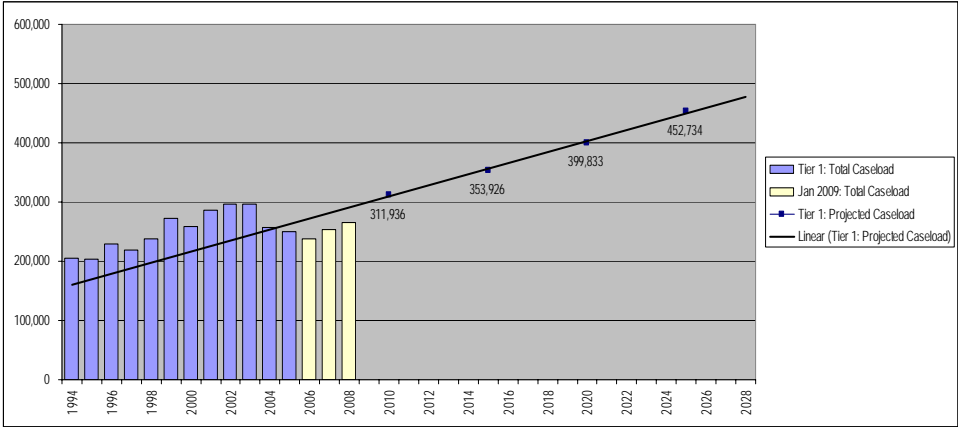
2009 facts

County Court



2009 facts

City Court



2009 revised projections

- show a need for 25-30 judicial officers by 2018
 - range of projected requirements, based on caseload disposition per judicial officer
 - need for flexibility in court facility and courtroom design and allocations (courtrooms / hearing rooms)
 - impacts of operational changes
- show a need for 34-40 judicial officers by 2028
 - policy decision regarding Phase II
 - site can accommodate a range

planning: *recommendation for 9-10 County and 17-19 City JPEs – 26 Courtrooms plus 4 Hearing Rooms*

today site and phasing

- phase I (2018 need) in initial construction; site development to support phase II and more (2028 need+); w/public parking
- consistency with initial intent + constructability of phasing
- studied 40+ options – today here with the recommended scheme

the good news -- the site can accommodate logical, “constructable” multi-phase project to meet 2018 “constrained” model with horizontal expansion for 2028+ total needs including parking structure

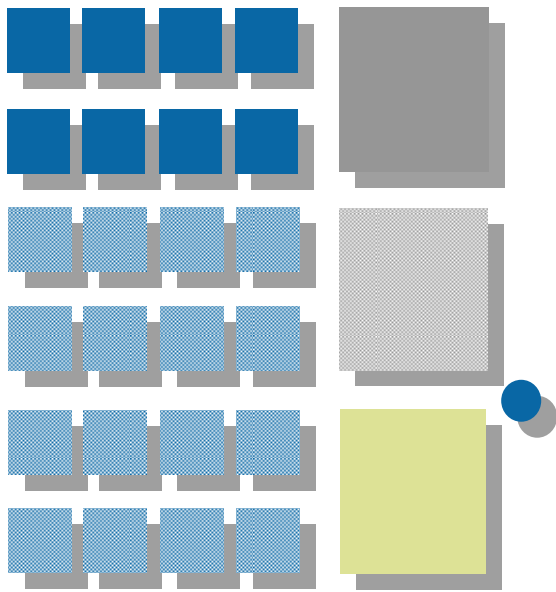
project space needs

- 2018 by component – 255,800 GSF (incl parking)
 - 26 courtrooms, 6 hearing rooms
 - Clustered / distributed chambers on court floors
 - Capacity for 250 or more staff
 - Minimal shared court functions in Phase I
 - Secure parking – 55 cars
 - Shared building functions
- 2028 by component – 388,000 GSF (incl pkg / nic agencies)
 - 42 courtrooms, 8 hearing rooms
 - Clustered / distributed chambers on court floors
 - Capacity for 350 or more staff
 - Secure parking – 90 cars
 - Shared building functions
- other agencies / spaces – policy decision

