

AGENDA

SAN DIEGO REGIONAL BUILDING AUTHORITY (SDRBA)
JOINT POWERS AGENCY OF THE COUNTY OF SAN DIEGO &
THE SAN DIEGO METROPOLITAN TRANSIT SYSTEMS (MTS)

May 3, 2023

8:00 a.m.

In-Person Participation: County Administration Center Board Library, 1600 Pacific Highway Room 335, San Diego, CA 92101

Teleconference Participation: 1(669)900-9128; Webinar ID: 875 1804 3433

- 1. Roll Call**
- 2. Approval of Minutes**
- 3. James R. Mills Building – Adoption of Operating Budget and Capital Improvement Projects:** Action would 1.) Approve the proposed FY 23/24 Operating Budget (Attachment A) and authorize the Executive Officer to approve the expenditures of \$4,828,037 in accordance therewith; and 2.) Approve the proposed FY 23/24 Capital Improvement Budget (Attachment B) and authorize the Executive Officer to approve the expenditure of \$1,735,550 from the Capital Reserve Account.
- 4. Property Management Agreement – Extension:** Action would approve a six (6) month extension of the Property Management Agreement between Colliers International Real Estate Management Services (CA), Inc. (Colliers) and San Diego Regional Building Authority, extending the agreement through June 30, 2024.
- 5. Public Comments**
Public comment is limited to three (3) minutes per speaker. If you have a report to present, please give your copies to the clerk.
- 6. Board Members Comments**
- 7. Next Meeting Date:**
To be determined.
- 8. Adjournment**

SAN DIEGO REGIONAL BUILDING AUTHORITY (SDRBA)
JOINT POWERS AGENCY
OF THE COUNTY OF SAN DIEGO AND
THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM (MTS)
MINUTES

May 11, 2022

1. Roll Call

Chair Goble called the meeting to order at 8:06am. Authority members present included Chair Goble, Commissioner Fletcher and Commissioner Vargas.

2. Approval of Minutes

Chair Goble moved for approval of the minutes of the May 24, 2021, San Diego Regional Building Authority (SDRBA) meeting. Commissioner Vargas seconded the motion, and the vote was 3 to 0 in favor.

3. James R. Mills Building – Adoption of Operating Budget and Capital Improvement Projects

Marko Medved, County of San Diego Director of General Services, provided a brief budget presentation and outlined: the division of assets, operating expenses and budget, capital improvement expenses and budget, parking revenue, direct owner expenses, revenue contribution, and finally he outlined the actual parking revenue received July 2021- March 2022.

Action Taken

Commissioner Fletcher moved to 1.) Approve the proposed FY 22/23 Operating Budget and authorize the Executive Officer to approve the expenditures in accordance there with; and 2.) Approve the proposed FY 22/23 Capital Improvement Budget and authorize the Executive Officer to approve the expenditure of \$1,511,856 from the Capital Reserve Account. Commissioner Vargas seconded the motion, and the vote was 3 to 0 in favor.

4. Public Comments

There were no public comments.

5. Next Meeting Date

The next SDRBA meeting is to be determined.

6. Adjournment

The meeting adjourned at 8:11 a.m.

/S/ Nora Vargas

Chairperson

Attachment: Roll Call Sheet

SAN DIEGO REGIONAL BUILDING AUTHORITY (SDRBA)
JOINT POWERS AGENCY OF THE COUNTY OF SAN DIEGO &
THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM (MTS)

ROLL CALL

MEETING OF (DATE) May 11, 2022

CALL TO ORDER 8:06am

RECESS _____

RECONVENE _____

ADJOURN 8:11am

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
Fletcher	<input checked="" type="checkbox"/>	8:06am	8:11am
Goble	<input checked="" type="checkbox"/>	8:06am	8:11am
Vargas	<input checked="" type="checkbox"/>	8:06am	8:11am

SIGNED BY THE CLERK OF THE BOARD: /S/ Dalia Gonzalez

San Diego Regional Building Authority

Agenda Item no. 3

SAN DIEGO REGIONAL BUILDING AUTHORITY (SDRBA)
JOINT POWERS AGENCY OF THE COUNTY OF SAN DIEGO &
THE SAN DIEGO METROPOLITAN TRANSIT SYSTEMS (MTS)
May 3, 2023, 8:00 a.m.

SUBJECT:

JAMES R. MILLS BUILDING – ADOPTION OF OPERATING BUDGET AND CAPITAL IMPROVEMENT PROJECTS FOR FISCAL YEAR 2023/2024 (FY23/24)

RECOMMENDATIONS:

1. Approve the proposed FY 23/24 Operating Budget (Attachment A) and authorize the Executive Officer to approve the expenditure of \$4,828,037 in accordance therewith; and
2. Approve the proposed FY 23/24 Capital Improvement Budget (Attachment B) and authorize the Executive Officer to approve the expenditure of \$1,735,550 from the Capital Reserve Account.

DISCUSSION:

The James R. Mills Building located at 1255 Imperial Avenue (Mills Building) is jointly operated by the County of San Diego (County) and San Diego Metropolitan Transit System (MTS) through ground lease, lease, and sublease agreements with the San Diego Regional Building Authority (SDRBA). The SDRBA is a joint powers authority created by the County and MTS to fund, construct, maintain and operate the Mills Building. Under the lease agreements, MTS controls the trolley infrastructure, station areas, a portion of the first-floor retail spaces, a portion of the eighth floor and the ninth and tenth floor office areas. County controls the office areas on the second through seventh floors and portions of the first and eighth floors. The parking garage is shared proportionately by the County and MTS. County and MTS pay for individual monthly employee parking spaces, and additional revenue is generated from the garage for daily and special event parking, including an agreement with the Padres for 300 spaces during each Padres home game and some Petco Park special events. The SDRBA has a property management agreement with Colliers to handle day-to-day operations and maintenance of the Mills Building.

Today's actions would approve the budgets for Mills Building operations and capital improvement projects for FY 23/24.

