

ENROLLED ORDINANCE 178-8

MODIFY THE 2023-2027 CAPITAL PLAN TO INCREASE EXPENDITURES FOR CAPITAL PROJECT #201705 – COURTHOUSE PROJECT STEP 2 – RENOVATE 1959 COURTHOUSE

WHEREAS, the Waukesha County Courthouse was constructed in 1959, and its mechanical, electrical, and plumbing infrastructure is past its useful life; and

WHEREAS, the courthouse has undergone extensive remodeling to add courtrooms and reconfigure interior space to meet expanding needs, but operational and business inefficiencies remain due to both space and building limitations; and

WHEREAS, the existing courtrooms do not meet current design standards; and

WHEREAS, the Waukesha County Board of Supervisors approved Capital Project #201705, Courthouse Project Step 2 – Renovate 1959 Courthouse in the 2023-2027 Capital Project Plan, with a total budget of \$98,800,000; and

WHEREAS, the existing 1959 Waukesha County Courthouse will be renovated and include an additional 27,000 square foot build out (for a total of 191,000 square feet); juvenile court services; three-way separation in all court rooms; an expanded entrance; enhanced building security; state-of-the-art mechanical, electrical, fire protection, window and roof systems and new wall, floor, and ceiling finishes; and improved wayfinding; and

WHEREAS, bids for this project have come in above budget due to the complexity and multi-year phasing of construction, rising costs of materials, consumer demand and limitation of supply, inflation, overseas conflicts, and shipping delays; and

WHEREAS, higher project costs will be accounted for in the 2024 budget and funded with a combination of American Rescue Plan Act grant funds, additional borrowing, and use of General Fund balance.

THE COUNTY BOARD OF SUPERVISORS OF THE COUNTY OF WAUKESHA ORDAINS that the 2023-2027 Capital Plan be modified for capital project #201705 Courthouse Project Step 2 – Renovate 1959 Courthouse to increase expenditures in 2024 by \$15,000,000, and increase American Rescue Plan Act revenue by \$6,000,000, planned issuance of general obligation promissory note debt by \$5,000,000, and use of General Fund balance by \$4,000,000.

MODIFY THE 2023-2027 CAPITAL PLAN TO INCREASE EXPENDITURES FOR CAPITAL PROJECT #201705 –
COURTHOUSE PROJECT STEP 2 – RENOVATE 1959 COURTHOUSE

Presented by:
Executive Committee

Approved by:
Public Works Committee

Approved by:
Finance Committee

Approved by:
Judiciary & Law Enforcement
Committee



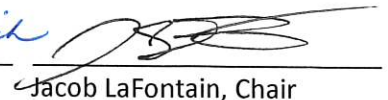
Paul L. Decker, Chair

Absent

Keith Hammitt, Chair



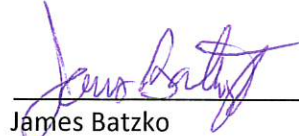
James A. Heinrich, Chair



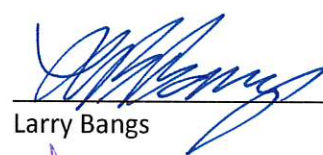
Jacob LaFontain, Chair



Tyler J. Foti



James Batzko



Larry Bangs

Absent

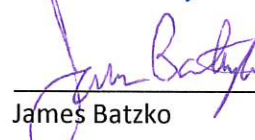
Michael A. Crowley



Keith Hammitt

Absent


Darryl J. Enriquez



James Batzko

Absent

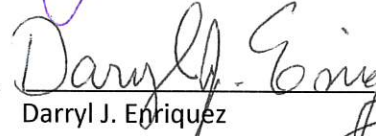
Robert L. Kolb



James A. Heinrich



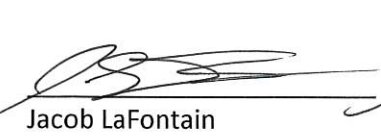
Joel R. Gaughan



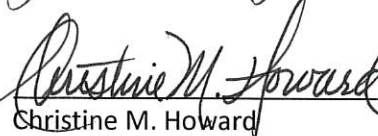
Darryl J. Enriquez



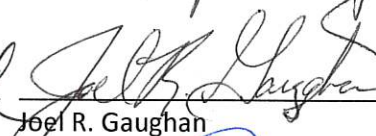
Johnny Koremenos



Jacob LaFontain



Christine M. Howard



Joel R. Gaughan



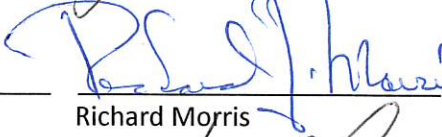
Thomas J. Schellinger



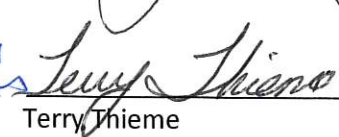
Larry Nelson

Absent

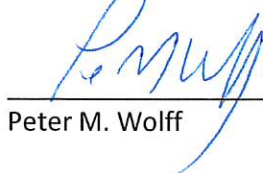
Darlene M. Johnson



Richard Morris



Terry Thieme



Peter M. Wolff



Richard Morris



Gary J. Szpara



Matthew E. Weil

The foregoing legislation adopted by the County Board of Supervisors of Waukesha County, Wisconsin, was presented to the County Executive on:

