MINUTES OF THE FEBRUARY 28, 2013, FACILITIES COMMITTEE MEETING

The Facilities Committee (“the Committee”) of the Board of Regents of the Smithsonian Institution conducted a meeting on February 28, 2013, beginning at 2:00 p.m. Participating in person or by telephone (indicated as *) were Committee Chair Robert Kogod and members Senator Patrick Leahy*, Representative Tom Cole*, and George Hartman. Representatives Xavier Becerra and Sam Johnson were unable to participate.

Staff present, either in the Regents’ Room or by telephone (indicated as *), were Secretary Wayne Clough; Chief of Staff to the Secretary Patricia L. Bartlett; Director of the Office of Facilities Engineering and Operations (OFEO) Nancy Bechtol; Inspector General Scott Dahl; Deputy Director of OFEO Walter Ennaco; Director of the Office of Facilities Management and Reliability Kendra Gastright; Assistant to Representative Johnson Dave Heil*; Under Secretary for Finance and Administration and Chief Financial Officer Albert Horvath; Chief of Staff to the Regents John K. Lapiana; Assistant to Representative Becerra Grisella Martinez*; Assistant to Senator Leahy Kevin McDonald*; Assistant to Representative Cole Sean Murphy*; Acting Director for Planning and Project Management Debra Nauta-Rodriguez; Director of Government Relations Nell Payne; and Deputy General Counsel Marsha Shaines.

Mr. Kogod called the meeting to order at 2:05 p.m.

FACILITIES CAPITAL AND MAINTENANCE REQUIREMENTS UPDATE

Mr. Kogod directed the Committee to the first of two Facilities Capital and Maintenance Investment Requirements snapshots contained in the meeting materials. Mr. Kogod observed that the chart reflected the close-out figures from fiscal year 2012. He explained that the chart was developed to allow for regular tracking, by two- or three-year intervals, of the Smithsonian’s facilities capital and maintenance requirements accounts over fiscal years (FY) 2012 to 2018.

Mr. Kogod noted that the Smithsonian was appropriated and expended $99.84 million for revitalization and $70.3 million for maintenance in FY 2012. An additional $74.88 million was appropriated in FY 2012 for the construction of the National Museum of African American History and Culture. Mr. Kogod reminded members that the Smithsonian currently requires $150 million annually for revitalization projects (not including new construction) and has maintenance obligations of $100 million annually. Because the Smithsonian does not receive appropriations to fully cover these requirements, Mr. Kogod stressed that active oversight by the Committee will help ensure that available funds are directed to the most critical needs. He noted that there is a “tremendous effort by OFEO” to monitor all Smithsonian properties in order to alert the Committee of the most immediate needs.

Ms. Nauta-Rodriguez explained that the second chart presented investment requirements information on an annual basis, beginning in FY 2013 and ending with FY 2019. The chart, she
said, is a “work-in-progress” designed to better highlight challenges in planning the facilities budget. She noted that FY 2019 projects will be identified during the FY 2015 planning process during summer 2013. Ms. Nauta-Rodriguez said that she expects the chart to evolve, better reflecting pan-institutional priorities, such as collection space, that are not adequately presented in the unit-by-unit breakdowns.

Mr. Kogod then briefly reviewed data on the productivity of obligating appropriated funds. According to OFEO, $175.26 million in appropriations were obligated in FY 2012, $14 million more than the target and 99.55 percent of maintenance/operations funds were similarly obligated. Mr. Kogod also reviewed the Facilities Capital Federal and Private Investment Requirements for projects currently under way or projected. The overall Federal funding component for FY 2008 to FY 2019 was identified as $514.9 million and the private component as $459.4 million.

**UPDATES ON SPECIFIC INITIATIVES**

**Priority Code Development.** Mr. Kogod, along with Ms. Nauta-Rodriguez and Ms. Bechtol, reviewed the process of defining capital improvements and maintenance program requirements through an analysis of needs and impacts. The process categorizes the present and projected condition of a facility and then ranks projects so that available funding is invested toward addressing the greatest needs.

**Continuing Resolution and Sequestration.** Mr. Kogod described the status of the FY 2013 continuing resolution and the Smithsonian’s proposed response in anticipation of sequestration. OFEO’s obligations plan through March 2013 will continue funding for all major construction projects. Should sequestration be triggered on March 1, 2013, the Smithsonian’s Facilities Capital account will be reduced by $8.8 million, requiring the delay of certain major projects at the National Museum of Natural History and the National Zoological Park, as well as the obligation of funding for the National Museum of African American History and Culture.

