



DHS Consolidated Headquarters

Program Specific Recovery Act Plan

May 19, 2010



Homeland
Security

*Under Secretary for
Management, Office of the Chief
Administrative Officer*

Message from the Chief Administrative Officer

May 19, 2010

I am pleased to present the following updated report, “DHS Consolidated Headquarters Program Specific Recovery Act Plan” which has been prepared by the Under Secretary for Management.

This document has been compiled in response to a requirement included in the Office of Management and Budget Updated Implementing Guidance for the American Recovery and Reinvestment Act of 2009 (P.L. 111-5). The following pages set forth a plan for how Recovery Act funds appropriated to the Department will be applied and managed in support of the construction of a consolidated departmental headquarters campus at St. Elizabeths to strengthen and unify DHS operations and management.



I would be pleased to respond to any questions you may have. Please do not hesitate to contact me at (202) 343-4040 or my Program Manager for the St. Elizabeths development, Mr. Chris Mills, (202) 329-87822.

Yours very truly

A handwritten signature in black ink, appearing to read "D. Bathurst". The signature is written in a cursive, flowing style.

Donald G. Bathurst

Executive Summary

The American Recovery and Reinvestment Act (P.L. 111-5) of 2009 provides \$200,000,000 to continue development of the Department of Homeland Security (DHS) Consolidated Headquarters at St. Elizabeths. Implementing Guidance from the Office of Management and Budget further requires the submission of a Program Specific plan detailing how the funds will be applied and managed.

The funds provided in the American Recovery and Reinvestment Act (ARRA) together with the FY 2009 appropriations provided to the U. S. General Services Administration (GSA) and the Department of Homeland Security (DHS) for the St. Elizabeths development will allow the first phase of construction to proceed in earnest. Phase 1 includes the U.S. Coast Guard (USCG) Headquarters new office building; the renovation of certain historic buildings for campus shared use functions; infrastructure development, including utilities, parking and physical security construction sufficient to support USCG occupancy; and the construction of the USCG Command Center, which will be tied into the National Operations Center during the second phase of the project.

As the federal government's real estate agent, GSA owns and is redeveloping the St. Elizabeths West Campus for DHS use. ARRA design and construction funding provided to DHS will be transferred to GSA for execution in association with the overall campus development. DHS ARRA funds will be applied toward DHS tenant specific requirements for the new Headquarters building construction, adaptive reuse of historic buildings for shared use functions and construction of the USCG Command Center. DHS ARRA funds will also be applied toward design of the following phases and for DHS operational site security staffing and expenses to monitor construction activities throughout the development.

The DHS Consolidated Headquarters at St. Elizabeths will also provide significant benefits to the community. The project will create direct employment opportunities for more than 32,000 persons in the region for construction and construction-related activities (not including the 14,000 Federal employees who will work at St. Elizabeths). As a result of these jobs, the local economy will gain payroll earnings of approximately \$1.2 billion through the planned completion in FY 2016.

The St. Elizabeths Campus offers a tremendous opportunity to create a secure, state-of-the-art Headquarters that will foster the Department's ability to focus on achieving our core mission—to protect the homeland. The ARRA funds provided to both GSA and DHS for the St. Elizabeths development will support the development of a “one-DHS” culture and directly enhance mission effectiveness.



[DHS Consolidated Headquarters Program Plan]

Table of Contents

I.	Legislative Requirement	1
II.	Funding Table	2
III.	Objectives	3
IV.	Activities	5
V.	Characteristics	6
VI.	Delivery Schedule	7
VII.	Environmental Review Compliance and Federal Infrastructure Investments	8
VIII.	Measures	10
IX.	Monitoring/Evaluation	11
X.	Transparency	12
XI.	Accountability	13
XII.	Barriers to Effective Implementation	16
XIII.	Appendices	N/A

I. Legislative Requirement

This report is submitted per the requirements of the Office of Management and Budget (OMB) Updated Implementing Guidance for the American Recovery and Reinvestment Act of 2009 dated April 3, 2009, which includes in part, the following requirements:

...Agencies will also submit separate plans for each program funded by the Recovery Act. Draft Agency Program plans will be due to OMB no later than May 1st, and must be finalized no later than May 15th. Agencies should work with their OMB representative to set an appropriate submission date and review process. Agencies and RMOs have flexibility to determine the appropriate way to define a Recovery “Program”; however, there must be a clear mapping to the Treasury accounts which have been established. Agencies should also map Recovery Act program definitions to existing program definitions as appropriate...

...See Appendix 3 for the initial reporting instructions and required data fields for the information which will be required to be entered into the government-wide system for reporting on Recovery.gov...

...To the extent possible, each agency’s Recovery Program Plan should be a summary of the specific Recovery Act projects and activities planned...

...Agency plans must include a description of how the agency plans to spend funds effectively to comply with energy efficiency and green building requirements and to demonstrate Federal leadership in sustainability, energy efficiency and reducing the agency’s environmental impact...

