

Washington State Judicial Branch 2014 SUPPLEMENTAL BUDGET

Decision Package

Agency	Administrative Office of the Courts
Decision Package Title	Office Consolidation
Budget Period	SAMPLE ONLY
Budget Level	Policy Level

Agency Recommendation Summary Text

Please enter a succinct description of 100 words or less.

The Administrative Office of the Courts must relocate due to non-compliance with space allocation standards, renovations being implemented by the building owner, and to facilitate co-location and consolidation as prescribed by RCW 43.82.010(5).

Fiscal Detail

AOC will determine the funding source.

Operating Expenditures	FY 2014	FY 2015	Total
001-1 General Fund State			
Staffing	FY 2014	FY 2015	Total
FTEs (number of staff requested)	0	0	0

Package Description

Please identify the need, solution, and comparison to existing levels of funding and performance.

RCW 43.82.010(5) states:

It is the policy of the state to encourage the co-location and consolidation of state services into single or adjacent facilities, whenever appropriate, to improve public service delivery, minimize duplication of facilities, increase efficiency of operations, and promote sound growth management planning.

The Administrative Office of the Courts (AOC) has had its headquarters located at 1206 Quince Street SE for over 20 years and in fact has been the building's sole tenant since it was originally built. In 1995, and again in 1999, AOC was forced to lease additional facilities in

SAMPLE DECISION PACKAGE ONLY

order to accommodate an increase in its workforce.

In 1999 the Washington State Legislature directed the Department of General Administration to:

...conduct an analysis of future state office space needs in Thurston County, by agency for the next ten years. GA is to consult with state agencies, private developers, and building owners to determine the inventory of space available and planned over the next ten years in government and non-government buildings. Planning for state office expansion shall consider the impact on current office space.

As a result, the Department of General Administration published a series of reports designed to address the legislative mandate. In October 2000, the Department of General Administration published a report entitled Thurston County Lease and Space Planning. This report identified the Administrative Office of the Courts as one of 15 agencies that were "Highly Fragmented." The report concluded that agency fragmentation continues to be a significant barrier to delivering state services and managing state agencies.

In 2002 the Administrative Office of the Courts was notified by the owner of our headquarters facility (the Eastside Plaza facility) that he intended to completely renovate all four structures at the Eastside complex, that the renovation for the AOC facility would take approximately 4 months, that AOC was expected to vacate the premises while renovation occurred, and that the Department of Health would be permanently vacating the three remaining buildings. To complicate matters further, the Eastside facility lease was set to expire on July 31, 2004, at which time our lease rates were expected to increase. This situation presented the AOC with an opportunity to review and analyze the current facility locations, the current employee space allocation and the impact that numerous locations had on customers and office operations.

AOC began its facility analysis by determining the space requirements for existing and future operations, reviewing what type of workstation configuration would generate the greatest return, and by identifying what building options and configurations would most benefit our customers and enhance operational efficiency and effectiveness. The analysis quickly identified the fact that the Eastside facility did not meet the Department of General Administration's (GA) recommended space allocation standards, even if staffing remained at the 2002 level. Further review led to the following additional conclusions:

- Our two overflow facilities were at maximum capacity and could not be used to offset the cramped quarters of our Eastside facility,
- Staff time was being inefficiently used due to multiple facility locations,
- The open office concept would be the best layout for the agency's cross-functional and self-directed work teams,
- Additional meeting and storage space was required,
- Citizen access was impaired with the multiple facility configuration, and
- AOC staffing levels are likely to increase in the future.

Based upon the conclusions noted above, AOC determined that there were three basic facility siting options available. The options examined were:

- Moving out of the Eastside facility completely,
- Identifying another overflow facility, and
- Determining the feasibility of remaining in our current area (Eastside Complex) while utilizing a different mix of the buildings available.

Facility Siting Option 1: Vacate the Eastside Facility Entirely

The first facility siting option assumed AOC would completely vacate the Eastside facility and find another facility(s). This proved to be a non-viable option for a number of reasons including cost, facility location and availability.

AOC is mandated to collect, compile, store, and report on the actions of courts throughout the state of Washington. Statute and Supreme Court Rule reflect the AOC's responsibility to maintain the statewide Judicial Information System (JIS) for the Washington Courts. Because of this mandate AOC had a data center designed and built into the Eastside facility during its initial construction. As part of this relocation analysis, AOC requested that an outside vendor provide an impartial cost analysis for the replication of the data center in its current configuration. The vendor estimated the cost to be approximately \$1,000 per square foot, approximately \$1.2 million. Due to the exorbitant cost to replicate the facility, AOC explored the possibility of leaving the data center intact, leasing enough of Eastside facility to house the data center and allow staff to enter and exit. The remaining AOC staff would be relocated to a facility not located in the Eastside Complex. When approached, the owner stated that this was not an option that he would consider.

AOC then began to broaden its search for available facilities outside the Olympia area. The Supreme Court directed AOC to give priority consideration to locations in the Olympia area near the Temple of Justice. AOC then inquired about space at the General Administration Building (GA Building) located on the Capitol Campus. We were informed that the GA Building did not have space that would adequately serve AOC's needs. Based upon these findings, AOC abandoned this option due to the cost of moving the data center and because of the limited space near the Temple of Justice.

Cost estimates are noted below.

Facility Siting Option 2: Identify Another Overflow Facility

Our second siting option focused on acquiring a sixth facility in order to mitigate the risk associated with failure to comply with space allocation standards. In order to comply with space allocation standards approximately 15,000 square feet of additional office space would have had to be acquired.

