



## A Decision Reviewed

In February Hardin County Fiscal Court voted by an 8 to 1 margin to proceed with designing new county government facilities located on county owned property near the intersection of Rineyville Road and Ring Road. This is a decision contemplated, researched, and developed over six years.

As with any issue, there are strong opinions supporting and opposing this decision. Those viewpoints were expressed by countless individuals on numerous occasions over a six year period.

Fiscal court considered all viewpoints, weighed the facts, and decided it was time to move forward. The members of fiscal court understand some are dissatisfied while others support this choice.

Almost every significant decision creates both opponents and supporters. The most that can be expected from those responsible for making a decision is they do so, not based on perception and emotion, but on adequate research and careful consideration of the facts.

Rather than use the rest of this newsletter attempting to convince you fiscal court made the correct decision, I've decided to concisely share some of the key material used in making the choice. I hope you'll take a few minutes to read and reflect on the information provided.

### Existing Office Space Utilization:

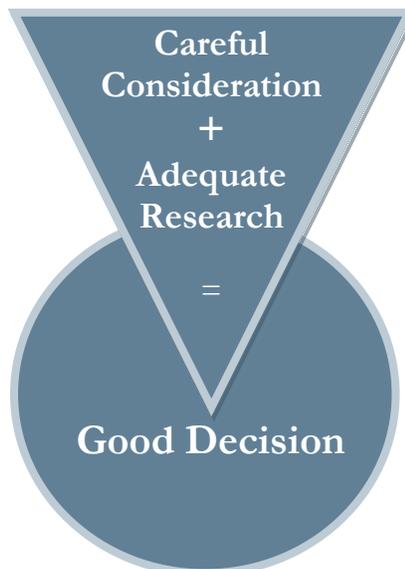
- H.B. Fife ("old") Courthouse was constructed in 1933 and contains approximately 18,500sf.
- R.R. Thomas Building was constructed in 1907 and has approximately 23,500sf.
- County Attorney's downtown leased space is approximately 5,000sf.
- County Attorney's East Ring Road leased space is approximately 4,000sf.
- E-911 Center utilizes approximately 3,000sf at the Hardin County Detention Center.



**Judge/Executive  
Harry L. Berry**

### Future Office Space Utilization:

- Build a new 60,000sf County Government Facility – including a new E-911 Center.
- Offices currently in H.B. Fife Courthouse and R.R. Thomas Building move to the new facility.
- Consolidate County Attorney offices into existing H.B. Fife Courthouse.
- Lease the balance of space in H.B. Fife Courthouse to other Justice System agencies.
- R.R. Thomas Building to be vacated and sold for retail/commercial use.



## The Metrics of the Decision

- Build a 60,000sf building with 3 floors above grade and 1 floor below grade.
  - Estimated 280 on-site parking spaces.
  - Utilizes 8.63 acres of county owned land located next to the County Emergency Services Center near the intersection of Rineyville Road and Ring Road.
  - This property fronts existing Rineyville Road, soon to be the new Patriot Parkway (formerly known as the Elizabethtown to Radcliff Connector – E2RC).
  - These 8.63 acres are part of several real estate transactions totaling approximately 22.5 acres acquired by the county (doing business as Hardin Memorial Hospital) from 2004 thru 2007.
  - An appraisal of these 8.63 acres was issued in March, 2008 indicating a market value of \$958,000 (\$111,000/acre).
  - Hardin County Government (the citizens of Hardin County) owns Hardin Memorial Hospital. No plans currently exist to transfer funds from county government to HMH for using this land.
  - Construction costs for the 60,000sf facility are estimated at \$200 per square foot for a projected total of \$12,000,000. As with any project, actual costs will not be known until the design is completed and competitive bids are received. County government will employ the services of a Construction Manager “at risk” and value engineering techniques to keep final costs at a level acceptable to the financial constraints applied by fiscal court. Construction will begin once a fixed maximum price is established. Additional increases will require fiscal court approval.
  - Construction costs will be paid from bond proceeds (financing) and a 15-20% “down payment” from existing county trust funds and reserves. The bond issuance is projected to be \$10,000,000 with anticipated annual debt service payments of approximately \$600,000 for 25 years.
- Bond terms including amount, length of bond, and rates will be finalized at bond issuance, which is expected to occur in late 2013 or early 2014.
- NO tax increases are proposed to meet the project’s annual debt payments. The County government’s current annual debt service payments are scheduled to decrease over the next few years as several of the county’s current debt obligations are paid off; thereby providing funds necessary for the debt issuance associated with this new facility.
  - Architectural and Engineering (A&E) design, drawings, specifications, and bid documents are being developed by ICON Engineering and Inspections Services, PLLC of Elizabethtown. The costs of these services are capped as a percentage of actual construction cost. This is the process normally followed in construction projects of this size and is similar to other state government and local school district building projects. The estimated A&E costs are \$700,000 and will be paid from county reserves.
  - Other customary project expenses incurred outside the construction contracts and A&E agreement, such as permitting fees, surveying costs, geotechnical investigations, and materials testing will be paid by the county government. The aggregate of these expenses is anticipated to be small in comparison to the project’s total cost and will be paid from current county funds or reserves.
  - Annual repair expenses for the building are anticipated to be minimal for at least a decade. Cleaning and routine maintenance will occur as with any county property. Energy saving construction, mechanical systems, and equipment incorporated into this facility will keep utility costs low and provide significant savings compared to older, outdated facilities.

