

## Judicial Council of California · Administrative Office of the Courts

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# REPORT TO THE JUDICIAL COUNCIL

For business meeting on January 23, 2014

Title:

Court Facilities: Update on Bidding and Construction of San Diego Central Courthouse

Submitted by

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## **Executive Summary**

Construction recently began on the new San Diego Central Courthouse; the accepted bids are approximately \$3 million or 0.6 percent below the approved construction budget. This report provides an overview of the new court building project and results of the Bidding Phase of the New San Diego Central Courthouse.

#### **Previous Action**

The Budget Act 2009 is the authorizing legislation for the project and site acquisition. The State Public Works Board approved the site acquisition on November 19, 2009 as part of the transfer of court facilities from San Diego County to the Judicial Council.

The environmental impact study (EIS) for the project was prepared for the council and certified by the Administrative Director of the Courts in December 2010. The project description in the EIS includes a court building of up to 750,000 square feet, site improvements, underground holding, secure parking spaces, a bridge to the Hall of Justice, and a tunnel, for in-custody detainees, that connects the court building to County Main Jail. The final EIS provides the entitlement for future demolition of the existing County Courthouse.

On April 24, 2012 the Judicial Council approved the Court Facilities Advisory Committee (CFAC) recommendations, which included minimum construction cost reduction of 3 percent, in addition to the 4.1 percent approved by the Judicial Council in December 2011.

In May 2012, the State Public Works Board approved the completed Preliminary Plans Phase and authorized commencement of the Working Drawings Phase.

On October 26, 2012, the Judicial Council directed that the New San Diego Central Courthouse proceed with working drawings. The CFAC Court Cost Reduction Subcommittee, on October 30, 2012, directed that the total construction budget be reduced by another \$5.35 million, in addition to the previous 7.1 percent reduction.

In May 2013, the Department of Finance approved the completed Working Drawings Phase and authorized commencement of the Bidding Phase.

In June 2013, the Court Facilities Advisory Committee directed that the tunnel connecting the court building to the County Main Jail be deleted from the project.

The sale of lease revenue bonds for construction funding was completed by the State Treasurer on November 20, 2013, at an interest rate of 4.62 percent; subsequently, the proceeds were transferred to the Judicial Council account for construction of the project.

Finally, in November 2013, the State Public Works Board and the Department Finance approved award of a contract for construction which was executed on December 23, 2013.

### **Summary of Project**

The new court building, which is the largest currently in the judicial branch court construction program, will house 71 courtrooms in 22 stories, with a total of 704,000 program gross square feet. It will provide a consolidated facility for criminal, civil, probate, family court, and small claims services, with adequate space for court services, administration, security operations, and holding areas, with a secure vehicle sallyport for the transportation of in-custody detainees. The new court building will be connected by a bridge to the adjacent Hall of Justice to enable the two buildings to function together efficiently; the majority of civil case matters in central San Diego will remain in the Hall of Justice.

The new building's design incorporates features historically characteristic of civic buildings, such as a podium, which raises the entry off the street and also separates it from the commercial realm; a large interior public space; and an identifiable crown, thus, establishing continuity with the past in a contemporary way. The new courthouse will complement the Hall of Justice and other buildings around it and shape the character of an emerging civic district in downtown San Diego.

The project will replace the County Courthouse, the Family Courthouse, and the Madge Bradley Courthouse in downtown San Diego, all of which are seriously outdated, deficient, unsafe, overcrowded, and inadequate for modern court operations. Examples of such inadequacies follow:

- The County Courthouse and the Family Courthouse are both rated as unacceptable seismic risks. A fault line with surface-rupture potential lies immediately beneath the north tower of the County Courthouse, increasing the risk of major disruption and damage from an earthquake.
- The County Courthouse lacks a dedicated in-custody transfer system, forcing deputies to
  escort defendants in chains through public corridors, stairways, and elevators, as well as
  through private judicial corridors.
- Courtrooms, judges' chambers, deliberation rooms, and public waiting areas are located directly above two busy public streets—B and C Streets—thereby creating vulnerability.
- The County Courthouse contains asbestos, making even simple repairs very costly.

In 2005, the AOC retained Skidmore Owings & Merrill LLP to evaluate site options and develop a preliminary cost estimate for the project. The study of potential sites was developed in collaboration with the City of San Diego, the Centre City Advisory Committee, the Centre City Development Corporation, the San Diego Downtown Partnership, and the County of San Diego. The study led the State to pursue the equity exchange with San Diego County for a site of approximately 1.4 acres in downtown San Diego bounded by West C Street, Union Street, West B Street, and State Street. Some parties refer to the site as the "Stahlman Block." The building site was obtained at no cost to the State through an equity exchange agreement with San Diego County. The terms of this equity exchange and court facilities transfer, approved in November 2009, include the assumption by the Judicial Council of responsibility for damage to the existing court buildings caused by earthquakes; the timely replacement of the seismically deficient court facilities will eliminate this risk.

Because any delay on a project of this size can be costly, the AOC, working closely with the Court Facilities Advisory Committee, requested that the Construction Manager at Risk (CM@Risk), Rudolph & Sletten, Inc., enter into a project labor agreement (PLA) with the State Building and Construction Trades Council.

The PLA requires that all subcontractors, whether union or non-union, agree to pay prevailing wages (a requirement of all AOC projects) and to follow specific work rules and dispute resolution methods to prevent work stoppages or delays. It does not require subcontractors or their laborers to join a union. The San Diego PLA applied to most, but not all, of the bid packages: those smaller than \$125,000 at all bid tiers were exempt. Construction work will be performed under the terms of the existing agreement between the AOC and Rudolph & Sletten,

for construction management at risk services with the PLA, as well as a guaranteed maximum price for construction.

Bidding of the construction documents began in August and was completed in October 2103; approximately 150 responsive bids were received for 53 subcontract trade packages for the scope of the work stated in the contract documents prepared by Skidmore Owings & Merrill and its consultants. On average, there were four prequalified subcontractors for every trade package, and an average of three subcontractors bid on each subcontract trade package. The PLA had no appreciable negative impact on subcontractor interest or the bid pricing for this project.

The total of the accepted subcontractor bids plus the CM@Risk fee for construction services—the guaranteed maximum price for construction (GMP)—is \$447.3 million or 0.6 percent below the approved GMP budget of \$450.3 million .

#### **Construction schedule**

- Construction mobilization activities began in early December.
- Demolition of the existing building on the site begins in late January 2014.
- The groundbreaking ceremony will occur in early March 2014.
- Excavation and foundations will be completed in June 2014.
- Structural steel erection will begin in November 2014 and be completed in August 2015.
- The building enclosure will begin May 2015 and be completed in January 2016.
- The bridge connecting the new court building to the Hall of Justice will be erected in February 2015.
- Commissioning, testing, and final inspections of building systems will begin in January 2016.
- Occupancy of the San Diego Central Courthouse is scheduled for October 2016.