Mills Building Budget and Expense Overview

The Mills Building Budget is made up of five major categories of expenses and revenue:

1. Operating Expenses. This includes expenses related to property management, janitorial, landscaping, security, utilities, parking, and general repairs and maintenance activities for the Mills Building. Under the MTS-County sublease amendment, MTS pays 33.22% and County pays 66.78% of Operating Expenses.

2. Capital Improvement Expenses. This includes costs for Mills Building Capital Improvements and major repair projects. Under the MTS-County sublease amendment, MTS pays 33.22% and County pays 66.78% of Capital Improvement Expenses. Some projects are in process and may have funding from prior fiscal years. The expenses in the FY 23/24 budget reflect new projects or additional funding needed to complete projects approved in previous budgets.

3. Parking Revenue. This is a credit for actual parking revenue from daily parking fees, monthly parking fees for MTS or County employees, the Padres parking lease, and special event parking fees. This credit is used to reduce the required Operating Expense contribution from County and MTS and will remain allocated based on historical percentages (MTS 24.95% and County 75.05%).

4. Direct Owner Expenses. This includes expenses that are solely related to either the County's occupancy or MTS's occupancy. They are not split according to the Operating Expenses proportionate share percentage, but are added to either the County or MTS costs shares as appropriate.

Mills Building expenses subject to the County/MTS proportionate share allocation are calculated by the following formula:

		<u>MTS-County %</u>
Line A	Operating Expenses	33.22%-66.78%
Line B	(+) Capital Improvement Expenses	33.22%-66.78%
Line C		<i>Mills Building Expense Subtotal</i>
Line D	(+) Reserve Contribution or Parking Revenue Shortfall	24.95%-75.05%
Line E	(-) Parking Revenue	24.95%-75.05%
Line F	<i>Total Mills Building Expenses Subject to Proportionate Share</i>	

The County and MTS annual contributions to Mills Building Expenses are then calculated as follows:

<u>County</u>	<u>MTS</u>
66.78% of Line C	33.22% of Line C
(+) 75.05% of Line D	(+) 24.95% of Line D
(-) 75.05% of Line E	(-) 24.95% of Line E
<u>+ County Direct Owner Expenses</u>	<u>+ MTS Direct Owner Expenses</u>
<i>County Total Mills Building Expenses</i>	<i>MTS Total Mills Building Expenses</i>

FY 23/24 Operating Budget (Attachment A)

FY 23/24 Operating Budget (Attachment A)

The proposed total Operating Expense budget for FY 23/24 totals \$4,828,037. Annual Operating Expenses have increased by approximately 13.69% over the annual Operating Expenses for FY 22/23. The primary reasons for the increases are the following: wage & benefits, additional security staff, Padre and event staffing, SD Assessment fees, paper goods increase, refuse removal, AT&T Phone lines, Access web hosting, Utilities. Offset by savings from eliminating COVID Day Porter, GFI testing, a lower urinal contract, lowered a

HVAC contract, and savings on window washing costs due to repairs on window washing stage.

The proportionate distribution of shared operating expenses is \$3,224,163 (County) and \$1,603,874 (MTS).

FY 23/24 Direct Owner Expense:

Direct Owner Expenses of \$1,489,242 are allocated to County \$1,469,931 and MTS \$19,311 according to their respective use. These costs generally relate to additional utilities, trash collection, cleaning, and security for County or MTS units.

FY 23/24 Capital Improvement Program Budget (Attachment B)

Proposed Capital Improvements in FY 23/24 total \$1,735,550 (Attachment B). Proposed Capital Improvement items for FY 23/24 include: asset assessment consultant review, engineering consultant to remove concrete stairs (at the pedestrian gate), security camera upgrades, painting fire pump room, HVAC upgrades, auto park 5th & 6th floor deck repairs & re-surfacing in auto park.

The proportionate distribution of shared Capital Improvement Program expenses is \$1,159,000 (County) and \$576,550 (MTS).

FY 23/24 Reserve Contribution

No contribution is requested for FY 23/24.

Actual Parking Revenue Received:

Total Parking Revenue to be deducted from building operating costs total \$2,136,706. (this number reflects total actual parking revenue of \$1,625,954 thru March 2023 for FY 22/23; \$543,302 Excess Revenues from April 2022 – June 2022 of FY 21/22; and offset by a \$32,550 Padres Corp Lease overpayment from 2020).

The proposed parking revenue credit is shared according to a formula that remains unchanged for the proposed budget: the County is allocated 75.05%, or \$1,603,598; MTS is allocated 24.95%, or \$533,108.

TABLE 1: BUDGET SUMMARY:

The above budget categories and proportionate shares are set forth in table format below:

Line	Expenses and Parking Revenue	Current Budget FY22/23	Estimated Actuals FY22/23	Proposed Budget FY23/24
A	Project Operating Expense	\$4,246,533	\$4,208,395	\$4,828,037
B	Total Capital Improvements	\$1,511,856	\$1,511,856	\$1,735,550

C	<i>Mills Building Expense Subtotal</i>	\$5,758,389	\$5,720,251	\$6,563,587
D	Restore Operating Reserves due to a Parking Revenue Shortfall	\$0	\$0	\$0
E	Less: Parking Revenue	(\$1,122,161)	(\$1,122,161)	(2,136,706)
F	<i>Mills Building Expenses Subject to Proportionate Share</i>	\$4,636,228	\$4,598,090	\$4,426,881
	Direct Owner Expenses	\$1,417,363	\$1,417,363	\$1,489,242
	<i>Total Mills Building Opex and GIP Budget</i>	\$6,053,591	\$6,015,453	\$5,916,123

Total Cost Shares (Operating Expense, Parking, Capital Improvements and Direct Expenses)			
	Current Budget FY22/23	Estimated Actuals FY22/23	Proposed Budget FY23/24
MTS Share	\$1,651,509	\$1,638,839	\$1,666,626
County Share	\$4,402,082	\$4,376,614	\$4,249,497
Total	\$6,053,591	\$6,015,453	\$5,916,123

Attachments

A: Proposed FY 23/24 Operating Budget and Capital Expenditures.

