

STATEMENT OF PETER J. BASSO
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PROGRAMS
U.S. DEPARTMENT OF TRANSPORTATION
before the
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS
SUBCOMMITTEE ON TRANSPORTATION AND
INFRASTRUCTURE
UNITED STATES SENATE
concerning a
FUTURE DEPARTMENT OF TRANSPORTATION
HEADQUARTERS BUILDING
November 5, 1997

Mr. Chairman and Members of the Committee:

We appreciate the opportunity to appear before the Committee today to advance the process that will identify the possibilities for housing the Department of Transportation headquarters staff beginning in the year 2000.

Secretary Slater would like to convey his personal thanks to the Committee for acting on this matter of real importance to future transportation objectives, our customers, and our headquarters staff.

As you know, the Department headquarters is now located in a 27-year-old leased structure at Seventh and D Streets, Southwest. While this building has proven serviceable since we first occupied it in 1970, its innate design problems are increasingly obvious. Although it has been retrofitted over time for such necessary safety

improvements as a sprinkler system, the current system of demountable partitions limits floorspace options in the building compared with comparable modern structures and presents a real drawback for the efficient utilization of space.

Absent major renovation, the building does not meet the Department's current and planned needs. Designed in the 1960's, the facility lacks energy efficient heating and cooling systems and, as tenants, we are unable to take advantage of the state-of-the-art operating controls and advanced insulation materials that would provide significant gains in cost control and occupant comfort. Also, new communication technology cannot be satisfactorily installed and operated using current building systems.

Quite apart from the structure and its substantial problems, the current headquarters is a leased facility. It has cost the U.S. Government \$440 million in lease payments since 1970. Even factoring in the effects of inflation, taxpayers have effectively "purchased" this building three times over, and yet we have nothing to show for it. If we owned the building and determined that it no longer suited our purposes, we would at least be able to sell it at this point, recapture some of our investment, and move on.

Facing these issues, we have worked closely with the General Services Administration (GSA), which is spearheading the current effort to choose the best option for a future headquarters building. I am pleased that the GSA is here today in partnership with us to

address this issue. We all agree that simply accepting the status quo is unacceptable.

Mr. Chairman, this concludes my statement. I would be pleased to respond to any questions you or other Members of the Committee may have.