...The Recovery Act and this guidance require extensive reporting from recipients of Federal funding. The Recovery Act defines “recipient” as any entity that receives Recovery Act funds directly from the Federal Government (including Recovery Act funds received through grant, cooperative agreement, loan, or contract) other than an individual and includes a State that receives Recovery Act funds. See Section 1512 of the Recovery Act.. .

II. Funding

DHS transferred \$198.9 million, of the \$200 million provided to DHS to continue the St. Elizabeths development as the DHS Consolidated Headquarters Campus, to GSA for execution through an RWA. As such, GSA is responsible to report obligations and outlays for these funds on a monthly basis. GSA provided annual and quarterly estimates for obligations and outlays for both DHS and GSA ARRA funds. These estimates were reported in the DHS Consolidated Headquarters Expenditure plan submitted to the Congress on April 17, 2009. GSA also provides weekly reports on the obligation and expenditure of the \$198.9M of DHS funds.

DHS retained and is executing \$1.1 million of the ARRA funds for Site Security Staffing and expenses.

III. Objectives

Program Purpose

DHS ARRA funding will continue to support the implementation of the DHS Consolidated Headquarters Campus at St. Elizabeths as part of the DHS National Capital Region Housing Master Plan which was initially funded in the DHS FY 2009 Appropriation as follows:

- Complete the remaining tenant specific responsibilities for the construction of Phase 1A (new U.S. Coast Guard (USCG) Headquarters Office Building) of the DHS Consolidated Headquarters Campus at St. Elizabeths that were not covered in the FY 2009 appropriation for the project
- Complete the tenant specific responsibilities for the construction of Phase 1B (shared campus services in adaptive reuse of historic buildings and construction of the USCG Command Center in new underground space adjacent to the headquarters building).
- Complete the tenant specific responsibilities for the design of Phase 2 of the project, which relocates DHS Headquarters, Federal Emergency Management Agency (FEMA) and the National Operations Center with collocated component operations centers, to the campus.
- Complete the tenant specific responsibilities for the design of Phase 3 of the project, which relocates the Transportation Security Administration (TSA), Customs and Border Protection (CBP) and Immigration and Customs Enforcement (ICE) to the campus at a significant presence along with the U. S. Citizenship and Immigration Services (USCIS), the U.S. Secret Service (USSS,) the Science & Technology Directorate (S&T) and the Domestic Nuclear Detection Office (DNDO) at liaison presence levels. Additionally, ARRA funds will design the remaining shared services to support the DHS occupancies.
- Provide salaries and expenses to hire six positions for DHS site security activities to monitor contractor personnel and construction activities.

Public Benefits

DHS ARRA funding will provide public benefits through the continued development of the St. Elizabeths Campus as the Consolidated DHS Headquarters as follows:

- The ARRA funding will allow the construction to proceed uninterrupted through all of Phase 1 (Phase 1A and 1B) for the U. S. Coast Guard Headquarters, thereby avoiding potential delays due to funding lapses.
- The ARRA funding of the DHS site security team salaries and expenses will provide the necessary resources to assure the proper documentation of all contract personnel working

on site and the oversight of construction activities to prevent the compromise of the development from a counter-intelligence perspective during the Phase 1 construction for the U. S. Coast Guard Headquarters.

- ARRA DHS funding will contribute a proportional percentage for the \$3.4 billion dollar project in the creation of direct employment opportunities for more than 32,000 persons in the region for construction and construction-related activities (not including the 14,000 Federal employees who will work at St. Elizabeths).

IV. Activities

The American Recovery and Reinvestment Act (ARRA) of 2009 provides DHS with \$200,000,000 and the U. S. General Services Administration (GSA) with \$450,000,000 to continue the development of St. Elizabeths as the new DHS Consolidated Headquarters. This funding builds upon the FY 2009 appropriations funding provided to both GSA and DHS to initiate construction of the first phase of the project, the U. S. Coast Guard Headquarters.

In accordance with GSA's Pricing Policy, GSA provides funding for the basic campus infrastructure, functional, code compliant shell office buildings plus a tenant improvement allowance. GSA also typically funds the capital cost of Interagency Security Committee (ISC) level campus and building security requirements and recoups these costs in the rental rates. Any costs above the shell build-out and the GSA provided tenant improvement allowance for tenant specific design and construction requirements as well as costs for telecommunications, outfitting, physical move and other costs are funded by the tenant. This cost apportionment is reflected in the funds appropriated in the ARRA.

DHS ARRA funding will cover the remaining tenant specific construction requirements of Phase 1A (new USCG Headquarters Building) and Phase 1B (shared use facilities), including security/telecommunications infrastructure, long lead time equipment and GSA management fees associated with tenant improvements. DHS ARRA funds will also cover tenant specific design for the future phases and DHS operational site security staffing and expenses to monitor construction activities.

