



JUDICIAL COUNCIL OF CALIFORNIA

455 Golden Gate Avenue · San Francisco, California 94102-3688

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REPORT TO THE JUDICIAL COUNCIL

For business meeting on March 15, 2019

Title

Report to the Legislature: Judicial Branch
Courthouse Construction Program Update
for 2017–18

Agenda Item Type

Information Only

Date of Report

March 1, 2019

Submitted by

Judicial Council staff
Zlatko Theodorovic, Director
Budget Services
Mike Courtney, Director
Facilities Services

Contact

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Executive Summary

Government Code section 70371.8 requires the Judicial Council to report annually to the Joint Legislative Budget Committee and the chairs of the Senate Committee on Budget and Fiscal Review and the Assembly Committee on Budget on the status of the Judicial Branch courthouse construction program. The Status of Active Judicial Branch Courthouse Construction Program Projects (2017–18) satisfies the requirement of this mandate (see Attachment A). The report includes information on the status of each project established by the State Public Works Board under section 70371.7 and an accounting of the revenues generated and expenditures made in the Immediate and Critical Needs Account (ICNA).

Relevant Previous Council Action

The report on the status of courthouse capital projects in the judicial branch courthouse construction program and accounting of the revenues and expenditures in the ICNA has been required and submitted under Government Code section 70371.8 since 2008–09. The council has approved previous reports, and they are posted on the California Courts website at www.courts.ca.gov/7466.htm.

Analysis/Rationale

Revenues are collected from fines and fees to support the ICNA. The revenues are submitted to the State Controller's Office by either courts or counties, depending on the entity that is responsible for collection. ICNA makes expenditures in five major areas: facility modifications, Los Angeles–Long Beach Service Fee, lease revenue debt service, support of the trial courts, and capital projects. For this report, both revenue and expenditures match year-end financial statements and are captured on Attachment B.

Fiscal Impact and Policy Implications

This report is mandated by law, and therefore does not circulate for comment. Submission of this mandated report to the Legislature requires minimal implementation costs and has no operational impacts.

Attachments and Links

1. Attachment A: Status of Active Judicial Branch Courthouse Construction Program Projects (2017–18)
2. Attachment B: Accounting of Revenue and Expenditures of Judicial Branch Courthouse Construction Program for Fiscal Year 2017–18



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MR. MARTIN HOSHINO
*Administrative Director,
Judicial Council*

March 1, 2019

Hon. Holly J. Mitchell
Chair, Joint Legislative Budget Committee
1020 N Street, Room 553
Sacramento, California 95814

Hon. Philip Y. Ting
Vice Chair, Joint Legislative Budget Committee
1020 N Street, Room 553
Sacramento, California 95814

*Re: Status of Active Judicial Branch Courthouse Construction Program
Projects (2017–18), as required under Government Code section 70371.8*

Dear Senator Mitchell and Assembly Member Ting:

Attached is the Judicial Council report on the status of each project established by the State Public Works Board under Government Code section 70371.7 (Attachment A) and the accounting of revenues and expenditures made in the Immediate and Critical Needs Account for 2017–18, required under Government Code section 70371.8 (see Attachment B).

In 2017–18, total available resources were \$254 million, excluding transfers and other adjustments, total revenues were \$223.4 million—an increase of \$6.5 million from 2016–17. Total expenditures, adjustments and transfers were \$253.3 million, expenditures from the fund totaled \$240.9 million, including \$17.0 million for capital outlay from prior year funding. The ending fund balance was \$253.3 million.

Due to the continued decline in revenues as well as redirections from the fund in prior years, no new funding was expended on capital projects from the Immediate and Critical Needs Account. Only prior year funding was expended, including \$16 million for the working drawings phase of the Sacramento Courthouse, and \$1.03 million for the demolition of buildings to ensure the safety and security of three sites previously acquired for capital outlay needs.

Hon. Holly J. Mitchell
Hon. Philip Y. Ting
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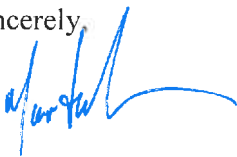
Due to a technical error in the funding of a capital outlay project from prior years, the fund received \$24.5 million of the \$35.4 million due. The remaining balance will be repaid in 2019-20. There was also \$4.55 million reverted to the fund for the Mendocino County, New Ukiah Courthouse project that is currently indefinitely delayed.

