

2016 Explanatory Notes
Agriculture Buildings and Facilities and Rental Payments

Contents

Purpose Statement.....	12-1
Statement of Available Funds and Staff Years	12-2
Permanent Positions by Grade and Staff Years Summary	12-3
Salaries and Expenses	
Appropriations Language	12-4
Lead-off Tabular Statement.....	12-4
Summary of Increases and Decreases	12-4
Project Statement	12-5
Justifications.....	12-6
Geographic Breakdown of Obligations and Staff Years	12-8
Classification by Objects.....	12-9
Status of Programs	12-10
Summary of Budget and Performance	
Statement of Goals and Objectives	12-14
Key Performance Outcomes and Measures.....	12-15
Full Cost by Strategic Objective	12-17

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

Purpose Statement

Prior to 2015, this account centrally financed the appropriated portion of payments to the General Services Administration (GSA) for rental of all leased space and related services and payments to the Department of Homeland Security (DHS) for security services. The Consolidated and Further Continuing Appropriations Act of 2015 authorizes decentralization of the GSA rental payments and DHS security payments responsibilities to the USDA agencies with transfer of resources to the agencies for direct payment to GSA and DHS. Funding for rental payments to GSA by the Forest Service was not included in this account, as the Forest Service is funded in the Interior and Related Agencies Appropriations Act.

This account finances the repair, improvement, maintenance, physical security, sustainability and energy conservation activities at the USDA Headquarters Complex and the George Washington Carver Center in Beltsville, MD, including the administrative costs for the building management and support staff. Since 1984, USDA has been delegated the responsibility for managing, operating, maintaining, repairing, improving and securing the Headquarters Complex, which encompasses 14.1 acres of grounds and 2 buildings containing approximately 2.5 million gross square feet of space, as well as the USDA-owned George Washington Carver Center that comprises 350,000 gross square feet, located on 45 acres.

Headquarters: The majority of the functional activities of Agriculture Buildings and Facilities and Rental Payments are located in Washington, D.C. As of September 30, 2014, there were 92 full-time permanent employees. Of these, 87 were assigned in Washington, D.C., and 5 were assigned in Beltsville, Maryland.

Agriculture Buildings and Facilities and Rental Payments did not have any Office of Inspector General or Government Accountability Office evaluation reports during the prior year.

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

Available Funds and Staff Years (SYs)

(Dollars in thousands)

Item	<u>2013 Actual</u>		<u>2014 Actual</u>		<u>2015 Enacted</u>		<u>2016 Estimate</u>	
	Amount	SYs	Amount	SYs	Amount	SYs	Amount	SYs
<u>Discretionary Appropriations:</u>								
Agriculture Buildings and Facilities & Rental Payments.....	\$271,336	90	\$233,000	92	\$55,866	92	\$125,469	92
Rescission.....	-7,348	-	-30,000	-	-	-	-	-
Sequestration.....	-11,591	-	-	-	-	-	-	-
Adjusted Appropriation.....	252,397	90	203,000	92	55,866	92	125,469	92
Balance Available, SOY.....	20,991	-	46,050	-	7,713	-	-	-
Adjustment to Balance, SOY 1/.....	-	-	-5,817	-	-	-	-	-
Recoveries, Other (Net).....	952	-	2,937	-	-	-	-	-
Total Available.....	274,340	90	246,170	92	63,579	92	125,469	92
Balance Available, EOY.....	-46,050	-	-7,713	-	-	-	-	-
Obligations.....	228,290	90	238,457	92	63,579	92	125,469	92
<u>Obligations under other USDA appropriations:</u>								
Reimbursements from USDA agencies	3,935	1	4,829	-	5,000	-	5,000	-
Total, AgB&F.....	232,225	91	243,286	92	68,579	92	130,469	92

1/ Adjusted to reflect actual appropriated carryover balance SOY for FY 2014.

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

Permanent Positions by Grade and Staff Year Summary

Item	<u>2013 Actual</u>	<u>2014 Actual</u>	<u>2015 Enacted</u>	<u>2016 Estimate</u>
	Wash. D.C.	Wash. D.C.	Wash. D.C.	Wash. D.C.
SES.....	-	-	1	1
GS-15.....	7	7	9	9
GS-14.....	23	23	19	19
GS-13.....	27	27	23	23
GS-12.....	10	10	13	13
GS-11.....	1	1	1	1
GS-10.....	7	7	8	8
GS-9.....	4	4	6	6
GS-8.....	4	4	3	3
GS-7.....	6	6	6	6
GS-6.....	1	3	3	3
Total, Perm. Full-Time Employment, EOY.....	90	92	92	92
Staff Year Est.....	90	92	92	92

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

The estimates include appropriation language for this item as follows (new language underscored; deleted matter in enclosed in brackets):

Agriculture Buildings and Facilities and Rental Payments

(Including Transfer of Funds)

