

## FACILITIES CAPITAL

FY 2006 Appropriation	\$98,529,000
FY 2007 Current CR Level	\$105,900,000
FY 2007 Request	\$107,000,000
FY 2008 Estimate	\$107,100,000

### STRATEGIC GOAL: ENHANCED MANAGEMENT EXCELLENCE

#### Federal Resource Summary by Performance Objective and Program Category

Performance Objective/ Program Category	FY 2007		FY 2008		Change	
	FTE	\$000	FTE	\$000	FTE	\$000
<b>Enhanced Management Excellence</b>						
<b><i>Facilities</i></b>						
Execute an aggressive, long-range revitalization program and limited construction of new facilities	38	95,500	48	87,380	10	-8,120
<b><i>Security and Safety</i></b>						
Provide world-class protection for Smithsonian facilities, collections, staff, visitors, and volunteers	0	0	0	8,840	0	8,840
Provide a safe and healthy environment	0	10,400	0	10,880	0	480
<b>Total</b>	<b>38</b>	<b>105,900</b>	<b>48</b>	<b>107,100</b>	<b>10</b>	<b>1,200</b>

### BACKGROUND AND CONTEXT

The Facilities Capital Program underpins the Smithsonian's mission and represents a vital investment in the long-term interest of the nation. It is intended to provide modern facilities that satisfy public programming needs and facilitate world-renowned research efforts. However, many years of insufficient investment in both facilities capital and maintenance have led to growing, widespread deterioration and increasingly impaired performance of the Institution's physical plant.

The professional engineering study, *Smithsonian Institution Museums and Facilities: Critical Assessment and Improvement Objectives*, published in 2001, established a 10-year, \$1.5 billion requirement for capital revitalization of Smithsonian facilities. The National Academy of Public Administration (NAPA) study of that same year supported these findings, and the Government Accountability Office (GAO) report of April 2005 recognized

that the Institution needs an investment of \$2.3 billion for revitalization, construction, and maintenance in the coming decade. This amount includes requirements for anti-terrorism modifications and maintenance that were not addressed during the NAPA study. Funding levels of the past few years have allowed the Smithsonian to make some progress against the \$2.3 billion, but the amounts for revitalization and maintenance have fallen far short of the documented need. Without question, there is an urgent need for major investment so that the Smithsonian can escape the current, never-ending crises of costly, unforeseen, breakdown repairs. Without sufficient capital support, the Institution will eventually fail in its mission.

## **MEANS AND STRATEGY**

The FY 2008 request for the Facilities Capital Program represents a minimum investment in the goal of Enhanced Management Excellence, with no increase from the level estimated for FY 2007. With funding in the Facilities Capital Program, the Institution will focus on improving the safety and security of visitors, staff, volunteers, and collections, and will make incremental progress toward returning to and then sustaining Smithsonian facilities at a fully functional level in the next decade.

The *Critical Assessment* study records the full breadth of the commitment that must be made to preserve the physical plant of the Smithsonian and position it for the 21st century. It is a compilation of the knowledge learned from more than 200 architect-engineer consultant investigations and internal condition assessments. The facilities requirements known at this time fall into two major areas, both of which are essential: facilities capital and facilities maintenance.

The Facilities Capital Program entails both construction and revitalization activities; however, there are no major capital construction funds requested for this year's budget. Revitalization involves making major repairs or replacing declining and failed infrastructure to address the causes of advanced deterioration. Once completed, these projects will enable the Smithsonian to avoid the crippling failures in building systems that can create hazardous conditions for visitors and staff, harm animals, damage collections, and cause the irretrievable loss of scientific data.

Funding for facilities routine maintenance and minor repairs is included in the Institution's Salaries and Expenses request. These resources are critical to realize the intended design life and full economic value of Smithsonian facilities and protect the Institution's investment in revitalization. Underfunding maintenance devalues our capital investment by prematurely shifting increased costs to the Facilities Capital Program.

The Institution plans to use these combined resources during the next decade to arrest the downward spiral of deterioration and provide for safe, code-compliant, and functional facilities that support Smithsonian programs. Robust future funding to meet both requirements is essential to sustain the viability of the Institution's physical plant.

The Institution completed a Program Assessment Rating Tool (PART) evaluation of the Facilities Capital Program during FY 2005 and received the highest PART rating score. This rating confirms the NAPA and GAO conclusions that these programs are effectively managed and will achieve long-term results in improving the Institution's essential infrastructure.

## **STRATEGIC GOAL AND FY 2008 ANNUAL PERFORMANCE GOALS**

### **Enhanced Management Excellence**

***Execute an aggressive, long-range revitalization program and limited construction of new facilities to ensure appropriate facilities in excellent condition that support the Smithsonian mission (48 FTEs and \$87,380,000)***

- Improve the Facilities Condition Index (FCI) of Smithsonian buildings by 5 percent
- Reduce the \$1.5 billion backlog of revitalization requirements
- Complete 25 percent of the construction of Asia Trail Phase II, Elephant Trails, at the National Zoological Park
- Complete Phase II of the core space revitalization at the NMAH, Behring Center
- Complete 60 percent of the revitalization of the West Wing basement, 30 percent of the southwest third-floor main building, and 10 percent of elevator and window replacement at the National Museum of Natural History (NMNH)
- Complete 20 percent of the renovation of Pod 3 at the Museum Support Center
- Complete 75 percent of electrical system replacement at the National Air and Space Museum
- Initiate construction of replacement greenhouses at Suitland, Maryland
- Complete 50 percent of programming planning for the National Museum of African American History and Culture

