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# Leave troubled building, Board of Equalization chief urges

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Published Saturday, Jan. 09, 2010

Fed up with years of leaks, floods, falling windows, rampant mold and now free-falling elevators at its Sacramento headquarters, the head of the Board of Equalization says his 2,900 employees need to get the heck out of the 24-story money pit.

BOE Executive Director Ramon Hirsig, sidestepping what he thinks is foot-dragging by state property managers, has persuaded legislators to co-author a bill authorizing his agency to vacate its troubled home for newer and safer office space in the region.

The boxy, gray downtown landmark at 450 N St. that the BOE now occupies would then be leased, traded or just sold.

"Continuing to spend millions of taxpayer dollars per year into a host of building issues does not adequately address the long-term building problems for the state," Hirsig said in a recent letter to legislators. "The current approach continues to drain the state's budget without any assurance that it will stop."

He's not joking. The tab for mold remediation and other repairs has soared to \$68 million from \$29 million in estimated costs last spring, which itself was up wildly from the \$15 million estimate in 2005.

Why? Mold has now been discovered on every floor, and the building's almost 2-decade-old elevators are suffering frightening breakdowns, according to Hirsig's letter, a union survey of BOE staff in the building and an engineering report on the elevators.

There's no guarantee that even more costs won't emerge as new problems surface, Hirsig warned, adding that the BOE has suffered \$22 million worth of lost productivity due to the building's ongoing issues.

Enough is enough, say Assemblyman Dave Jones, D-Sacramento, and Sen. George Runner, R-Antelope Valley, who co-authored Assembly Bill 151, which would authorize the move-out and a sale or lease of BOE headquarters.

"At some point, when you dig yourself into a hole, it's better to stop digging," Jones said. "I'm concerned that the building has become a rip-off for the taxpayers, and conditions in the building are downright dangerous for the state's workers."

Once employees were moved, the state could either substantially upgrade the building or leave that job to a private developer. The building could even be razed, although Hirsig did not raise that possibility in his letter to legislators.

BOE employees support Hirsig's political play.

About 76 percent of 262 BOE employees who responded to a survey on building conditions by Local 1000 of the Service Employees International Union survey about conditions in the building said they want to move out – permanently.

Hundreds of staff members told SEIU researchers they've suffered from frequent headaches, asthma, watery and itchy eyes, sneezing and throat dryness.

An additional 141 BOE headquarters employees raised fears about its elevators, an SEIU report shows.

Workers said elevator No. 7 is the most problematic: 51 percent of 141 BOE employees who responded to questions about it "have experienced free-falling a few feet or more," and 41 percent reported becoming stuck in that elevator.

Elevator No. 9 is also giving workers the creeps: More than three dozen BOE employees have "heard or felt objects fall on top (of the car) while in this elevator," the SEIU report said.

Jones said his bill aims to offer relief to taxpayers and state workers by pushing the Schwarzenegger administration to change how it's managing the BOE headquarters situation.

Jones said several elevators at BOE have stopped working for reasons unknown, sending workers into scary, free-fall plunges. Widespread mold also is making too many state workers sick and demoralizing the rest of staff, he added.

That's not good for an agency that collects \$58 billion a year – or one-third of state revenue, Jones said.

The bipartisan bill enjoys an unusual mix of support.

It's backed not only by SEIU Local 1000, but also by the California Taxpayers Association, a nonprofit that promotes government efficiency and publishes reports on wasteful state spending.

"These are fairly strange bedfellows, but here the problem is so clear, and the solutions so necessary, that everybody wants the Department of General Services to move in a new direction," Jones said. "DGS has become the deer caught in the headlights here. They're frozen."

Members of the Assembly's Business and Professions Committee will consider AB 151 at a meeting scheduled for Tuesday morning.

Jeffrey Young, a spokesman for the Department of General Services – whose real estate arm manages the BOE building – said the department does not comment on pending legislation, pursuant to administration policy.

But Young suggested the \$68 million figure advanced by Hirsig includes repairs and modernization costs that are standard for an 18- or 19-year-old office tower.

Not all of those costs can be blamed on repeated water leaks, burst-pipe floods, window failures and mold that's spread throughout the building since DGS first bought it from CalPERS in 1993, Young added.

The mold cleanup alone will cost \$34 million, he said. The elevators are being modernized for \$2.3 million, "a routine improvement" for a building its age and included in Hirsig's \$68 million, Young noted.

Hirsig argued in his letter to legislators that the DGS mold cleanup plan won't get rid of all the mold.

"Mold inside wall cavities or in other inaccessible areas will not be remediated," he wrote.

Hirsig says that despite assurances from DGS and its experts that this "encapsulated mold" poses no risk to the building's occupants, "many BOE employees and their unions believe that the presence of mold growth in the building is adversely affecting their health."

Those "perceptions" will continue after repairs, Hirsig said.

Mike Naple, a spokesman for Gov. Arnold Schwarzenegger, declined to comment on either the bill co-authored by Jones and Runner or the conditions inside 450 N St., saying he'll study the bill if it reaches his desk.

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