For payment of space rental and related costs pursuant to Public Law 92-313, including authorities pursuant to the 1984 delegation of authority from the Administrator of General Services to the Department of Agriculture under 40 U.S.C. 486, for programs and activities of the Department which are included in this Act, and for alterations and other actions needed for the Department and its agencies to consolidate unneeded space into configurations suitable for release to the Administrator of General Services, and for the operation, maintenance, improvement, and repair of Agriculture buildings and facilities, and for related costs, [~~\$55,866,000~~] \$125,469,000, to remain available until expended, for building operations and maintenance expenses: *Provided*, That the Secretary may use unobligated prior year balances of an agency or office that are no longer available for new obligation to cover shortfalls incurred in prior year rental payments for such agency or office.

Lead-Off Tabular Statement

Budget Estimate, 2016.....	\$125,469,000
2015 Enacted.....	<u>55,866,000</u>
Change in Appropriation.....	<u>+ 69,603,000</u>

Summary of Increases and Decreases

(Dollars in thousands)

	2013	2014	2015	2016	2016
	Actual	Change	Change	Change	Estimate
Discretionary Appropriations:					
GSA Rental Payments.....	\$163,431	+\$1,039	-\$164,470	-	-
DHS Security Payments.....	12,532	+1,268	-13,800	-	-
Building Operations & Maintenance.....	76,434	-51,704	+31,136	+\$9,603	\$65,469
South Building Renovations.....	-	-	-	+60,000	60,000
Total.....	<u>252,397</u>	<u>-49,397</u>	<u>-147,134</u>	<u>+69,603</u>	<u>125,469</u>

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

Project Statement

Adjusted Appropriations Detail and Staff Years (SYs)

(Dollars in thousands)

Program	<u>2013 Actual</u>		<u>2014 Actual</u>		<u>2015 Enacted</u>		<u>Inc. or Dec.</u>		<u>2016 Estimate</u>	
	Amount	SYs	Amount	SYs	Amount	SYs	Amount	SYs	Amount	SYs
Discretionary Appropriations:										
GSA Rental Payments.....	\$163,431	-	\$164,470	-	-	-	-	-	-	-
DHS Security Payments.....	12,532	-	13,800	-	-	-	-	-	-	-
Bldg Operations & Main....	76,434	90	24,730	92	\$55,866	92	+\$9,603	-	\$65,469	92
South Bldg Renovations....	-	-	-	-	-	-	+60,000	-	60,000	-
Total Adjusted Approp.....	252,397	90	203,000	92	55,866	92	+69,603	(1)	125,469	92
Rescissions, Transfers, and										
Sequestration (Net).....	18,939	-	30,000	-	-	-	-	-	-	-
Total Appropriation.....	271,336	90	233,000	92	55,866	92	69,603	-	125,469	92
Rescission.....	-7,348	-	-30,000	-	-	-	-	-	-	-
Sequestration.....	-11,591	-	-	-	-	-	-	-	-	-
Bal. Available, SOY	20,991	-	46,050	-	7,713	-	-7,713	-	-	-
Adjustment to SOY Bal 1/..	-	-	-5,817	-	-	-	-	-	-	-
Recoveries, Other (Net).....	952	-	2,937	-	-	-	-	-	-	-
Total Available.....	274,340	90	246,170	92	63,579	92	61,890	-	125,469	92
Bal. Available, EOY.....	-46,050	-	-7,713	-	-	-	-	-	-	-
Total Obligations.....	228,290	90	238,457	92	63,579	92	+61,890	-	125,469	92

1/ Adjusted to reflect actual appropriated carryover balance SOY for FY 2014.

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

Project Statement

Obligations Detail and Staff Years (SYs)

(Dollars in thousands)

Program	2013 Actual		2014 Actual		2015 Enacted		Inc. or Dec.		2016 Estimate	
	Amount	SYs	Amount	SYs	Amount	SYs	Amount	SYs	Amount	SYs
Discretionary Obligations:										
GSA Rental Payments.....	\$171,518	-	\$165,453	-	-	-	-	-	-	-
DHS Security Payments.....	17,682	-	13,800	-	-	-	-	-	-	-
Bldg Operations & Main.....	39,090	90	59,204	92	\$63,579	92	+\$1,890	-	\$65,469	92
South Bldg Renovations.....	-	-	-	-	-	-	+60,000	-	60,000	-
Total Obligations.....	228,290	90	238,457	92	63,579	92	+61,890	-	125,469	92
Bal. Available, EOY.....	46,050	-	7,713	-	-	-	-	-	-	-
Total Available.....	274,340	90	246,170	92	63,579	92	+61,890	-	125,469	92
Rescission.....	7,348	-	30,000	-	-	-	-	-	-	-
Sequestration.....	11,591	-	-	-	-	-	-	-	-	-
Bal. Available, SOY.....	-20,991	-	-46,050	-	-7,713	-	+7,713	-	-	-
Adjustment to SOY Bal 1/...	-	-	5,817	-	-	-	-	-	-	-
Other Adjustments (Net).....	-952	-	-2,937	-	-	-	-	-	-	-
Total Appropriation.....	271,336	90	233,000	92	55,866	92	+69,603 (1)	-	125,469	92

1/ Adjusted to reflect actual appropriated carryover balance SOY for FY 2014.