DHS tenant specific build-out requirements will be executed by GSA through a Reimbursable Work Authorization (RWA) in conjunction with their responsibilities to construct the building shell. An RWA has been submitted to GSA in the amount of \$198.9 million of the \$200 million in DHS ARRA funds for their execution. Upon acceptance of this RWA by GSA on April 27, 2009, the ARRA reporting requirements for management, obligation and outlay of these funds shifted to GSA. DHS will, however, continue to work with GSA to assure the obligation and expenditure of these funds remains consistent with ARRA guidance and the DHS Expenditure Plan.

The remaining \$1.1 million in ARRA funds for DHS site security staffing and expenses will be executed by DHS as detailed in Section V.

GSA ARRA funds will be applied towards campus infrastructure construction, Phase 1B renovations of certain existing historic buildings for campus shared use functions such as the cafeteria, fitness center, etc. GSA funds will also construct a parking facility for USCG occupancy, and the USCG Command Center which will be located underground adjacent to the new USCG Headquarters building (and will eventually tie into the National Operations Center which will be constructed in Phase 2 of the project). Lastly, GSA ARRA funds will be applied toward design of the future phases of the project.

V. Characteristics

Below is the description of the DHS Funding Allocation Plan:

- **St. Elizabeth's Design and Construction Requirements**
 - a. **Description:** Tenant specific construction requirements for Phase 1 of the St. Elizabeth's development (USCG Headquarters) and design of the following phases.
 - b. **Funding Allocation:** \$198.9 million; **Funding Code:** I
 - c. **Execution Strategy:** Through GSA RWA.
 - d. **National Environmental Policy Act (NEPA) and under the National Historic Preservation Act (NHPA) Section 106 Requirements:** DHS is cooperating with GSA in meeting these requirements. A Final Environmental Impact Statement (EIS), Record of Decision (ROD), and Section 106 Programmatic Agreement have been executed for the St. Elizabeth's West Campus Master Plan. A Master Plan Amendment, follow-on tiered EIS and corresponding Section 106 consultations will be conducted for the portion of the DHS program to be housed on the East Campus. Additionally, Section 106 consultations are in progress on the USCG Headquarters design and will be concluded in time for the new building construction. Further, Section 106 consultations will be conducted on the renovation of existing historic buildings for shared campus services adaptive reuse.

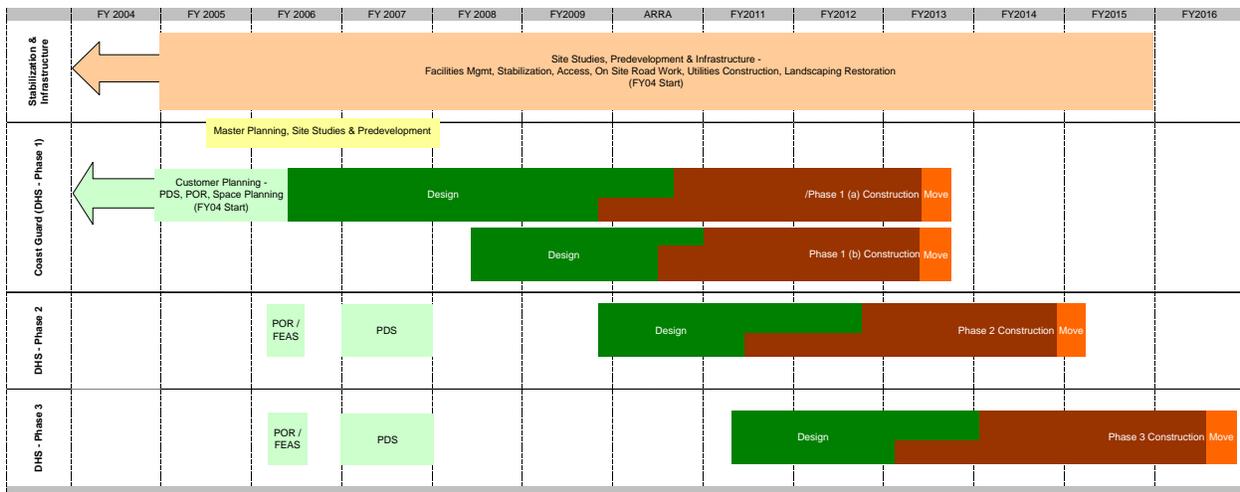
- **DHS Operational Site Security Staffing and Expenses**
 - a. **Description:** DHS operational site security staffing and expenses to monitor construction activities.
 - b. **Funding Allocation:** \$1.1 million; **Funding Code:** I
 - c. **Execution Strategy:** ARRA funds will be applied to salaries and benefits for six security positions. Equipment security personnel and an access control study will be procured through an Interagency Agreement with the U.S. Navy Space and Naval Warfare Systems Command (SPAWAR) and off existing GSA schedules.
 - d. **NEPA and NHPA Section 106 Requirements:** DHS is cooperating with GSA in meeting these requirements. A Final EIS and ROD have been completed for the St. Elizabeth's West Campus Master Plan which analyzed the impacts of relocating 14,000 DHS employees to the St. Elizabeth's Campus.