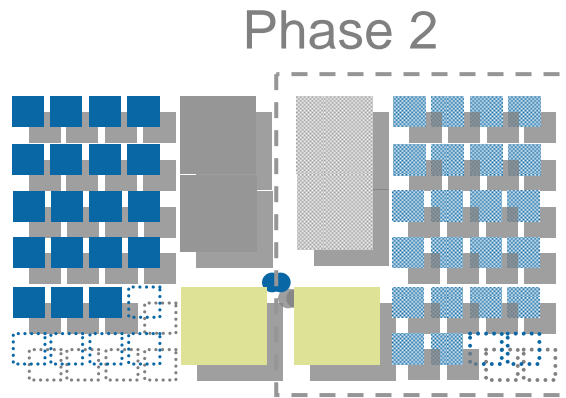
program content

- defer training to Phase II
- defer constables to Phase II
- mix of courtrooms & hearing rooms in Phase I (not recommended)
- double loaded corridor arrangement – increased building efficiency
- clustered chambers
- continue consolidated support services
- include support agencies in Phase II
- parking phasing per court phasing

phasing by jurisdiction



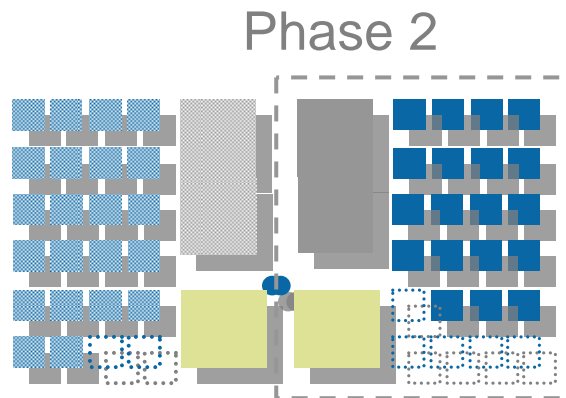
Phase 1



Phase 2

OPTION 1a

- Phase 1 – City / County Courts, CA, Other
- Phase 2 – City Courts, Agencies in addition; County Courts, Training, other in Phase 1

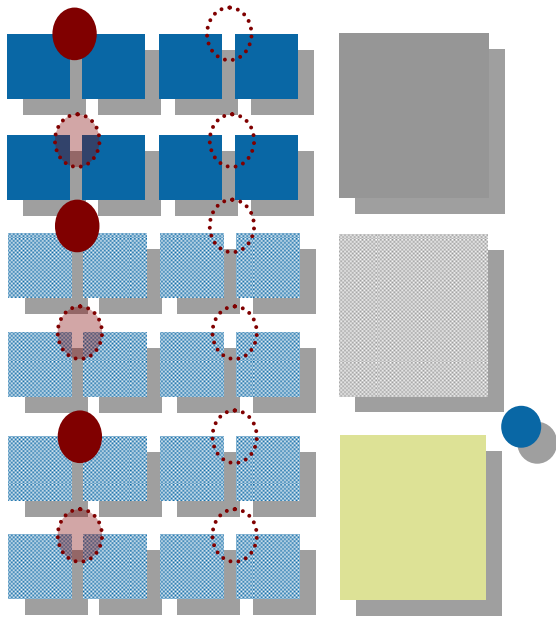


Phase 2

OPTION 1b

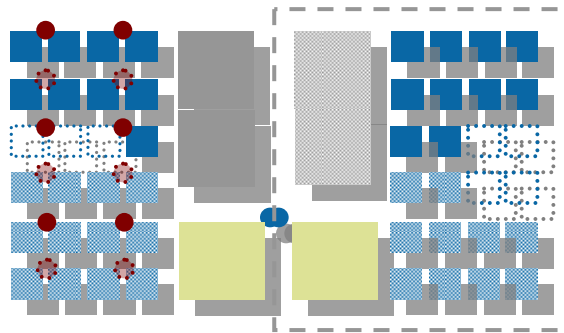
- Phase 1 – City / County Courts, CA, Other
- Phase 2 – County Courts, training in addition; City Courts, Agencies, and more in Phase 1

