

DE0211
Judiciary
Board of Public Works

Capital Budget Summary

State-owned Capital Improvement Program
(\$ in Millions)

Projects	Prior Auth.	2018 Request	2019 Est.	2020 Est.	2021 Est.	2022 Est.	Beyond CIP
Catonsville District Courthouse	\$35.251	\$18.880	\$12.000	\$0.000	\$0.000	\$0.000	\$0.000
Shillman Building Conversion	0.000	0.000	1.226	1.499	16.417	11.202	0.000
Washington County Courthouse Addition	0.000	0.000	0.300	2.121	1.464	0.000	0.000
Court of Appeals Building	0.000	0.000	0.000	0.000	3.727	4.555	95.769
Harford County District Court	0.000	0.000	0.000	0.000	0.000	4.600	41.344
Total	\$35.251	\$18.880	\$13.526	\$3.620	\$21.608	\$20.357	\$137.113

Fund Source	Prior Auth.	2018 Request	2019 Est.	2020 Est.	2021 Est.	2022 Est.	Beyond CIP
GO Bonds	\$35.251	\$18.880	\$13.526	\$3.620	\$21.608	\$20.357	\$137.113
Total	\$35.251	\$18.880	\$13.526	\$3.620	\$21.608	\$20.357	\$137.113

CIP: *Capital Improvement Program*
GO: general obligation

Summary of Recommended Bond Actions

1. New Catonsville District Court

Approve \$18,800,000 in general obligation bonds for the Catonsville District Court.

2. SECTION 12 – Judiciary – New Catonsville District Court

Approve the pre-authorization of \$12,000,000 in general obligation bond funds for fiscal 2019. This pre-authorization is necessary to fully fund construction of the new Catonsville District Court.

Budget Overview

The fiscal 2018 allowance includes \$18.9 million in general obligation bonds for one Judiciary project: the new Catonsville District Court. The new Catonsville District Court will replace the current three-courtroom facility with a 74,312 net square foot, eight-courtroom facility in the same zip code, as required by law. In addition to the District Court, the new facility would also house offices of the Department of Public Safety and Correctional Services (DPSCS) Parole and Probation, DPSCS Drinking and Driving Monitoring Program, the Department of Juvenile Services, and the Department of General Services (DGS). The 2017 *Capital Improvement Plan* (CIP) includes funding in fiscal 2018 and 2019 to complete construction.

There have been several changes to the project and funding since the 2016 CIP. First, prior to soliciting bids for the construction phase of the budget, construction and related costs were estimated at \$68.6 million. When the project was opened for bid proposals, a total of four bids were offered. The lowest bid, which was accepted, was \$10.0 million below that projected construction cost and lowered the total project cost by \$10.5 million. Second, based on an updated construction timeline, work on the project will not be completed until fiscal 2019, and construction funding has been extended for an additional fiscal year. The net impact of these two changes is that instead of an allowance of \$40.9 million in fiscal 2018, the amount pre-authorized in the 2016 capital budget, the allowance for fiscal 2018 is \$18.9 million with an additional \$12.0 million pre-authorized for fiscal 2019 to complete construction.

There was one additional change to the project's design, the addition of an eighth courtroom. Original plans for the building called for seven full-size courtrooms and two smaller hearing rooms designed to be converted into an additional courtroom at minimal cost. The Judiciary has determined that it would be more useful to have an additional courtroom rather than the two hearing rooms. This change will allow the building to accommodate another judge if workload demands, as well as additional special dockets. This change does not have a material impact on the cost of the project.

Operating Budget Impact Statement

Executive’s Operating Budget Impact Statement – State-owned Projects (\$ in Millions)

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
New Catonsville District Court					
Estimated Operating Cost	\$0.000	\$1.032	\$1.015	\$1.050	\$1.085
Estimated Staffing	0	4	4	4	4
Total Operating Impact					
Estimated Operating Cost	\$0.000	\$1.032	\$1.015	\$1.050	\$1.085
Estimated Staffing	0	4	4	4	4

