

MINUTES OF THE JULY 16, 2020, FACILITIES COMMITTEE MEETING

The Facilities Committee (“Committee”) of the Board of Regents (“Board”) of the Smithsonian Institution (“Smithsonian”) held a videoconference meeting on July 16, 2020. Participating were Committee Chair David M. Rubenstein and Committee members Representative Lucille Roybal-Allard, Representative John Shimkus, Michael Govan, Risa J. Lavizzo-Mourey, Dennis Keller, and John W. McCarter, Jr.

Also present by invitation of the Committee were Director of Smithsonian Facilities Nancy Bechtol; Chief of Staff to the Secretary Greg Bettwy; Associate General Counsel Craig Blackwell; Acting Under Secretary for Science and Research Roger Brissenden; Chief of Staff to Representative Roybal-Allard Victor Castillo; Acting Deputy Director for the Office of Planning, Design, and Construction Maria Delsasi; Deputy Director for Smithsonian Facilities Walter Ennaco; Deputy Chief of Staff to the Regents Kate Forester; Special Assistant to the Regents Mallory Gianola (recorder); Acting Under Secretary for Museums and Culture Kevin Gover; Acting Deputy Under Secretary for Finance and Administration Doug Hall; Inspector General Cathy Helm; Assistant Secretary for Communications and External Affairs and Chief Marketing Officer Julissa Marengo; Under Secretary for Administration Mike McCarthy; Senior Adviser to Senator Leahy Kevin McDonald; Program Management Specialist for Smithsonian Facilities Tiffany Myers; Deputy Secretary and Chief Operating Officer Meroë Park; Director of the Office of Facilities Management and Reliability Rick Petito; Director of the Office of Government Relations Vernon Simms; Assistant Secretary for Advancement Robert Spiller; and Chief of Staff to the Regents Porter Wilkinson.

CALL TO ORDER

Committee Chair David M. Rubenstein called the meeting to order at 9:00 a.m. and reviewed the agenda.

APPROVAL OF THE APRIL 22, 2020, COMMITTEE MEETING MINUTES

Upon motion duly made and seconded, the minutes of the April 22, 2020, Committee meeting were approved without modification.

COMMITTEE CHARTER REVIEW

The Committee reviewed its Charter per its mandate to annually review and assess the Charter and evaluate the Committee’s performance with respect to the requirements of the Charter. No modifications to the Charter were proposed.

COVID-19 (CORONAVIRUS) UPDATE

Smithsonian Coordinating Officer Doug Hall updated the Committee on the Institutional impact of COVID-19 (Coronavirus). While Smithsonian museums in the Washington, D.C., metropolitan area and in New York City, remain closed to the public, the Institution continues to maintain the

collections, buildings, and grounds during the COVID-19 pandemic. Mr. Hall informed the Committee that the National Zoological Park and the National Air and Space Museum's Udvar-Hazy Center will be the first two locations to reopen to the public, with new health and safety measures in place. Testing of social distancing, ticketed entry, one-way touring, face coverings, security screening procedures, and other safety measures are currently underway to prepare for the initial public opening. The Committee reviewed processes and procedures of the phased reopening plan, and discussed the potential for reopening to be halted, or regress, by an increase in COVID-19 cases.

CONSOLIDATED ADMINISTRATIVE HEADQUARTERS

Under Secretary for Administration Mike McCarthy updated the Committee on the purchase of the Capital Gallery Building for the Smithsonian's Consolidated Administrative Headquarters. The Smithsonian closed on the purchase of the building on June 25, 2020, with a purchase price of \$253.75 million. The Committee discussed details of the transaction, including operational impact, tenant extension, and air rights. Administrative office moves into Capital Gallery are projected to begin in 2021.

PROPOSED REAL ESTATE LEASE RENEWAL FOR PENNSY DRIVE

Deputy Director for Smithsonian Facilities Walt Ennaco outlined Smithsonian management's potential request to execute a five-year lease extension agreement at 3400 Pennsy Drive, Landover, Maryland. Currently the Smithsonian leases approximately 333,724 square feet of administrative office, collections, and storage space for occupancy by Smithsonian Exhibits, the Office of Protection Services, Facilities, and Contracting. The current lease for the space will expire on September 30, 2023. Mr. Ennaco noted that real estate transactions with a net present value of \$10 million or more require approval by the Board of Regents. The net present value of the proposed five-year lease extension is estimated at approximately \$20 million and will require the Board's approval to be sought in the coming months. The Committee will be further updated at its next meeting.

POD 6 COLLECTIONS STORAGE FACILITY

Mr. Ennaco then briefed the Committee on Smithsonian management's request to update previously approved Congressional authorization to design, build, and construct an additional collections storage facility ("Pod 6") at the Museum Support Center in Suitland, Maryland. Following guidance by the Office of Management and Budget, the Smithsonian and the National Gallery of Art ("NGA") negotiated and signed a Memorandum of Understanding ("MOU") to memorialize a potential partnership for collections storage needs. Mr. Ennaco explained that the authorizing legislation previously approved by the Board and introduced in 2015 does not include the collaboration between the two organizations and requires an update to incorporate the necessary changes to authorizing legislation to reflect the addition of the NGA as a partner in the project.

