DEPARTMENT OF HOMELAND SECURITY

Office of Inspector General

Maintenance, Rehabilitation, and Upgrading of Shore Facilities in Support of United States Coast Guard Missions

OIG-08-24

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Office of Inspector General

U.S. Department of Homeland Security
Washington, DC 20528

February 14, 2008

Preface

The Department of Homeland Security (DHS) Office of Inspector General (OIG) was established by the Homeland Security Act of 2002 (*Public Law 107-296*) by amendment to the Inspector General Act of 1978. This is one of a series of audit, inspection, and special reports prepared as part of our oversight responsibilities to promote economy, efficiency, and effectiveness within the department.

This report addresses the effectiveness of the United States Coast Guard's maintenance, rehabilitation, and upgrading of shore facilities in support of its missions. It is based on interviews with employees and officials of relevant agencies and institutions, direct observations, and a review of applicable documents.

The recommendations herein have been developed to the best knowledge available to our office, and has been discussed in draft with those responsible for implementation. It is our hope that this report will result in more effective, efficient, and economical operations. We express our appreciation to all of those who contributed to the preparation of this report.

Richard L. Skinner
Inspector General

Table of Contents/Abbreviations

Appendices

Abbreviations

AC&I	Acquisition, Construction, and Improvements
ANT	Aids to Navigation Team
Coast Guard	United States Coast Guard
Deepwater	Integrated Deepwater System Program
DHS	Department of Homeland Security
DOT	Department of Transportation
FASAB	Federal Accounting Standards Advisory Board
FY	Fiscal Year
HQ	Coast Guard Headquarters
ISC	Integrated Support Command
MSST	Maritime Safety and Security Team
OIG	Office of Inspector General
OMB	Office of Management and Budget
PP&E	Property, Plant, and Equipment
PRV	Plant Replacement Value
WPB	Patrol Boats

OIG

Department of Homeland Security
Office of Inspector General

Executive Summary

This report presents the results of our audit of shore facilities that support the missions of the United States Coast Guard. Our objective was to determine the extent to which the United States Coast Guard is properly maintaining, rehabilitating, and upgrading its shore facilities.

The United States Coast Guard has been working diligently to maintain its more than 22,000 shore facilities. However, as each year passes, this task is becoming increasingly challenging. More than 80% of its current acquisition, construction, and improvements funding is directed to the Integrated Deepwater System Program, leaving funding available for shore facilities well below the industry and United States Coast Guard accepted standard of 2% of plant replacement value. For fiscal years 2003 through 2006, the United States Coast Guard funded shore acquisition, construction, and improvements at approximately 0.3% of plant replacement value, resulting in a funding gap of about $511 million. To compensate for the gap, the United States Coast Guard improperly used maintenance funds to upgrade or expand its shore facilities.

Although the United States Coast Guard funded maintenance at the minimum recommended level, we identified instances where the United States Coast Guard used maintenance funds to augment shore acquisition, construction, and improvement activities. This resulted in the under funding of the maintenance program. Using maintenance funds to support shore acquisition, construction, and improvement activities does not comply with the requirements set forth in Office of Management and Budget Circular No. A-11 and Federal Accounting Standards Advisory Board Statement No. 6. According to these pronouncements, Office of Management and Budget Circular No. A-11 defines maintenance of facilities as routine repair, and, similarly, Federal Accounting Standards Advisory Board Statement No. 6 defines maintenance as normal repairs, replacement of parts, and other activities needed to preserve the asset so that it continues to provide acceptable services and achieve its expected life. The gap in shore acquisition, construction, and improvements funding and the inappropriate use of maintenance funds could hasten the deterioration of the United States Coast

Guard's critical shore facilities and ultimately affect its overall operational capability.

We recommend that the Commandant, United States Coast Guard: (1) fund shore acquisition, construction, and improvements and maintenance according to the industry standard and United States Coast Guard policy; (2) spend maintenance funds according to the definitions set forth in Office of Management and Budget Circular No. A-11 and Federal Accounting Standards Advisory Board Statement No. 6; (3) revise shore acquisition, construction and improvement backlogs to include only prioritized projects; (4) revise the maintenance backlog according to United States Coast Guard policy; and (5) identify expenditures that may have been inappropriately charged to the maintenance appropriation since October 1, 2002, and if appropriate, charge those expenditures against the shore acquisition, construction, and improvements appropriation.

