



Long Beach
Judicial Partners LLC
A Meridiam Infrastructure Project Company

Governor George Deukmejian Courthouse Long Beach, California

Project Presentation and Panel Discussion

**National Governors Association
Colorado State Retreat – Public Private
Partnerships, Denver, Colorado**

April 29, 2014





Overview: New Long Beach Courthouse

- 545,000 Square Foot Building; \$495 Million Budget
- Completed below budget & ahead of schedule in 32 months in August 2013
- Administrative Office of the Courts in California, Judicial Council of California led the multi-phased procurement for L.A. Superior Court
- L.A. Superior Court occupies 415,000 SF including 31 civil and criminal courtrooms, detention center and holding cells, sally-port, and office space
- LA County under a separate office lease agreement occupies 100,000 SF: 5 Depts.
- Retail and commercial space: approx. 5,500 SF
- Facility accommodates 800 workers and 3,500-4,500 visitors daily
- 1,000 space parking structure renovation
- Project agreement spans a 35 year operating period
- Replaces outdated and overcrowded existing facility built in 1959







Original Long Beach Courthouse had fallen into a State of Disrepair

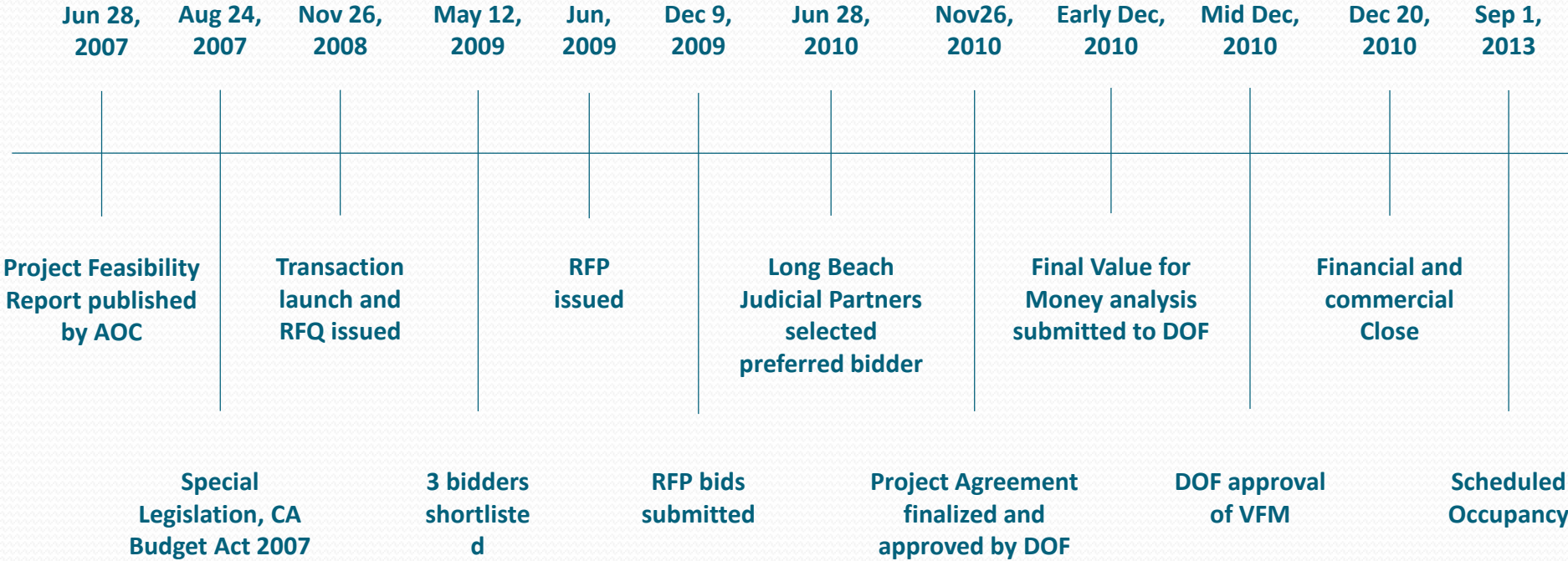
- Portions of the ceilings in several courtrooms had fallen down
- The building had leaks, mold, and termite infestation
- Attorney interview areas were used to house “keep-aways,” thus eliminating private areas for attorneys to interview criminal defendants
- Top parking structure level was closed due to ponding and structural issues.