B: Proposed FY 23/24 Capital Improvements.

C: FY 20/21 to FY 23/24 Current vs Proposed Budget

Attachment A: Proposed FY 2019-2020
Operating Budget and Capital Expenditures

Att.A, AI 3, 05/03/23

James Mills Building (5097-sd)

July 2023 Through June 2024

Project Sq. Ft. 183,245

Type: Office

Acct No		Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	Jun 2024	Total
REVENUE (Ties to Income Schedule)													
RENT													
4110-0000	MTS Retail Rent: A-Mart (\$4,328.20) & MTS (\$0 rent)	4,328	4,328	4,328	4,328	4,328	4,328	4,328	4,328	4,328	4,328	4,328	51,938
		0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL RENT	4,328	4,328	4,328	4,328	4,328	4,328	4,328	4,328	4,328	4,328	4,328	51,938
OPERATING EXP REIMB													
4310-0000		0	0	0	0	0	0	0	0	0	0	0	0
4330-0000	HHSA Reimbursed Utilities *(See Board Allocations)	28,451	28,451	28,451	28,451	28,451	28,451	28,451	28,451	28,451	28,451	28,451	341,408
4332-0000	Trash Removal Reimb (Amart)	200	200	200	200	200	200	200	200	200	200	200	2,400
	TOTAL OPERATING EXP REIMB.	28,651	28,651	28,651	28,651	28,651	28,651	28,651	28,651	28,651	28,651	28,651	343,808
PARKING INCOME													
4405-0100	Parking Padres	0	0	0	0	0	0	0	472,392	0	0	0	472,392
4405-0100	Parking Game Revenue (See Ace Parking)	130,000	130,000	0	0	0	0	0	0	140,000	140,000	140,000	810,000
4405-2000	Parking- Monthly Parking (MTS & Other)(See Ace Parking)	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	132,000
4405-3000	Parking-Daily (Transient) (See Ace Parking)	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	264,000
4405-0100 (A)	Parking HHSA Monthly Parking *(See Board Allocations)	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
4405-0100	SanDag	0	0	0	0	0	0	0	0	0	0	0	0
4405-0100	Retail Tenants (See Ace Parking)	0	0	0	0	0	0	0	0	0	0	0	0
4405-0200 (B)	Parking Contribution MTS *(See Board Allocations)	120	120	120	120	120	120	120	120	120	120	120	1,440
4405-0002	Parking - Coupons (See Ace Parking)	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
4405-1000	Parking - Events (See Ace Parking)	5,000	5,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	69,000
	TOTAL PARKING INCOME	172,120	172,120	38,120	38,120	38,120	38,120	38,120	510,512	178,120	178,120	178,120	1,796,832
OTHER INCOME													
4801-0000	HHSA Dedicated Security/Janitorial/Pest Control Reimb *(Included in	72,044	72,044	72,044	72,044	72,044	72,044	72,044	72,044	72,044	72,044	72,044	864,523
4803-0000	MTS Dedicated 1st Floor Exp reimb *(Included in Board Allocations)	1,489	1,489	1,489	1,489	1,489	1,489	1,489	1,489	1,489	1,489	1,489	17,871
4880-0000	Interest Income	18	18	18	18	18	18	18	18	18	18	18	216
4890-0000	Other Income* (City Maintenance Assessment)	0	0	0	0	0	0	0	0	0	0	0	0
4890-0002	Contributions MTS-San Diego Opex *(Included in Board Allocations)	89,230	89,230	89,230	89,230	89,230	89,230	89,230	89,230	89,230	89,230	89,230	1,070,766
4890-0003	Contributions San Diego County Opex *(Included in Board Allocation	135,047	135,047	135,047	135,047	135,047	135,047	135,047	135,047	135,047	135,047	135,047	1,620,565
4890-0004	Contributions MTS-San Diego-Capital *(Included in Board Allocation	48,046	48,046	48,046	48,046	48,046	48,046	48,046	48,046	48,046	48,046	48,046	576,550
4890-0005	Contributions-San Diego County-Capital *(Included in Board Allocati	96,583	96,583	96,583	96,583	96,583	96,583	96,583	96,583	96,583	96,583	96,583	1,158,999
	TOTAL OTHER INCOME	442,457	442,457	442,457	442,457	442,457	442,457	442,457	442,457	442,457	442,457	442,457	5,309,490
	TOTAL REVENUE	647,556	647,556	513,556	513,556	513,556	513,556	513,556	985,948	653,556	653,556	653,556	7,502,068

TOTAL REVENUE		647,556	647,556	513,556	513,556	513,556	513,556	513,556	985,948	653,556	653,556	653,556	7,502,068				
Operating Expenses														Square Feet:		183,245	
														County	MTS	Cost	
														66.78%	33.22%	P.S.F.	
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	\$	-
Administration																	
5810	Payroll Building Manager	12,825	12,825	12,825	12,825	12,825	12,825	12,825	12,825	12,825	12,825	12,825	153,898	102,773	51,125	\$	0.84
5845	Telephone	3,944	3,944	3,944	3,944	3,944	3,944	3,944	3,944	3,944	3,944	3,944	47,326	31,605	15,722	\$	0.26
5840	Office Supplies/Postage	475	475	475	475	475	475	475	475	475	475	475	5,700	3,806	1,894	\$	0.03
5843	Repairs & Maintenance	42	42	292	42	42	292	42	42	292	42	42	1,500	1,002	498	\$	0.01
5805	Management Fees	7,065	7,065	7,065	7,065	7,065	7,242	7,242	7,242	7,242	7,242	7,242	85,838	57,323	28,515	\$	0.47
5884	Tenant Relations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	\$	-
5890	Other Administrative Expenses	3,516	8,969	3,516	3,516	3,564	8,346	8,996	37,367	3,591	3,591	3,639	97,929	65,397	32,532	\$	0.53
Total Administrative		27,866	33,319	28,116	27,866	27,914	33,123	33,523	61,894	28,368	28,118	28,166	392,191	261,905	130,286	\$	2.14
General Building																	
5255	Engineers Payroll	17,276	17,276	17,276	17,276	17,276	17,276	17,276	17,276	17,276	17,276	17,276	207,385	138,491	68,893	\$	1.13
5690	Repairs & Maintenance	6,313	5,813	12,137	5,613	5,813	7,913	5,613	5,613	7,213	5,613	5,613	80,484	53,747	26,737	\$	0.44
5680	Pest Control	340	340	7,562	340	340	7,562	340	340	7,562	340	340	32,968	22,016	10,952	\$	0.18
5667	Painting	0	300	3,000	0	300	3,000	0	300	3,000	0	300	13,200	8,815	4,385	\$	0.07
5673	Tools & Equipment	0	0	300	0	0	300	0	0	300	0	0	1,200	801	399	\$	0.01