The United States Coast Guard concurred with the findings and recommendations in the report. Three of the recommendations will remain open until more specific details and documentation are provided on actions taken such that we can determine whether these actions adequately address the substance of our findings and recommendations. The Chief of Staff's comments to our report are incorporated into the body of this report, as appropriate, and are included in their entirety as Appendix B.

Background

The United States Coast Guard (Coast Guard) reported that it occupies more than 22,000 shore facilities with a plant replacement value (PRV) of $7.4 billion. The Coast Guard also reported that the funds required for its acquisition, construction, and improvements (AC&I) and maintenance backlog projects supporting these shore facilities exceeded $3.5 billion in fiscal year (FY) 2006.

Table 1 provides a breakdown of AC&I funding supporting Integrated Deepwater System Program (Deepwater)[1] and shore facilities for FYs 2000 through 2006. The remaining AC&I funding, not depicted in Table 1, includes expenses to acquire, repair, renovate, or improve vessels, small boats and related equipment, other equipment such as the Nationwide Automatic Identification System and Rescue 21, personnel compensation and benefits and related costs, and costs from carrying out activities in support of the Oil Pollution Act of 1990.

[1] Deepwater is Coast Guard's $24 billion/25 year program intended to replace or modernize the approximately 90 ships and 200 aircraft used in Deepwater missions. Although the program's contract was awarded in June 2002, funding for the program began in FY 2000.

Table 1: Breakdown of AC&I Funding Levels for Deepwater and Shore Facilities FYs 2000 – 2006 ($ in thousands)					
FY	Total AC&I Appropriation	Amount Funded to Deepwater	% Funded to Deepwater (rounded)	Amount Funded to Shore Facilities	% Funded to Shore Facilities (rounded)
2000	$389,326	$44,200	11	$63,800	16
2001	$415,000	$42,300	10	$63,336	15
2002	$636,354	$320,190	50	$73,100	11
2003	$737,277	$474,893	64	$49,874	7
2004	$967,200	$668,200	69	$0	0
2005	$982,200	$723,950	74	$5,000	1
2006	$1,141,800	$933,100	82	$31,700	3

The Coast Guard manages the AC&I and maintenance of its shore facilities under two major categories:

- AC&I – Funds major acquisition, construction, and improvements that increase the capacity or longevity of an asset. AC&I funds are allocated on a prioritized basis; and
- Maintenance – Funds preventive maintenance, normal repairs, alterations, and renewal of assets to achieve their full-expected life.

The Coast Guard updates and reprioritizes the projects in its shore AC&I backlog for modernization or replacement semi-annually. This is intended to ensure that the planning, development, and execution of shore construction provides the maximum benefit from the Coast Guard's limited shore AC&I budget. The typical shore AC&I project requires 6-7 years to complete; this includes (1) 3 years to plan, (2) 2 years to obtain funding and complete the design, and (3) another 1-2 years to construct. The Coast Guard's Maintenance and Logistics Commands for the Atlantic and Pacific areas rank shore AC&I projects in their backlogs, but Coast Guard Headquarters (HQ) sets the final priorities.

Districts, Sectors, Stations, and Civil Engineering Units establish maintenance backlogs. The Planned Obligations Priorities Boards and District-level commands prioritize maintenance projects. The Coast Guard considers the maintenance backlog as an indicator of the condition of the shore facilities. The Coast Guard's management objective is to manage the backlog, not eliminate it. According to the Coast Guard's Civil Engineering Manual, the

maintenance backlog should represent all maintenance projects planned for execution within 5 years following the current fiscal year.

Results of Audit

Shore AC&I Funding Is Below Industry Standard

The Coast Guard faces significant challenges to ensure its 22,000 shore facilities are properly maintained, rehabilitated, and upgraded. For FYs 2003 through 2006, the Coast Guard funded shore AC&I at approximately 0.3% of PRV. This funding level is well below the industry and Coast Guard accepted standard of 2% of PRV. Funding at the level of 2% of PRV would have provided approximately $511 million in additional funding to shore facilities for the period FYs 2003 through 2006. Because of limited shore AC&I funding, the Coast Guard used maintenance funds to complete shore AC&I projects, which resulted in growing deferred maintenance.