Date: May 1, 2023, Margaret Wartman
Margaret Wartman, County Clerk

The foregoing legislation adopted by the County Board of Supervisors of Waukesha County, Wisconsin, is hereby:

Approved: X

Vetoed: _____

Date: May 1, 2023, Paul Farrow
Paul Farrow, County Executive

FISCAL NOTE

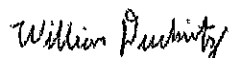
MODIFY THE 2023-2027 CAPITAL PLAN TO INCREASE EXPENDITURES FOR CAPITAL PROJECT #201705 – COURTHOUSE PROJECT STEP 2 – RENOVATE 1959 COURTHOUSE

This ordinance modifies the 2023-2027 capital plan to increase expenditures by \$15,000,000 in 2024 for project #201705 Courthouse Project Step 2 – Renovate 1959 Courthouse based on recent bid results. This increase would be covered through three funding sources: \$6,000,000 from the American Rescue Plan Act (ARPA) – Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) program, \$5,000,000 from additional planned debt issuance, and \$4,000,000 from General Fund balance use.

Regarding ARPA, the CSLFRF provides funding to local governments to compensate them for revenue loss due to the COVID-19 pandemic, according to a formula developed by the U.S. Treasury. ARPA revenues claimed through this “revenue loss” category are eligible to pay for general government services, which include capital projects, such as this one. There is approximately \$11.1 million of the grant remaining that has not been committed to a specific project, which includes funding set aside during the 2023 budget process for future capital plan management and addressing negative economic impacts, such as inflation. This ordinance would reduce the remaining balance to about \$5.1 million. The Department of Administration will continue to monitor and report on the progress of ARPA-funded projects to the County Board. As projects close out, county administration may recommend using remaining funds to reduce the level of borrowing and General Fund balance use in the capital plan, helping offset other adjustments detailed below.

The plan would also increase planned issuance of general obligation promissory notes by \$5,000,000, from \$15.8 million to \$20.8 million in 2024. Total debt service, over the life of the note, is projected to increase \$6.2 million, including interest estimated at 4%. Debt service is primarily funded with property tax levy, which is projected to increase between \$50,000 and \$100,000 (or less than 0.1%) on average annually over the life of the note due to the proposed higher borrowing. Debt service from borrowing is exempt from the state-mandated tax levy limits and does not have an impact on tax levy provided for ongoing operations. Future debt service projections will be updated for changing interest rates and adjustments to amortization schedules. Please note that this adjustment would not affect the current-year debt issuance of \$12.5 million scheduled for April 25th.

This plan would also use \$4 million of General Fund balance. The county’s financial policies set a target level for maintaining unassigned fund balance reserves at least 15% of General Fund and special revenue fund expenditures to provide necessary working capital and avoid cash flow interruptions. Since 2019, the county has built increasing unassigned fund balance reserves through the strategic claiming of federal revenues against base budget expenses and higher-than-normal position vacancies. After deducting the \$4 million of General Fund balance use proposed in this ordinance, it is estimated that fund balance to expenditure ratio will be about 20% at year-end 2023. The county’s policy is to use one-time General Fund balance against one-time projects, such as the courthouse project, and avoid using it to fund ongoing operations (except to phase-in new expenditures or revenue decreases).



William Duckwitz
Budget Manager
04/05/2023

Project Title:	Courthouse Project Step 2 – Renovate 1959 Courthouse	Project #:	201705
Department:	Public Works - Buildings	Project Type:	Renovation/Upgrade
Phase:	Preliminary Design	Sponsor:	Public Works
Budget Action:	C - \$ Update C - Rev Update	Manager:	Allison Bussler
Date:	April 5, 2023	Map / Image:	