or -- phasing by function

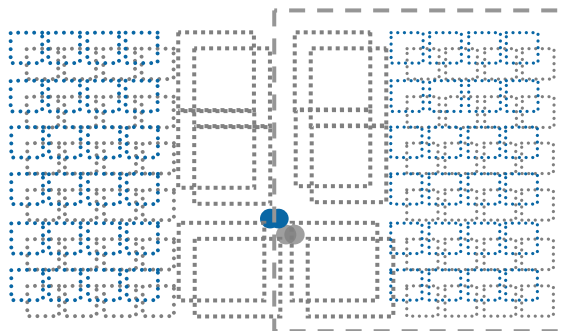


Phase 1

Phase 2



Phase 2



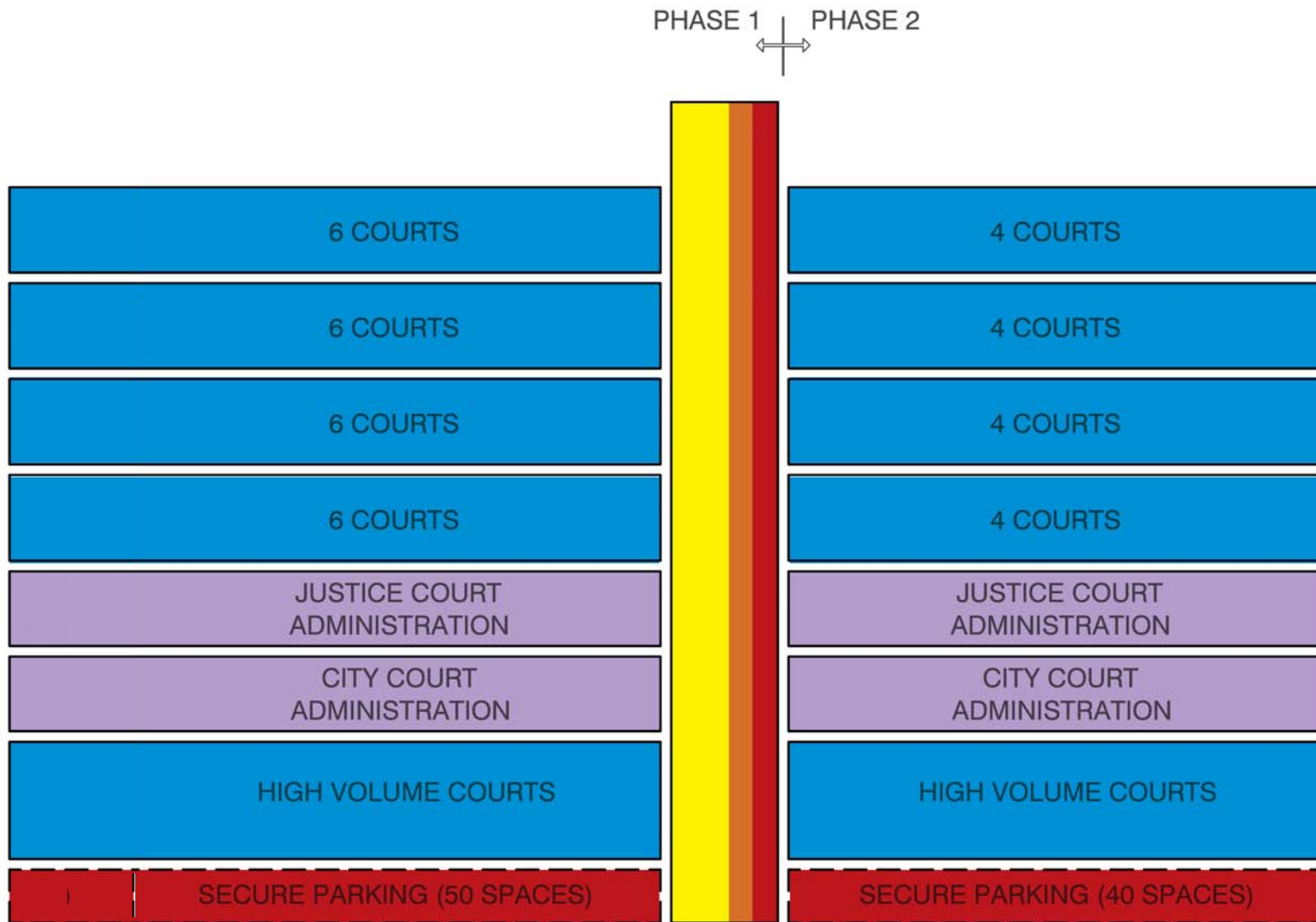
OPTION 2a

- Phase 1 – City / County Courts, CA, Other
- Phase 2 – Criminal in Phase 1; City / County Civil / Traffic in Phase 2

