

BUILDINGS AND FACILITIES

(Dollars in Thousands)	FY 2016 Final	FY 2016 Actuals	FY 2017 Annualized CR	FY 2018	
				President's Budget	President's Budget +/- FY 2017 CR
Buildings and Facilities (Budget Authority).....	8,788	7,539	8,771	8,771	-

Authorizing Legislation: Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321-399); Public Health Service Act (42 U.S.C. §238); Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. §§471 *et seq.*); National Historic Preservation Act of 1966 (P.L. 89-665; 16 U.S.C. 470 *et seq.*); Chief Financial Officers Act of 1990 (P.L. 101-576); Federal Financial Management Act of 1994 (P.L. 103-356); Energy Policy Act of 2005 (P.L. 109-058); Energy Independence & Security Act of 2007 (P.L. 10-140, 121 Stat. 1492)

Allocation Methods: Direct Federal/Contract

PROGRAM DESCRIPTION AND ACCOMPLISHMENTS

As with the Infrastructure Program, the Buildings and Facilities (B&F) Program ensures that FDA's offices and labs across the country are optimally functioning to enable FDA to carry out its mission and respond to food safety and medical product emergencies. Investing in FDA's facility priorities provides the infrastructure and scientific capabilities necessary to ensure FDA can achieve the regulatory responsibilities, strategic priorities, and program initiatives outlined in this document.

Strengthen Organizational Excellence

The B&F Program is a critical element of FDA's real property asset management program and directly supports FDA's public health mission. FDA recruits, develops, retains and strategically manages a world-class workforce, improves the overall operation and effectiveness of FDA, and invests in infrastructure to enhance productivity and capabilities.

Under the goal of Organizational Excellence, FDA has demonstrated stewardship by striving to provide high quality, reliable buildings that support FDA's mission critical work. B&F funding is used to:

- construct new mission-critical laboratory, office, and support space
- renovate, repair site infrastructure and buildings – an inventory of 85 existing FDA-owned facilities at six sites in the United States and Puerto Rico.

HHS developed a Real Property Asset Management Plan (AMP) to outline a framework and holistic approach for acquiring, managing, and disposing of real property assets.

The AMP contains performance measures and benchmarks that monitor key real property asset management criteria, including:

- mission criticality
- utilization
- facility condition
- operating costs.

The physical condition of FDA assets is critical. A safe, suitable, and reliable work environment is essential for FDA to protect the nation's health, security, and economy. Improving and maintaining facilities often results in a positive effect on associated utilization and operating costs.

An important component of FDA real property asset management is conducting facility condition assessments on a 5-year cycle to evaluate:

- site infrastructure – utility distribution systems, roads, and sidewalks
- buildings, including physical systems – architectural, civil, mechanical, electrical
- code compliance
- life and other safety conditions
- finishes and aesthetics.

The assessments result in:

- a list of maintenance and repair deficiencies with associated costs known as the Backlog of Maintenance and Repair (BMAR)
- a plant replacement value – the cost to replace an infrastructure item or a facility
- a Facility Condition Index (FCI) score.

The BMAR identifies and estimates costs associated with addressing needed maintenance, repairs, and replacement of equipment and building systems that are approaching – or past – their useful life. The BMAR also identifies and prioritizes short- and long-term projects using B&F funding.

At the end of FY 2016, the BMAR for the six FDA-owned sites, including renewals, was approximately \$141.8 million. Approximately 71 percent of FDA-owned assets have an FCI score below the HHS-established goal of 90 and require significant repairs and improvements.

FDA uses funds to accomplish both mission and BMAR-driven projects. The goal is to improve the condition of these assets and the site infrastructure and to ensure the suitability and reliability of FDA-owned assets.

FDA has 22 labs located at the following six owned sites:

- Gulf Coast Seafood Laboratory, Dauphin Island, AL
- Jefferson Labs Complex (JLC), Jefferson, AR
- Muirkirk Road Complex, Laurel, MD
- Pacific Regional Laboratory SW, Irvine, CA
- San Juan District Office and Laboratory, San Juan, PR
- Winchester Engineering & Analytical Center (WEAC), Winchester, MA.

Activities in FY 2016 and Planned for FY 2017

Gulf Coast Seafood Laboratory – Dauphin Island, Alabama

The Gulf Coast Seafood Laboratory is FDA's sole marine laboratory and represents 80 percent of FDA research capacity for addressing seafood safety.

In FY 2016, FDA initiated projects to design and construct a new Algal Culture System Room to support the local mission, perform an energy audit, and complete a study to design and reconstruct the seawall that protects the site, which is located on the Gulf of Mexico.

In FY 2017, FDA will construct a new seawall, implement energy conservation measures, and complete a study and design to improve the efficiency of the electrical power at the site.

Jefferson Laboratories Complex (JLC) – Jefferson, Arkansas

The Jefferson Laboratories Complex houses the National Center for Toxicological Research (NCTR) and the Office of Regulatory Affairs (ORA) Arkansas Regional Laboratory (ARL). Additional details of the vital scientific research that takes place at the Complex can be found in the NCTR Narrative.