VI. Delivery Schedule

The table below depicts the current delivery schedule for the planned 3-phase development of the St. Elizabeths Campus as the Consolidated DHS Headquarters. DHS ARRA funds will be applied to the construction of the Phase 1 (USCG Headquarters), the design of the following phases and for Site Security staffing and expenses to monitor contract personnel and construction activities during the development.

Our (DHS and GSA) ability to maintain the delivery schedule below is dependent on the effective management of funding provided in the FY 2009 Appropriation, the ARRA and the timely provision of future year budget requirements. For example, to achieve the FY 2013 delivery of Phase 1, funding for equipment, outfitting and move costs will be required in future year budget requests. Similarly, for Phases 2 and 3, GSA and DHS funding will be necessary in accordance with the schedule to achieve FY 2014 and FY 2016 delivery as planned. The schedule below lists the overall programmatic schedule for development of the campus

Table 2: GSA and DHS Consolidated Development Schedule



VII. Environmental Review Compliance and Federal Infrastructure Investments

DHS is cooperating with GSA's effort for the DHS Consolidated Headquarters at St. Elizabeths to meet the requirements of the National Environmental Protection Act (NEPA) and the National Historic Preservation Act (NHPA). These requirements have been integrated into the activities and schedule for design and construction for this project. A Final Environmental Impact Statement (FEIS), Record of Decision (ROD), and Section 106 Programmatic Agreement have been executed for the St. Elizabeths West Campus Master Plan. A Master Plan Amendment, follow-on tiered EIS and corresponding Section 106 consultations will be conducted for the portion of the DHS program to be housed on the East Campus. Additionally, Section 106 consultations are in progress on the U. S. Coast Guard Headquarters design and will be concluded in time for the new building construction. Further, Section 106 consultations will be conducted on the renovation of existing historic buildings for shared campus services adaptive reuse.

The six security positions included in the ARRA funding for DHS Operational Site Security Staffing were considered in the EIS.

DHS tenant specific build-out requirements for the DHS Consolidated Headquarters at St. Elizabeths will be executed by GSA through a Reimbursable Work Authorization (RWA). GSA will meet the Energy Policy Act - increasing efficiency to exceed the 30 percent energy savings of ASHRAE 90.1 - by using renewable energy sources, lowering energy consumption per square foot by 3 percent a year, and contributing to Increase Energy Security (EPACT 2005) by expanding Federal supply of energy. The following features will be utilized to meet energy and sustainability requirements:

Architectural Features

- Green roofs
- Modular vegetation wall panel systems
- Storm water management and retention via landscaped courtyards, cisterns, water features and rain gardens
- Building configuration to maximize natural day lighting

HVAC Features

- Heating and cooling plant with thermal storage
- Air conditioning and air distribution system represents a decentralized state-of-the-art highly efficient solution providing for enhanced occupant comfort and space operational flexibility
- The air distribution system will utilize a modular approach providing effective floor-to-floor building height utilization and efficient operation; and the system concept will be coordinated with the space plan and occupancy requirements of various space programs
- Cogeneration will be included in subsequent phases and will produce approximately 25 percent of the campus electrical load, including the Phase 1 buildings funded under the ARRA.

In addition, GSA will include in its construction contracts language informing contractors of requirements for use of environmentally friendly building materials and practices, and of related reporting requirements that will allow the project to complete the Environmental and Sustainability Compliance tables at the conclusion of this project. Specific items to be reported on include the following:

- Environmental Compliance:
 - Electronic Product Environmental Assessment Tool (EPEAT)
 - Energy Star products
 - FEMP labeled/Approved products\
 - Green Purchasing
- Sustainability Compliance
 - General Sustainability Requirements
 - Energy Requirements
 - Leadership in Energy and Environmental Design (LEED)
 - LEED Points Earned

VIII. Measures

Nearly all of the DHS ARRA funding received (\$198.9M out of \$200M) will be executed by RWA to GSA in conjunction with their overall construction and renovation of the campus. These funds are for tenant specific design and construction activities for the campus development and associated GSA fees. Upon acceptance of the RWA on April 27, 2009, the responsibility the management and reporting of the execution of these funds shifted to GSA. However, in the RWA provided to GSA and the Expenditure Plan submitted to the Congress, we did provide a specific breakdown of funding elements that can be monitored for the dual purposes of evaluating progress and approving expenditures on the GSA RWA. DHS proposed measures for monitoring GSA and DHS execution of ARRA funds are as follows:

