

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	District Court Contract Update
DEPARTMENT:	City Manager's Office
PRESENTED BY:	Scott MacColl, Intergovernmental Relations Manager John Norris, Management Analyst

PROBLEM/ISSUE STATEMENT:

Over the last few years Shoreline's costs for District Court services have increased significantly. As a result of these increases the City Council requested staff to monitor the costs, and if warranted, to conduct a financial analysis to determine if establishing our own municipal court would be a cost effective alternative. This staff report addresses the potential analysis regarding Shoreline's district court contract, and proposes to not pursue that full analysis now given the status of other related criminal justice factors. Those factors include installing video court in the Shoreline Courthouse to accommodate potential jail contracts with Snohomish County Jail and South County Correctional Entity (SCORE), Seattle's transition to a new administration making court services contract discussions difficult, and the lowering of our overall District Court costs due to the addition of a new judge in the Shoreline Courthouse.

According to the District Court contract, we need to notify the court by June 2010 if we don't want to extend the contract for an additional five years. This would then give us a year and a half (until January 1, 2012) to determine and implement the recommended alternative for court services. Our analysis concludes that based on the investments we are proposing for District Court and the associated time frames for decision-making, we that we should not pursue an analysis for district court alternatives at this time and continue the court contract for the next five years.

Background:

The Court contract went into effect in 2007 for three 5-year periods; if a city wants to opt out of the contract, they must notify the District Court 18 months in advance of the end of the 5-year period. The initial 5-year period ends on December 31, 2011 which makes the required notification deadline June 1, 2010.

Shoreline District Court (Court) costs have steadily increased over the past two years which has resulted in additional costs to the City. Prior to this point, Court costs were covered by the revenue from fines and infractions which resulted in no additional costs to the City. However, the 2007 and 2008 reconciliations resulted in additional costs of \$87,000 and \$127,000 respectively. As the reconciliation does not happen until June of

each year, we will not know costs for 2009 until later this year. However, in anticipation of increasing costs, \$150,000 was budgeted to cover the potential increase.

At the 2008 reconciliation meeting in June 2009, many cities requested review of the security costs for the district court as they were extremely high. Based on the court's review, they changed the staffing model to reduce costs at the courthouses. Additionally, Shoreline requested the Court administration's assistance on reducing costs to Shoreline; in response the Court suggested that we look at ways to increase revenue. We pursued their suggestion to potentially provide a prosecutor at contested hearings as a way to retain more potential revenue, however in looking at data provided by the Court, the cost of the prosecutor is more than any potential revenue.

In response to District Court's increasing costs, we were tasked with providing an analysis of alternatives to district court in advance of the next re-authorization period which consist of either contracting with Seattle Municipal Court or starting our own municipal court.

What's Changed:

There are three significant components that changed since last June which altered the landscape for a potential court analysis: 1) District Court received funding for two new judges set to begin in 2010, including one in Shoreline; 2) Seattle has a new Mayor and a new administration; and 3) our pursuit of the Snohomish County Jail Contract and a potential contract with SCORE which requires installation of video court.

1) New Judge in Shoreline – District Court announced in 2009 that there would be two new judicial positions added in 2010, one in the Shoreline Courthouse. Initially, our understanding was that the new judge, Marcine Anderson, would be on the bench in Shoreline five days per week. However, in subsequent conversations and in the material we've received from the District Court, Ms. Anderson is only scheduled three days per week at the Shoreline Courthouse.

We requested that District Court provide an analysis of what our 2008 costs would have been with a new Judge at the Shoreline Courthouse (see Table 1). Their analysis shows our percentage of costs drops by 13%, which results in a decrease of approximately \$38,000, holding all other numbers constant. Therefore, even if we see costs rise slightly, we will still be under the budgeted amount of \$150,000 for District Court, and possibly under \$100,000.

Although this is still a significant out of pocket expense, we think that if our costs hold at less than \$100K into the next term of the contract, this level of cost is acceptable. What is not acceptable has been the last couple of years of out of pocket costs, where we went from an \$88K in 2007 costs, to \$127K in 2008, to an undetermined amount for the 2009 reconciliation coming up in June.

Table 1: Shoreline's District Court Costs with the addition of a 3-day/week Judge at the Shoreline Courthouse

2008 City Contract Reconciliation					
2008 Actual	Cost	2008 with additional staff	Cost	Difference	
Gross City Costs	\$758,591	Gross City Costs	\$720,023	\$38,568	Savings
Revenue Collected	\$630,751	Revenue Collected	\$630,751		
Net Total City Costs	\$127,840	Net Total City Costs	\$89,272	\$38,568	Savings
Details					
2008 Actual	Cost	2008 with additional staff	Cost	Difference	
Facility Costs	\$127,943	Facility Costs	\$102,678	\$25,265	Savings
Security Costs	\$90,316	Security Costs	\$72,481	\$17,835	Savings
City's percentage of Clerical/Judicial Need at Facility	67%	City's percentage of Clerical/Judicial Need at Facility	54%	13%	Savings

Assumptions:

- Assume 1 additional clerical and .6 additional judicial positions moving to the Shoreline facility to perform non-city related work.
- All expenses, revenue and caseload numbers were left at 2008 actual.
- Addition of 2008 salary and benefit costs for 1 clerk and two Judges (with one of the new Judges working three days per week in Shoreline Courthouse).

2) Seattle in Transition – The City of Seattle is currently in a period of transition due to the new administration, making discussions of court services contracting difficult. When Seattle's Office of Intergovernmental Relations representatives were approached last fall (post primary), their message was to wait for the new administration. Additionally, in John's discussions with Seattle regarding Animal Control, he was told that they could not really begin the conversation until the Mayor and staff were up to speed, which equated to approximately June 2010, the same time frame in which we need to complete the court analysis.

3) Snohomish County / SCORE Jail Contract – In order to facilitate a contract for jail services with Snohomish County, we will most likely need to set up video court. While we will be able to solve some logistical challenges, it is unlikely that we will have the bi-directional video system in place before June. With the time and investment that we are putting into setting up video court with King County's District Court, it may be counterproductive to potentially opt out of the contract while investing in new infrastructure at the same time.

Additionally, we were recently notified that the SCORE is willing to entertain long term jail contracts (10+ years) for cities, and they have notified us that they plan to provide video court only for first appearance hearings and arraignments at the facility. This necessitates having video court available to use at that facility as well.

It should be noted that there will be some start-up capital costs to implement video court, as well as some on-going system maintenance costs and court costs for the Judge, use of the court room, and extra clerk help that will offset some of the potential savings identified in Table 1. At this point we do not have specific cost estimates available.

RECOMMENDATION

Therefore, based on the three significant changes - lack of potential alternatives available; the potential to decrease our district court costs due to a new part time judge; and the investment we are making in video court facilities with district court – and combined with the fact that we will not have our video court infrastructure in place prior to making a decision this June on extending the District Court contract, we recommend that we continue the district court contract for the period 2012-2016.

In addition, we recommend that we continue to pursue ways to increase revenue and cost saving measures with the District Court to help defray costs. If we can keep our costs under \$100,000 per year and potentially lower our jail costs by not using King County, we are potentially saving money overall.

Approved By:  City Manager _____ City Attorney _____