STATEMENT OF

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U.S. GENERAL SERVICES ADMINISTRATION

BEFORE THE

SUBCOMMITTEE ON ECONOMIC DEVELOPMENT,
PUBLIC BUILDINGS, AND EMERGENCY MANAGEMENT

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

U.S. HOUSE OF REPRESENTATIVES

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Good afternoon, Madam Chair, Ranking Member Diaz-Balart and members of the subcommittee. My name is William Guerin and I am the Recovery Executive in our newly established Recovery Program Management Office in the U.S. General Services Administration (GSA), Public Buildings Service. Thank you for inviting me to appear before you today to discuss GSA's contribution to our nation's economic recovery through the green modernization and construction of our buildings.

GSA's Public Buildings Service (PBS) is one of the largest and most diversified public real estate organizations in the world. Our inventory consists of over 8,600 assets with nearly 354 million square feet of rentable space across all 50 states, 6 territories and the District of Columbia. Our portfolio is composed primarily of office buildings and courthouses, land ports of entry, and warehouses. GSA's and PBS's goal is to manage these assets responsibly while delivering and maintaining superior workplaces at best value to our client agencies and the American taxpayer.

The funds Congress has provided us through the American Recovery and Reinvestment Act (the Recovery Act or ARRA) are a sound investment in several respects. First, the timely obligation of these recovery funds will stimulate job growth in the construction and real estate sectors. Second, the money will help us reduce energy consumption and improve the environmental performance of our inventory. Third, the funds, in large part, will be invested in the existing infrastructure, which will help reduce our backlog of repair and alteration needs, thus increasing the assets' value, prolonging their useful life, and ultimately further conserving our country's resources. Finally, these funds will be invested in government-owned assets for the long-term requirements of our federal customers.

The PMO

Today, I will describe the steps we have taken to carry out PBS's portion of the Recovery Act. We know that this is not business as usual and we are moving forward quickly, but always with careful consideration of our procurement responsibilities and accountability to the taxpayer. In order to successfully implement our part of the Recovery Act, we formed a Program Management Office that is nationally managed and regionally executed. At the national level, the PMO will be centralized in a small, cohesive and nimble organization staffed with experts and supported by high performing associates, industry hires and appropriate contract/consultant resources. I was recently named as the Recovery Executive to lead this office.

The PMO is also supported at the national level by an Executive Steering Committee headed by the Deputy Commissioner. The Executive Steering Committee has developed a nationwide program strategy and priorities. It will approve changes to the project list; and address national customer concerns.

Our strategy is to execute Recovery Act activities on an aggressive schedule using streamlined business process and innovative approaches to project execution, including geographic zonal oversight. We have established three zonal steering committees led by Zone Executives. These Zone Executives will assist in tracking and monitoring project progress at the regional level. More importantly, as they monitor project progress they will be able to shift support resources to projects or regions as needed. The PMO executive will also serve as an "early warning system" for projects that are not meeting anticipated targets.

Since enactment of the ARRA, PBS has moved quickly. On March 31st, we delivered a list of 254 projects to Congress. It includes projects in all 50 states, the District of Columbia, and two U.S. territories. These projects fall into three categories:

1. New Federal construction, where we will invest $1 billion in 17 projects;
2. Full and partial building modernizations, where we will invest $3.2 billion in 43 projects; and
3. Limited-scope, high-performance green building projects. Here, we will invest $807 million to repair and enhance building infrastructure systems in more than 194 projects.

We are mobilizing our project activity and have awarded $92 million towards project work. This includes:

- A $64 million award for the funding of the final renovation phase of the historic Thurgood Marshall U.S. Courthouse in New York City;
- $26.2 million award last week for additional construction on the Peace Arch Land Port of Entry in Blaine, Washington;
- A $1.3 million award last week for design services at the U. S. Customshouse in Philadelphia, Pennsylvania, for exterior repairs and energy efficient systems;
- And three awards last week, totaling over $550,000 for studies associated with new buildings and renovations in Roanoke, Virginia; Billings, Montana; and Bakersfield, California.

We currently have numerous solicitations on the street and expect to award at least another $100 million in Recovery projects by early June.

Of the $5.55 billion PBS received in the Recovery Act, our goal is to obligate $1 billion by August 1st and another $1 billion by the end of the calendar year. We have target dates for project awards in each quarter to ensure we obligate $5 billion by the end of fiscal year 2010 and an additional $550 million by the end of fiscal year 2011, as required by the Recovery Act.

Project Selection Criteria

Our project list was selected from an initial list of existing GSA pipeline projects that could be awarded within two years. The list we developed included detailed information on cost, schedule, energy benefits, and the impact on the repair and alterations backlog for each project. Our repair and alterations backlog was over $7 billion – just for minimum repair with limited consideration of high performance green features.. Our criteria in selecting projects considered both putting people back to work quickly and transforming Federal buildings into high-performance green buildings. Our selection criteria included:

- High -performance features, with an emphasis on energy conservation and renewable energy generation;
- Speed of construction start, with an emphasis on those projects that could begin within 120 days;
- Low risk that the project would fail to be completed on time;
- Condition of the facility;
- Ability to improve the utilization of the building;
- High return on investment;
- Degree to which lease costs would be avoided through the project; and
- Historic significance of the building.