CAPITAL BUDGET SUMMARY							
Year	2021	2022	2023	2024	2025	2026	Total Project
Project Phase	Budget & Concept Design	Design & Construction	Construction	Construction	Construction	Construction	
Expenditure Budget	\$1,200,000	\$16,000,000	\$20,400,000	\$35,350,000	\$20,350,000	\$20,500,000	\$113,800,000
Revenue Budget	\$0	\$6,000,000	\$14,000,000	\$20,000,000	\$0	\$0	\$40,000,000
Net Cost After Revenues Applied	\$1,200,000	\$10,000,000	\$6,400,000	\$15,350,000	\$20,350,000	\$20,500,000	\$73,800,000
COST DOCUMENTATION			REVENUE				
Architect	\$4,634,000	American Rescue Plan Act (ARPA)					
Construction Management	\$4,634,000	Coronavirus State and Local Fiscal Recovery Funds					\$36,000,000
Construction	\$96,790,000	General Fund Balance					\$4,000,000
Contingency	\$7,742,000						
Total Project Cost	\$113,800,000	Total Revenue					\$40,000,000
EXPENDITURE BUDGET	\$113,800,000	REVENUE BUDGET					\$40,000,000

Project Scope & Description

The existing courthouse, located at 515 W. Moreland Blvd., was constructed in 1959 and remains structurally sound. The courthouse currently houses the Judiciary, Clerk of Courts, Family Court Counseling, District Attorney’s Offices (including Victim/Witness), the County Board Room, Information Technology, and other miscellaneous functions. Throughout the life of the courthouse, extensive remodeling has taken place to add additional courtrooms and reconfigure interior space to meet the expanding needs of the services located in the courthouse. Operational and business inefficiencies, particularly for the courts systems, have been created due to both space and building limitations. In addition, existing courtrooms do not meet current design standards. The courthouse building infrastructure is approaching the end of its useful life.

This project will enhance security at the courthouse by improving video surveillance; upgrading fire protection; installing staff and public announcement systems to provide notifications during emergencies; and redesigning the security entrance to improve the flow of courthouse visitors.

The County retained Zimmerman Architectural Studios to develop a “Courthouse Study,” (capital project #200914), to provide a comprehensive analysis of courthouse space requirements and design needs. This study was completed in 2013, and Zimmerman recommended a two-step design approach (below). This project is intended to address step 2 (renovation of the existing courthouse facility as outlined in the aforementioned study).

Step 1: This step was completed in 2021 and included the construction of a new four-story, eight-courtroom facility and relocation of eight existing courtrooms to the new facility. This work also included the demolition of the existing 1959 jail (capital project #201418 Secure Courtroom Construction).

Step 2: This capital project would renovate the existing courthouse building in a multi-phase vertical segment approach to provide newly renovated facilities for all divisions, except the secure courtrooms addressed in step 1. Courthouse renovation will also include the installation of new state of the art mechanical, electrical, fire protection, window systems and new wall, floor, and ceiling finishes in all renovated areas. This approach will not require temporary offsite relocation of courthouse personnel.

As part of the 2021 Design and Budget Concept phase, the county retained Kueny and Wold Architects as design consultants to provide an updated analysis of space requirements, design needs, and conceptual budget of step 2 from the 2013 study. There are a number of factors that may impact the design and the construction costs of this project, including, but not limited to, incorporating additional operations to the courthouse space, future economic conditions, and the maturing of the design process for the remaining phases of work that are part of step 2.

The step 2 project scope will continue with the renovation of the existing building and include an additional 27,000 square foot build out (for a new total of 191,000 square feet), inclusion of juvenile court services, and achieve three-way separation in all court rooms. The build out will allow the continuation of courtroom layout and three-way separation from step 1 into step 2. This step eliminates the existing prisoner transport tunnel and creates new prisoner transport and holding areas to better achieve courtroom and overall building security. In addition, this step will expand the entrance to improve security,

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traffic flow patterns, and wayfinding. This step will include new state of the art mechanical, electrical, fire protection, window and roof systems and new wall, floor, and ceiling finishes as previously planned.

During the 2022-2026 Capital Plan review process, county staff indicated that there were still decisions to be made about the location of the future County Board room and office space. This project scope was updated in the 2023-2027 Capital Plan to relocate the County Board room to the Administration Center near the current County Board office space to provide appropriate space for Judicial/Courts, Sheriff, and District Attorney staffing.

Based on initial 2023 construction bid results, the project costs are increased \$15,000,000. Project costs are higher due to the complexity and multi-year phasing of construction, rising costs of materials, consumer demand and limitation of supply, inflation, overseas conflicts, and shipping delays. This increase would be covered through three funding sources: \$6,000,000 in additional funds from the American Rescue Plan Act (ARPA) – Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) program, \$5,000,000 from additional planned debt issuance (accounted for in the capital budget summary table on the first page within the “net costs after revenues applied”), and \$4,000,000 from General Fund balance use.

This project includes federal American Rescue Plan Act (ARPA) funding to partially offset the costs of this core infrastructure project that is expected to serve public safety and other governmental operations for at least the next 50 years. Targeting ARPA funds for this project offsets borrowing needs, saving the county taxpayers. Project expenses are eligible through ARPA’s Coronavirus State and Local Fiscal Recovery Funds program, which provides funding to local governments to compensate them for revenue loss due to the COVID-19 pandemic, according to a formula developed by the U.S. Treasury.