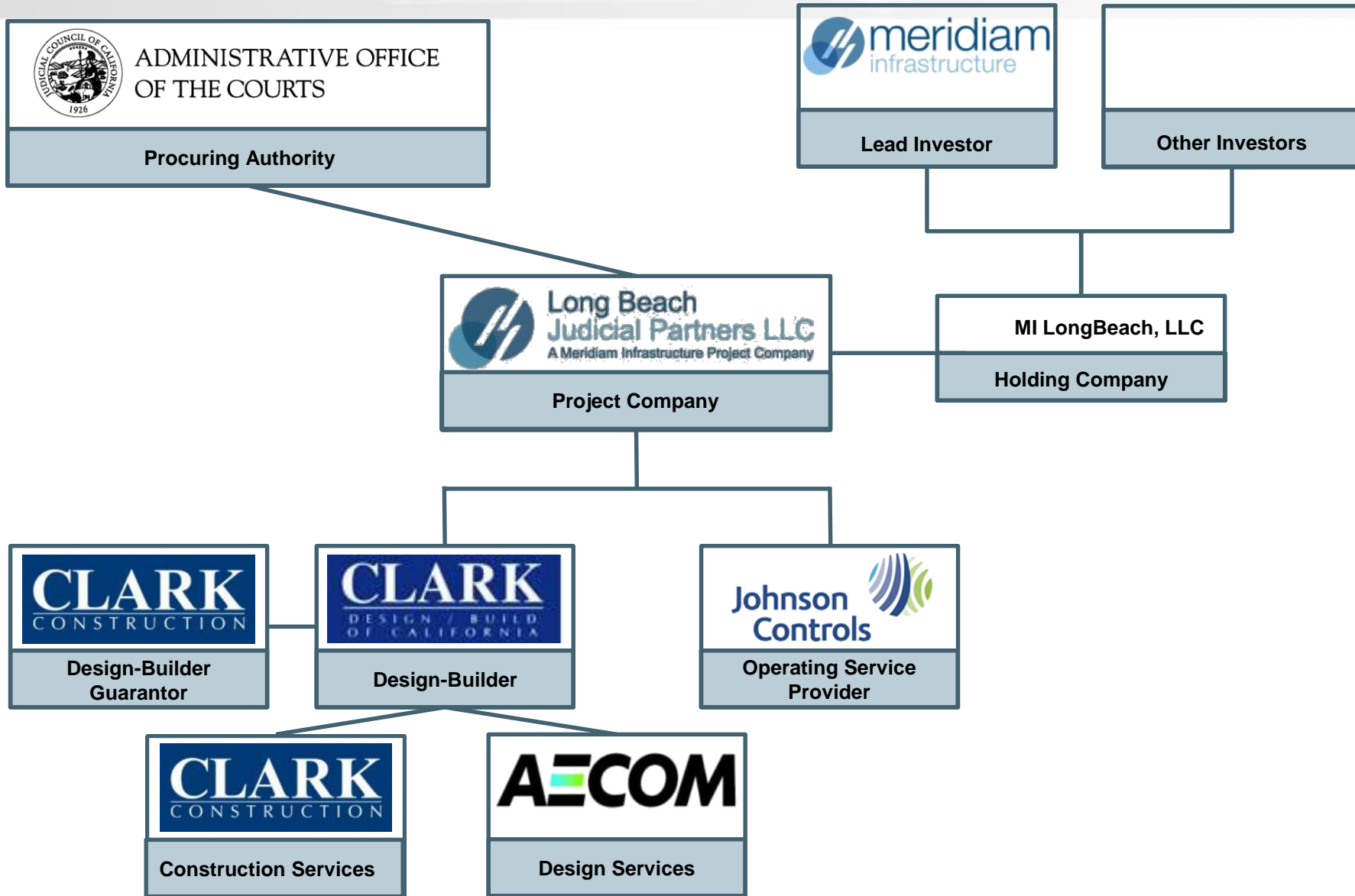
PROJECT SIGNIFICANCE

- First true performance-based, availability-payment social infrastructure P3 to reach financial close in U.S.
- First with all U.S. enterprises: Meridiam NA; AECOM; Clark and JCI
- Effective partnership during procurement: aligned interests between Governors Office, State Legislature, AOC, County of LA, City of Long Beach and Long Beach RDA
- Change from AOC's traditional Design-Bid-Build Procurement Method to meet facility replacement needs
- Project is being closely monitored by other states & government entities looking for new ways to meet social infrastructure needs in tight economic times.