Justification of Increases and Decreases

- (1) An increase of \$69,603,000 for Agriculture Buildings and Facilities and Rental Payments (\$55,866,000 and 92 staff years available in 2015).

Base funds for Agriculture Buildings and Facilities and Rental Payments would operate and maintain the two buildings in the D. C. Headquarters complex containing approximately 2.5 million gross square feet of space, as well as the USDA-owned George Washington Carver Center that comprises 350,000 gross square feet, located on 45 acres. In addition to the activities and functions specifically described in the budget request, current year and budget year base funds will be used to carry out activities and functions consistent with the full range of authorities and activities delegated to the office.

The funding change is requested for the following items:

- a. An increase of \$144,000 for pay costs (\$29,000 for annualization of the 2015 pay raise and \$115,000 for the fiscal year 2016 pay raise).

This increase is necessary to ensure high quality services are provided to USDA mission areas by having space, facilities, security, mail, property services, personnel support, and resources they need to deliver their programs in a timely and efficient manner.

- b. An increase of \$9,459,000 for continuation of Life Safety projects, improvement of building security and access control and to upgrade an air handling system in the Whitten Building.

An increase of \$6,459,000 is requested to continue the phased construction for rewiring the antiquated electrical distribution system of the historic Jamie L. Whitten Building (constructed between 1904 and 1930). The building (originally named the Administration Building) has housed every Secretary of Agriculture and is currently Headquarters to the leadership of USDA Mission Areas and Agencies and is the only Cabinet level agency on the National Mall. This investment will bring the overall project to approximately 80% completion and address a serious life safety (fire hazard) issue. Further, an increase of \$2,500,000 for

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

security enhancements to improve security technology, access control and enhance the security perimeter of the South Building and its parking courts. Lastly, an increase of \$500,000 to fund a project to upgrade and replace outdated and inefficient air handling systems in the Whitten Building. Current systems are 45 years old and do not meet energy standards. This amount will allow replacement of the air handling unit of the "A" Section of the second floor Whitten Building with a more efficient unit, change out controls and valves, as well as install filtration and dampers required for safety. The current system does not meet safety and security standards and makes controlling temperatures difficult. This project is anticipated to result in a 3% heating energy use reduction and comply with Executive Order 13514 "*Federal Leadership in Environmental, Energy, and Economic Performance*," and Executive Order 13423 "*Strengthening Federal Environmental, Energy, and Transportation Management*," as well as the Energy Independence and Security Act of 2007 (EISA 2007).

- c. An increase of \$60,000,000 to continue efforts to modernize the 75+ year old Headquarters South Building (listed on the National Register of Historic Places).

Work is needed to continue to resolve many life safety issues and environmental hazards, bring HVAC systems up to code, increase energy efficiency, conform to barrier free accessibility requirements, strengthen the overall safety and security of building occupants, and incorporate the best available technology while complying with Executive Order 13514 "*Federal Leadership in Environmental, Energy, and Economic Performance*," and Executive Order 13423 "*Strengthening Federal Environmental, Energy, and Transportation Management*," as well as the Energy Independence and Security Act of 2007.

The increase includes construction and relocation costs (swing space, IT, furniture, and move costs) associated with the next phases of the modernization, which includes Phase 4B (C Street Tailhouse between Wings 3-5, basement through attic). This phase will modernize "office space" with the intent to not only modernize the infrastructure to bring codes up to compliance, resulting in reduced maintenance and utility costs, but will focus on attaining a higher occupancy rate in the South Building with an estimated increased capacity of 300, through hoteling, reduced work space and open office layout, decrease in private offices, and creating virtual environment thru teleworking, which supports OMB M-12-12 "Freeze the Footprint" policy, and in turn facilitates cost avoidance through future lease consolidations.

The South Building was built between 1930 and 1936 and is listed on the National Register of Historic Places. The South Building consists of over 2 million square feet and houses over 4,600 USDA Federal employees responsible for carrying out the various USDA missions, strategic goals and objectives to support the American people. Since 1984, USDA has been delegated the responsibility for managing, operating, maintaining, repairing, improving and securing the South Building (part of the USDA Headquarters Complex). The Department of Agriculture is the only cabinet level agency whose headquarters facility modernization is less than one third complete.