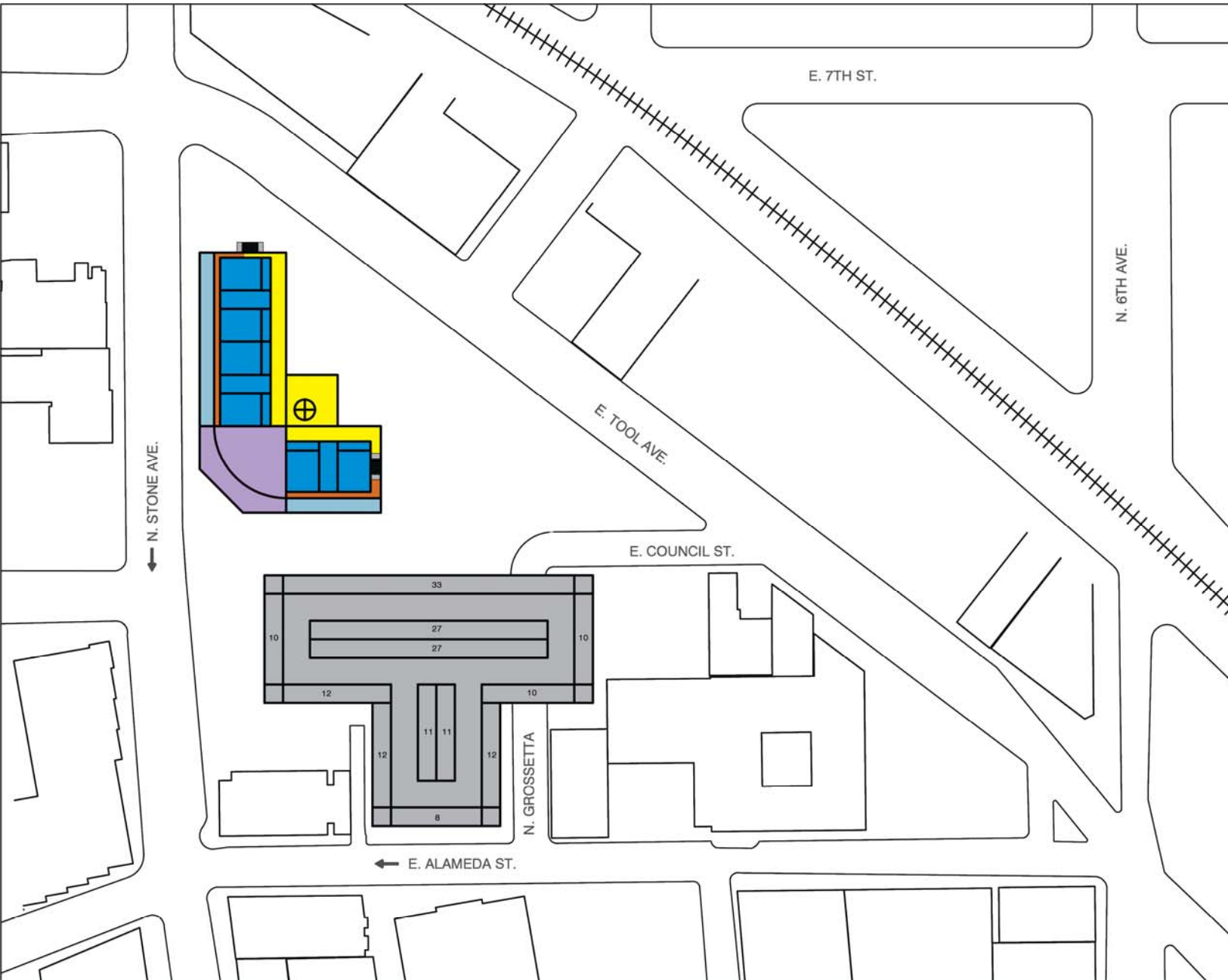
OPTION 2b

- Discuss Other Options

simplified conceptual stacking