***Provide world-class protection for Smithsonian facilities, collections, staff, visitors, and volunteers (\$8,840,000)***

- Complete the permanent perimeter security barriers at the NMNH, and 25 percent of the construction of barriers at the NMAH

***Provide a safe and healthy environment (\$10,880,000)***

- Complete Phase I of critical fire-protection improvements at the National Zoological Park
- Complete replacement of fire-protection systems at the Museum Support Center and other Smithsonian facilities

**FY 2008 REQUEST – EXPLANATION OF CHANGE**

The Institution requests \$107,100,000 and 48 FTEs for the Facilities Capital Program in FY 2008 for Revitalization, and the Planning and Design funding needed to support these and future projects. While short of the amount needed to keep pace with the NAPA- and GAO-recommended schedules for eliminating the current backlog of revitalization requirements, this amount supports the most critical design and revitalization work. Work at the Zoo will be guided by the nearly complete master plan to correct the deteriorating conditions there. The request also recognizes the need to sustain progress in other priority areas, including revitalizing the NMNH and the NMAH, and installing perimeter barriers to reduce the risk of terrorist attacks on the Smithsonian's iconic buildings. Several emerging priorities are also represented, including the need to address serious deficiencies in collection storage conditions and to renovate or replace research and support facilities to protect the viability of ongoing operations. The Institution requests a total of 10 new FTEs in the Facilities Capital Program for FY 2008 to augment the construction management staff to better administer the increased workload of smaller projects in the proposed program. Projects under \$5 million typically require a greater proportion of supervision and administration in relation to the cost of the work performed.

If this request is not allowed, the Institution's facilities will continue to deteriorate, increasing the eventual cost of revitalization and the risk of further building closures.

The chart that follows summarizes the Institution's request for the highest priority projects for FY 2008, and the related future program requirements through FY 2012. FY 2007 is based on the current Continuing Resolution annualized rate.

**SMITHSONIAN INSTITUTION**

**Facilities Capital Program Summary  
FY 2008 - FY 2012**

CATEGORY <i>Millions</i>	Received				CR Level FY 2007	Congress Request FY 2008	Future Program				
	Prior	FY 2004	FY 2005	FY 2006			FY 2009	FY 2010	FY 2011	FY 2012	Outyears
<b>REVITALIZATION</b>											
<i>Major Projects</i>											
Arts & Industries Building	13.2		23.4	5.8			1.3				TBD
Greenhouse Replacement						6.0	6.0				
Hirshhorn Museum								5.5			18.5
Museum Support Center						10.0	15.0		6.5	6.5	6.5
National Air and Space Museum					8.9	1.1					50.0
National Museum of American History	1.4	3.4	10.0	18.4	13.5		10.0	10.0	20.0	20.0	114.0
National Museum of Natural History	98.4	3.0	7.0	12.8	25.4	25.5	30.0	30.0	30.0	30.0	58.4
National Zoological Park	20.2	23.7	19.5	12.5	16.0	18.8	17.8	21.3	22.3	28.1	204.1
Patent Office Building	73.6	47.4	44.4								
Quadrangle											64.5
Renwick Gallery											25.0
Silver Hill Facility											24.0
Smithsonian Castle	1.0									30.0	45.0
STRI, Gamboa Development											3.0
Udvar-Hazy Center											5.0
Anti-Terrorism Protection				7.9		8.0	3.0	23.5	24.0	12.3	36.7
<i>Other Revitalization Projects</i>		12.0	6.0	15.0	26.2	22.0	47.6	38.7	34.8	20.6	ONGOING
<b>SUBTOTAL</b>	<b>207.8</b>	<b>89.5</b>	<b>110.3</b>	<b>72.4</b>	<b>90.0</b>	<b>91.4</b>	<b>130.7</b>	<b>129.0</b>	<b>137.6</b>	<b>147.5</b>	<b>654.7</b>
<b>CONSTRUCTION</b>											
NMNH, Museum Support Center Pod 5		9.9	6.9	18.1	5.4						
SAO, VERITAS Site Improvements			1.0								
SERC, Construction Mathias Lab Modules								17.0	20.0		
National Museum of African American History & Culture							TBD	TBD	TBD	TBD	TBD
Other Future Construction											118.5
<b>SUBTOTAL</b>	<b>0.0</b>	<b>9.9</b>	<b>7.9</b>	<b>18.1</b>	<b>5.4</b>	<b>0.0</b>	<b>0.0</b>	<b>17.0</b>	<b>20.0</b>	<b>0.0</b>	<b>ONGOING</b>
<b>FACILITIES PLANNING &amp; DESIGN</b>	<b>0.0</b>	<b>8.2</b>	<b>7.9</b>	<b>8.0</b>	<b>10.5</b>	<b>15.7</b>	<b>27.9</b>	<b>28.9</b>	<b>17.4</b>	<b>14.8</b>	<b>ONGOING</b>
<b>TOTAL REQUEST</b>	<b>207.8</b>	<b>107.6</b>	<b>126.1</b>	<b>98.5</b>	<b>105.9</b>	<b>107.1</b>	<b>158.6</b>	<b>174.9</b>	<b>175.0</b>	<b>162.3</b>	<b>ONGOING</b>