The South Building's infrastructure and major mechanical systems have deteriorated over the years and funding has not kept up with repair and maintenance needs, which has resulted in system failures that have led to disruption in services. Modernization would preserve and restore the historic features of the building, utilize state of the art technology and equipment and improve life/health safety systems (sprinklers, zoned alarms, fire separations, smoke control). Building improvements for persons with disabilities would be provided such as improved signage and proper accommodations in restrooms. Mechanical and electrical systems would be upgraded to comply with current codes and increase energy efficiency. Offices would be updated to provide more efficient use of space. In addition, environmental hazards were identified and would be mitigated to create a healthy environment for the building occupants.

In a report from May 1991 Federal Buildings – Actions Needed to Prevent further Deterioration and Obsolescence and March 2000 Federal Buildings -- Billions are Needed for Repairs and Alterations, the Government Accountability Office (GAO) reported on the South Building health and safety deficiencies and the serious need for repairs and renovation. GAO ranked the South Building as # 2 in the list of government buildings in need of repairs and renovation to prevent further deterioration, obsolescence and impact on

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

tenants. The number one ranked building, the Dwight D. Eisenhower Executive Office Building (EOOB) has completed Phase III renovations as of 2014.

Geographic Breakdown of Obligations and Staff Years (SYs)

(Dollars in thousands)

State/Territory	2013 Actual		2014 Actual		2015 Enacted		2016 Estimate	
	Amount	SYs	Amount	SYs	Amount	SYs	Amount	SYs
Maryland.....	\$583	5	\$593	5	\$599	5	\$605	5
District of Columbia.....	227,707	85	237,864	87	62,980	87	124,864	87
Obligations.....	228,290	90	238,457	92	63,579	92	125,469	92
Bal. Available, EOY.....	46,050	-	7,713	-	-	-	-	-
Total, Available.....	274,340	90	246,170	92	63,579	92	125,469	92

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

Classification by Objects

(Dollars in thousands)

		2013	2014	2015	2016
		<u>Actual</u>	<u>Actual</u>	<u>Enacted</u>	<u>Estimate</u>
Personnel Compensation:					
	Washington D.C.....	\$8,644	\$8,653	\$8,750	\$8,957
11	Total personnel compensation.....	8,644	8,653	8,750	8,957
12	Personnel benefits.....	2,652	2,484	2,512	2,596
13.0	Benefits for former personnel.....	4	5	5	5
	Total, personnel comp. and benefits.....	<u>11,300</u>	<u>11,142</u>	<u>11,267</u>	<u>11,558</u>
Other Objects:					
21.0	Travel and transportation of persons.....	16	27	30	30
22.0	Transportation of things.....	8	10	11	11
23.1	Rental payments to GSA.....	171,518	164,567	-	-
23.3	Communications, utilities, and misc. charges...	4,051	8,548	8,874	8,874
24.0	Printing and reproduction.....	247	248	250	250
25.2	Other services from non-Federal sources.....	14,550	4,015	10,162	69,910
25.3	Other purchases of goods and services				
	from Federal sources.....	17,682	18,302	4,502	6,502
25.4	Operation and maintenance of facilities.....	8,335	31,164	28,031	27,882
26.0	Supplies and materials.....	330	214	212	212
31.0	Equipment.....	253	220	240	240
	Total, Other Objects.....	<u>216,990</u>	<u>227,315</u>	<u>52,312</u>	<u>113,911</u>
99.9	Total, new obligations.....	<u><u>228,290</u></u>	<u><u>238,457</u></u>	<u><u>63,579</u></u>	<u><u>125,469</u></u>
Position Data:					
	Average Salary (dollars), ES Position.....	\$ -	\$ -	\$167,000	\$167,000
	Average Salary (dollars), GS Position.....	\$93,957	\$95,088	\$96,154	\$97,141
	Average Grade, GS Position.....	13.3	13.3	13.4	13.4

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

Status Of Programs

Departmental Management is responsible for the repair, improvement, maintenance, physical security, sustainability and energy conservation activities at the USDA Headquarters Complex and the George Washington Carver Center (GWCC), in Beltsville, MD including the administrative costs for the building management and support staff. Since 1984, USDA has been delegated the responsibility for managing, operating, maintaining, repairing, improving and securing the Headquarters Complex, which encompasses 14.1 acres of grounds and two buildings containing approximately 2.5 million gross square feet of space, as well as the USDA-owned George Washington Carver Center (GWCC) in Beltsville, Md that comprises 350,000 gross square feet, located on 45 acres.