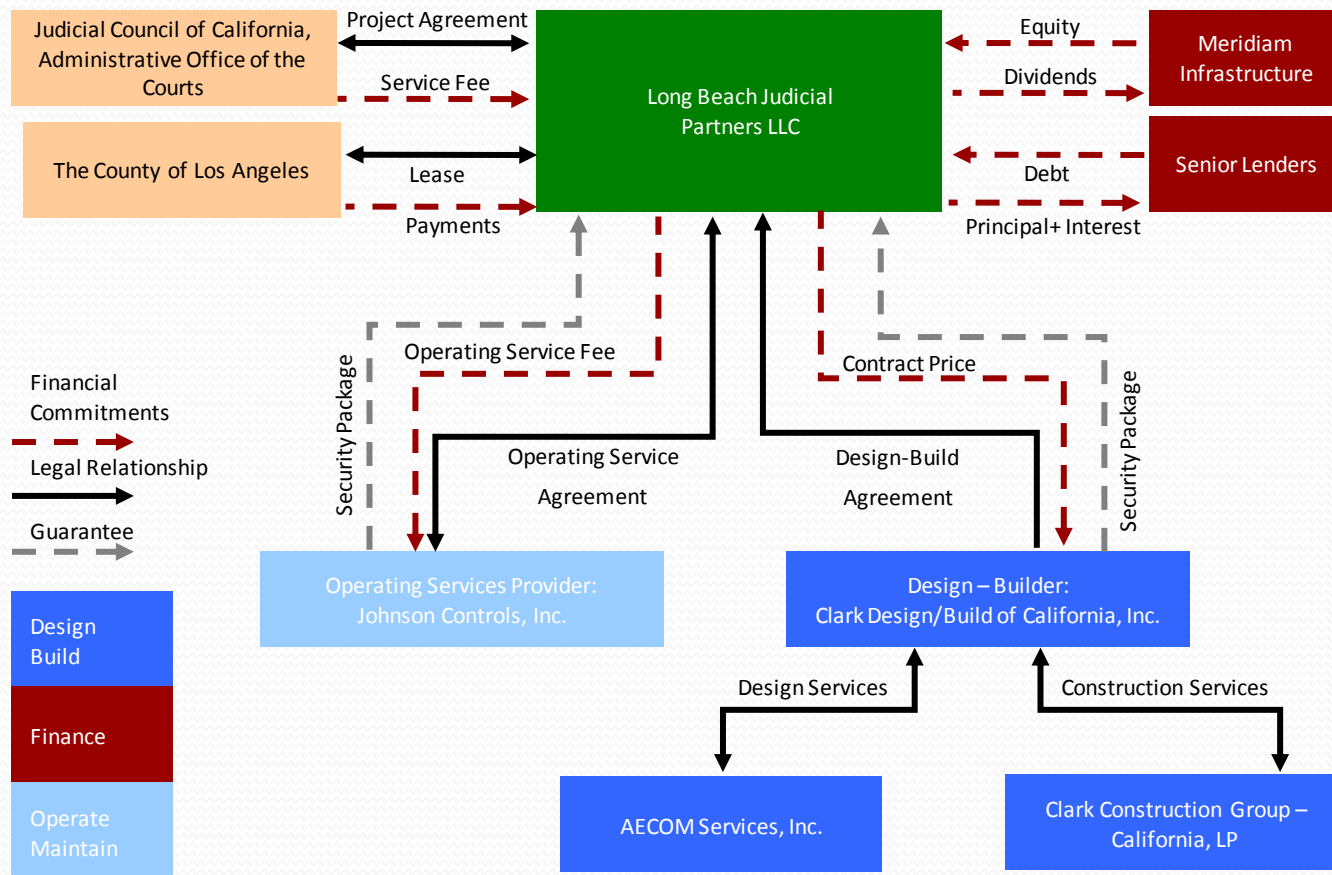
Project Timeline



Project Counterparties



Contractual Structure of the LBCB Project



Availability Deduction Example

Availability Deduction Example

The project agreement includes a full schedule of values for unavailability deductions

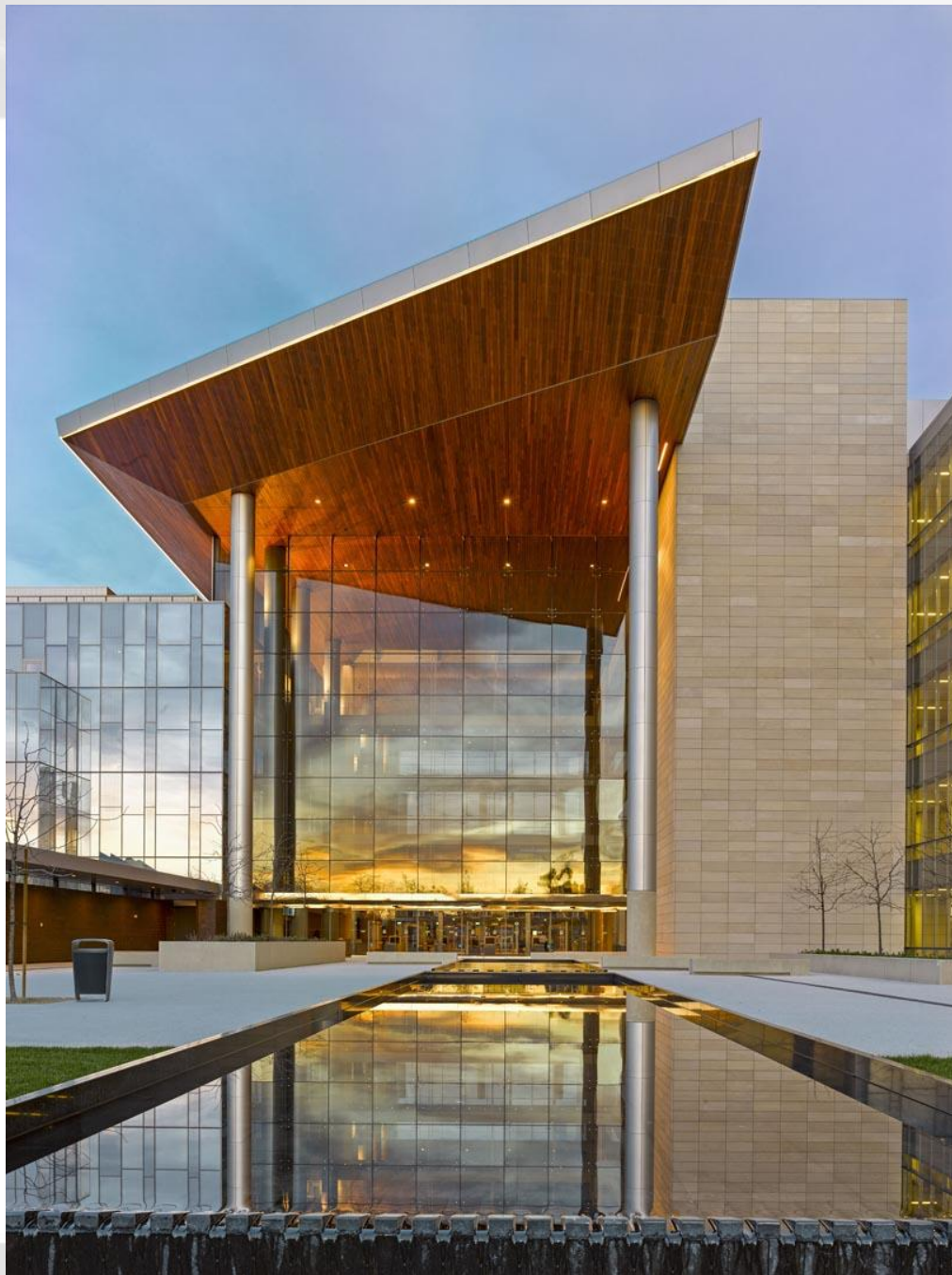
Functional Unit	Linked Functional Unit	Deduction Value	# of Units	Sessions Unavailable	Total Deduction
Trial Courtrooms	✓	\$320	2	2	\$1,280
Courtroom Entry Vestibule	✓	\$133	2	2	\$532
Holding Cells between Courtrooms	✓	\$160	1	2	\$320
Interview Room @ Courtroom	✓	\$107	2	2	\$428
Video Remand Booth	✓	\$133	2	2	\$532
Courtroom Waiting Area	✓	\$80	1	2	\$160
Total Unavailability Deduction					\$3,252