The National Research Council, the agency that provides standards for federal facilities, recommends that AC&I be funded at 2% of PRV annually and that maintenance be funded at 2-4% of PRV annually.[2] For FYs 2003 through 2006, the Coast Guard funded maintenance at approximately 2% of PRV, but as evidenced in Table 2, during the same period, shore AC&I was funded at well below 2% of PRV. The Coast Guard funded shore AC&I, with an average PRV of $7.475 billion, at approximately 0.3% of PRV for FYs 2003 through 2006.

Table 2: Breakdown of 2 Percent of PRV, Coast Guard's Congressional Requested Amounts, Enacted Appropriation Amounts, and Funding Gap FYs 2003 - 2006 ($ in thousands)

FY	2% of PRV	Coast Guard's Congressional Request - Shore AC&I	Amount of Enacted AC&I Appropriation to Shore Facilities	Funding Gap
2003	$154,000	$28,700	$49,874	$104,126
2004	$148,000	$0	$0	$148,000
2005	$148,000	$5,000	$5,000	$143,000
2006	$148,000	$39,700	$31,700	$116,300
Total	**$598,000**	**$73,400**	**$86,574**	**$511,426**

[2] *Stewardship of Federal Facilities, A Proactive Strategy for Managing the Nation's Public Assets*, 1998, National Research Council.

In order to properly preserve and maintain a public building, both AC&I and maintenance should be funded annually at proper levels. Although the Coast Guard funded maintenance at approximately 2% of PRV, it has had to use maintenance funds to execute shore AC&I projects. Therefore, the amount of funds actually used on maintenance was below the level of 2% of PRV.

By not adequately funding shore AC&I for its shore facilities, the Coast Guard may encounter a critical situation with the structural integrity of its shore facilities, which, if left uncorrected, could compromise overall operational capability.

Overhaul of Prioritized Shore AC&I Projects Not Timely

The Coast Guard's shore AC&I funding is not adequate to fund prioritized projects resulting in a growing backlog of projects. As of August 2006, the Coast Guard's shore AC&I backlog totaled $2.6 billion for 479 projects. Of these 479 projects, 80 projects totaling $491 million were projects prioritized by the Coast Guard as having pressing needs for modernization or replacement. In FY 2007, the Coast Guard planned to fund $22 million for shore AC&I, including six prioritized projects. See Appendix C for the Coast Guard's list of 80 prioritized projects for FYs 2006 through 2021.

As illustrated in Table 3, the dollar amount of the shore AC&I backlog and the prioritized shore AC&I projects have generally increased since FY 2003.

Table 3: Shore AC&I Backlog, Prioritized AC&I, and Percentage of Shore AC&I Backlog Prioritized ($ in thousands)

FY	Shore AC&I Backlog	Prioritized AC&I	% of Shore AC&I Backlog Prioritized (rounded)
2003	$819,761	$328,731	40
2004	$1,908,030	$349,200	18
2005	$1,805,063	$423,430	23
2006	$2,594,676	$491,391	19

As a result of limited funding, there are several prioritized projects that have been on the shore AC&I backlog for many years including:

- In October 1999, the Coast Guard approved a shore AC&I project to raze and replace the Aids to Navigation Team (ANT)/Patrol Boats (WPB) building at Sector Southeastern New England, Woods Hole, Massachusetts. The primary reason for this project is to include a

Trailerable Aids to Navigation Boat bay with the new ANT/WPB building. The lack of a Trailerable Aids to Navigations Boat bay has had a significant negative effect on ANT mission performance. See Appendix D for an excerpt of the project's Planning Proposal describing the functional deficiencies of the building. The August 2006 shore AC&I backlog lists the ANT/WPB building project at an estimated cost of $6.9 million for FY 2009. Figure 1 is a March 2006 photograph of an interior office in this building. The photograph demonstrates the deteriorating conditions of the building.

This project is also an example of how HQ's priorities of shore AC&I projects change over time. In FY 2003, HQ ranked this project as priority number four, in FY 2004 it ranked 13th, and in FY 2005 it was not ranked. As of August 2006, HQ ranked this project as third for execution in FY 2009. Between September 1994 and April 2006, the Coast Guard has awarded $187,000 in maintenance funds for short-term fixes to this project.

