

BUILDINGS AND FACILITIES

(Dollars in Thousands)	FY 2017 Final	FY 2017 Actual	FY 2018 Annualized CR	FY 2019	
				President's Budget	+/- FY 2018
Buildings and Facilities Program (Budget Authority).....	11,788	9,243	11,708	11,788	80

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. 110-140, 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 laboratory modernization efforts, 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 periodically conducting facility condition assessments 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 the third quarter of FY 2017, the BMAR for the six FDA-owned sites, including renewals, was approximately \$174.6 million. Approximately 72 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, especially laboratories that require modernization.

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 2017 and Planned for FY 2018

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 2017, FDA initiated a project to conduct an investment grade audit to identify potential energy conservation measures that can be taken at the site to reduce energy and water consumption, which may also improve the condition of the buildings. In FY 2018, FDA will replace the roof of and HVAC equipment serving the main lab building.

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 2017, FDA initiated schematic designs for projects to:

- support implementing the JLC master plan
- install a new domestic water well.

In FY 2017, FDA initiated building improvement projects that included:

- replacing the processing area in Building 53B
- replacing the roof of a biological imaging lab containing an MRI machine
- funding construction administration services and change orders for the renovation of three key laboratories – Buildings 14, 53A, and 62
- installing new flooring in a critical biological safety lab
- upgrading building automation panels for Ethernet capabilities and to address vulnerabilities in support of the IT network.

In FY 2018, FDA will complete designs to:

- construct a new chiller plant
- repair site drainage, sewers, roads and sidewalks
- upgrade the sample preparation area of a lab
- replace preheat coils in a lab and animal research building
- replace two backup emergency generators servicing animal research buildings.

FDA will also initiate projects to:

- renovate the site data center
- upgrade water treatment controls in the water treatment building
- replace variable frequency drives on the HVAC system for the main administration building.

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 2017, FDA initiated a project to renovate the security entrance associated with a main laboratory building to enhance access control.

In FY 2018, FDA will initiate projects to:

- install a shelter for storage of landscaping equipment and supplies
- install epoxy flooring and emergency eyewash stations in several animal research buildings
- replace windows in the main lab building
- replace an emergency generator for a large animal quarantine building
- renovate the breakroom and kitchenette to support lab operations in a main lab 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 2017, FDA initiated projects to:

- design HVAC and controls upgrades
- conduct a geotechnical study to stabilize the driveway and slope damage to the parking area associated with an adjacent landfill
- recommission the HVAC system
- install a new compressor for increased capacity to support changing science and building demands.

In FY 2018, FDA will initiate several projects to support modernization of the lab, including:

- renovating the sample preparation and sample custodian rooms
- replacing and expanding the house nitrogen system
- renovating excess cold storage space to relocate media preparation for the microbiology operations
- renovating the vacated media preparation space into a new microbiology lab
- renovating three lab rooms to enlarge them and improve safety.

In addition, FDA will initiate a project to repair the damaged driveway and parking lot caused by ongoing settlement at the site as a temporary solution to maintain safety and operations until plans and funding are in place for a larger project that will permanently solve the problem.

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

The National Drug Servicing Laboratory specializes in pharmaceutical analysis.

In FY 2017, FDA initiated a project to design, replace and upgrade the electrical distribution wiring system and vacuum system in the main lab building. In FY 2018, FDA will replace the air handling unit on the main lab building with a specialized unit for the harsh salt air environment, replace ductwork, and rebalance the HVAC system. Also, in FY 2018, due to damage caused by Hurricane Maria, FDA initiated a project to make necessary emergency repairs and added another generator.

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 2017 FDA initiated a project to relocate on-site hazardous materials storage units in preparation for the lab replacement project. In FY 2018, FDA will:

- utilize funding, as needed, to provide construction administration and additional support for the laboratory replacement project, including a project to demolish six (6) small out buildings that are located within the footprint of the replacement building.

FUNDING HISTORY

Fiscal Year	Program Level	Budget Authority	User Fees
FY 2015 Actual	\$8,997,000	\$8,997,000	---
FY 2016 Actual	---	---	---
FY 2017 Actual	\$9,243,000	\$9,243,000	---
FY 2018 Annualized CR	\$11,708,000	\$11,708,000	---
FY 2019 President's Budget	\$11,788,000	\$11,788,000	---

BUDGET REQUEST

The FY 2019 Budget Request is \$11,788,000, consisting solely of budget authority. This amount is an increase of \$80,000 compared to the FY 2018 Annualized CR. The funding level requested attempts to sustain the current condition of FDA’s owned buildings at its six mission-critical sites and will support funding the projects noted below.