Current Activities:

Office of Operations. The Office of Operations (OO), an office within Departmental Management, provides a safe and secure facility infrastructure and administrative services in the National Capital Region (NCR). OO provides facilities management services, security, and operational support for agencies and offices occupying USDA's Headquarters Complex, the GWCC, and USDA-leased facilities in the National Capital Region in the areas of: engineering, architecture, space management, internal energy conservation, recycling, sustainable practices, physical security, occupant emergency planning, occupational safety, and health. Strategies and initiatives for the effective and efficient management of USDA Headquarters' facilities include:

- Ensuring efficient utilization of space by USDA agencies and staff offices in the National Capital Region in the most cost effective manner by reducing the USDA footprint in the NCR and lessening Agencies' dependency on leased facilities.
- Maintenance of USDA Headquarters' critical infrastructure and modernization of the Whitten and South Buildings to meet the long term facility needs of the Department and improve the safety, health, and welfare of employees.
- Supporting and enhancing the delivery of quality facility, security and administrative services to agencies at the Headquarters' Complex and the GWCC, resulting in the improvement of quality of work life for employees.
- Exercising good stewardship to conserve natural resources through energy conservation and sustainable practices at the USDA Headquarters Complex and the GWCC.
- Ensuring USDA Headquarters employees are protected from hazards and emergencies through effective emergency management, emergency planning and Reconstitution operations.

Protective Operations (Physical/Technical Security, USDA Headquarters' Facilities). Office of Operations manages comprehensive physical security and law enforcement programs for USDA Headquarters' facilities in the NCR and at other designated sites outside the region. It provides for the control of personnel access, enforcement of laws and regulations, physical security of facilities, transportation of high risk personnel, and the protection of personnel and government assets. It also serves as a liaison with other Federal security and law enforcement departments and officials to augment protection resources for threat mitigation. It manages a technical program for the installation, operation, and maintenance of security equipment at all USDA Headquarters' and leased facilities.

The armed contract security force continues to be the first line of security and safety at the Headquarters Complex, GWCC, and if necessary, at the Secretary's Emergency Relocation Facility on a 24-hour, 7-day per week basis. The security guard contract provides for access control, surveillance, facility protection, and incident reporting. The security guard contract was awarded during the 4th quarter of 2013 with a base year and four option years, and is currently in the first option year.

The security technology employed in USDA Headquarters' facilities provides an acceptable level of electronic protection. However, new advances in technology elevate the need for new equipment, system upgrades, and associated maintenance. Some of those changes include upgrading security cameras and acquiring more technology to help reduce cost of guard services in the Headquarters Complex, GWCC and leased buildings.

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

Selected Examples of Recent Progress:

Headquarters Physical/Technical Security. In 2014, after a period of testing and employee familiarization, optical turnstiles at visitor entrances to the USDA Headquarters' South Building Wings 1 and 7 (Independence Avenue) and the Independence Avenue and Jefferson Drive entrances of the Whitten Building were fully operational. Protective Operations also initiated and oversaw new enhanced security measures at the South Building including: installation of verification monitors at main entrances, random security screening of USDA employees, restricted access to attic and sub-basement storage areas with installation of electronic locks and card readers, and changes in access procedures in the parking courts. These projects and measures will significantly enhance the security of the Headquarters complex and GWCC.

Safety and Emergency Operations. During 2014, OO completed a number of projects and conducted outreach and training initiatives in the Headquarters Complex as follows:

- Continued upgrading the Headquarters emergency communications systems (AG-AWaiRS) to the newest versions to improve coverage and reliability.
- Activated and exercised the Headquarters Reconstitution Plan and Occupant Emergency Plans for Headquarters, GWCC, and Patriots Plaza III several times throughout the year; conducted a reconstitution tabletop exercise, and participated in the mandatory government-wide continuity exercise. USDA-OO received a GREEN Rating from FEMA on this National Level Exercise.
- Continued improving emergency response capabilities by implementing emergency signage improvements, and conducting standardized training for Incident Command Team members.
- Conducted several fire evacuation drills and two shelter-in-place drills at both leased buildings and the Headquarters Complex.
- Reduced hazards in the Headquarters Complex by abating hazardous materials found during maintenance activities.
- Completed the Occupant Emergency Plan for the Reporters Building.
- Completed design for an upgraded emergency command center that will reduce emergency response times and increase situational awareness.
- Completed safety inspections for all facilities, identifying and correcting numerous hazards and reducing potential mishaps.

South Building Modernization. During 2014, there was no new construction activity with the South Building Modernization Program, only surveys and planning updates were conducted. The project remains at approximately 35 percent complete.

- Completed the study to update the South Building modernization phasing plan to consider the impact of new life safety codes, maximize building population, and update construction costs. The study concluded that the modernized South Building could accommodate an increased population and reduce dependence on costly leased space in the NCR.
- Following the aforementioned phasing plan update, OO commissioned a subsequent study which is designed to focus on the business side of the modernization in combination with the consolidation of the USDA employees from leased space to the South Building. The cost avoidance achieved in closing leases justifies the modernization program.
- Completed Phase 2 of a comprehensive space utilization survey of GWCC and leased facilities, reviewing space assignments, population, and room configuration, which guides USDA's efforts to reduce the footprint in the NCR.
- Completed the Building Evaluation Reports for the South, Whitten, and GWCC which evaluated existing conditions of the buildings, provided cost estimates, and prioritized life safety, and deferred maintenance projects based on short and long-term goals. The results of the survey identified approximately \$145 million in deficiencies.