Figure 1: Interior of ANT/WPB Building, Sector Southeastern New England

Source: DHS OIG

- In December 1992, the Coast Guard approved a shore AC&I project to replace the covered boat facility at Coast Guard Station Juneau, Alaska. As of August 2006, this project's cost was estimated at $2.9 million. The primary reason for this project is to provide a covered mooring for Station Juneau personnel. The lack of a covered mooring causes both personnel safety and boat maintenance to suffer under adverse working conditions, which may impact mission performance. See Appendix E for an excerpt of the project's Problem Statement describing the impact of the problem.

The Coast Guard reported that neglecting the timely overhaul of its infrastructure could cause the infrastructure to degrade, which in turn could hinder mission performance and compromise safety.

Inappropriate Use of Maintenance Funds

The Coast Guard is improperly using maintenance funds to augment and compensate for underfunding shore AC&I project funding. Although the Coast Guard is funding maintenance at the minimum recommended level, using this funding to support AC&I activities results in an underfunded maintenance program. The gap in shore acquisition, construction and improvements funding and the inappropriate use of maintenance funds could hasten the deterioration of the Coast Guard's critical shore facilities and ultimately affect its overall operational capability.

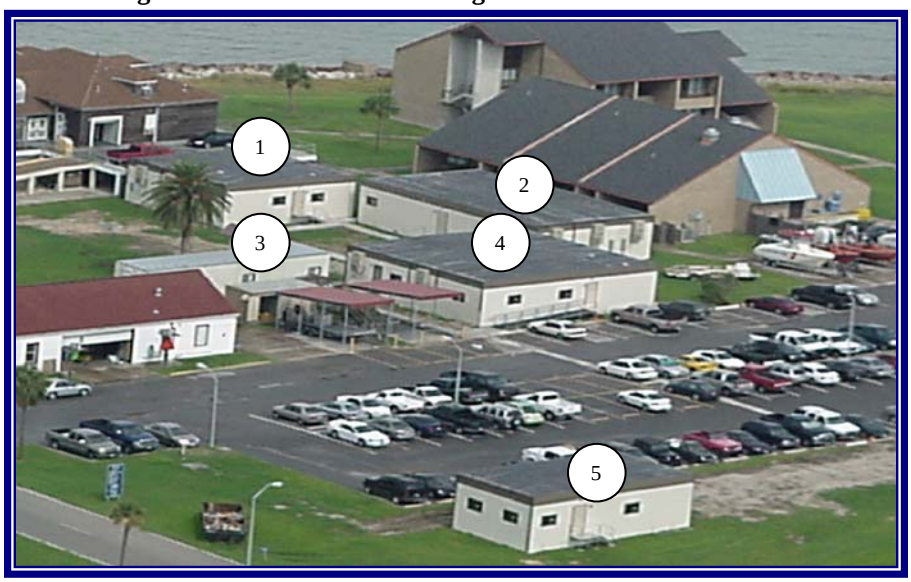
Furthermore, although Coast Guard manuals, as interpreted by the Coast Guard, permit using maintenance funds for shore AC&I projects, this practice is not consistent with guidance contained in Office of Management and Budget (OMB) Circular No. A-11 and Federal Accounting Standards Advisory Board (FASAB) Statement No. 6. OMB provides guidance on preparing, submitting, and executing the budget, and FASAB establishes generally accepted accounting principles for federal entities. OMB Circular No. A-11 defines maintenance of facilities as routine repair, and, similarly, FASAB Statement No. 6 defines maintenance as normal repairs, replacement of parts, and other activities needed to preserve an asset so that it continues to provide acceptable services and achieve its expected life. In OMB Circular No. A-11, maintenance excludes amounts for construction and rehabilitation, including new works and major additions, alterations, improvements to, and replacements of existing works. In FASAB Statement No. 6, maintenance excludes the acquisition of general Property, Plant, and Equipment (PP&E), and activities aimed at expanding the capacity of an asset or otherwise upgrading it to serve needs different from, or significantly greater than, those originally intended. By using maintenance funds to support shore AC&I funding deficits, the Coast Guard is not investing adequate funding in routine repairs, which will potentially lead to higher maintenance costs or rehabilitation needs in the future.