James Mills Building (5097-sd)

July 2023 Through June 2024

Project Sq. Ft. 183,245

Type: Office

Acct No	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	Jun 2024	Total				
5410 Plumbing	2,548	3,348	5,188	2,548	3,838	7,050	2,650	42,840	4,450	2,650	4,290	87,322	58,314	29,008	\$	0.48
5685 Roof	0	0	0	0	0	7,344	3,500	0	0	0	0	10,844	7,242	3,602	\$	0.06
Total General Building	26,477	27,077	45,463	25,777	27,567	50,445	29,379	66,369	39,801	25,879	27,819	433,403	289,426	143,976	\$	2.37
Janitorial																
5505 Cleaning Contract	41,038	42,038	41,038	41,038	42,038	42,638	41,038	42,038	41,038	41,038	42,038	499,654	333,669	165,985	\$	2.73
5515 Cleaning Supplies	9,044	9,044	9,044	9,044	9,044	9,044	9,044	9,044	9,044	9,044	9,044	108,528	72,475	36,053	\$	0.59
5230 Refuse Removal	5,865	5,865	5,865	5,865	5,865	6,158	6,158	6,158	6,158	6,158	6,158	72,140	48,175	23,965	\$	0.39
5520 Window Washing Contract	55,080	0	0	0	0	0	0	0	0	0	0	65,828	43,960	21,868	\$	0.36
Total Janitorial	111,027	56,947	55,947	55,947	56,947	57,840	56,240	57,240	56,240	56,240	57,240	746,150	498,279	247,871	\$	3.71
Electrical & Lighting Systems																
5315 Electrical Supplies	200	200	350	200	200	350	200	200	350	200	200	3,000	2,003	997	\$	0.02
5310 Electrical Repairs & Maintenance	310	310	310	310	310	10,184	310	310	310	310	310	13,594	9,078	4,516	\$	0.07
Total Electrical	510	510	660	510	510	10,534	510	510	660	510	510	16,594	11,081	5,512	\$	0.09
Elevator																
5455 Elevator Contract	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	38,400	25,644	12,756	\$	0.21
5460 Elevator Repair & Maintenance	1,600	1,800	1,600	2,400	5,800	1,800	1,600	2,000	1,600	2,400	1,600	26,000	17,363	8,637	\$	0.14
5463 Elevator Telephone Lines	8,959	8,959	8,959	8,959	8,959	8,959	8,959	8,959	8,959	8,959	8,959	107,505	71,792	35,713	\$	0.59
Total Elevator	13,759	13,959	13,759	14,559	17,959	13,959	13,759	14,159	13,759	14,559	13,759	171,905	114,798	57,107	\$	0.35
HVAC																
5355 HVAC Contract Service	3,741	9,574	20,968	8,109	9,574	7,255	3,769	9,602	3,769	3,769	9,602	93,474	62,422	31,052	\$	\$0.51
5365 HVAC Materials & Supplies	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	15,000	10,017	4,983	\$	\$0.08
5360 HVAC Repairs & Maintenance	4,550	4,550	4,550	14,550	4,550	4,550	4,550	4,550	4,550	4,550	4,550	64,600	43,140	21,460	\$	\$0.35
5390 HVAC Water Treatment	484	484	484	484	484	484	484	484	484	484	484	5,808	3,879	1,929	\$	\$0.03
Total HVAC	10,025	15,858	27,252	24,393	15,858	13,539	10,053	15,886	10,053	10,053	15,886	178,882	119,457	59,424	\$	0.94
Landscape & Grounds																
5555 Landscape Contract	1,218	1,818	1,218	1,218	5,018	1,248	1,248	1,848	1,248	1,248	1,848	20,398	13,622	6,776	\$	0.11
5565 Landscape Materials & Supplies	165	750	2,250	750	750	2,921	750	1,421	2,250	1,421	750	16,428	10,971	5,457	\$	0.09
5560 Landscape Repairs & Maintenance	250	250	8,586	250	250	250	250	250	250	250	250	11,336	7,570	3,766	\$	0.06
Total Landscape	1,633	2,818	12,054	2,218	6,018	4,419	2,248	3,519	3,748	2,919	2,848	48,162	32,162	15,999	\$	0.26
Parking Expenses													0			
5618-0000 Operating Expenses (Ace Parking)	31,746	37,088	17,251	17,320	18,306	17,306	20,755	22,552	31,755	31,755	32,980	310,564	207,394	103,169	\$	1.69
5645-0300 Parking-Electrical Supplies & Repairs	100	100	100	100	100	100	100	100	100	100	100	1,200	801	399	\$	0.01
5645-0400 Parking- Elevator Expenses	2,953	4,633	2,953	2,953	4,633	2,953	2,953	4,633	2,953	2,953	4,633	42,156	28,152	14,004	\$	0.23
5645-0500 Parking Fire/Life/Safety	120	120	395	120	120	1,595	320	120	395	120	120	3,940	2,631	1,309	\$	0.02
5645-0700 Landscape & Grounds	407	407	907	407	407	907	407	407	907	407	407	6,882	4,596	2,286	\$	0.04
5645-0800 Pest Control	575	95	95	575	95	95	575	95	95	575	95	3,060	2,043	1,017	\$	0.02
5645-1000 Parking-Materials & Supplies	50	550	50	730	550	50	50	550	50	730	550	3,960	2,644	1,316	\$	0.02
5645-1100 Parking-Repairs & Maintenance	1,350	350	900	150	150	6,850	600	900	150	150	1,350	13,500	9,015	4,485	\$	0.07
5645-1200 Parking-M&S Parking Equipment	45	45	45	45	45	45	45	45	45	45	45	540	361	179	\$	0.00
5645-1300 Parking-Sweeping & Steam Cleaning	0	2,200	0	0	2,200	0	0	2,200	0	0	2,200	8,800	5,877	2,923	\$	0.05
5645-1400 Parking-Security Contract	44,940	44,940	34,490	34,490	34,490	35,944	35,944	35,944	46,394	46,394	46,394	485,305	324,087	161,218	\$	2.65
5645-1500 Electricity- Auto park	6,675	7,415	6,764	6,092	6,198	6,489	6,237	6,958	5,408	5,745	6,251	76,719	51,233	25,486	\$	0.42
5645-1600 Water-Auto park	147	147	147	134	134	134	136	136	136	136	136	1,709	1,141	588	\$	0.01
Total Parking	89,108	98,090	64,097	63,116	67,428	72,468	68,121	74,639	88,388	89,109	95,261	958,334	639,976	318,359	\$	5.23
Security/Fire/Safety																
5775-0100 SFS- Telephone/Alarm	217	1,210	1,642	217	1,210	217	217	1,210	1,642	217	1,210	9,426	6,295	3,131	\$	0.05
5775-0200 SFS- Contract Service	115,128	115,128	115,813	115,128	116,228	119,223	118,538	118,538	119,223	118,538	118,538	1,405,836	938,817	467,019	\$	7.67
5775-0300 SFS-Materials & Supplies	4,000	2,075	2,075	3,625	2,075	2,875	3,625	2,075	2,075	3,625	2,075	33,100	22,104	10,996	\$	0.18
5775-0400 SFS-Permits/Testing	0	2,900	5,049	484	685	3,474	0	0	3,474	0	0	19,540	13,049	6,491	\$	0.11
5775-0500 SFS Repairs & Maintenance	1,500	1,500	1,500	1,500	1,500	5,670	1,500	1,500	1,500	1,500	1,500	26,170	17,476	8,694	\$	0.14
Total Security/Fire/Safety	120,845	122,813	126,079	120,954	121,698	131,459	123,880	123,323	127,914	123,880	123,323	1,494,072	997,741	496,331	\$	8.15
Utilities																
5205 Electricity-Common Area	34,850	39,101	33,108	21,737	18,927	19,066	20,401	21,800	22,092	21,065	23,479	303,589	202,737	100,852	\$	1.66
5210 Gas	559	665	1,074	2,000	3,606	7,898	7,101	3,995	1,672	1,462	1,392	32,281	21,557	10,724	\$	0.18
5215 Water- Building	5,045	5,266	4,340	3,965	3,328	3,730	3,846	4,779	5,012	4,429	4,779	52,476	35,044	17,433	\$	0.29
Total Utilities	40,454	45,032	38,522	27,702	25,861	30,694	31,348	30,573	28,776	26,956	29,649	388,347	259,338	129,009	\$	2.12
TOTAL OPERATING EXPENSES	441,703	416,422	411,948	363,041	367,759	418,479	369,061	448,113	397,707	378,223	394,461	4,828,037	3,224,163	1,603,874	\$	26.35
Net Operation Income	205,853	231,134	101,608	150,516	145,798	95,077	144,495	537,835	255,849	275,333	259,096	2,674,031	1,785,718	888,313	\$	14.59
Capital Expenses																
Capital	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!
Total Capital	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!