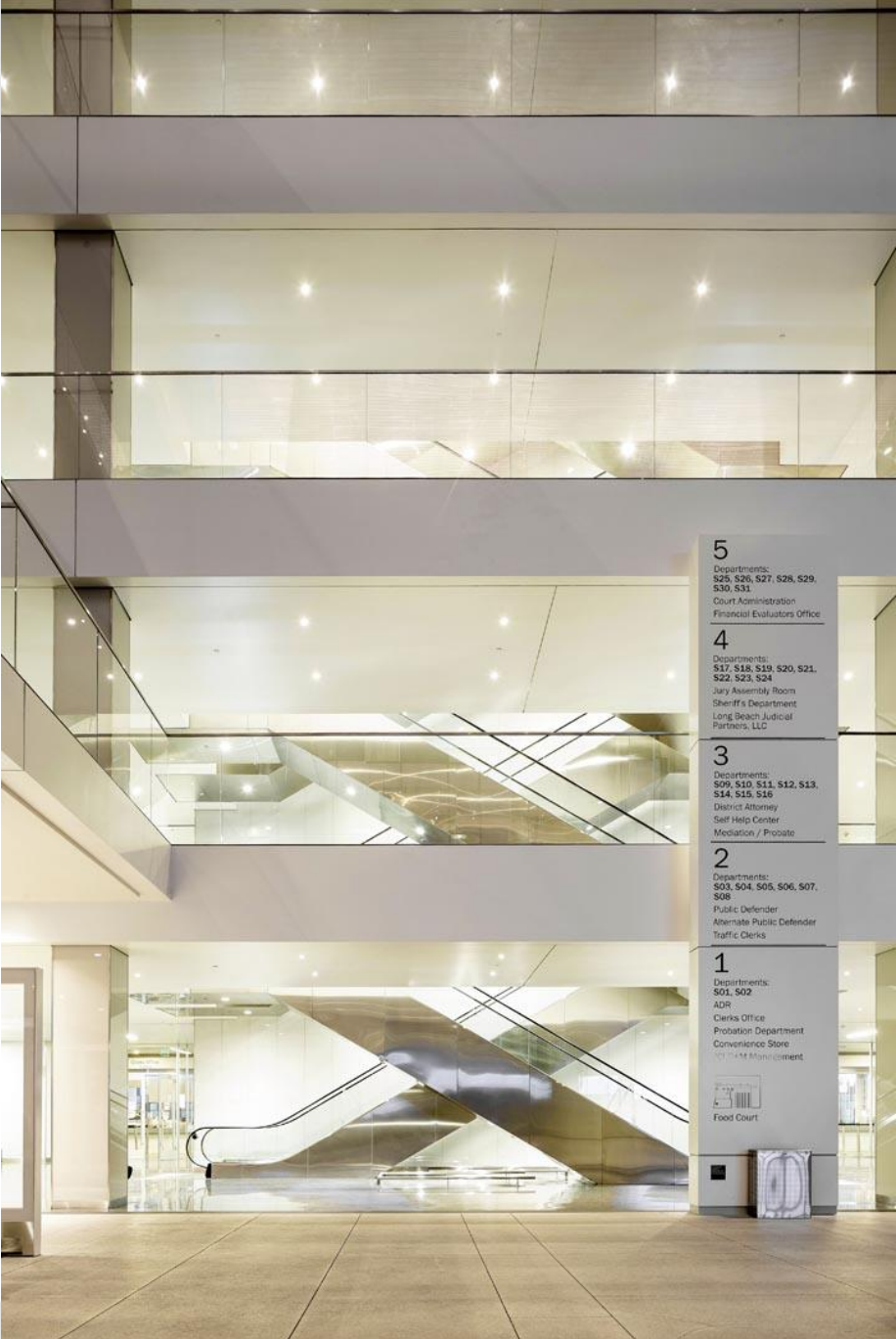
Example: One courtroom holding area is unavailable for one full day (2 court sessions)