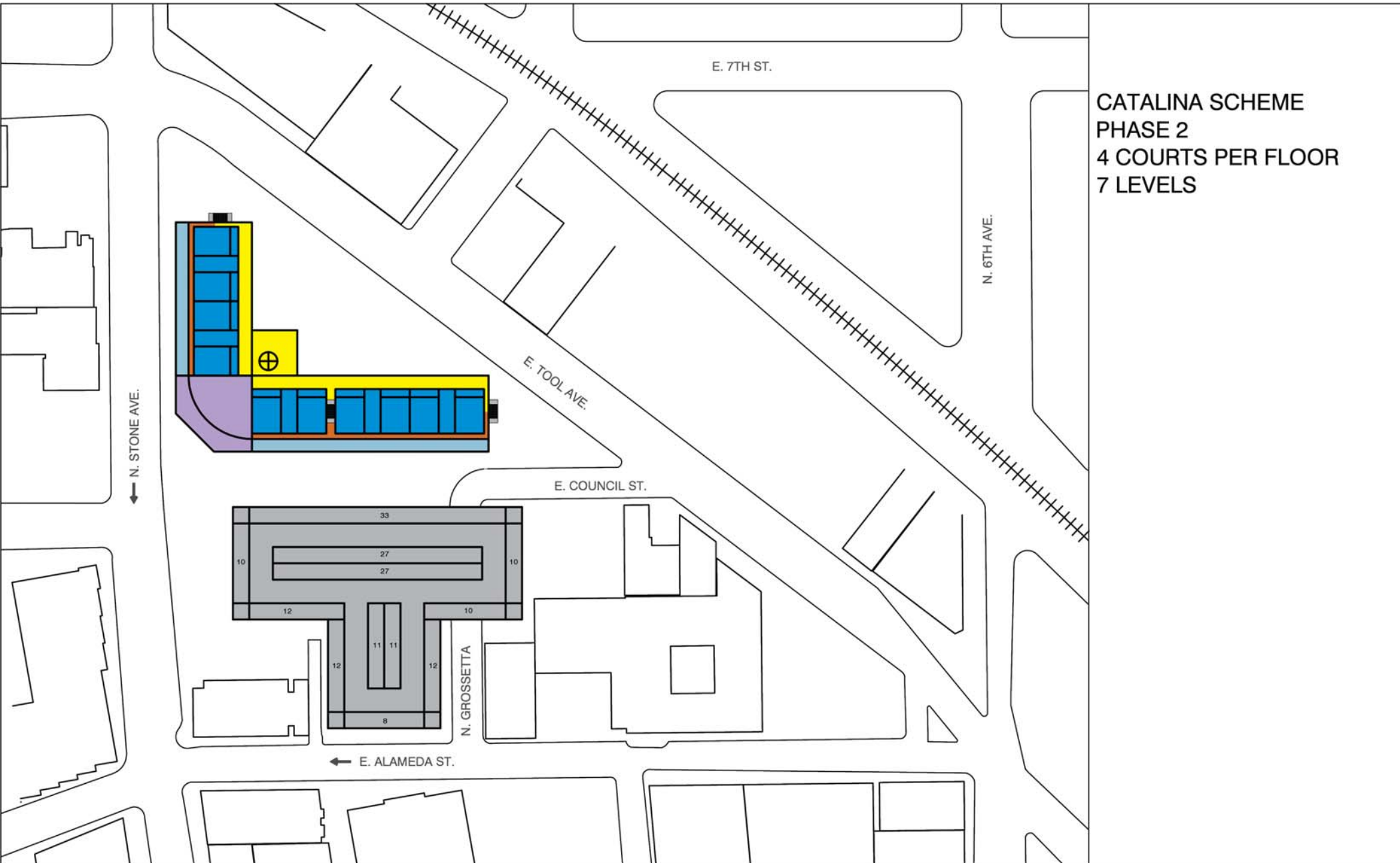
catalina phase I



CATALINA SCHEME
PHASE 1
6 COURTS PER FLOOR
