
Central Administration Building Assessment

SamTrans Board Retreat

March 19, 2019

Presented By: Brian W. Fitzpatrick

Overview of Presentation

- Background on SamTrans Headquarters Facility
- Building is Inefficient
- Opportunities
- Recommended Next Steps

Background

- Building and parking garage was built in 1979
- SamTrans purchased May 9, 1990
- It has been retrofitted over the years, but never completely remodeled

The Building is Inefficient

- Building is functionally obsolete
 - Core is too big
 - Floor plan layout is inefficient
 - Some offices are too big, others too small, limited conference rooms
 - As a legacy from previous use, the building includes a commercial kitchen, a living room and large scale residential kitchen and a sunken den

The Building is Carbon Intensive

- Electrical costs is about 3X of that for a building of the same general age range (1960-1989)
 - 10X the cost of a new building
- Gas costs are about 3X that of a building of a similar age range and about 8X of a new building

High Operating Costs

- Operating costs are high and unpredictable
 - Yearly cost are about \$1.4M, about 50% higher than a typical building of this size
 - Utility inefficiency is a big driver of costs

Necessary Capital Improvements

- If the building is not replaced, a series of capital improvements are necessary
 - Total cost could exceed \$50M, in 2017 dollars
 - Costs and work could be spread out over 6 to 7 years
 - For example
 - Elevators: \$1.7M
 - HVAC: \$11.5M
 - Includes new ducting and well as the system itself
 - Roofing: \$3.1M

Examples of Other Improvements

- Electrical (to allow lighting to be brought to current case using LED lights): \$12.5M
- Plumbing; \$3.8M
- Carpet, paints, ceiling and improvements to employee areas and common space will cost up to \$6M

Even with these improvements, the building would still not be to modern standards

Opportunities

- The lot (building and garage) is 78,242 SF (1.8 acre) and inefficiently laid out
- The 4-story building is significantly over-parked with 450 spaces for 100,000 SF of usable area
- Location near transit in San Carlos is very desirable
 - San Carlos lacks office space, creating pent-up demand
- A new building will be less costly to operate

Staff Recommended Approach

- Maximize the value of our existing assets to create a modern, sustainable facility while minimizing out of pocket costs to SamTrans
- Hire a consultant team to lead a formal process to look at options
- General Scope
 - First Steps: Hone the approach, analyze the opportunity and right-size expectations

Questions?