The status of current capital projects established by the State Public Works Board under Government Code section 70371.8 is as follows:

- Five projects have completed the working drawings phase, and are all funded by the General Fund for construction;
- Four projects will soon complete the working drawings phase and are all funded by the General Fund for construction.
- One project is in the process of bidding the construction contract and will start construction, funded by the General Fund, immediately afterward;
- Seven projects are on hold and will be part of the group of projects undergoing reassessment (see last bullet item);
- Ten projects are indefinitely delayed and will be part of the group of projects undergoing reassessment (see last bullet item); and,
- As directed by the Legislature, the Judicial Council will conduct a reassessment of projects identified in the *Update to Trial Court Capital-Outlay Plan and Prioritization Methodology*.

If you have any questions related to this report, please contact Mr. Zlatko Theodorovic, Director, Judicial Council Budget Services, at 916-263-1397 or Zlatko.Theodorovic@jud.ca.gov.

Sincerely,



Martin Hoshino
Administrative Director
Judicial Council

Hon. Holly J. Mitchell

Hon. Philip Y. Ting

March 1, 2019

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MH/ZT/jh

Attachments

cc: Diane F. Boyer-Vine, Legislative Counsel
Daniel Alvarez, Secretary of the Senate
E. Dotson Wilson, Chief Clerk of the Assembly
Eric Dang, Policy Consultant, Office of Senate President pro Tempore Toni G. Atkins
Alf Brandt, Senior Counsel, Office of Assembly Speaker Anthony Rendon
Jason Sisney, Special Assistant, Office of Assembly Speaker Anthony Rendon
Anita Lee, Principal Fiscal and Policy Analyst, Legislative Analyst's Office
Tina McGee, Executive Secretary, Legislative Analyst's Office
Rebecca Kirk, Program Budget Analyst, Department of Finance
Margie Estrada, Chief Counsel, Senate Judiciary Committee
Christopher Francis, Consultant, Senate Budget and Fiscal Review Committee
Shaun Naidu, Consultant, Senate Appropriations Committee
Matt Osterli, Consultant, Senate Republican Fiscal Office
Mike Petersen, Consultant, Senate Republican Policy Office
Alison Merrilees, Chief Counsel, Assembly Judiciary Committee
Jennifer Kim, Consultant, Assembly Budget Committee
Jay Dickenson, Chief Consultant, Assembly Appropriations Committee
Jessica Peters, Principal Consultant, Assembly Appropriations Committee
Daryl Thomas, Consultant, Assembly Republican Office of Policy & Budget
Paul Dress, Consultant, Assembly Republican Office of Policy & Budget
Amy Leach, Minute Clerk, Office of Assembly Chief Clerk
Jennifer Troia, Principal Consultant, Joint Legislative Budget Committee
Cory T. Jasperson, Director, Governmental Affairs, Judicial Council
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Angela Guzman, Budget Manager, Budget Services, Judicial Council
Yvette Casillas-Sarcos, Administrative Coordinator, Governmental Affairs,
Judicial Council

Status of Active Judicial Branch Courthouse Construction Program Projects
June 30, 2018

	County	Capital Project Name	Capital Project Status
1.	Glenn	Renovate and Addition to Willows Courthouse	In Working Drawings; Construction phase funded by enacted 2018 Budget Act (FY 2018–19)
2.	Sacramento	New Sacramento Criminal Courthouse	In Working Drawings; Construction phase funded by enacted 2018 Budget Act (FY 2018–19)
3.	Riverside	New Mid-County Civil Courthouse	In Working Drawings; Working Drawings and Construction phases funded by enacted 2018 Budget Act (FY 2018–19)
4.	Sonoma	New Santa Rosa Criminal Courthouse	In Working Drawings; Working Drawings and Construction phases funded by enacted 2018 Budget Act (FY 2018–19)
5.	Stanislaus	New Modesto Courthouse	In Working Drawings; Working Drawings and Construction phases funded by enacted 2018 Budget Act (FY 2018–19)
6.	Imperial	New El Centro Courthouse	Working Drawings Completed; Construction phase funded by enacted 2018 Budget Act (FY 2018–19)
7.	Riverside	New Indio Juvenile and Family Courthouse	Working Drawings Completed; Construction phase funded by enacted 2018 Budget Act (FY 2018–19)
8.	Shasta	New Redding Courthouse	Working Drawings Completed; Construction phase funded by enacted 2018 Budget Act (FY 2018–19)
9.	Siskiyou	New Yreka Courthouse	Working Drawings Completed; Construction phase funded by enacted 2018 Budget Act (FY 2018–19)
10.	Tuolumne	New Sonora Courthouse	Bid and Award; Construction phase funded by enacted 2018 Budget Act (FY 2018–19)