Summary of Other Projects in the Capital Improvement Program

Shillman Building Conversion

There are four additional projects in the CIP for the Judiciary. The first is the conversion of the Shillman Building in Baltimore City into facilities for the civil division of the Baltimore City District Court. The current facility occupied by the civil division has inadequate space for court functions; is not Americans with Disabilities Act compliant; and has significant maintenance problems including flooding and inadequate heating, ventilation, and air conditioning (HVAC) systems. The building, which is owned by Baltimore City, would be impossible to renovate to modern standards. The Judiciary has reported that suitable and affordable alternative sites are not currently available. Renovation of the Shillman Building, which currently houses offices of the Department of Labor, Licensing, and Regulation; the Department of Health and Mental Hygiene; and DGS, as well as the District Court Commissioner’s office for Baltimore City, has been determined to be the best available option. This plan would require that those agencies be relocated and that the building be converted into court space. Planning for these relocations is currently underway. The total cost of the project is \$30.3 million, which is included in the CIP from fiscal 2019 to 2022. **The Department of Legislative Services (DLS) recommends that the Judiciary and DGS update the committee on the progress of this project over the past year, with particular emphasis on plans to relocate the agencies currently using the Shillman Building.**

Addition to Washington County District Court

The second project is an addition to the District Courthouse for Washington County located in Hagerstown. According to the most recent Certification of Need for Judgeships issued by the Judiciary in November 2015, there is currently a need for a third District Court judge in Washington County. The District Courthouse currently has only two courtrooms, and there is no space in the facility for an additional judge. The courthouse, though, was designed to accommodate a future addition over an adjacent parking lot to create a third courtroom with minimal cost and disruption. This project will also allow the existing building, including HVAC systems, to be modernized. The CIP includes a total of \$3.9 million for the project from fiscal 2019 to 2021. **DLS recommends that the Judiciary and DGS comment on why this project is included in the CIP ahead of other districts that also have a critical need for new judges, additional space, and improved facilities.**

New Court of Appeals Building

The third project is a New Court of Appeals building in Annapolis. The new building would include hearing rooms, chambers for judges, and offices for clerks for the Court of Appeals and the Court of Special Appeals. The site of the new facility will be located in Annapolis, as mandated by law. The Judiciary has previously suggested that the building be located on the State-owned property currently occupied by the C, D, and E pods of the Tawes Complex, which is currently occupied by the Department of Natural Resources and is near the current Court of Appeals Building. A site has not been selected for the project, and there is no current plan to relocate the offices that currently occupy the Tawes Complex. Funding in the CIP for this project totals \$8.3 million across fiscal 2021 and 2022. The total estimated cost of the project is \$104.1 million.

In addition to planned replacement of the facility in the current CIP, a project to add a parking deck and renovate the lobby of the Murphy Court of Appeals building to ensure Americans with Disabilities Act compliance is currently under contract. The project, which was first authorized by the General Assembly in 2011, is approximately two years behind schedule, but construction is expected to begin shortly. In addition, when the project was put out for bids in fall 2016, it was determined that the \$3.6 million appropriated for the project was insufficient, and it was necessary for the Board of Public Works to approve the use of \$2.0 million from the Construction Contingency Fund. **DLS recommends that Judiciary and DGS comment on the anticipated construction schedule for the project and why the costs were underestimated.**

Harford County District Court

The fourth project is the construction of a new District Courthouse for Harford County located in Bel Air. The current courthouse has four courtrooms, and the Judiciary reports that there is already insufficient space to conduct court business. The Judiciary and DGS also report that the facility has other serious deficiencies including insufficient security, roofing, and climate control. The building regularly leaks and has already been infiltrated by mold. Relocation of the District Court to a new

facility will also allow the State to use the vacated space in the existing facility to expand the offices of other State agencies. The CIP includes a total of \$4.6 million for the project in fiscal 2022, and the total estimated cost of the project is \$45.9 million.

Pre-authorizations and De-authorizations

As shown in **Exhibit 1**, there is one pre-authorization for the Judiciary in the CIP: \$12 million for fiscal 2019 to fund the remainder of the construction of the Catonsville District Court. These funds were originally pre-authorized for fiscal 2018 but can be delayed to fiscal 2019 due to the construction schedule of the project.

Exhibit 1 Pre-authorizations

<u>Project</u>	<u>FY 19</u>	<u>FY 20</u>	<u>FY 21</u>	<u>FY 22</u>	<u>Reason</u>
Catonsville District Court	\$12.000	\$0.000	\$0.000	\$0.000	Remainder of required funds for construction.

Source: Department of Budget and Management, 2017 *Capital Improvement Program*

GO Bond Recommended Actions

1. Approve \$18,800,000 in general obligation bonds for the Catonsville District Court.
2. Approve the pre-authorization of \$12,000,000 in general obligation bond funds for fiscal 2019. This pre-authorization is necessary to fully fund construction of the new Catonsville District Court.