ARL provides analytical laboratory support to FDA’s regulatory mission in the Southwest Region.

In FY 2016, FDA initiated site infrastructure projects including:

- designing projects to replace chillers in a critical animal research building
- completing the installation of a new water well
- replacing a chiller starter.

FDA also initiated building improvement projects that include:

- completing concept studies to renovate the pathology and archive storage areas, and designing projects to replace critical equipment in an animal processing area and to create an auditorium needed to facilitate scientific collaboration
- completing two additional phases of the project to replace the HVAC controls in a critical laboratory building
- renovating a second processing facility to modernize equipment and the HVAC system that will support animal research on the campus
- funding construction administration services for the renovation of three key laboratories – Buildings 14, 53A and 62
- completing minor renovations to an animal quarantine facility.

In FY 2017, FDA will complete designs to:

- replace chillers in two site chiller plants
- replace building roofs
- renovate the data center
- replace electric service and standby generation
- repair building envelopes
- replace critical animal processing area equipment
- consolidate warehouse buildings
- renovate existing administrative space to create a large auditorium needed to facilitate scientific collaboration
- replace two backup emergency generators servicing animal research buildings.

FDA will also provide funding for contingencies associated with the project to renovate laboratories in Buildings 14 and 53A, and install new roofs on the dormitory and commons buildings. FDA will also repair Campus roadways and sidewalks and design improved drainage features. In addition, FDA will make several building improvements including:

- updating water treatment controls
- upgrading a sample preparation room

- constructing a new walk-in cooler and freezer
- addressing ADA compliance issues
- replacing variable frequency drives on exhaust fans
- replacing preheat coils.

Muirkirk Road Complex (MRC) – Laurel, Maryland

The Muirkirk Road Complex is a campus shared by the Foods and Animal Drugs and Feeds programs to conduct research on:

- food and animal drug safety
- toxicology
- microbiology
- molecular biology.

In FY 2016, FDA initiated projects to:

- install a fire resistant shaft enclosure to ensure adequate fire safety, and a backup generator in two critical lab buildings, respectively
- replace a reverse osmosis tank servicing research laboratories and a clean steam generator
- paint ceilings and walls, and replace flooring in a critical animal research area to ensure animal research accreditation
- create additional workstations for laboratory support personnel
- expand conference room and add divider to ensure space supports increased scientific meetings
- replace tile walkway to main entrance that is aged and cracking to eliminate the trip and fall hazard, and pave the road to a large emergency generator for more efficient access.

In FY 2017, FDA will replace four air handling units that service the animal research portion of a main laboratory building.

Pacific Regional Laboratory Southwest – Irvine, California

The Pacific Regional Laboratory Southwest provides analytical laboratory support to FDA's regulatory mission in the Pacific Region.

In FY 2016, FDA initiated projects to:

- design chemical fume hood exhaust modifications for the lab
- install additional local exhaust ventilation in the lab
- correct a humidity issue in the lab
- construct a firewall in the electrical switchgear room.

In FY 2017, FDA will renovate the Biosafety Level 3 lab to include an independent HVAC system, enlarge the anteroom and add an autoclave. This is a high containment lab designed to isolate dangerous biological agents in an enclosed laboratory room, and these improvements are necessary to ensure employee safety and support required procedures.

San Juan District Office and the National Drug Servicing Laboratory – San Juan, PR

The National Drug Servicing Laboratory specializes in pharmaceutical analysis.

In FY 2016, FDA initiated projects to:

- replace the floor finishes in the main administration building
- perform a structural evaluation of the Maintenance Building and make necessary repairs, if possible.

In FY 2016, FDA also initiated projects to improve the main laboratory by:

- designing, replacing and upgrading the electrical distribution wiring system
- balancing the ventilation system to ensure proper pressurization for safety
- replacing the vacuum system
- installing a distilled water recirculation system.

In FY 2017, FDA will replace and upgrade the electrical distribution wiring system for the main laboratory and replace or repair the sidewalks and building access ramps on Campus.

Winchester Engineering and Analytical Center (WEAC) –Winchester, Massachusetts

The Winchester Engineering and Analytical Center is a specialty laboratory used to:

- test the safety and performance of medical devices, microwaves, and radiopharmaceuticals
- conduct radionuclide testing with food samples
- ensure seafood freshness.

In FY 2016 FDA initiated projects to:

- make needed improvements to the parking lot
- provide humidity control in one lab
- replace an exhaust fan in a laboratory support room.

In FY 2017, FDA will provide construction administration and additional support for the laboratory replacement project.

FUNDING HISTORY

Fiscal Year	Program Level	Budget Authority	User Fees
FY 2014 Actual	\$7,808,000	\$7,808,000	\$0
FY 2015 Actual	\$8,997,000	\$8,997,000	\$0
FY 2016 Actuals	\$7,539,000	\$7,539,000	\$0
FY 2017 Annualized CR	\$8,771,000	\$8,771,000	\$0
FY 2018 President's Budget	\$8,771,000	\$8,771,000	\$0

BUDGET REQUEST

The FY 2018 Budget Request is \$8,771,000, consisting solely of budget authority. This amount is equal to the FY 2017 Annualized CR level.