	County	Capital Project Name	Indefinitely-Delayed/Reassessment Capital Project Status
11.	El Dorado	New Placerville Courthouse	Project on hold/In Reassessment
12.	Inyo	New Inyo County Courthouse	Project on hold/In Reassessment
13.	Lake	New Lakeport Courthouse	Project on hold/In Reassessment
14.	Los Angeles	New Eastlake Juvenile Courthouse	Project on hold/In Reassessment
15.	Los Angeles	New Mental Health Courthouse	Project on hold/In Reassessment
16.	Mendocino	New Ukiah Courthouse	Project on hold/In Reassessment
17.	Santa Barbara	New Santa Barbara Criminal Courthouse	Project on hold/In Reassessment

	County	Capital Project Name	Indefinitely-Delayed/Reassessment Capital Project Status
18.	Fresno	Renovate Fresno County Courthouse	Indefinitely delayed as of Judicial Council meetings on October 26, 2012, and January 17, 2013. Projects are in reassessment through December 2019.
19.	Kern	New Delano Courthouse	
20.	Kern	New Mojave Courthouse	
21.	Los Angeles	New Glendale Courthouse	
22.	Los Angeles	New Santa Clarita Courthouse	
23.	Los Angeles	New Southeast Los Angeles Courthouse	
24.	Monterey	New South Monterey County Courthouse	
25.	Nevada	New Nevada City Courthouse	
26.	Placer	New Tahoe Area Courthouse	
27.	Plumas	New Quincy Courthouse	

Indefinitely Delayed – Projects are indefinitely delayed until funds become available in the future. No work to proceed on site acquisition or design.

Reassessment – The Legislature attached specific trailer bill language (Senate Bill 847 [Committee on Budget and Fiscal Review; Stats. 2018, ch. 45]) to the 2018 Budget Act. In essence, this legislative mandate has required that the Judicial Council conduct, or contract with an independent contractor to conduct, a reassessment of all its capital projects that have not been fully funded up and through the 2018 Budget Act (FY 2018–19). This reassessment to develop and submit a new Trial Court Capital-Outlay Plan for funding is due by December 31, 2019, to two legislative committees: Senate Committee on Budget and Fiscal Review and the Assembly

Committee on Budget. For reference, the specific language of this legislative mandate is listed under Section 8 of SB 847 (which is Government Code section 70371.9) and available at http://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB847.

3138 Immediate and Critical Needs Account, State Court Facilities Construction Fund
Accounting of Revenues and Expenditures of Judicial Branch
Courthouse Construction Program (2017-18)