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

- Completed replacement of antiquated and unsafe branch circuit electrical components for the East Wing of the Whitten Building. Portions of the East Wing, the center section and the West Wing remain to be completed.
- Completed repairs to plaster and paint in the public corridors, lobbies, and stairwells of the South and Whitten buildings that were damaged following the August 2011 5.8 magnitude earthquake in the Washington, DC area.
- Completed replacement of the 48 year old antiquated high voltage switchgears, high voltage feeders and transformer supervisory system at the USDA Headquarters Complex, resulting in greater system reliability and reducing the probability of fire and service outage.
- Completed replacing light fixtures at the Whitten Building Patio and pedestrian tunnel between the South and Whitten Buildings with new LED lights that consume half as much power as those they replaced.
- Terminated the following leases: H Street NW (returned 15,000 square feet) resulting in an annual cost avoidance of \$695,000; Reporters Building SW (returned 30,000 square feet) resulting in an annual cost avoidance of \$1,300,000; Rosslyn Plaza E (returned 6,400 square feet) resulting in an annual cost avoidance of \$277,000. All totaled, the USDA footprint in the NCR was reduced by over 51,400 square feet, achieving a cost avoidance of \$2.27 million.

Building Maintenance and Repairs. During 2014, OO responded to 9,832 facility related service calls for the Headquarters Complex buildings and 1,808 for the GWCC. There were 396 facility related minor repairs for the Headquarters Complex valued at \$1,222,473 and 365 repairs for GWCC at a cost of \$220,375. The minor repairs consisted of repairs to the following areas: plumbing, electrical, mechanical systems, roof, pavement, structural, and fire protection systems, as well as other repair projects to comply with various building and safety codes. Additionally, over 23,796 hours of preventive maintenance were performed at the Headquarters Complex and over 750 hours for the GWCC during this period. The performance of this preventive maintenance resulted in a zero rate of failure of any major building system for which preventive maintenance is scheduled cyclically.

In 2014, OO continued its aggressive campaign for sustainable operations, focusing on using biobased products for facility operations and cafeteria supplies, reducing energy consumption through innovative procurement such as, Utility Energy Savings Contracts, LED lighting projects, Waste Minimization & Recycling, and planning for sustainable landscaping.

Energy Management Program. OO continued to improve facility energy efficiency and awareness in the Headquarters Complex and GWCC, in support of Executive Order 13514 signed October 5, 2009, entitled: Federal Leadership in Environmental, Energy, and Economic Performance. Some examples in 2014 include:

- Continued the Electrical Demand Response Program. During 2014, the OO Energy Team activated its load reduction plan several times to reduce electrical usage during periods when electrical use on the electric grid was high. This initiative has helped reduce our electric bills, while having a minimal impact on the building occupants. Taking no action during periods of high electrical use on the grid would have resulted in significant costs in utility charges.
- For the Headquarters Complex, electrical usage showed an impressive 12% reduction in use. Chilled water use at Headquarters showed a 16% reduction in use and a \$200,000 reduction in cost. This exceeds the requirements set forth in Executive Order 13514 and the Energy Independence and Security Act of 2007 and puts USDA on target to exceed the 2015 thirty percent reduction from 2003 levels.
- OO developed and conducted two Energy Awareness Outreach events in October 2013 and Spring 2014 for Headquarters employees and Operations' Staff.
- Completed a feasibility study for a Combined Heat and Power Plan (CHP) at the South Building. When completed, the project is anticipated to supply the South and Whitten Building with ½ of the total facility power independently from the grid (energy security and reduce electric, hot/chilled water, and steam costs).
- During 2014 replaced inefficient lighting in the Whitten Building on the 1st, 3rd, and 5th floors and GWCC parking lighting.
- OO provided continued technical support for the implementation of the OCIO Green IT Plan, which included reducing electrical loads in data centers.

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

- Awarded the contract to design and construct a 1.45 megawatt Photovoltaic Solar Array at GWCC. Construction began in the 4th quarter with a groundbreaking ceremony with completion of the first phase anticipated during the second quarter of FY2015. The current installation includes 800kW solar panels which are capable of producing 80% of the total annual electric usage of the facility, thereby lowering operating costs. Once completed, this will be the largest solar array project at a Federal facility within the NCR. The project will generate more than \$100,000 in savings annually.

Biobased Products/Alternative Fuel. OO continues to expand the use of biobased and alternative products at USDA facilities. The janitorial contract includes requirements to use biobased cleaning products. The Food Service and Operations & Maintenance contractors also incorporate biobased (BioPreferred) products and compostable products where practical. During 2014, the majority of the disposable cafeteria-ware was biobased. Composting of cafeteria waste and coffee grounds was expanded and now makes up 10% of the total waste reduced, diverted and recycled. The compost is used to fertilize fields at the University of Maryland agricultural research area. OO is committed to taking a leading role in procuring and showcasing BioPreferred products.