**Facilities Maintenance FY 2013 Supplement.** Mr. Ennaco noted that $2 million in emergency funds were appropriated to the Smithsonian to address damage caused by Super Storm Sandy to the National Museum of Natural History, the National Museum of American History, the National Air and Space Museum, the National Zoological Park, the Museum Support Center, and the Herndon Data Center.

**National Museum of African American History and Culture (NMAAHC) Update.** Ms. Nauta-Rodriguez provided a brief update on the construction of the NMAAHC Mall facility. She said that 11 percent of the work was “placed” as of January 31, 2013, and that the forecasted opening date remains November 2015. Piling driving is now complete and concrete work is expected to begin in early March 2013. Ms. Bechtol noted that the construction team is now managing focusing on challenges presented by the water table at the construction site. Mr. Kogod said that the Committee will closely monitor progress toward the completion date and efforts to ensure continued funding for the project.
Campus Master Planning. Mr. Kogod explained that the scope of the campus master planning initiative will include the Arts and Industries Building, the Castle, the Quadrangle, the Enid A. Haupt Garden, the Freer and Sackler Galleries, the Hirshhorn Museum and Sculpture Garden, and the National Museum of African Art. He provided an overview of the contracting process that resulted in the selection of the architect-engineer firm BIG to help lead the initiative. Mr. Kogod also noted that the Regents have established an ad hoc committee to oversee the initiative, chaired by himself, and with former Smithsonian National Board Chair Paul Neely, Facilities Committee member George Hartman, and Board Chair France Córdova as initial members.

APPROVAL OF THE MINUTES OF THE MARCH 20 AND SEPTEMBER 27, 2012 MEETINGS

The Committee approved, without modification, the draft minutes of the March 20 and September 27, 2012, minutes.

MAJOR CONSTRUCTION PROJECTS UPDATE

Ms. Nauta-Rodriguez and Mr. Ennaco provided brief updates on eight major capital projects: the Arts and Industries Building; Cooper-Hewitt, National Design Museum; the National Museum of American History’s West Wing; the National Postal Museum’s Gross Exhibition Gallery; the National Zoological Park’s Asia Trail II; the Renwick Gallery of Art’s infrastructure renewal; the Smithsonian Environmental Research Center’s Mathias Lab; the Smithsonian Conservation Biology Institute’s education facility; and the Smithsonian Tropical Research Institute’s Gamboa Laboratory.

- **Arts and Industries Building, Shell Revitalization.** Ms. Nauta-Rodriguez reported that the current Arts and Industries Building shell construction project is 87 percent complete, and is expected to be completed by September 2013. She added that students at Savannah Technical College are fabricating replacement spearhead points on window grills as part of their studio projects.

- **Cooper-Hewitt, National Design Museum.** Mr. Ennaco said that Cooper-Hewitt improvements are on budget and on schedule for completion by April 2014. The $59.9 million project is currently 37 percent complete. Upon completion, the project will increase the amount of exhibition space at the Carnegie Mansion by 70 percent and upgrade outdated electrical and mechanical systems.

- **National Museum of American History, West Wing Public Space Renewal.** Ms. Nauta-Rodriguez noted that this project has just begun and is 2 percent complete. She noted that the contractor has begun salvaging the interior marble wall and bases for reuse.

- **National Postal Museum, Gross Exhibition Gallery.** Mr. Ennaco said the project is on schedule for completion in June 2013. The $18.8 million project will convert former restaurant space above the current museum into exhibition space at the Main Post Office Building.
- **National Zoological Park, Asia Trail II: Elephant Trails.** Ms. Nauta-Rodriguez briefed the Committee on the Zoo’s $55.8 million construction of Asia Trail II: Elephant Trails. The project, which includes renovation of the historic Pachyderm House into a modern Elephant Community Center, will open on March 15, 2013.

- **Renwick Gallery of Art, Infrastructure Renewal.** Mr. Ennaco said that the goal is to award a construction contract for this project in early FY 2014.

- **Smithsonian Tropical Research Institute, Gamboa Laboratory.** Mr. Ennaco said that this $23.4 million project is expected to be completed in June 2014. The 4,000-gross-square-meter facility will house labs and offices that support terrestrial tropical science on the Smithsonian-owned Gamboa property. Mr. Ennaco noted that the remote location of the site has adversely impacted labor availability and productivity.

**ADJOURNMENT**

Mr. Kogod adjourned the meeting at 3:10 p.m.

Respectfully submitted,

Robert P. Kogod  
Committee Chair