Attachment B

		<i>(Dollars in Thousands)</i>				
		PY 13-14	PY 14-15	PY 15-16	PY 16-17	PY 17-18
1	BEGINNING BALANCE	\$ 108,476	\$ 86,266	\$ 152,622	\$ 211,082	\$ 227,740
2	Prior Year Adjustments					
3	Capital Outlay Project Refunds to ICNA:					
4	Alpine - Markleeville Courthouse					
5	Butte - North Butte County Courthouse				\$ 1,990 A/P/W	
6	Fresno - Renovate Fresno County Courthouse				\$ 1,478 P	
7	Glenn - Willows Historic				\$ 235 A	
8	Kern - Delano Courthouse				\$ 32 A	
9	Kern - Mojave Courthouse				\$ 231 A	
10	Kings - Hanford Courthouse	\$ 4,142 W			\$ 127 A/P	
11	Lake - Lakeport Courthouse				\$ 250 P	
12	Los Angeles - Glendale Courthouse	\$ 298 A			\$ 38 A	
13	Los Angeles - Santa Clarita Courthouse	\$ 26 A			\$ 34 A	
14	Los Angeles - Southeast Los Angeles Courthouse	\$ 18 A			\$ 19 A	
15	Mendocino - Ukiah Courthouse					\$ 4,550 P
16	Merced - Los Banos Courthouse				\$ 954 A/P	
17	Monterey - South County Courthouse	\$ 5 A			\$ 57 A/P	
18	Nevada - Nevada City Courthouse				\$ 107 A	
19	Placer - Tahoe Area Courthouse				\$ 131 A	
20	Plumas - Quincy Courthouse				\$ 85 A	
21	Riverside - Indio Juvenile & Family Courthouse					
22	San Diego - Central San Diego Courthouse	\$ 10,207 W			\$ 3,730 A/P/W	
23	Santa Barbara - Santa Barbara Criminal Courthouse				\$ 299 A	
24	Santa Clara - Family Justice Center	\$ 2,951 A/P/W			\$ 1,420 A/P/W	
25	Shasta - Redding Courthouse				\$ 2,347 P	
26	Sierra - Downieville Courthouse					
27	Siskiyou - Yreka Courthouse				\$ 825 P	
28	Solano - Renovation to Fairfield Old Solano Courthouse				\$ 28 P	
29	Sonoma				\$ 265 A	
30	Stanislaus - Modesto Courthouse					
31	Sutter - Yuba City Courthouse				\$ 1,005 A/W	
32	Tehama - Red Bluff Courthouse				\$ 3,266 A/P/W	
33	Tuolumne - Sonora Courthouse				\$ 1,069 P	
34	Yolo - Woodland Courthouse	\$ 5,269 W			\$ 213 A/W	
35	Subtotal - Prior Year Adjustments (Capital Outlay)	\$ 22,916	\$ -	\$ -	\$ 20,234	\$ 4,550
36	Prior Year Adjustments - State Operations	\$ 3,275	\$ 1,323	\$ 1,933	\$ 2,588	\$ 7,853
39	Prior Year Adjustments (Total)	\$ 26,191	\$ 1,323	\$ 1,933	\$ 22,822	\$ 12,403
40	DOF - FSCU Assessments	\$ (2)	\$ (3)			
41	SCO - GAAP Assessments	\$ (0)	\$ (0)		\$ (1)	
42	ADJUSTED BEGINNING BALANCE	\$ 134,665	\$ 87,586	\$ 154,554	\$ 233,903	\$ 240,143
43	Revenues, Transfers and Other Adjustments					
44	150300 Income From Surplus Money Investments	\$ 278	\$ 196	\$ 718	\$ 1,540	\$ 2,645
45	161400 Misc Revenue From Local Agencies	\$ 21,187	\$ 19,196	\$ 16,811	\$ 25,486	\$ 17,932
46	164100 Traffic Violations	\$ 27,434	\$ 26,133	\$ 22,227	\$ 20,221	\$ 20,456
47	164300 Penalty Assessments (Parking Violations)	\$ 25,968	\$ 25,916	\$ 25,234	\$ 24,583	\$ 25,352
48	164600 Fines and Forfeitures					
49	164700 Court Filing Fees and Surcharges	\$ 27,800	\$ 25,415	\$ 26,470	\$ 26,094	\$ 30,602
50	164800 Penalty Assess. on Criminal Fines	\$ 171,777	\$ 164,090	\$ 134,940	\$ 119,025	\$ 126,413
51	Subtotal - Revenue	\$ 274,444	\$ 260,946	\$ 226,399	\$ 216,949	\$ 223,400
52	Transfers and Other Adjustments:					
53	Transfer from CTF				\$ 377	\$ 6,140
54	Transfer from SCFCF					\$ 24,493
55	Revenue Redirection to TCTF (Loan)					
56	Revenue Redirection to General Fund	\$ (200,000)				
57	Operating Transfer to Fund TCTF GC 68502.6	\$ -	\$ -	\$ -		
58	Total Revenues, Transfers, and Other Adjustments	\$ 74,444	\$ 260,946	\$ 226,399	\$ 217,326	\$ 254,033

3138 Immediate and Critical Needs Account, State Court Facilities Construction Fund
Accounting of Revenues and Expenditures of Judicial Branch
Courthouse Construction Program (2017-18)