James Mills Building (5097-sd)

July 2023 Through June 2024

Project Sq. Ft. 183,245

Type: Office

Acct No	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	Jun 2024	Total			
Direct Owner Expenses (not calculated on 66.78%/33.22% split) *													Based on actual allocations, not % splits:		
5655-1000 HHSA Additional Security & Cleaning Expenses	68,688	68,688	74,488	68,688	68,688	77,333	71,533	71,533	77,333	71,533	71,533	864,523	864,523	\$	4.72
5655-2000 County Electric (floors 2-9)	27,801	28,361	27,887	26,431	26,254	26,511	28,504	34,647	28,887	28,454	29,721	341,408	341,408	\$	1.86
5655-3000 MTS & 1st Floor Tenants/PY Covid-19 Reimb/Audit Fees	1,469	1,562	1,506	1,368	1,420	1,445	1,499	1,484	1,538	1,538	1,538	17,871		17,871	\$ 0.10
5140-0000 County portion City Maint Assoc./PY Covid-19 Reimb/Audit Fees	0	0	0	0	0	0	0	0	0	0	0	0	0	\$	-
HHSA Monthly Parking	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	264,000	264,000	\$	1.44
MTS Monthly Parking	120	120	120	120	120	120	120	120	120	120	120	1,440		1,440	\$ 0.01
Total Tenant Direct Owner Expenses	120,078	120,731	126,001	118,606	118,482	127,409	123,656	129,784	129,877	123,645	124,911	1,489,242	1,469,931	19,311	\$ 8.13
Total Direct Owner and Capital	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!
Adjusted Cash Flow after Direct and Capital	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!

*Direct Owners Expenses are not calculated on a split and are charges attributed 100% to either MTS or the County.