# Relevant Issues

Discussion concerning new county government facilities began in 2006. Extensive Research and debate occurred in 2007 and 2008. Discussions continued through the 2010 election process with related questions occurring on several occasions.

The county government budget presented in April and approved in May, 2012 included funding for the design of a new government facility.

A detailed survey and analysis of existing and future office space was approved and the results presented to fiscal court in December. All leaders for each of the areas impacted were interviewed for their input.

The planned location near the intersection of Rineyville Road and Ring Road is within the city limits of Elizabethtown.

The laws of the Commonwealth of Kentucky do not provide a method for local governments to submit an issue such as this one to the citizens for a vote.

The Office of County Attorney will consolidate all of its services into one location in the H.B. Fife Courthouse within 100 yards of the Justice Center.

The Justice Center is not moving from its current location downtown. Circuit and district court, as well as the circuit clerk's offices, will remain exactly where they are.

Concerns have been expressed relating to potential losses to the county facilities from natural disasters. County real property assets are insured under policies issued under the policies issued through the Kentucky Association of Counties at its real property assets at replacement value.

The H.B. Fife Courthouse and the R.R. Thomas Building are among the very best maintained in the downtown area at a significant annual expense to the taxpayers. Estimated average maintenance costs often exceed \$100,000 annually. Even after the implementation of energy-savings systems, utility costs for both buildings exceed \$65,000.annually.

The downtown square's proximity to several railroad tracks makes it vulnerable to impacts of a train derailment. The operation of county government could be seriously impacted during such an emergency.

Fiscal Court believes it is aware of all pertinent facts, perceptions, and emotions involved, and has considered all points of view.

- Exhaustive research and evaluation of the topic has been conducted.
- Collectively, the Fiscal Court believes the majority of citizens support new facilities at a location out of the downtown area of Elizabethtown.
- The new location will utilize a road network designated to accommodate greater volumes of traffic than the downtown square. The network will provide safer, more expedient access to a greater number of the citizens of the county.
- The location will place county government offices at the population center of the county.
- Expectations of projected growth will not change the population center of gravity in the foreseeable future.
- Very few services are simultaneously required by the public from county government and the state's Justice Center. Virtually no convenience to the public will be lost by moving county government offices.
- The attorneys with offices within "walking distance" of the county clerk's existing downtown office may choose to rely more on technology for research services in the future.
- Many of our local attorneys are not located on or near the downtown square.
- There are no plans to name the new facility after someone. Many local government facilities are not named after people. The "old" courthouse was completed in 1933 but not designated the "H.B. Fife Courthouse" until 2002. The Justice Center, built in 1997, is not named. The county landfill, Detention Center, Emergency Services Center, and Road Department complex are not named for a person; neither are the Elizabethtown City Hall, police station, and fire stations.
- Other agencies and organizations moved from the downtown area. These included: Hardin County School Board, U.S. Post Office, Elizabethtown Tourism Bureau, several attorney offices, the Herb Jones dealerships, St. James School, Sevens Valley Baptist Church and most recently PNC Bank.
- The cost of constructing a 280 space parking garage downtown easily could exceed \$4 million.

While not exhaustive, the material here represents a great deal of information considered in making the decision to proceed with planning for new county government facilities at a new location. We believe we have made the best choice for all the citizens and communities of Hardin County.