Table 6: Measures

DHS Proposed ARRA RWA Measures					
No.	Description	Measure	Unit	Frequency	Status of ARRA funds as of May 19, 2010
1	Phase 1A/1B Tenant Build-out Construction Execution	% Complete	Construction in place	Quarterly	1% complete
2	Phase 2 Tenant Specific Design	% Complete	Drawings and Specifications	Quarterly	19.7%
3	Phase 3 Tenant Specific Design	% Complete	Drawings and Specifications	Quarterly	3.8%
4	Site Security Staff Salaries	% Expended	Salaries and Benefits	Quarterly	94% expended
5	Site Security Team Equipment/Access Control Study	Receipt of Items	Each	Quarterly	59% received
6	Site Security Team Vehicles	Receipt of Items	Each	Quarterly	100% received

IX. Monitoring/Evaluation

DHS and GSA already have in place well developed processes for coordination of activities and monitoring of progress that has been in effect since September 2005 at the outset of the Master Planning and National Environmental Impact Statement (NEPA) preparation process for the redevelopment of the St. Elizabeths Campus. These will continue and include but are not limited to the following:

- Detailed Project Schedule with Milestones and Critical Path Definitions which is updated and reviewed jointly.
- GSA and DHS Consolidated Development Estimate for the St. Elizabeths Campus which is updated as necessary and reviewed jointly.
- Weekly GSA and DHS Program Team Coordination Meetings ongoing since September 6, 2005.
- GSA and DHS Executives Committee Meetings held periodically throughout the Master Planning and NEPA processes and will continue through construction to provide, guidance, oversight and assistance as necessary.
- Joint GSA and DHS coordinated briefings for Congressional Staff and Members to address issues of concern and updates on progress.
- Collocation of GSA and DHS team members allow daily coordination for meetings to address hot topics and other issues of mutual interest, including community coordination, market research and outreach, technical issues with design, etc.
- DHS conducts invoice review/reconciliation and approval for ARRA and FY2009 Reimbursable Work Authorizations (RWAs) funds executed by GSA.
- DHS-GSA executed an ARRA Memorandum of Agreement (MOA) as recommended by a General Accounting Office (GAO) engagement on ARRA funded projects (engagement is closed).
- GSA provides weekly ARRA report identifying the obligation and outlay rates for the \$198.9 million transferred to them for execution. DHS reviews/reconciles and reports GSA's reports.
- DHS submits weekly ARRA Reports on the status of execution of funds.
- DHS awarded contract to provide Internal Controls program management assistance.

In addition, the FY 2009 DHS appropriation provided funding for a project team staff to manage the DHS effort and to work with GSA. Twenty-one positions (11 FTE) were provided to supplement one existing DHS position. At the time of this update, 19 of the 22 positions are filled. Of the 3 vacant positions, one hire is inbound, 1 position is in the hiring process and 1 position was just vacated and is being re-advertised. In addition, the ARRA provided funding for six positions (three FTE) for Site Security team to monitor contract personnel and construction activities. ~~Four~~ five of the six Site Security Team positions funded in the ARRA have been filled with federal employees on-board. Selections made for the remaining two security positions, with suitability and security clearance checks in process. In addition, DHS has contracted for program management assistance in developing an Internal Controls Program to support the Project Team using funds from the FY 2009 appropriations as noted in Table 2. The Internal Controls Program is evaluating our current procedures and identify recommendations to ensure the project is meets the requirements of the ARRA and the OMB Updated Implementing Guidance.

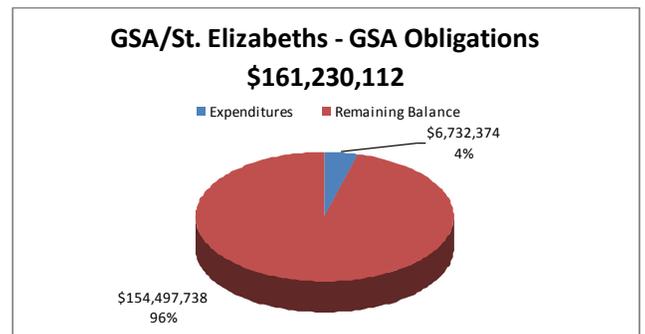
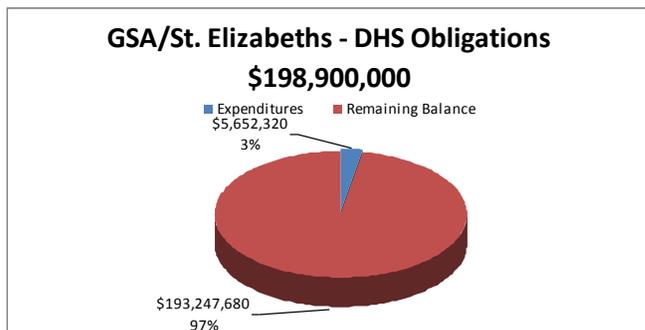
X. Transparency

DHS is working closely with GSA to ensure that tracking and expenditure of DHS ARRA funds provided via RWA (\$198.9M) for cost and performance maximizes the transparency for public information and use. DHS will ensure transparency of the \$1.1 million retained for Site Security staffing and expenses through reporting in PARTWeb within OMB's MAX Community. This reporting will include visibility of the obligations and expenditures of the DHS Site Security funding to be executed for salaries, an access control study, vehicles and equipment. This plan will be updated as necessary and DHS will update PARTWeb as progress is made on the obligations and expenditures of the Site Security funding.