The Coast Guard has funded the maintenance program between $136 million and $160 million for FYs 2003 through 2006. This represents approximately 2% of the PRV, according to the industry standard. The scope of our audit did not include testing these expenditures. Therefore, we cannot estimate the extent maintenance funds were spent for nonmaintenance-related projects. However, in October 1997, a Department of Transportation (DOT) OIG Management Advisory Report reported inappropriate use of maintenance funds. For example, the DOT OIG found that the Coast Guard used maintenance funds to add to a depot, expand building capacity, construct a parking lot, and convert a building to a rescue swimmer school. The DOT

OIG recommended that the Coast Guard take the necessary action to stop the use of maintenance funds for projects that should be charged to the AC&I appropriation, identify expenditures that were inappropriately charged to the maintenance appropriation and charge them against the AC&I appropriation, and notify the Secretary of Transportation and the Congress that funds were used inappropriately and report statutory violations, if appropriate.

During our audit, we also found examples of inappropriate use of maintenance funds. In April 1994, the Coast Guard approved a shore AC&I project to construct a 13,500-square-foot multipurpose building at Coast Guard Base Galveston. The primary reason for this project is to provide a building to support various missions because Coast Guard Base Galveston facilities are obsolete, inefficient, hazardous, and deteriorating, which may impact mission performance. See Appendix F for an excerpt of the Project Proposal Report summarizing the project. According to the Coast Guard's August 2006 shore AC&I backlog, Phase I of this project is scheduled to be completed in FY 2007 at an estimated cost of $5.2 million and Phase II is scheduled for FY 2008, also at an estimated cost of $5.2 million. However, due to the pressing need for a multipurpose building to assist missions, per procurement documentation the Coast Guard used $1.6 million in maintenance funds in FY 2003 to construct five modular buildings, totaling 9,220 square feet, as a temporary solution to the problem. Figure 2 shows the five modular buildings constructed by Nortex, a contractor. By splitting the original shore AC&I project into five modular buildings, the Coast Guard, according to its interpretation of its own manuals, was able to classify and fund the project as maintenance even though the project represents the construction of new work and acquisition of general PP&E.

Figure 2: Five Modular Buildings Coast Guard Base Galveston



Source**:** Nortex's website

Also, the Coast Guard is scheduled to remove or has removed certain projects from its shore AC&I backlog, since it anticipates using $15.1 million in maintenance funding to complete these projects. In practice, the Coast Guard split AC&I projects into several maintenance projects or over several years. For example:

- In November 1999, the Coast Guard approved a Fort Wadsworth, New York, shore AC&I project totaling $8 million, of which $5 million was to install automatic fire suppression systems to the housing complex and $3 million was to correct various code compliance violations. In April 2006, the Coast Guard listed the automatic fire suppression systems project on its maintenance backlog as 33 separate projects totaling $8.7 million. See Appendix G for an excerpt of the Planning Proposal/Project Proposal Report summarizing the project.

Further, the Coast Guard funded the new construction of the Maritime Safety and Security Team (MSST) Building on the campus of Integrated Support Command (ISC) Boston at a total cost of $1.5 million with maintenance funds. These costs included the design, MSST portion, ANT Group portion, wharf repairs, and MSST garage extension. Although a small portion of the building relates to the ANT Group, the construction of the MSST Building represents an upgrade to serve needs different from those originally intended because MSST was a new mission. The Coast Guard funded the construction of this building over two fiscal years. Figure 3 illustrates partial construction of the MSST Building as published in spring of 2004. Note the foundation

footing for the garage extension. Figure 4 illustrates the MSST Building with the garage extension, which was completed in the fall of 2004.

Figure 3: MSST Building, ISC Boston

Source: Building Profit Magazine

Figure 4: MSST Building With Garage Extension, ISC Boston

Source: DHS OIG, spring of 2006

In addition, three other examples of Coast Guard plans to use maintenance funds for shore AC&I projects include:

- In November 2003, the new construction of a shop building at the Coast Guard Academy was approved. It was listed on the AC&I backlog as a $2.1 million project. This project also is on the maintenance backlog as two separate projects totaling $2.2 million. See Appendix H for an excerpt of the Problem Statement for the recapitalization of the 186 buildings.