Many of the projects in the new Federal construction and building modernization categories have previously received partial funding for design or for early phases of the project. With ARRA funding, we can quickly start or expand construction on these projects. At the same time, we are identifying ways to improve existing designs on these projects. This includes such improvements as:

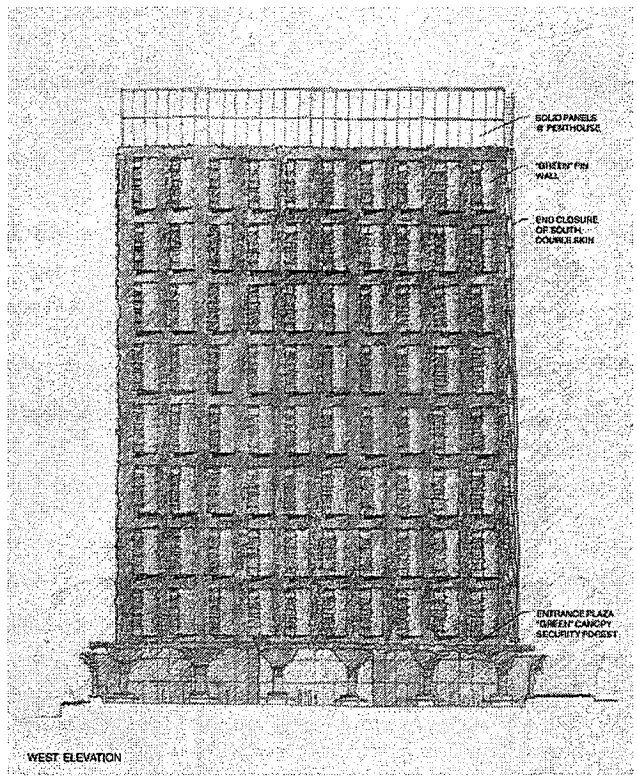
- Adding thicker than required insulation where climatically, it makes sense to;
- Installing variable frequency drives to reduce energy and extend the life of mechanical equipment;
- Converting existing designs for parking structure lighting to LED (light-emitting diode), dramatically lowering energy consumption, while improving safety and visibility and reducing required maintenance. LEDs can last two to three times as long as typical garage or parking lot lights;

- Specifying more efficient windows than originally designed or included in the design. Often, the initial expense and long payback period for high efficiency windows precludes them from being included in building renovations; and
- Specifying dual flush toilets and waterless or low water urinals to save water and reduce demand on aging city sewer systems.

We have also identified high performance green building projects that target repairing, enhancing and tuning-up our building infrastructure. These projects are similar in scope and, therefore, can be rapidly deployed in many buildings concurrently. These projects can significantly improve the energy performance of our buildings and include measures such as:

- Installing intelligent lighting systems that provide daylight and provide controls for occupants to adjust for ambient light versus task light.
- Replacing flat roofs with ENERGY STAR membranes, integrated photovoltaic panels bonded to the membrane, photovoltaic panels, or planted roofs. These options offer benefits ranging from increasing the life of the roof, to producing energy and to reducing the "heat island" effect of a black roof. We expect to install some form of photovoltaic energy generation on 30 of the 59 roofs we are touching.
- Accelerating the installation of advanced meters—required under the Energy Policy Act to be completed by 2012. Advanced meters enable us to better manage buildings by instantaneously providing information on a building's energy use and encouraging immediate operational changes.

An example of the innovative features we will be incorporating into some of the projects on our Recovery Act list is the Edith Green - Wendell Wyatt Federal Building in Portland, Oregon. This is a 1975 building in downtown Portland. As part of this project, GSA will install a new high-performance double glass enclosure over the entire building which will dramatically enhance energy performance and blast resistance. Each of the four facades will have a different treatment relative to the sun's orientation. On the west façade, vegetative "fins" will provide shade, reducing the load on the new high-efficiency HVAC system that will be installed. The re-skinning of this building also upgrades the building for seismic events and will result in additional 2,000 square feet of space per floor. These are just some of the "green" improvements that GSA will make as part of this project. We expect the building to attain a LEED Gold rating.


SOLID PANELS @ PENTHOUSE
END CLOSURE OF SOUTH COURSE SKIN
ENTRANCE PLAZA
WEST ELEVATION

Acquisition Support

To streamline the acquisition process, we have developed standard scopes of work for common high-performance green building elements. These standard scopes of work will be shared nationwide and with other agencies engaged in Recovery Act work. In addition, we are using regional and national contracts to support:

- Reporting and tracking;
- Contract management;
- Building tune-up and commissioning;
- Lighting; and
- Roofing

Apprenticeship and Pre-Apprenticeship Programs

Finally, pre-apprenticeship and apprenticeship programs will be an integral part of our Recovery Act projects. These programs will be established as contractual requirements in construction contracts for projects on our Recovery Act list. The funding provided in the Act shall be used for costs of pre-apprentice and apprentice training. The programs will be modeled after a successful GSA program in the National Capital Region through which at least 840 persons at 15 projects have been trained and employed since the program's inception in 2002.

Conclusion

Today, I have described the unprecedented and exciting opportunity that lies before us to contribute to our nation's economic recovery by investing in green technologies and reinvesting in our public buildings. We look forward to working with you and members of the Subcommittee as we engage in this important work.

Madam Chair, Ranking Member Diaz-Balart and members of this subcommittee, this concludes my prepared statement. I will be pleased to answer any questions that you or any other members of this Committee may have.