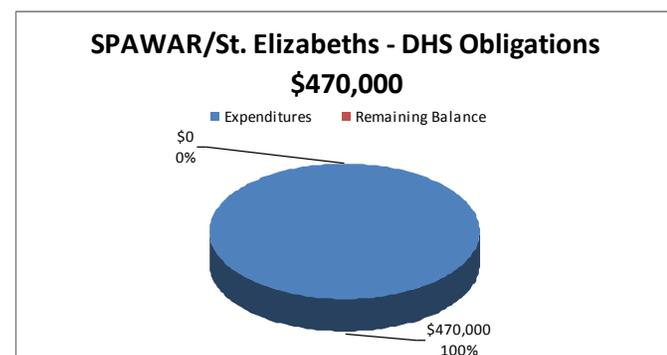
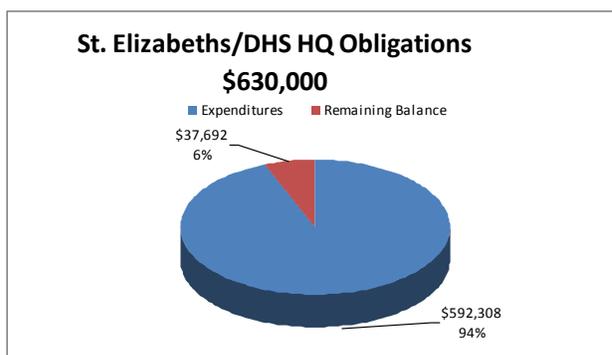
XI. Accountability

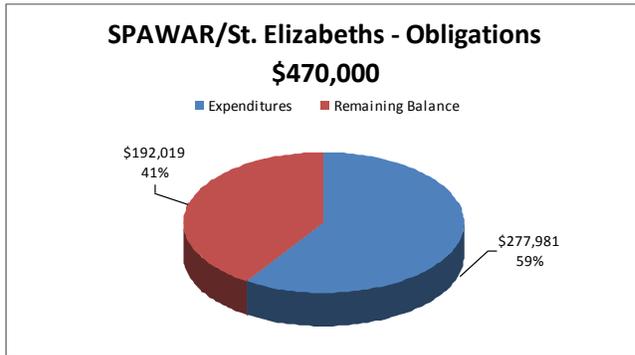
DHS will ensure accountability of ARRA funds provided to GSA and those retained by DHS for execution as follows:

- **Funds Obligated Timely:** 100 percent of \$198.9 million obligated to GSA through an RWA in April, 2009. GSA accepted the RWA on April 27, 2009 and will assume responsibilities for reporting obligations and expenditures under the ARRA. However, the DHS Project Team is monitoring GSA's progress towards obligation and expenditure of DHS funds.



- GSA's obligations include \$88,150,000 to the GSA Federal Acquisition Service (FAS) for the execution of the Information Technology (IT) program for the St. Elizabeths campus development. This transfer is recorded as a financial obligation in the GSA financial management system. GSA FAS anticipates the contract obligation for the award of the campus IT contract will be August 2010.
- GSA plans to obligate remaining DHS ARRA funds by the end of September 2010. DHS funds executed by GSA will be outlayed over the next two to three years as the Phase 1 proceeds to completion in FY 2013.
- **Funds Expended Timely:** 100 percent of the \$1.1 million of ARRA funds retained by DHS for Site Security staffing and expenses to be obligated and expended by September 30, 2009.





- \$1.1M of \$200M retained by DHS for execution for site security team salaries and expenses.
 - \$470K Interagency Agreement (IA) issued to SPAWAR. Funds are considered Obligated and expended at IA acceptance.
 - DHS continues to provide oversight on SPAWAR execution of IA funds.
 - Security Team salaries shifted from ARRA funding to DHS funding at pay period 5, to avoid a deficit situation leaving balance of \$37,692K. Additional security equipment is being procured with the remaining balance.
 - Remaining funds executed by DHS will be outlayed by the end of 2010.
- Competitive Opportunities Maximized (for the \$1.1 million retained by DHS for execution):
 - 52.5 % of obligated Recovery Act dollars are planned to be competed through fixed price contracts or orders.
 - Equipment for security personnel will be procured through an Interagency Agreement with the U.S. Navy Space and Naval Warfare Systems Command (SPAWAR) and off existing GSA schedules.
 - For equipment purchased through the SPAWAR, awards or orders will be required to be made competitively wherever possible.
 - No grant dollars are included in the DHS Consolidated Headquarters Program Plan.
 - Salaries and Benefits: 47.5 percent (for the \$1.1 million retained by DHS for execution) will be utilized for Federal employee staffing expenses for the DHS Site Security Team.
 - Undelivered Orders Minimized (for the \$1.1 million retained by DHS for execution):
 - We are planning for 100 percent delivery of orders and contracts by September 30, 2009.