- In November 2002, the rehabilitation of a boathouse at Station Boothbay Harbor, Maine, was approved. It was listed on the AC&I backlog as a $1.1 million project. This project also is listed on the maintenance backlog as five separate projects totaling $1.1 million. See Appendix I for an excerpt of the Problem Statement for this project.

- In February 2003, the rehabilitation of the waterfront at Station Fire Island, New York, was approved. It was listed on the AC&I backlog at $1 million. In June 2006, the Coast Guard approved a maintenance backlog project totaling $1.5 million to address the same deficiencies. See Appendix J for an excerpt of the Project Proposal Report summarizing the project.

Shore AC&I and Maintenance Backlogs Do Not Reflect Most Urgent Priorities

Shore AC&I and maintenance backlogs do not reflect a realistic account of construction and maintenance needs for the Coast Guard. This is because the shore AC&I backlog included nonprioritized projects and the maintenance backlog included projects with contract award dates in FY 2012 or later, or had estimated award amounts exceeding $1.5 million.[3] As a result, the Coast Guard is overstating the AC&I backlog by $2.1 billion and the maintenance backlog by $236 million.

A shore AC&I project goes through three phases between identification and execution. The three phases are as follows:

- Problem Statement - identifies the initial need for a project;

- Planning Proposal – documents an operational or support need and evaluates alternative operational solutions for the proposed project; and

- Project Proposal Report - finalizes the project scope and sets the budget for the project.

The typical shore AC&I project requires 6-7 years to complete. Yet, the Coast Guard has shore AC&I projects that have not advanced beyond the Problem Statement phase for 10 years or more, such as the replacement of the covered boat facility at Coast Guard Station Juneau, Alaska, and the expansion of unaccompanied personnel housing at Station Hatteras Inlet,

[3] The Coast Guard Civil Engineering Manual requires that the maintenance backlog reflect a list of projects planned for execution within five years following the current fiscal year. Further, the Financial Resource Management Manual requires maintenance projects not to exceed $1.5 million per project.

North Carolina. The primary reason for the Station Hatteras Inlet project is to provide adequate unaccompanied housing to all eligible Coast Guard personnel. Without this project, the Coast Guard's ability to provide adequate berthing, messing, and quality of life will be severely impaired. See Appendix K for an excerpt of the Problem Statement concerning this project.

The Coast Guard's shore AC&I backlog consisted of 479 projects valued at $2.6 billion as of August 2006. Of these 479 projects, 399 projects (83%), totaling $2.1 billion (81%), were nonprioritized projects. The remaining 80 projects (17%), totaling $491 million (19%), mainly projects in the Planning Proposal and Project Proposal Report phase, were prioritized.

The Coast Guard's inclusion of nonprioritized projects in its shore AC&I backlog is misleading because these projects do not represent a realistic need at the time of budget submission. According to the Coast Guard, including all projects, both prioritized and nonprioritized, in the shore AC&I backlog is an indicator of the Coast Guard's true shore facilities need. However, this approach creates confusion for two reasons: (1) the nonprioritized projects by definition do not represent pressing needs; and (2) the inclusion of nonprioritized projects could inadvertently mislead appropriators regarding the size, scope, and operational implications associated with the shore AC&I backlog. In our view, the Coast Guard should maintain a separate list of nonprioritized projects for planning purposes only.

Districts, Sectors, Stations, and Civil Engineering Units establish a maintenance backlog. According to the Coast Guard's Civil Engineering Manual, the maintenance backlog should represent a list of all maintenance projects planned for execution within five years following the current fiscal year. In addition, according to the Coast Guard's Financial Resource Management Manual, considering local construction costs, maintenance projects should not exceed $1.5 million.

As of April 2006, the Coast Guard's maintenance backlog totaled $961 million for 9,641 projects. However,

- 1,796 projects, totaling $132 million, represent backlog projects with contract award dates of FY 2012 or later; and

- 38 projects, totaling $104 million, have estimated award amounts at or greater than $1.5 million.

As a result, the Coast Guard should not include projects totaling $236 million in its maintenance backlog.