Attachment B

		<i>(Dollars in Thousands)</i>				
		PY 13-14	PY 14-15	PY 15-16	PY 16-17	PY 17-18
59	Expenditures and Expenditure Adjustments					
60	<u>Support Costs:</u>					
61	Facility Modifications	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 24,686
62	Trial Court Facility Costs-Antelope Valley				\$ 3,426	\$ -
63	Glenn Temporary Space				\$ 70	\$ -
64	Los Angeles, Long Beach Service Fee	\$ 27,979	\$ 53,354	\$ 54,214	\$ 53,238	\$ 53,796
65	Pro Rata	\$ 1,229	\$ 1,370	\$ 5,094	\$ 6,935	\$ 648
66	Fi\$cal			\$ 594		
67	Debt Service		\$ 465	\$ 13,352	\$ 45,230	\$ 94,726
68	Capital Project Related Support Costs		\$ 807	\$ 145		
69	Subtotal Support Costs	\$ 54,208	\$ 80,996	\$ 98,399	\$ 133,899	\$ 173,856
70	<u>Local Assistance - Operation of Trial Courts</u>	\$ 50,000	\$ 10,000	\$ 50,000	\$ 50,000	\$ 50,000
71	Capital Project Costs (pay as you go)					
72	Alameda - East County Hall of Justice		\$ 39,113 A			
73	Alpine - Markleeville Courthouse					
74	Butte - North Butte County Courthouse					
75	El Dorado - Placerville Courthouse					
76	Fresno - Renovate Fresno County Courthouse					
77	Glenn - Renovation/Addition to Willows Historic Courthouse	\$ 2,600 W			\$ 235 W	
78	Imperial - El Centro Courthouse		\$ 3,344 W			
79	Inyo - Inyo County Courthouse					
80	Kern - Delano Courthouse					
81	Kern - Mojave Courthouse					
82	Kings - Hanford Courthouse					
83	Lake - Lakeport Courthouse		\$ 4,450 W			
84	Los Angeles - Eastlake Juvenile Courthouse					
85	Los Angeles - Glendale Courthouse					
86	Los Angeles - Hollywood Courthouse Modernization (formerly Mental Health)		\$ 2,500 B			
87	Los Angeles - Santa Clarita Courthouse					
88	Los Angeles - Southeast Los Angeles Courthouse					
89	Mendocino - Ukiah Courthouse			\$ 3,466 A		
90	Merced - Los Banos Courthouse	\$ 1,974 W				
91	Monterey - South County Courthouse					
92	Nevada - Nevada City Courthouse					
93	Placer - Tahoe Area Courthouse					
94	Plumas - Quincy Courthouse					
95	Riverside - Mid-County Civil Courthouse (formerly Hemet)			\$ 4,259 P		
96	Riverside - Indio Juvenile & Family Courthouse		\$ 3,484 W			
97	Sacramento - Sacramento Criminal Courthouse		\$ 17,347 A,P			\$ 16,000 W
98	San Diego - Central San Diego Courthouse	\$ 3,792 C		\$ 832		
99	San Joaquin - Renovation/Addition to Juvenile Justice Center	\$ 3,205 C				
100	Santa Barbara - Santa Barbara Criminal Courthouse		\$ 4,411 P		\$ 386 C	\$ 52 C
101	Santa Clara - Family Justice Center					
102	Shasta - Redding Courthouse		\$ 6,028 P	\$ 8,849 W	\$ 1,810 C	
103	Sierra - Downieville Courthouse					
104	Siskiyou - Yreka Courthouse	\$ 3,277 P	\$ 4,518 W			\$ 664 C
105	Siskiyou - Yreka Courthouse (Reimbursements)	\$ (3,277) P				
106	Solano - Renovation to Fairfield Old Solano Courthouse					
107	Sonoma - Santa Rosa Criminal Courthouse		\$ 7,670 P			
108	Stanislaus - Modesto Courthouse		\$ 9,000		\$ 1,697 C	\$ 319 C
109	Sutter - Yuba City Courthouse					
110	Tehama - Red Bluff Courthouse	\$ 3,982 W				
111	Tuolumne - Sonora Courthouse		\$ 3,049 P	\$ 4,066 W		
112	Yolo - Woodland Courthouse					
113	San Joaquin - Stockton (SB 1732 Project)	\$ 3,083 C			\$ 35,462 C	
114	Subtotal Capital Costs	\$ 18,636	\$ 104,914	\$ 21,472	\$ 39,590	\$ 17,035
115	Total Expenditures and Expenditure Adjustments	\$ 122,843	\$ 195,910	\$ 169,871	\$ 223,489	\$ 240,891
116	Net Annual Rev., Trsf., & Other Adj. Less Total Expenditures	\$ (48,399)	\$ 65,036	\$ 56,528	\$ (6,163)	\$ 13,142
117	TOTAL FUND BALANCE	\$ 86,266	\$ 152,622	\$ 211,082	\$ 227,740	\$ 253,285