Locations

Waukesha County Courthouse, 515 West Moreland Blvd., Waukesha, WI 53188.

Analysis of Need

The existing courthouse building, constructed in 1959, remains structurally sound. Over the years, extensive remodeling has taken place to add additional courtrooms and reconfigure interior space. Public access to the building is now limited to the main entrance (door #2) where security screening takes place. Customer circulation has been identified for improvement, particularly the Courts area. Due to the remodeling, some courtrooms are considered inadequate since the space and/or security does not measure up to current courtroom design standards.

The existing courthouse is in need of complete replacement of its mechanical, electrical, plumbing, fire protection, window and roof systems. The need for these replacements will coincide with the completion of the courts building (step 1) and the vacating of eight courtrooms in the existing courthouse. The space left vacant by the courtrooms will be used in consideration with the consultant’s recommendation for step 2, as described previously in the project scope and description.

Alternatives

1. The currently-approved project scope.
2. The project was bid with alternates to reduce scope/cost by deferring third floor completion to a future capital project and eliminating the southern vertical prisoner transport corridor (discussed in more detail below). These alternatives were included because of the possibility that total project costs could exceed budget. Bid alternatives did not produce significant cost reductions, in part due to the economic conditions and the complexity of the project/specifications. Rebidding the project, with clarified alternatives may result in more defined alternative cost reductions. These alternatives include:
 - a. Deferring most or all of the third-floor build out. This would mean that the third floor would be shelled unfinished space, which would be part of a later capital project. This modification would be accommodated by maintaining current Juvenile Court operations at the Juvenile Center. In addition, the construction of a large-capacity courtroom and conference room would be deferred until the future capital project. If the bid is re-issued, the cost savings are estimated at \$3 million to \$5 million. However, delaying this phase of the project will likely increase the total project costs due to inflation and remobilization of construction efforts
 - b. Removing the southern vertical prison transport corridor. The functionality of the courtrooms that would be affected by this corridor do not currently require prisoner transport (e.g., Civil and Family). This corridor had been built into the existing project to provide maximum flexibility for the judicial process, which may be needed in the future. If the bid is re-issued, the cost savings are estimated at less than \$1 million.

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Department:	Public Works - Buildings	Project Type:	Renovation/Upgrade
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Additionally, the County can choose to do nothing and continue to operate all County functions and services at their present location utilizing existing facilities, risking HVAC failure, and without gaining future HVAC, utility, and staffing efficiencies.

Ongoing Operating Costs

The new project is expected to reduce energy consumption through installation of energy efficient equipment and windows. Consolidation of office space and moving departmental operations closer together are expected to improve operational efficiency.

Previous Action


The Courthouse Study was completed in August, 2013. Step 1 (Project 201418): Approved as a new capital project in the 2014-2018 capital plan. Approved as planned in the 2015-2019, 2016-2020, 2017-2021 capital plans. Approved with a cost and revenue update in the 2018-2022 capital plan. Approved as planned in the 2019-2023 and 2020-2024 capital plans. Approved with a cost update in the 2021-2025 capital plan. Step 2 (Project 201705): Approved as a new project in the 2017-2021 capital plan. Approved as planned in the 2018-2022 and 2019-2023 capital plans. Approved with a schedule update in the 2020-2024 capital plan. Approved as planned in the 2021-2025 capital plan. Approved with a cost, revenue, and scope update in the 2022-2026 capital plan. Approved with a scope update in the 2023-2027 capital plan.

VOTE RESULTS >

23 YES 1 NO 0 ABSTAIN 1 ABSENT

Ordinance 178-O-009

Ordinance 178-O-009: Modify The 2023-2027 Capital Plan To Increase Expenditures For Capital Project #2017 Courthouse

 **Passed With 17 Yes Votes Needed**

D1 - Foti	NAV	D10 - Thieme	AYE	D19 - Enriquez	AYE
D2 - Weil	AYE	D11 - Howard	AYE	D20 - Schellinger	AYE
D3 - Morris	AYE	D12 - Wolff	AYE	D21 - Gaughan	AYE
D4 - Batzko	AYE	D13 - Decker	AYE	D22 - Szpara	AYE
D5 - Grant	ABSENT	D14 - Mommaerts	AYE	D23 - Hammitt	AYE
D6 - Walz	AYE	D15 - Kolb	AYE	D24 - Bangs	AYE
D7 - LaFontain	AYE	D16 - Crowley	AYE	D25 - Johnson	AYE
D8 - Koremenos	AYE	D17 - Meier	AYE		
D9 - Heinrich	AYE	D18 - Nelson	AYE		

1st Meeting, 178th Year of the County Board Supervisors - April 25 2023 07:40:47 PM
April 25 2023 