James R Mills Building

July 2023 Through June 2024

Project	2020/2021	2021/2022	2022/2023	2023/2024	Status	Notes:
<div><div>9190 BUILDING IMPROVEMENTS</div><div>EIFS: Ext Bldg, Clock Tower, Mech Plant Sealing©</div><div>Exterior Building Paint/Clock Tower ©</div><div>Exterior Building Tile Reseal</div><div>Lobby Ada Sliding Door Install©</div><div>"New" Project Led Platform Lighting, 9 And 10 Floor Change Can Lighting To Led, Fire Pump Room, Chiller Room And Electrical Rooms</div><div>Building & Auto Park, Led Lighting Retrofit & Lighting Control Panels©</div><div>Security Camera Upgrades© And Software Upgrades And Add New Intercom system/Camera System</div><div>X Ray & Metal Detector ©</div><div>Water Stations On 2,3,4,5,6,8,9 ©</div><div>Clock Tower Red Window Painting</div><div>Clock Face Refurbishment</div><div>Emergency Management System</div><div>Paint Fire Pump Room</div><div>Paint/Floors/Cabinets Engineering Office And Move In And Out Furniture</div><div>Building Restrooms Hands Free Faucets (42), Hands Free Flush Valves (40) And Paper Towel Dispenser (34)</div><div>Wireless Two-Way Radio Communication System Upgrade For Entire Building</div><div>New Fire-Rated Ground Floor Stairwell #1 Door And Hardware</div><div>Repairs For Expansion Joints In Plaza Sidewalks</div><div>(10) Water Heater Replacements</div><div>Window Washing Stage Repairs Required</div><div>Design/Build Consultant For Shared Space On 8Th Floor (It Room)</div><div>Asset assessment consultant review</div><div>Engineering Consultant to remove Concrete stairs (at the pedestrian gate)</div><div>TOTAL 9190 BUILDING IMPROVEMENTS</div></div>						
					Complete	
					Complete	
					Voided	
					Complete	
	\$ 52,000				Complete	
					Complete	
		\$ 20,000	\$ 109,500	\$ 260,000	Proposed/upcoming	Security Cameras - upgrade analog cameras to digital, add an additional 8 cameras and add new card readers interior and exterior of the garage.
					Complete	
					Complete	
					Complete	
					Complete	
	\$ 125,000				WIP	Emergency management system upgrade to add additional features (on-line and offline capability)
	\$ 6,325			\$ 36,000	Proposed/upcoming	Paint Fire Pump Room, IDF & Electrical rooms. Fire Pump Room floors and walls complete. These funds will be applied to additional back of house mechanical rooms being painted
	\$ 26,700				Complete	
	\$ 45,000	\$ 37,000			Complete	
		\$ 42,000			Complete	
		\$ 28,000			Complete	
		\$ 52,500			Complete	
		\$ 45,000			Complete	
		\$ 118,500	\$ 68,000		WIP	Contract awarded - vendor has commenced - to be completed Dec. 2023
		\$ 200,000		\$ (200,000)	Voided	8TH Floor IT Room - Design/build for shared space on 8th floor (IT Room), to include dry FLS system. (No longer needed as the County may vacate their shared space and this would become fully occupied by MTS and wouldn't be necessary. \$200k credit to CAP EX job is voided.)
				\$ 255,000	Proposed/upcoming	Asset assessment consultant review - Per County of SD full overview of asset and recommendations for ten year capital plan/business plan in order to budget the major repairs and replaements accordingly.
				\$ 120,000	Proposed/upcoming	Engineering Consultant to remove Concrete stairs (at the pedestrian gate) - Hiring a consultant to review security challenges of loitering and better pedestrian traffic analysis to remove these concrete stairs ingress and egress at the pedestrian walkthrough at the auto park.
	\$ 255,025	\$ 543,000	\$ 177,500	\$ 471,000		
<div><div>LOBBY UPRADES</div><div>Common Area Interior Door Replacement 1St Floor And Amart Doors</div><div>Space Planner And Construction Management Fees</div><div>Management Office Furniture, Paint, Carpet And Move</div></div>					Complete	Common area doors – Replacement with sliding doors. Rear building door and Amart.
	\$ 135,000	\$ 90,000	\$ 112,000	\$ 100,000	Proposed/upcoming	Space planner and construction management fees – Additional fees required to complete this project for project management fees and city and state permits. Currently in procurement to be posted next month and work to commence this year.
	\$ 20,000		\$ 16,500	\$ 6,000	Proposed/upcoming	Management office - additional funds needed for increase in construction costs. Currently in procurement to be posted next month and work to commence this year.