BENEFITS TO AOC/STATE OF CA

- Provides State with significant leverage over Private Sector by transferring Full Integration Risk to the P3 developer: Finance, Design, Build, Operate & Maintain.
- State is insured of an “on schedule”, “fast-track” delivery high quality project delivery at an equal or lower cost than if traditional “design-bid-build” process with customary institutional O&M program had been implemented.
- Switch from Lowest Upfront Construction Costs to Lowest Lifecycle Costs: lowest NPV of all costs which are amortized over 35 years.
- Because Developer has significant equity investment and is dependent on the State for payments, State has unusual leverage over maintenance of quality performance standards throughout project life.
- No impact on State’s credit limit and no additional State Debt created.
- Creates a Culture of Long Term Asset Management and Maintenance. Penalty regime as enforcement mechanism.
- Sustainability is a key goal: LEED Silver and Energy Model.







5
Departments:
S25, S26, S27, S28, S29,
S30, S31
Court Administration
Financial Evaluators Office

4
Departments:
S17, S18, S19, S20, S21,
S22, S23, S24
Jury Assembly Room
Sheriff's Department
Long Beach Judicial
Partners, LLC

3
Departments:
S09, S10, S11, S12, S13,
S14, S15, S16
District Attorney
Self Help Center
Mediation / Probate

2
Departments:
S03, S04, S05, S06, S07,
S08
Public Defender
Alternate Public Defender
Traffic Clerks

1
Departments:
S01, S02
ADR
Clerks Office
Probation Department
Convenience Store
Office Management


Food Court







SUCCESSSES

- Strong team effort during design and construction: traditional conflicts eliminated between Owner and GC
- JCI, Operating Service Provider, involved throughout design and construction, and even made changes they paid for
- Independent Building Expert was an important member of the team and highly responsive
- Strong quality management component
- Project came in ahead of schedule and under budget
- Extensive Project Legal Documentation covered most situations that have arisen.
- Accelerated move-in went smoothly (mostly)
- Some minor availability deductions in first 4 months but none in next two.
- Outstanding communications through frequent meetings