At the Gulf Coast Seafood Laboratory facility, FDA will:

- repair concrete floor and replace all floor tiles in lab building corridors and lab rooms
- make repairs and re-pave the main road and parking area for the site.

At the Jefferson Labs Complex, FDA will:

- replace HVAC system serving a lab
- update chemical fume hood controls for safety and energy savings
- design a renovation for the biosafety level 3 lab in the Campus bioimaging lab building
- install new electric service and standby generation for the Campus bioimaging lab building
- repair roofs on various buildings
- install meters for tracking energy consumption in various lab buildings
- install a new domestic water well.

At the Muirkirk Road Complex, FDA will:

- renovate restrooms in the animal research area of a primary lab building
- renovate aged floor, wall, and ceiling finishes in a portion of a primary lab building
- renovate offices in a primary lab building to accommodate additional lab staff
- renovate the aged atrium of a primary lab building to alleviate safety hazards and support needs for meeting space for lab program.

In the Pacific Regional Laboratory Southwest, FDA will:

- renovate lab space by converting storage rooms into a smaller freezer room, segregated storage and sample custodian room with security access, and repurposing freezer room into storage and work areas
- add automatic door opening devices to improve accessibility in the building
- repair, in phases, the HVAC and building automation systems
- design reconfiguration of sample preparation rooms that support lab operations.

In the San Juan District Office and Laboratory, FDA will:

- replace an air conditioning unit with a specialized unit designed for harsh (salt air) environments
- construct a new roadway to the generator house for improved access
- repave and restripe parking lot.

At the Winchester Engineering & Analytical Center, FDA will:

- support the ongoing operation and repair needs 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 2019 funds.

FY 2019 BUILDINGS AND FACILITIES ALLOCATION PLAN

Site	Total
CFSAN Gulf Coast Seafood Laboratory	\$300,000
Jefferson Laboratories Complex (NCTR & ARL) – Jefferson, AR	\$5,894,000
Muirkirk Road Complex (MOD1, MOD2, BRF) – Laurel, MD	\$1,649,000
ORA Pacific Regional Laboratory SW – Irvine, CA	\$2,945,000
San Juan District Office and Laboratory – San Juan, PR	\$900,000
Winchester Engineering and Analytical Center – Winchester, MA	\$100,000
B&F Project Total	\$ 11,788,000

In FY 2019, 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 2019 will help reduce Scope 1, 2, and 3 greenhouse gas emissions¹⁰⁵ by:

- replacing or repairing aged, inefficient HVAC controls and equipment
- replacing aged, inefficient roofs
- installing water, steam and gas meters.

¹⁰⁵ More information can be found in the HHS Strategic Sustainability Performance Plan at: <http://www.hhs.gov/sites/default/files/about/sustainability/2014-sustainability-plan.pdf>.

Facility	Average FCI Score		
	FY 2017 Actual	FY 2018 Annualized CR	FY 2019 Request
CFSAN Gulf Coast Seafood Laboratory¹	88	88	89
Jefferson Laboratories Complex²	67	68	69
Muirkirk Road Complex³	63	63	64
ORA Pacific Regional Laboratory Southwest⁴	97	97	98
San Juan District Office and Laboratory⁵	75	75	75
Winchester Engineering And Analytic Center⁶	65	65	65

* The Backlog of Maintenance and Repairs (BMAR) at each site is significant. 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.

¹ Based on funding levels in FY 2018 and FY 2019, the BMAR for this site will decrease by \$39K. Remaining BMAR for this site is approximately \$531K

² Based on funding levels in FY 2018 and FY 2019 the BMAR for this site will decrease by approximately \$12.1M. Remaining BMAR total will be approximately \$115.5M

³ Based on funding levels in FY 2018 and FY 2019 the BMAR for this site will decrease by approximately \$1M. Remaining BMAR total will be approximately \$35M.

⁴ Based on funding levels in FY 2018 and FY 2019, the BMAR for this site will decrease by approximately \$500K. Remaining BMAR for this site is approximately \$800K.

⁵ Based on funding levels in FY 2018 and FY 2019 the BMAR for this site will decrease by approximately \$129K. Remaining BMAR total will be approximately \$3.7M.

⁶ Based on funding levels in FY 2018 and FY 2019, the BMAR for this site will not decrease. Remaining BMAR total will be approximately \$5.3M.