7 LEVELS

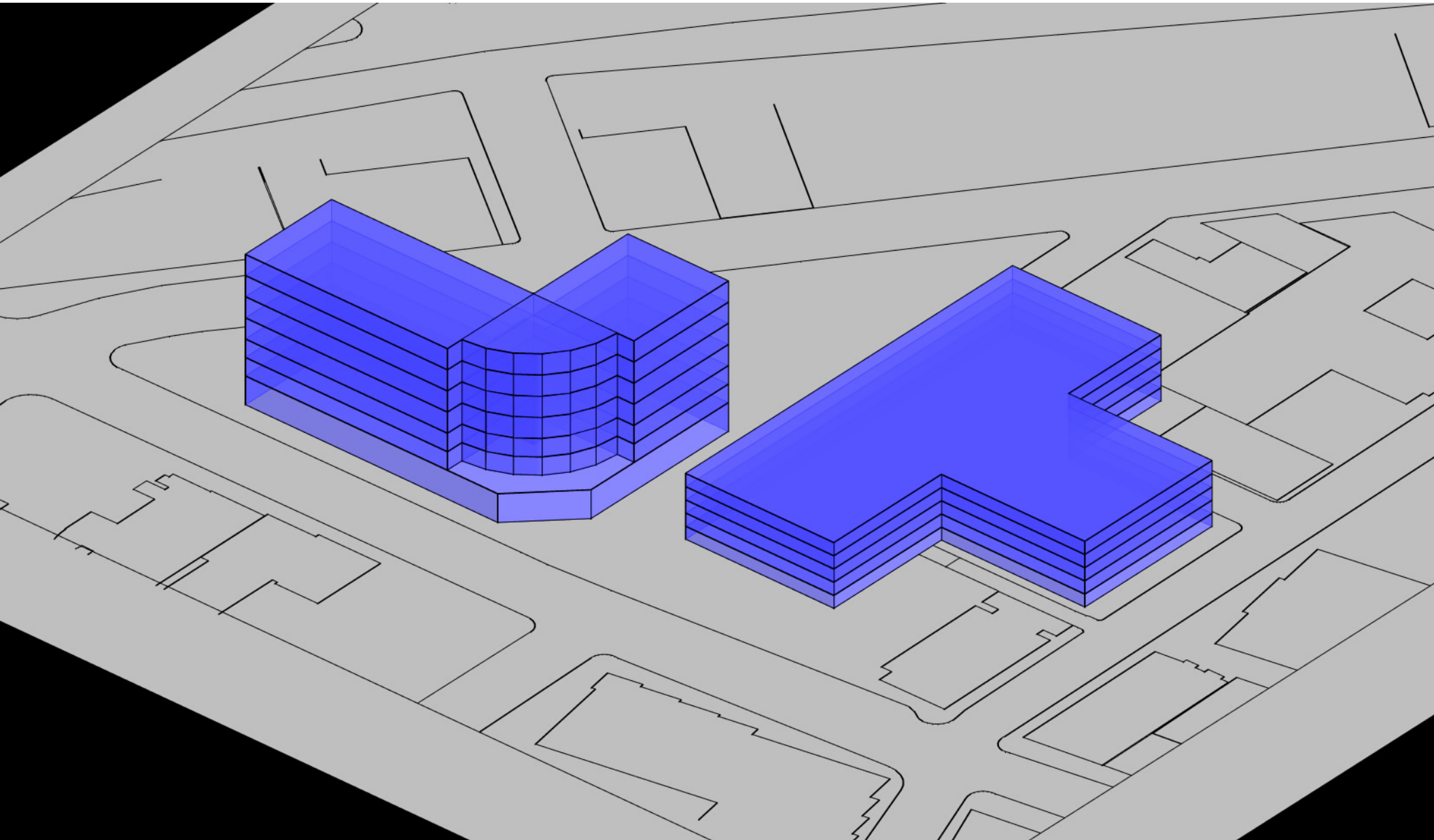
PARKING FOR 800 SPACES
183 SPACES PER FLOOR
5 FLOORS