Waste Reduction and Recycling. OO continues to execute the USDA Waste Reduction and Recycling Plan. The Plan calls for the USDA Headquarters to become the flagship for Waste Diversion (Recycling), in accordance with the requirements of EO 13514. The minimum goal is a 50 percent diversion rate by December 31, 2015. OO, in conjunction with their janitorial contractors, has made steady progress in reducing waste and increasing USDA's recycling rate. Some examples of progress in 2014 include:

- USDA Headquarters, as a model facility, is helping lead the way with a waste diversion rate of over 70 percent (exceeding the USDA-wide 50 percent diversion rate goal by 2015). OO reduced the amount of waste leaving the headquarters complex by 11 percent in 2014.
- OO held training for the Headquarters Janitorial staff in spring 2014.
- OO held an America Recycles outreach event in November 2013.
- OO completed the pilot study of the BigBelly Solar Powered trash/recycle and installed units all around the Headquarters Complex.
- Twelve new hallway waste stations were installed in 2014. The new stations include collection containers for compostable waste.
- In compliance with E.O. 13514, OO increased the diversion of compostable waste in the HQ complex by approximately 10 tons in 2014. OO is using the Headquarters Complex to showcase the USDA/EPA Food Waste Challenge.

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

Summary of Budget and Performance

Statement of Department Goals and Objectives

The mission of the Agriculture Buildings and Facilities and Rental Payments’ account is to ensure effective delivery of USDA’s programs by providing USDA agencies the facilities, office space, physical infrastructure and technological support necessary for them to carry out the Departments Strategic Goals and Objectives.

Agriculture Buildings and Facilities and Rental Payments has one strategic goal and the strategic objective that contribute to one of the Secretary’s Strategic Goals and two Department Objectives.

USDA Strategic Goal: Create a USDA for the 21st Century that is High-performing, Efficient, and Adaptable.

USDA Strategic Objectives: Build a safe, secure, and efficient workplace by leveraging technology and shared solutions across organizational boundaries. (Objective 5.2)

Maximize the return on taxpayer investment in USDA through enhanced stewardship activities and focused program evaluations. (Objective 5.3)

<u>Agency Strategic Goal</u>	<u>Agency Objectives</u>	<u>Programs that Contribute</u>	<u>Key Outcome</u>
Ensure all USDA programs and activities are accessible and accountable.	Provide oversight and ensure timely and accurate reporting to achieve accountability and resource stewardship.	Office of Operations/ Building Operations and Maintenance/Emergency Coordination and Security Services and Procurement and Property Management	Effective and efficient administrative operations that are facilitated by enhanced technology, elimination of stovepipe and duplicative systems, and an improved, secure and safe work environment.

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

Key Performance Measures:

	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Target	2016 Target
Utility consumption						
Reduce utility consumption to target of 30% by 2015 ^{1/}	6%	3%	3%	0%	3%	3%
Cost*	\$600	\$329	\$329	\$329	\$329	\$500
Deferred Facility Maintenance						
Backlog of deferred facility maintenance is stabilized and growth reduced by percentage amounts. ^{2/}	2%	2%	2%	0%	0%	4%
Cost*	\$220	\$220	\$220	N/A	N/A	\$6,459
South Building Renovation						
Percent completion of South Building Renovation ^{3/}	37%	37%	35%	35%	35%	35%
Cost*	N/A	N/A	N/A	N/A	N/A	\$60,000
Security Enhancements and USDA Headquarters Perimeter Security Site Improvement Plan						
Percent completion of Security Enhancement/USDA HQ Perimeter Security Site Improvement Plan ^{4/}	N/A	N/A	N/A	N/A	N/A	8%
Cost*	N/A	N/A	N/A	N/A	N/A	\$2,500

* Amounts in thousands

¹ While cooling and electric usage went down significantly in 2014, due to an unusually cold winter, the heating usage soared. This coupled with no increased investment in energy conservation projects resulted in no achievement towards reducing utility consumption during 2014. The buildings should still be on track to meet the overall 30% reduction by 2015.

² Deferred maintenance baseline re-established in 2014 based on completion of the Building Evaluation Report (BER) of the South, Whitten, and GWCC buildings, which evaluated the existing conditions of the buildings, provided estimates, and prioritized life safety, and deferred maintenance projects. The results of the survey identified approximately \$145 million in deficiencies. Fiscal year 2014 and future performance measure targets will be tracked against the BER amount (with escalation factored in as appropriate), for any increases above the base received for deferred maintenance.

³ Due to the procurement and construction lead time (approximately 24 months), we do not anticipate an increase in the percentage completion of South Building Renovation in 2016.