AOC ()staff relocation and other expenses would push the biennial figure beyond \$1 million.

Next, AOC staff began reviewing the space availability data that had already been collected. As before, adequate office space was not readily available within the geographic area of consideration. Based upon the estimated costs, lack of adequate office space and the additional fragmentation that a fourth facility would cause, AOC chose not to actively consider this option.

Cost estimates are noted below.

Facility Siting Option 3: Remain at the Eastside Complex

While AOC was analyzing the various facility siting options, the owner of our existing facility approached us with the idea of leasing one or more of the soon-to-be renovated facilities at the Eastside Complex (see attached aerial photo). Working with the owner, we approached our

review in much the same way as noted above. We discussed the possibility of leaving the data center in our current building and moving staff into one of the larger buildings. While this was somewhat more palatable to the owner because we would be on the premises, he was still concerned about finding another tenant willing to share the building. AOC also had concerns regarding data center access and security, making this a non-workable option. We then discussed the possibility of moving the data center to one of the larger buildings but, as noted above, moving the data center is cost prohibitive. The most viable alternative consisted of remaining in our current facility, leasing the neighboring building, and consolidating staff from our two overflow facilities.

Facility siting option 3 fully supports Washington State policy, as codified in 43.82.010(5) and meets organizational, operational and customer support and service needs. In addition, this option eliminates costs associated with moving the data center, allows AOC to remain in the Olympia area, allows AOC to meet GA space allocation standards and provides AOC with leverage to negotiate cost reductions with the owner.

Cost estimates are noted below.

Narrative Justification and Impact Statement

In the sections below, thoroughly describe the impacts that will result from this request.

How does this package contribute to the Judicial Branch Principle Policy Objectives identified below?

Fair and Effective Administration of Justice in All Civil and Criminal Cases. Washington courts will openly, fairly, efficiently and effectively administer justice in all criminal and civil cases, consistent with constitutional mandates and the judiciary's duty to maintain the highest level of public trust and confidence in the courts.

Accessibility. Washington courts, court facilities and court systems will be open and accessible to all participants regardless of cultural, linguistic, ability-based or other characteristics that serve as access barriers.

Access to Necessary Representation. Constitutional and statutory guarantees of the right to counsel shall be effectively implemented. Litigants with important interest at stake in civil judicial proceedings should have meaningful access to counsel.

Commitment to Effective Court Management. Washington courts will employ and maintain systems and practices that enhance effective court management.

Appropriate Staffing and Support. Washington courts will be appropriately staffed and effectively managed, and court personnel, court managers and court systems will be effectively supported.

Measure Detail

Please describe and quantify any changes to output, outcome, or performance measures that would result from receiving funding for this request.

Impact on clients and service

The Administrative Office of the Courts provides services to the general public, the Washington State Supreme Court, the State Law Library, the State Court of Appeals and the states superior, district and municipal trial courts. Co-location of staff and the consolidation of buildings will allow AOC to:

- Provide one-stop shopping for members of the public and other customers.
- Enhance operational efficiencies and effectiveness.
- Improve usage of human and financial resources.
- Improve communication due to the proximity of interrelated functions.
- Provide additional access to the training facility.
- Provide access to meeting rooms.

Internal operations will also be more effective and efficient. A portion of the Information Services Division and all of the Management Services Division, including Human Resources, currently reside in buildings physically separated from the rest of the agency. Consolidation of AOC's fragmented facilities will allow agency staff easier access to the agency's budget, accounting, payroll, and human resources services.

Travel time and associated costs will decrease and productivity will increase as a result of increased communication among and between "programmatic" lines. AOC will be able to consolidate supply receipt and distribution, mail services, telephone systems and computer systems. In addition, the proposed building design will allow for the formation and re-formation of information technology design and implementation teams and other self-directed work groups. AOC has provided for team member and structure changes by aligning and co-locating interrelated functions in adjacent areas.

Impact on other state services

Other state programs will benefit indirectly through AOC's enhanced efficiency and effectiveness.

Relationship to Capital Budget

None

Required changes to existing Court Rule, Court Order, RCW, WAC, contract, or plan

None

Alternatives explored

As noted above the agency explored three alternatives.

Facility Siting Option 1 consisted of moving all AOC staff to another facility. However, the cost of moving the data center made this alternative cost-prohibitive. In addition, no facilities met AOC's space or proximity requirements.

Facility Siting Option 2 consisted of leaving the data center intact and moving "excess" staff to another facility. This alternative would have required AOC to move into a 19,000 square foot facility. This alternative is not only cost-prohibitive but it would add additional barriers to the efficient and effective operation of the Washington State Judiciary by fragmenting services further.

Facility Siting Option 3 consists of keeping staff and the data center in our newly renovated facility and moving "excess" staff and fragmented staff to the building immediately adjacent to our existing facility. This option is not only cost effective because the data center remains intact; it also allows the building owner to provide AOC with financial incentives.

Distinction between one-time and ongoing costs and budget impacts in future biennia

Effects of non-funding

Expenditure calculations and assumptions and FTE assumptions

Describe in detail the way in which costs were determined and the assumptions that were used in that process, as well as the assumptions used to determine the number of FTEs required.

If you need assistance in completing the Object Detail table, please contact Renee Lewis at (360) 704-4012.

Object Detail	FY 2014	FY 2015	Total
Staff Costs	\$	\$	\$
Non-Staff Costs	\$	\$	\$
Total Objects	\$	\$	\$