Measures Update (Actual progress as of May 12, 2010):

Measure	As of August 25, 2009	As of May 12, 2010
Funds Obligated Timely: Percent of funds obligated according to obligation plan	66%*	97%**
Funds Expended Timely: Percent of funds expended according to outlay plan	54%	97%
Competitive Opportunities Maximized: Percent of obligated Recovery Act dollars competed through contracts or orders	54%	55%
Percent of obligated Recovery Act dollars awarded on fixed-price actions	54%	55%
Percent of obligated Recovery Act discretionary grant dollars competed	N/A	N/A
Undelivered Orders Minimized: Percent and amount of funds within specific aging ranges	0 to 3 month; \$598K	0 to 8 months; \$197K***

* Burn rate for salaries lagged due to vacancies on Site Security Staff.

** To avoid a deficit situation, the Site Security Team salaries and benefits was shifted from ARRA funding to DHS funding at the end of pay period 5, leaving a remaining balance of \$37K. These funds will be obligated on Site Security Team equipment by the end of September 2010.

***SPAWAR experienced delays in a portion of the execution due to a revised acquisition strategy for the remaining equipment purchases to assure adequate competition among the suppliers. This required reissuing of the last procurement solicitation. The remaining \$192K will be obligated by the end of September 2010.

DHS Executed Contracts:

No	Contract Description	Level of Competition	Contract Vehicle	Source	Contract Span	Status
1	Site Security Team Equipment Purchase and Access Control Study	IAA requires SPAWAR to compete all procurements made on behalf of DHS	Interagency Agreement (IAA)	SPAWAR	National	Awarded
2	Six Electric Carts for Campus for Security use	Open competition	Firm Fixed Price (FFP)	DHS	National.	Received
3	Two hybrid vehicles for Site Security Team	GSA Auto Choice Schedule	FFP	GSA	National	Received
4	Additional Electric Cart	Open competition	FFP	DHS	National	Received
5	Security Equipment	Open competition	FFP	DHS	National	Pending

XII. Barriers to Effective Implementation

The following list represents potential barriers to the effective implementation of the execution of DHS and GSA ARRA funds:

- The National Capital Planning Commission (NCPC) approval of the St. Elizabeths Master Plan:

“...**Requires** that GSA take the following actions prior to commencement of construction to implement Phase I of the Final Master Plan. These actions are consistent with NCPC’s Comprehensive Plan for the National Capital, GSA’s mission and goals for this project as stated in the Final Master Plan, and GSA’s Programmatic Agreement executed on December 9, 2008 to conclude Section 106 review for the Final Master Plan:

- Document that those portions of the Shepherd Parkway required for implementation of Phase II of the Undertaking are available for use; and, in collaboration with DHS and the National Park Service, initiate Section 106 consultation for roadway design in accordance with the Stipulations set forth in the Programmatic Agreement.
- Verify that it has submitted a Phase II prospectus authorization and funding request to Congress, consistent with federal requirements, in accordance with Stipulation I.B.1.c of the Programmatic Agreement, acknowledging that rehabilitation of historic buildings and landscapes in Phase II is essential to mitigate adverse effects to the National Historic Landmark.
- Establish a schedule for ongoing Section 106 consultation with Consulting Parties addressing the East Campus and any Phase I projects currently funded.
- Identify and implement, in collaboration with signatories of the Programmatic Agreement, opportunities and means for the public to have regular access to the Point, the Cemetery, and Hitchcock Hall.
- Collaborate with Consulting Parties and District of Columbia agencies to explore traffic, access and design alternatives for the setting at Gate #1, including follow-on Section 106 consultation in accordance with Stipulation III.C of the Programmatic Agreement; and continue to explore alternatives that designate Gate #2 as the primary entrance to the West Campus.
- Conduct additional Section 106 consultation to evaluate the feasibility of placing the Cemetery inside the secure perimeter of the West Campus, in accordance with Stipulation III.C of the Programmatic Agreement and in response to access concerns expressed by Consulting Parties...”

GSA has met and/or is making significant progress towards achieving all stipulations that NCPC approval of the final USCG Headquarters design on January 7, 2010 removed the prohibition on starting Phase 1 construction prior to the resolution of all stipulations.

Accordingly, GSA issued the full Notice to Proceed (NTP) to their prime contractor (Clark Design-Build LLC), on March 31, 2010, which allowed construction activities to commence on schedule.