⁴ USDA HQ Security Enhancements/Site Improvement Plan is based on an estimated \$30 million total project cost. 2016 and future performance measure targets will be tracked against this amount (with escalation factored in as appropriate), for any increases above the base received towards this project.

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

Selected Past Accomplishments toward Achievement of the Key Outcome:

In 2014, the Office of Operations ensured a safe, secure, and efficient facility through the execution of a number of priority projects including:

- Completed Phase 2 of a comprehensive space utilization survey of GWCC and leased facilities to assist in USDA's efforts to reduce the footprint in the National Capital Region (NCR).
- Completed an update of the South Building modernization phasing plan and cost estimate.
- Completed the Building Evaluation Reports (BER) for the South, Whitten, and GWCC which evaluated existing conditions of the buildings, provided cost estimates, and prioritized life safety, and deferred maintenance projects. The results of the survey identified approximately \$145 million in deficiencies. With the proposed budget increase for South Building modernization in FY 2016, approximately \$18 million of the deficiencies in the fire/life safety area would be addressed. Therefore, \$127 million of deferred maintenance deficiencies would remain unaddressed.
- Completed replacement of antiquated and unsafe branch circuit electrical components for a portion of the East Wing of the Whitten Building.
- Completed repairs to plaster and paint in the public corridors, lobbies, and stairwells of the South and Whitten buildings that were damaged following the August 2011 5.8 magnitude earthquake in the Washington, DC area.
- Completed replacement of the 48 year old antiquated high voltage switchgears, high voltage feeders and transformer supervisory system at the USDA Headquarters Complex.

For the Headquarters Complex, while cooling, electric usage, and chilled water usage showed reductions in FY2014, however, due to an unusually cold winter, the heating usage soared, resulting in no achievement towards reducing utility consumption during FY2014.

During 2014, Agriculture Buildings and Facilities strengthened the security of the Headquarters Complex through: installation of security verification monitors at USDA Headquarters main entrances; full implementation of optical turnstiles at South Building Wing 1 and 7 (Independence Avenue) and Whitten Building (Independence Avenue and Jefferson Drive) entrances; and access procedure changes for the South Building parking courts.

Selected Accomplishments Expected at the 2016 Proposed Resource Level:

At the proposed 2016 level (which reflects an increase of \$69,459,000), Building Operations and Maintenance (BOM) plans to continue efforts to modernize the Headquarters South Building; initiate a project to replace inefficient air handling system in the Whitten Building; continue the phased construction project for rewiring the antiquated electrical distribution system in the Whitten Building, which addresses a life safety issue identified in the BER; and initiate a security enhancement project to improve security technology and access control of the perimeter of the South Building and its parking courts.

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

Strategic Goal Funding Matrix

(Dollars in thousands)

Program / Program Items	<u>2013</u> <u>Actual</u>	<u>2014</u> <u>Actual</u>	<u>2015</u> <u>Estimate</u>	<u>Increase</u> <u>or</u> <u>Decrease</u>	<u>2016</u> <u>Estimate</u>
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Departmental Strategic Goal & Objective: Ensure all USDA programs and activities are accessible and accountable.

Agriculture Buildings and Facilities and Rental Payments....	\$252,397	\$203,000	\$55,866	+\$69,603	\$125,469
Staff Years.....	90	92	92	-	92

Full Cost by Department Strategic Goal

(Dollars in thousands)

Department Strategic Goal 5: Create a USDA for the 21st Century that is High-Performing, Efficient, and Adaptable.

Program / Program Items	2013 Actual	2014 Actual	2015 Enacted	2016 Estimate
Salaries and Benefits.....	\$11,300	\$11,142	\$11,267	\$11,558
GSA Rental Payments.....	171,518	165,453	-	-
DHS Security.....	17,682	13,800	-	-
Building Operations and Maintenance.....	26,321	46,614	50,848	52,408
South Building Renovations.....	-	-	-	60,000
Administrative costs (direct).....	1,469	1,448	1,465	1,503
Total Costs.....	228,290	238,457	63,580	125,469
FTEs.....	90	92	92	92
Performance Measure:				
Reduce utilities consumption to target of 30% by 2015.....	3%	0%	0%	3%
Cost per measure (unit cost).....	\$329	\$329	\$329	\$500
Backlog of deferred facilities maintenance is stabilized and reduced by percentage amounts.....	2%	0%	0%	4%
Cost per measure (unit cost).....	\$220	\$0	\$0	\$6,459
Percent completion of South Building Renovation.....	35%	35%	35%	35%
Cost per measure (unit cost).....	N/A	N/A	N/A	\$60,000
Percent completion of Security Enhancements.....	N/A	N/A	N/A	8%
Cost per measure (unit cost).....	N/A	N/A	N/A	\$2,500
Total Costs, Strategic Goal.....	228,290	238,457	63,579	125,469
Total FTEs, Strategic Goal.....	90	92	92	92