The funding level requested attempts to sustain the current condition of FDA’s owned buildings at its six mission-critical sites and will fund the projects noted below.

At the Gulf Coast Seafood Laboratory facility, FDA will replace the hot water piping system and an air handling unit in the main laboratory building, and complete work associated with the replacement of the seawall.

At the Jefferson Labs Complex, FDA will:

- complete designs for several projects that will replace air compressors and two backup generators, and a renovation for IT space
- install new processing equipment for an animal research building
- repair infrastructure items to include improving campus roads, sidewalks and drainage
- repair windows in the main administration building, building envelopes, and several roofs on campus
- complete the first phase of chiller replacements in a main chiller plant.

At the Muirkirk Road Complex, FDA will:

- replace four air handling units that service the main laboratory building replace obsolete electrical panel boards at the site substation and one of the main lab buildings
- install tempered water for emergency eyewash stations
- provide necessary exhaust systems for two animal rooms.

In the Pacific Regional Laboratory Southwest, FDA will:

- renovate laboratories to address a safety hazard and meet additional laboratory space needs
- re-commission the building.

In the San Juan District Office and Laboratory, FDA will replace HVAC equipment and other equipment associated with aging building systems in the main laboratory building.

At the Winchester Engineering & Analytical Center, FDA will support the ongoing operation of the existing facility during the construction of the replacement building.

The following table provides an allocation plan by site for use of the FY 2018 funds.

FY 2018 BUILDINGS AND FACILITIES ALLOCATION PLAN

Site	Total
CFSAN Gulf Coast Seafood Laboratory	\$1,000,000
Jefferson Laboratories Complex (NCTR & ARL) – Jefferson, AR	4,385,500
Muirkirk Road Complex (MOD1, MOD2, BRF) – Laurel, MD	2,195,000
ORA Pacific Regional Laboratory SW – Irvine, CA	690,500
San Juan District Office and Laboratory – San Juan, PR	400,000
Winchester Engineering and Analytical Center – Winchester, MA	100,000
B&F Project Total	\$8,771,000

In FY 2018, sustaining the condition of FDA-owned real property assets and site infrastructure will continue to be a priority. Completion of these projects is necessary for FDA to achieve its

critical mission. In addition, several of these projects will contribute to HHS sustainability goals established in the HHS Strategic Sustainability Performance Plan.

More specifically, projects planned in FY 2018 will help reduce Scope 1, 2, and 3 greenhouse gas emissions¹⁰³ by:

- replacing aged, inefficient chillers and HVAC controls and equipment
- re-commissioning a large lab building
- repairing windows.

PROGRAM ACTIVITY DATA TABLE

Facility ¹	Average Facility Condition Index (FCI) Score		
	FY 2016 Enacted	FY 2017 CR	FY 2018 Request
CFSAN Gulf Coast Seafood Laboratory ²	93	93	93
Jefferson Laboratories Complex ³	69	70	71
Muirkirk Road Complex ⁴	82	82	86
ORA Pacific Regional Laboratory Southwest ⁵	99	99	99
San Juan District Office and Laboratory ⁶	76	76	76
Winchester Engineering And Analytic Center ⁷	65	65	65

¹The Backlog of Maintenance and Repairs (BMAR) at each site is significant. Approximately 69 percent of FDA-owned assets have an FCI score below the HHS-established goal of 90 and require significant repairs and improvements. Funding is allocated to projects at each site in an effort to reduce the BMAR and improve the average Facility Condition Index (FCI) for the site. Without ongoing repair and improvement projects, the increase in BMAR each year would result in no change or a decrease in the FCI rather than an increase. Improvements may not be realized in the fiscal year the funds are received due to timing and complexity of the project.

²Based on funding levels in FY 2017 and FY 2018, the BMAR for this site will decrease by \$4K. Remaining BMAR for this site is approximately \$346K.

³Based on funding levels in FY 2017 and FY 2018 the BMAR for this site will decrease by approximately \$9.2M. Remaining BMAR total will be approximately \$106.6M.

⁴Based on funding levels in FY 2017 and FY 2018 the BMAR for this site will decrease by approximately \$2.17M. Remaining BMAR total will be approximately \$14.6M.

⁵Based on funding levels in FY 2017 and FY 2018, the BMAR for this site will not decrease. Remaining BMAR for this site is approximately \$49K.

⁶Based on funding levels in FY 2017 and FY 2018 the BMAR for this site will decrease by approximately \$103K. Remaining BMAR total will be approximately \$3.4M.

⁷Based on funding levels in FY 2017 and FY 2018, the BMAR for this site will not decrease. Remaining BMAR total will be approximately \$5.2M

¹⁰³ More information can be found in the HHS Strategic Sustainability Performance Plan at: <http://www.hhs.gov/sites/default/files/2015-sustainability-plan.pdf>.

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