Upon motion duly made and seconded, the Committee approved the following motion:

VOTED that Facilities Committee recommends that the Executive Committee, on behalf of the Board of Regents pursuant to Board Bylaw 3.01, approves the Secretary's request to seek Congressional authorization to plan, design, construct, operate, and use a new collections storage facility (Pod 6) at the Suitland Collections Center, in Suitland, Maryland, in conjunction with the National Gallery of Art.

SMITHSONIAN FACILITIES CAPITAL PROGRAM

The Committee received an update on the facilities capital program and funding. Deputy Director for the Office of Planning, Design, and Construction Maria Delsasi reported that the House Committee on Appropriations provided \$237.7 for facilities capital as part of the fiscal year 2021 federal appropriations process. A markup from the Senate has not been received. The Smithsonian requested \$290 million in facilities capital for fiscal year 2021, including \$55 million for the National Air and Space Museum ("NASM") revitalization. Ms. Delsasi also reviewed the funding needs for planned capital programs and projects in fiscal years 2020 through 2022. Priorities include rebuilding efforts at NASM, as well as the Castle and the Arts and Industries Building, which make up the Smithsonian's Historic Core. Facilities planning and design funding for the Historic Core will provide for needs assessments, feasibility studies, master planning, and design for the major capital project. The Committee reviewed fiscal year 2022 capital projects over \$5 million and the Capital Board review status of each project.

SMITHSONIAN MAINTENANCE PROGRAM

Director of the Office of Facilities Management and Reliability Rick Petito reviewed the facilities maintenance program. In fiscal year 2020 the Smithsonian received \$35 million in increased maintenance funding to begin addressing the Institution's deferred maintenance backlog. Mr. Petito briefed the Committee on the scope and status of fiscal year 2020 maintenance projects, which began with 164 planned repair projects. To date the Smithsonian has been able to complete 194 total projects. Mr. Petito highlighted two of the completed projects: building-wide replacement of the escalator step chains at the Hirshhorn Museum and Sculpture Garden and repair of the Great Hall skylights at the Donald W. Reynolds Center. The Smithsonian's fiscal year 2021 funding request includes \$33.5 million for increased maintenance efforts, which will begin to close the \$100 million aggregate funding gap necessary to address the deferred maintenance backlog. The Committee reviewed the fiscal year 2021 deferred maintenance plan by system and location, including major repair projects to address collections stewardship and water intrusion prevention.

NATIONAL AIR AND SPACE MUSEUM REVITALIZATION AND RESTAURANT REPLACEMENT

Director of Smithsonian Facilities Nancy Bechtol gave an update on the construction status of the National Air and Space Museum ("NASM") revitalization. Although deferred project scope and schedule has been necessary, construction at NASM has safely continued throughout the COVID-19 pandemic and is approximately 30 percent complete. Current project priorities include installation of the colonial rose granite stone and Kingspan insulated metal panels,

which will form the weather, thermal, and vapor barrier system for the building. Ms. Bechtol reported that the Smithsonian is still working towards construction completion in 2024. Ms. Bechtol also briefed the Committee on the scope and budget for the NASM restaurant replacement. An architecture engineering firm has been selected to begin design of the 700 to 800 seat restaurant and the Trust-funded project budget has been set at \$62 million. The Committee reviewed the construction schedule for both projects and the anticipated project impacts due to COVID-19.

MAJOR CAPITAL PROJECT UPDATES

The Committee then received updates on the Smithsonian’s major capital projects. Ms. Delsasi began the update with a project at the Museum Support Center in Suitland, Maryland, which includes the replacement of 11 air handling units. Planning and design is complete, and the Office of Planning, Design and Construction is preparing a phase one construction bid package.

Ms. Delsasi provided an overview of the completed project at the Smithsonian Conservation Biology Institute's Center for Species Survival. The renewal of Building 1 for Bio-repository included major infrastructure projects for mechanical, electrical, fire alarm and life safety upgrades, roof and façade repairs, window replacement, accessibility improvements, restroom modernization, code compliance, and laboratory improvements.

Ms. Delsasi also reviewed progress of the LEED-Gold candidate project to renew the Bird House and Great Flight Aviary for the *Experience Migration* exhibit at the National Zoo. Construction is progressing on schedule and rooftop work will be completed by the end of summer 2020.

Next, Ms. Bechtol provided an update on the mission and scope of work at the Smithsonian Institution Building (“Castle”) and the Arts and Industries Building, which comprise the Smithsonian’s Historic Core. Planning and design are expected to begin in 2020 and will include development of project baselines, including projected scope, cost, and schedule.

To conclude, Ms. Bechtol shared that the survey, design, and backchecking process to replace four HVAC air handling units at the National Museum of the American Indian–New York will be finished in August 2020. After all upgrades are completed, a significant improvement to the energy use profile is expected.

ADJOURNMENT

With no further business to discuss, and no request for an executive session, the meeting was adjourned at approximately 9:57 a.m.

Respectfully submitted,
David M. Rubenstein, Chair