Lobby Upgrade: Remodel -Security Console, Flooring, Paint, And Exterior Restrooms		\$ 258,000	\$ 275,000	\$ 95,000	Proposed/upcoming	Lobby upgrade: remodel -security console, flooring, and paint – additional funds needed for increase in construction costs additional funds required. Currently in procurement to be posted next month and work to commence this year.	
	Elevator Interior Upgrade & Door Façade FI 1-10 And Ada	\$ 28,000	\$ 60,000	\$ 21,000	\$ 23,000	Proposed/upcoming	Elevator interior upgrade - need additional funds for after hours/weekend work. With 4 elevators for the building and social distancing 92 per elevator), we cannot take an elevator out of service during business hours without affecting the tenants. Currently in procurement to be posted next month and work to commence this year.
	Restroom Upgrade: Ada Compliance & Interior Finishes 1St Floor			\$ 111,650	\$ 39,000	Proposed/upcoming	Restroom Upgrade - additional funds needed for increase in construction costs. Currently in procurement to be posted next month and work to commence this year.
	South Lobby Door Install And Interior First Floor Doors	\$ 55,000				Complete	Common area doors – Replacement with sliding doors. Rear building door and Amart.
	First Floor Change HVAC AHU			\$ 89,100		TBD	To be completed during the construction/remodel/upgrade of the lobby
TOTAL LOBBY UPRADES		\$ 238,000	\$ 408,000	\$ 625,250	\$ 263,000		
HVAC Updgrades							
Building Economizers / Bldg Make Up Air Retrofit						Complete	
Mechanical Engineer To Develop Scope And Project Manager						Complete	
HVAC Upgrades 1St Floor						Complete	
Cooling Tower Replacement Repairs						Complete	
200 Ton Chiller Replacement						Complete	
250 Ton Chiller #2 Replacement						Complete	
Replace Ahu Valves FI 2-9						Complete	
Consultant Review Of Existing HVAC Equipment (AHU, VAV's Etc..) Inventory All Equipment And Status		\$ 120,000				Complete	
Re-Ducting 9Th Floor©						Voided	
Construction Management (PM) Fees HVAC			\$ 79,556			Complete	
Inspection Fees HVAC						Complete	
Contingency HVAC						Complete	
HVAC Wildan Energy Incentive				\$ (50,000)		Complete	
Re-Ducting 6, 7 And 8Th Floor		\$ 217,000				Complete	
Paint Chiller Room		\$ 9,800				Complete	
HVAC Fire Control Room		\$ 12,000				Complete	
Consultant For New Main Water Boilers			\$ 130,000			Complete	
Upgrade Allerton EMS System, Eliminate All Time Clocks				\$ 48,000	Proposed/upcoming	Upgrade Allerton EMS System- Eliminate All Time Clocks. Emergency management proprietary system software upgrade (previous funded year WIP)	
	HVAC Ancillary Equipment Replacement Per Consultant For Ahu And Chilled Water Valves (3 Floors)			\$ 191,250	\$ 191,250	Proposed/upcoming	HVAC implementation of air handler unit and chilled water valves for 3 floors per consultant report due to the age of the asset. (previous funded year - WIP)
					\$ 166,800	\$ 166,800	Proposed/upcoming
HVAC Ancillary Equipment Replacement Per Consultant For Vav, Ducting And Heating Valves (3 Floors)			\$ 82,500		WIP	HVAC implementation of fresh air intake and exhaust fans on the roof per consultant report due to the age of the asset.(previous funded year - WIP)	
HVAC Ancillary Equipment Replacement Per Consultant For Fresh Air Intake And Exhaust Fans On Roof				\$ 104,500	Proposed/upcoming	HVAC Ancillary Equipment Replacement Per Consultant For Boiler Replacement	
				\$ 143,000	Proposed/upcoming	HVAC Ancillary Equipment Replacement Per Consultant For Motors And VFDS For Central Plant	
TOTAL HVAC UPGRADES		\$ 358,800	\$ 130,000	\$ 470,106	\$ 653,550		
AUTOPARK IMPROVEMENTS							
Auto Park 5Th & 6Th FI Deck Repairs/Spalling Repairs - for additional scope of work per the consultant assessment	\$ 155,000			\$ 250,000	Proposed/upcoming	Auto Park 5Th & 6Th FI Deck Repairs & Re-Surfacing - Additional funds required due to additional scope of work determined by consultant.	
					Complete		

Auto Park Signage Program					Complete	
Auto Park Interior Painting			\$ 40,000		Complete	
Auto park Painting 6th floor				\$ 63,000	Proposed/upcoming	Auto-park improvements – Repainting the top level of the auto park level 6 and light poles as they have faded from sunlight throughout the years.
Auto Park Security Camera Install			\$ 66,000		Complete	
Auto Park Parking Pay Station Upgrade (Approved In Special Session February 2018)					Complete	
Additional Funding For Auto Park Parking Pay Station Upgrade (Mts And County Approval)					Complete	
EV Charging Stations					Complete	
TOTAL AUTOPARK IMPROVEMENTS	\$ 155,000	\$ -	\$ 106,000	\$ 313,000		
LANDSCAPE IMPROVEMENT						
Landscape Fencing					Complete	
Monument Plaza Upgrade Landscape, Lighting And Way Finding	\$ 65,000				WIP	Contracts in place and vendors to perform all work after hours to upgrade the monument closest to the building with lighting, signage and California native plant material.
Exterior Landscape Auto park		\$ 68,000			Complete	
TOTAL LANDSCAPE IMPROVEMENTS	\$ 65,000	\$ 68,000	\$ -	\$ -		
FLS UPGRADES						
Code Compliance/New Regulations For Pringle Switch					Complete	
Calc Cards For Fire Sprinklers					Complete	
Fire Hoses For Auto park					Complete	
Additional FLS Code Compliance (Additional Interior Signage/Evacuation Plan Per Fire Marshall)	\$ 25,000	\$ 25,000	\$ 35,000	\$ 35,000	Proposed/upcoming	Additional FLS (Fire Life Safety) code compliance - annual allowance for Fire Marshall inspections
GFI 3 Year Certification And Electrical Repairs			\$ 98,000			
Upgrade Fire Control Panel	\$ 185,000					
TOTAL FLS UPGRADES	\$ 210,000	\$ 25,000	\$ 133,000	\$ 35,000		
TOTAL BUILDING CAPITAL	\$ 1,281,825	\$ 1,174,000	\$ 1,511,856	\$ 1,735,550		