Of the six stipulations listed, the requirement for GSA to document those portions of the Shepherd Parkway necessary for the installation of a new access road from the West Campus to Malcolm X Avenue are “available for use” is the most critical to the project.

Shepherd Parkway is currently under the jurisdiction of the National Park Service. GSA, the Federal Highway Administration, and the Department of the Interior are currently discussing the future availability of the Parkway as an access road for St. Elizabeths, but this issue has not yet been resolved. The Department of Transportation, Federal Highway Administration (FHWA) procedures documented in Section 4(f) of the DOT Act of 1959, prescribes the procedures that must be undertaken to “take” parkland for transportation needs.

FHWA issued a Draft Section 4(f) finding for public comment on December 4, 2008. FHWA evaluated all the public comments received, including input from the NPS and is in the process of completing additional analysis in coordination with GSA to finalize the 4 (f) finding. GSA and FHWA further engaged the District of Columbia Department of Transportation (DDOT) to coordinate a more extensive regional analysis of the transportation system to assure the St. Elizabeths improvements are synchronized with the overall network. This regional approach is also being coordinated with the NPS and all of the Consulting Parties. The revised GSA/FHWA schedule is to issue a new Draft 4(f) in July 2010 in conjunction with the issuance of the Draft East Campus Master Plan Amendment, and the Final 4(F) in December 2010. The FHWA Record of Decision will be issued in January/February 2011.

GSA and DHS are coordinating with FHWA and DDOT to ensure the Final 4(f) remains on schedule for delivery of the Shepherd Parkway access road with the Phase 2 project in FY2014.

- Given the National Historic Landmark (NHL) designation of the St. Elizabeths Campus and the extensive master planning and National Historic Preservation Act (NHPA) Section 106 consultations surrounding the proposed development, there has been great interest in the project from the preservation community. Although a Section 106 Programmatic Agreement (PA) was successfully executed documenting the actions that will be taken to preserve the NHL during the development of the campus, the agreement did not satisfy all of the non-signatory consulting parties and both GSA and DHS recognize the potential for litigation that could result. As such, GSA has gone to great effort to ensure their compliance with all regulations and requirements throughout the master planning, NEPA and Section 106 consultations. Since completion of the PA, DHS and GSA have successfully executed Memorandums of Agreement (MOAs) with the Consulting Parties on the USCG Headquarters Final Design, the Security Perimeter Improvements Phase 1 Utilities Project, and the Phase 1B Adaptive Reuse of certain historic buildings project. The successful conclusion of these MOAs reflects the significant progress that has been made in integrating DHS programmatic needs with historic preservation concerns.

- The St. Elizabeths NHL designation also recognizes that ground disturbing activities such as excavation for new USCG Headquarters Building and associated parking, roadways and other infrastructure have the potential to uncover undocumented archeological resources. Should a discovery of undocumented archeological resources be made, there are detailed procedures in the Section 106 Programmatic Agreement for notification, consultation and handling. However, the Master Plan and FEIS evaluated the site for archeological significance and identified areas with the greatest potential. In addition, GSA is evaluating soil borings for the USCG Headquarters Building for archeological purposes as well as engineering design for early notification in order to mitigate the risks of delays during construction.
- Effective execution of the project is also dependent on the selection of a qualified Design-Build Contractor and the availability of a skilled labor force with sufficient construction equipment and materials to sustain the schedule. Poor performance by the contractor, disruption of the labor pool or shortages of materials and equipment has the potential to impact execution of the project. The GSA acquisition strategy for the USCG HQ Building is a Two Step Best Value selection of the Design-Build Contractor. Contractor experience with Design-Build projects, past performance, safety records, labor-management performance, schedule and budget performance, etc are among the evaluation criteria for selection of the contractor. DHS and USCG participated on the selection panel with GSA. In addition, GSA awarded a contract to a Construction Management (CM) Firm to provide guidance, oversight and owner's representative support on the schedule, quality and budget performance of the contractor. GSA, DHS and the CM Firm are working closely with the Contractor to assure the contractor manages labor, equipment, materials and coordination among trades to maintain the schedule.
- Lastly, effective execution of the project and in particular the ARRA funds requires effective communication and close cooperation between DHS and GSA. Both agencies bring significant ARRA funding to the project that must be executed in an integrated fashion that meets both the tenant requirements and respects the historic character of the campus. A breakdown of communication between GSA and DHS would result in a significant barrier to effective implementation.

DHS and GSA are committed to executing this project in a fiscally responsible manner and have assigned dedicated program staff for full-time management of the overall DHS HQ Consolidation. The GSA and DHS team will institute controls/systems throughout the design and construction phases to effectively manage the scope, schedule, and budget. To prevent the project from undisciplined cost growth and schedule extensions confronting other high profile projects that had schedule delays and cost overruns, DHS and GSA intend to reduce risks and uncertainties and will focus on the design and construction process to deliver a high quality product within the schedule and budget.

XIII. Appendices

N/A