

**PROSPECTUS – ALTERATION
DENVER FEDERAL CENTER BUILDING 48
LAKEWOOD, CO**

Prospectus Number: PCO-0522-LA19
Congressional District: 7

FY 2019 Project Summary

The General Services Administration (GSA) proposes a repair and alteration project for a full modernization of Building 48 at the Denver Federal Center (DFC), located at West 6th Avenue and Kipling Street in Lakewood, CO. The project will convert Building 48 from a vacant warehouse building into a fully occupied Class A office building. The proposed project will upgrade building systems and the fire suppression system, repair structural and architectural deficiencies, install an elevator, abate hazardous materials, and improve landscaping and underground utilities. This project will provide an efficient office layout that both reduces agency utilization rates and allows for the backfill of approximately 149,000 rentable square feet (RSF) of vacant federally owned space. The renovated space will be occupied by the Department of the Interior (DOI) – Interior Business Center (IBC), which is currently housed in leased space. Relocation of IBC to Building 48 provides an annual lease cost avoidance of approximately \$4,600,000 and an annual agency rent savings of approximately \$1,200,000.

FY 2019 Committee Approval and Appropriation Requested

(Design, Construction, Management & Inspection)\$47,035,000

Major Work Items

Electrical, heating, ventilation and air conditioning (HVAC), plumbing, and fire protection systems replacement; roof replacement; exterior closure repairs and replacement; interior construction; paving and landscaping; interior finishes; structural upgrades; demolition; utilities relocation; and elevator installation

Estimated Project Budget

Design	\$ 3,821,000
Estimated Construction Cost (ECC)	40,516,000
Management & Inspection (M&I)	<u>2,698,000</u>
Estimated Total Project Cost (ETPC)*	\$47,035,000

*Tenant agency may fund an additional amount for tenant improvements above the standard normally provided by GSA.

<u>Schedule</u>	Start	End
Design and Construction	FY 2019	FY 2022

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Building

Building 48 is part of the DFC's main campus and contains 154,422 gross square feet. The first section of the building was originally constructed in 1941 as part of the Denver Ordinance Plant, with additions made in the 1950s, 1960s, and in 1971. The building is predominantly warehouse space that was formerly occupied by the National Archives and Records Administration (NARA), which moved to a new location in 2013.

Tenant Agencies

Department of the Interior – Interior Business Center

Proposed Project

The project proposes a full modernization of Building 48 to renovate approximately 149,000 RSF of space, including the addition of a main entrance with an atrium to provide for daylighting. A below-grade courtyard will provide access and natural light for the basement-level office space with new windows and landscaping. This project will allow for a higher density open office environment and the relocation of the IBC from leased space.

Exterior walls will be insulated, repaired, and re-caulked, and the masonry will be repointed. All exterior windows will be replaced with efficient insulated glazing. Additional windows will be added to increase natural light. The entire roof and roof drain system will be replaced with skylights and solar tubes to provide top lighting, thereby increasing daylight penetration into the building's interior spaces. The project also will replace exterior stairs, railings, ramps, and sidewalks. A parking lot to accommodate approximately 500 parking spaces will be constructed. Site utilities will be replaced and relocated.

The basement will be built out and used for office space. To accommodate the use of the basement, a passenger elevator will be installed. Walls that do not provide structural support will be removed to create an open office area. Some loading docks will be removed, and the remaining docks will have new levelers, seal enclosures on doors, and electric vehicle charging stations installed. There also will be structural repairs and upgrades to provide sufficient support to the existing structure and additions.

The plumbing systems for hot water, chilled water, and sanitary sewer piping will be replaced, along with two domestic hot water heaters and gas piping. The project also includes an energy-efficient cooling and heating system with appropriate air distribution and building automation system, new electrical system, emergency power, a lighting

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system, a telecom room and equipment, security access control equipment, and a lightning protection system. Fire protection upgrades, including fire sprinklers and new fire alarm, will be installed. Architectural Barriers Act Accessibility Standards requirements will be addressed by automatic entrances, audible and visual notification systems, egress doors, larger stairwells, and accessible restrooms and parking spaces. The project also will abate hazardous materials encountered during construction.

Major Work Items

Electrical Replacement	\$7,979,000
HVAC Replacement	8,486,000
Interior Finishes	5,453,000
Plumbing Replacement	4,171,000
Interior Construction	2,378,000
Paving and Landscaping	2,975,000
Exterior Closures Repairs and Replacement	2,305,000
Structural Upgrades	1,453,000
Fire Protection Replacement	607,000
Demolition	3,962,000
Roof Replacement	455,000
Utilities Relocation	<u>292,000</u>
Total ECC	\$40,516,000

Justification

Building 48 was occupied by NARA for approximately 50 years and has been vacant for approximately 3 years. The building is predominantly warehouse space and is essentially a building shell that requires a complete modernization to facilitate the backfill.

Completion of this project reduces vacant space by approximately 149,000 RSF and eliminates approximately \$5 million in future annual lease payments to the private sector. IBC is currently housed in three leased locations and experiencing growth. GSA has been working closely with IBC since 2009 to create a solution that will allow it to consolidate its leases, provide more efficient work space, and upgrade its space to meet the modern day demands of running its business.

This project will provide IBC with a higher quality, more efficient work environment, progressive alternative workplace arrangements with shared resources, open office space, flexible conference rooms, and collaboration areas, in addition to telework and office

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sharing. IBC will be closer to the other DOI bureaus and offices at the DFC, thereby providing easier access to its services.

The proposed full modernization of Building 48 will transform a deteriorating core asset at the heart of one of the country’s largest Federal Government campuses into a high-performing LEED Gold facility capable of housing Class A office space for at least the next 30 years.

Summary of Energy Compliance

This project will be designed to conform to requirements of the *Facilities Standards for the Public Buildings Service*. GSA encourages design opportunities to increase energy and water efficiency above the minimum performance criteria.

Prior Appropriations

None

Prior Committee Approvals

None

Prior Prospectus-Level Projects in Building (past 10 years):

None

Alternatives Considered (30-year, present value cost analysis)

Alteration:	\$76,036,000
Lease	\$179,994,000
New Construction:	\$109,031,000

The 30-year, present value cost of alteration is \$103,958,000 less than the cost of leasing, with an equivalent annual cost advantage of \$3,465,000.

Recommendation

ALTERATION

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Certification of Need

The proposed project is the best solution to meet a validated Government need.

Submitted at Washington, DC, on February 12, 2018

Recommended: 
Commissioner, Public Buildings Service

Approved: 
Administrator, General Services Administration