ATTACHMENT C
MILLS BUDGET FY 22-23 TO FY 23-24 COMPARISON: CURRENT VS. PROPOSED

PROJECT OPERATING EXPENSE CATEGORIES:	2022-2023	2023-2024	DIFFERENCES \$	DIFFERENCE %	NOTES
	(Budget)	(Proposed Budget)	(Budget to Budget)	(Budget to Budget)	
	\$ -	\$ -	\$ -		
ADMINISTRATION and ENGINEERING EXPENSE	\$ 346,959	\$ 392,191	\$ (45,233)	13.04%	Increase due to Mgmt Fees, SD Assessment fees and 6% increase in wages.
GENERAL BUILDING	\$ 428,288	\$ 433,403	\$ (5,114)	1.19%	Increase due to age of asset for general building repairs and maintenance.
JANITORIAL	\$ 755,911	\$ 746,150	\$ 9,762	-1.29%	Decrease due to eliminating Covid-19 day porter & lower window washing costs, offset by increases in cost paper goods & refuse removal.
ELECTRICAL & LIGHTING SYSTEM	\$ 47,319	\$ 16,594	\$ 30,725	-64.93%	Increase due to GFI testing not required in 23/24.
ELEVATORS	\$ 129,799	\$ 171,905	\$ (42,106)	32.44%	Increase mandated by AT&T for phone lines.
HVAC SYSTEM	\$ 205,858	\$ 178,882	\$ 26,976	-13.10%	Savings due to Countywide contract \$2,248/mo replaced by SD Mechanical contracts.
LANDSCAPE & GROUNDS	\$ 46,355	\$ 48,162	\$ (1,807)	3.90%	
PARKING EXPENSES	\$ 776,660	\$ 958,334	\$ (181,674)	23.39%	Increases due to Padre/events staffing, and Security added 1 unarmed guard plus OT, and wage & benefits increase, and utilities 8.6% rate increase.
SECURITY/FIRE/SAFETY	\$ 1,178,416	\$ 1,494,072	\$ (315,655)	26.79%	Increase in Security for wages & benefits and security personnel (added 1 new armed guard + 1 unarmed guard changed to armed with added OT), and Access cards Web Hosting price increase.
UTILITIES	\$ 330,968	\$ 388,347	\$ (57,379)	17.34%	Increase in Electricity 8.6%, Gas increase 10%, and water increase 5%.
			\$ -		
(equals) TOTAL PROJECT OPERATING EXPENSE	\$ 4,246,533	\$ 4,828,037	\$ 581,504	13.69%	13.69% increase is due to the following: minimum wage & benefits, additional security personnel, window washing, Padre and event staffing, SD Assessment fees, paper goods increase, refuse removal , AT&T Phone lines, Access web hosting, Utilities. Offset by savings from eliminating Covid Day Porter, GFI testing, Lower urinal contract, lower window washing costs.

Less: Actual Parking Revenue Received	\$ 1,122,161	\$ 2,136,706	\$ 1,014,545	90.41%	\$1,625,954 Actual projected Parking Revenue 22/23 thru June 2023; \$543,302 Excess Parking Revenues from 21/22, offset by \$32,550 refund overpayment to Padres.
(plus) DIRECT OWNER BILLINGS*	\$ 1,417,363	\$ 1,489,242	\$ 71,879	5.07%	Increase is due to Security wage & benefits, and additional security personnel.
(equals) OWNERS OPERATING CONTRIBUTION	\$ 4,541,735	\$ 4,180,573	\$ (361,162)	-7.95%	Owners Operating Contribution is less than PY due to Actual 22/23 Parking Revenues and Excess 21/22 Parking Revenues greater than predicted
(plus) OWNERS CAPITAL PROJECTS CONTRIBUTION + AMENDED	\$ 1,511,856	#REF!	#REF!	#REF!	Capex increased over FY 22-23: •\$255k Total Property Assessment •\$250k Spalling repairs •\$120k Engineering Contract for Concrete stairs •All other budgeted Cap Ex items are recommended by consultants from previous years for upgrades and the age of the asset (see Attach B for add'l Cap Ex expense detail)
Restore Operating Reserves due to a Parking Revenue shortfall	\$ -	\$ -	\$ -		
(equals) ANNUAL OWNER'S EXPENSE	\$ 6,053,591	#REF!	#REF!	#REF!	Owner's Annual Expense increased 1.03% due to: Increase in Expenses: •Opex increase of 13.69% •Capex (CIP) increased 14.8% •Direct Owner Expense & Parking increased 5.07% Offset by a increase in Parking Revenue • Actual Parking Revenue increased 90.41% due to increased parking post Covid-19, and Excess Parking Revenues from 21/22 FY.
(minus) CAPITAL RESERVE ACCOUNT DRAW DOWN	\$ -	\$ -			
(minus) OPERATING ACCOUNT TRANSFER		\$ -			

					Owner's Annual Expense increased 1.03% due to: Increase in Expenses: •Opex increase of 13.69% •Capex (CIP) increased 14.8% •Direct Owner Expense & Parking increased 5.07% Offset by a increase in Parking Revenue • Actual Parking Revenue increased 90.41% due to increased parking post Covid-19, and Excess Parking Revenues from 21/22 FY.
(equals) TOTAL PROJECTED NET PROJECT EXPENSE	\$ 6,053,591	#REF!	#REF!	#REF!	

San Diego Regional Building Authority

Agenda Item no. 4

SAN DIEGO REGIONAL BUILDING AUTHORITY (SDRBA)
JOINT POWERS AGENCY OF THE COUNTY OF SAN DIEGO &
THE SAN DIEGO METROPOLITAN TRANSIT SYSTEMS (MTS)
May 3, 2023, 8:00 a.m.

SUBJECT:

PROPERTY MANAGEMENT AGREEMENT – EXTENSION

RECOMMENDATIONS:

That the SDRBA Board approve a six (6) month extension of the Property Management Agreement between Colliers International Real Estate Management Services (CA), Inc. (Colliers) and San Diego Regional Building Authority, extending the agreement through June 30, 2024.

BUDGET IMPACT:

The cost of this extension with Colliers will be \$7,241.50 per month (\$43,449.00 total). This amount is already included as a pass-through cost in the FY 23/24 budget, as detailed further within SDRBA Board Meeting on May 3, 2023, Agenda Item No. 3 “James R. Mills Building – Adoption of Operating Budget and Capital Improvement Projects”.

DISCUSSION:

The SDRBA has a property management agreement with Colliers to handle day-to-day operations and maintenance of the Mills Building (MTS Contract Doc. No G1233.0-09 (and corresponding amendments)). This agreement began on January 1, 2009, for a 5-year base period, with two (2) 5-year options. On June 7, 2018, Amendment No. 3 amended the contract to replace the second 5-year option, with a 2-year option and 3-year option. All option years have been exercised and the agreement is due to expire on December 31, 2023. There have been recent changes to the designated staff representatives of the SDRBA and in order to give staff sufficient time to be brought up to date on the Mills Building operations, more time is needed to develop a thorough scope of work and re-solicit these services. Further, to ensure continuity of services, additional transition time may be needed if a new contractor is selected, as applicable. Staff recommends a six (6) month extension of the agreement, until June 30, 2024.

Today’s actions would extend the Colliers property management agreement for an additional six (6) months.