



Supreme Court of Maryland
Robert C. Murphy Courts of Appeal Building
361 Rowe Boulevard
Annapolis, Maryland 21401-1699

MARYLAND JUDICIARY
FISCAL YEAR 2023 CAPITAL BUDGET
RESPONSE TO DEPARTMENT OF LEGISLATIVE SERVICES ANALYSIS
DE0211

SENATE BUDGET AND TAXATION COMMITTEE
CAPITAL BUDGET SUBCOMMITTEE
SENATOR CRAIG J. ZUCKER
MARCH 8, 2022

Summary of Recommended Actions

- 1. Delays Impact Project Schedules for Washington County and Shillman Projects**
The Judiciary should comment on what has caused delays in both projects and whether or not more delays are expected. The Judiciary should also comment on the status of the events that have previously caused delays and if the problems resulting from these events have been fully resolved.

JUDICIARY RESPONSE:

As all of the judiciary's capital projects are under the management of the Department of General Services, the responses to the analyst's questions herein have been provided by DGS.

Washington County District Court Addition – The contracted design team has failed in the performance of their contract. The DGS AAG in coordination with DGS Procurement is in the process of producing a “Cure Letter” to resolve contractual performance issues. If “cure activities” prove unsuccessful, the retention of a replacement design team is anticipated to begin not earlier than September 2023. The retention of a new design team has clear risks to the proposed design and construction funding planning.

Shillman Building – New Baltimore City District Courthouse (NBCDC) – The primary delay in schedule is the result of moving multiple tenants out of the building into other downtown Baltimore occupancies a year and a half later than planned.

2. New Courts of Appeal Building Design Cost

The Judiciary should comment on when the final cost for design of the Courts of Appeal Building will be available.

JUDICIARY RESPONSE:

New Supreme Court of Maryland -

The design costs have stayed within expected range. The energy focus of the new building has changed since design began, resulting in fee modifications, so that the building, when completed, will comply with legislative mandates for energy standards by 2040. Long term increased design cost forecasts during construction will become necessary should construction duration exceed the duration contained within the existing design contract.

3. Courts of Appeal Building

The Judiciary should comment on when a 50% design estimate will be made available. Additionally, the Judiciary should comment on whether the established budget is sufficient and on any value engineering efforts which have so far been made in this project.

JUDICIARY RESPONSE:

New Supreme Court of Maryland -

50% CD Cost Estimate – March 23, 2023

95% CD Cost Estimate – June 9, 2023

100% CD Cost Estimate – July 14, 2023

Bid Price – November 16, 2023

Value engineering has occurred through the design process including the savings of \$10 million dollars in exterior materials and structural design.

4. Harford County District Court

The Judiciary should comment on when the committees will receive notification for this project as required by Section 10-305 of the State Finance and Procurement Article.

JUDICIARY RESPONSE:

Harford County District Court Acquisitions

The Department of General Services (DGS) has been negotiating with three separate property owners since fall 2022. Only one property owner has verbally agreed to accept the appraised value for the property but has not executed a contract. The other two property owners have not agreed to accept the offers made based on the appraised values. The ownership for the largest parcel has requested an amount far exceeding the appraised value range. DGS will continue to negotiate with the property owners to try and reach an agreement. Without signed contracts for all three properties, DGS is unable to provide the State Finance & Procurement 10-305 notification for acquisitions.

5. Washington County District Court

The Judiciary should comment on if the project scope has been finalized and if the amount budgeted will be sufficient to award the construction contract.

JUDICIARY RESPONSE:

Washington County District Courthouse Addition

With the issues surrounding the existing design contract unresolved, it is impossible at this point in time to confirm that the projected future funding stream will be sufficient to move this project into construction, which at a minimum is eight months away.

6. Shillman Building Conversion

The Judiciary should comment on what has caused the delays from the 2021 CIP to present.

JUDICIARY RESPONSE:

Shillman Building – New Baltimore City District Courthouse (NBCDC) -

Again, the main delay in moving this project forward has been the relocation of tenants into new space. The “Notice to Proceed” (NTP) for commencement of all construction activities will be issued on March 13, 2023.