catalina build out

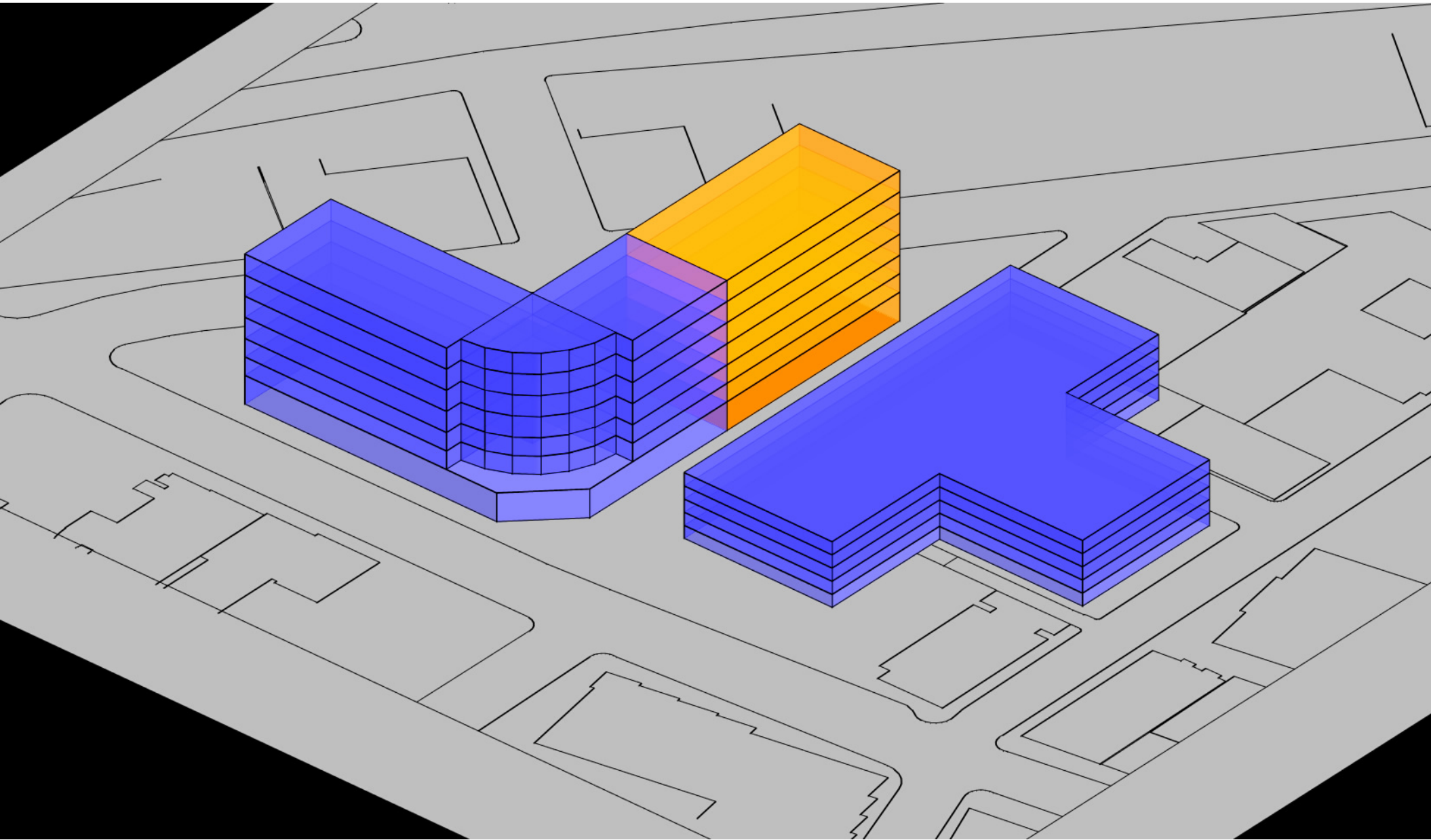


CATALINA SCHEME
PHASE 2
4 COURTS PER FLOOR
7 LEVELS

catalina phase I



catalina build out



phase I schedule

- occupancy + 5 Years
- straw-man schedule
 - design complete mid-2010
 - additional bond funding 2010-2011
 - construction 2012-2013
 - occupancy 2013
 - occupancy +5 yrs - 2018

phase I cost model

- phase I project (2018) -- \$ 69.8 M (2008 dollars)
\$ 77.0 M (2012 mid-point constr.)
- budget model
 - Site Improvements (2%)
 - Courts Building (227,000 GSF)
 - Secure Parking (55 spaces)
- phase II project – policy-driven scope

strong case for the project

- Function, Facilities and Funding (ROI)
 - two part (phase 1/II approach works)
 - \$10 surcharge on projected filings would produce more than \$6M year
 - cost avoidance in present value / future worth – current facilities facing significant current costs
 - agreement between city – county on staff / operational savings in security screening and other positions is timely with possible annual reductions of \$300K or more
 - with technology improvements, continued space efficiencies and process improvement potentials is high
 - current facilities present ongoing liability risks
 - construction and project cost multiplier factors
 - Improve functions and facilities for public, staff, judicial officers and prisoners

questions?