Conclusions and Recommendations

The Coast Guard's ability to effectively maintain, rehabilitate, and upgrade its more than 22,000 shore facilities is being challenged by limited funding. Shore AC&I funding remains well below the industry standard of 2% of PRV. As a result, the Coast Guard has significantly under funded shore AC&I for FYs 2003 through 2006. This occurred because the Coast Guard's funding priority was Deepwater. To compensate for the funding gap, the Coast Guard used maintenance funds for shore AC&I projects and new construction in contradiction of FASAB Statement No. 6 and OMB Circular A-11. In addition, we determined that the Coast Guard's shore AC&I and maintenance backlogs do not reflect the Coast Guard's most urgent priorities.

Although the Coast Guard works diligently with its limited shore AC&I funding to maintain its shore facilities, we are concerned that the gap in shore AC&I funding and increases in Deepwater funding will hasten the deterioration of critical shore facilities which, if left uncorrected, could compromise the Coast Guard's overall operational capability and the health and welfare of its staff.

Recommendations

To improve the management of shore facilities, we recommend that the Commandant, United States Coast Guard:

Recommendation #1:

Develop a plan to fund shore AC&I and maintenance according to industry standard and Coast Guard policy. The plan should include a detailed description of steps to ensure that maintenance funds are not used to fund shore AC&I projects. The plan should include annual reporting requirements and the identity of organizational entities responsible for the implementation of the plan.

Recommendation #2:

Implement controls to ensure that expenditures of maintenance funds comply with OMB Circular No. A-11 and FASAB Statement No. 6. At a minimum, these controls should prevent maintenance funds from being used to upgrade or expand the capacity of an asset. In addition, these controls should prevent splitting AC&I projects into several maintenance projects or over several years.

Recommendation #3:

Revise shore AC&I backlogs to include only prioritized projects to better reflect a realistic account of the Coast Guard's AC&I needs.

Recommendation #4:

Revise the maintenance backlog in accordance with the Coast Guard policy to reflect maintenance projects for the next five years, which is a more realistic account of the Coast Guard's needs.

Recommendation #5:

Identify expenditures that may have been inappropriately charged to the maintenance appropriation since October 1, 2002 and, if appropriate, charge those expenditures against the AC&I appropriation. If warranted, the Coast Guard should notify the Secretary and the Congress that funds were used inappropriately and report statutory violations.

Management Comments and OIG Analysis

The Coast Guard concurred with the findings and recommendations in the report. Three of the recommendations will remain open until more specific details and documentation are provided on actions taken such that we can determine whether these actions adequately address the substance of our findings and recommendations.

Management Comments to Recommendation #1

The Coast Guard concurred with our recommendation and stated that it has developed a five-year Capital Investment Plan whose funding requirements are reflected in the Coast Guard's FY 2009 OMB Budget Submission, and designated shore infrastructure recapitalization as a strategic imperative of the Coast Guard's FY 2010 budget.

OIG Analysis

We agree with the actions the Coast Guard has taken to address the intent of our recommendation. However, the recommendation will remain open until the Coast Guard provides us with documentation that specifically details actions taken to ensure that maintenance funds are not used to fund shore AC&I projects. The documentation should include annual reporting requirements and the identity of organizational entities responsible for the implementation.

Management Comments to Recommendation #2
The Coast Guard concurred with our recommendation and stated that it is further reviewing its financial policy to ensure that it matches the authority that the Coast Guard has in statute. In addition, the Coast Guard has requested statutory authority similar to that provided to the Department of Defense.

OIG Analysis
We agree with the actions the Coast Guard has taken to address the intent of our recommendation. However, the recommendation will remain open until the Coast Guard provides us with documentation that specifically details actions implemented to ensure that expenditures of maintenance funds comply with OMB Circular No. A-11 capacity of an asset. In addition, these controls should prevent splitting several AC&I projects into several maintenance projects, or over several years.

Management Comments to Recommendation #3
The Coast Guard concurred with our recommendation and stated that it revised its Shore Facilities Requirement List in FY 2007 by expanding the requirements for project documentation and funding. The Coast Guard implemented this action in order to better identify those projects to include in its prioritized five-year shore AC&I Capital Investment Plan.

OIG Analysis
The Coast Guard has been responsive to our recommendation and has revised its shore AC&I backlogs to include only prioritized projects. We consider the recommendation closed.

Management Comments to Recommendation #4
The Coast Guard concurred with our recommendation and stated that the maintenance backlog is being prioritized within the five-year funding levels displayed in the Future Years Homeland Security Program.

OIG Analysis
The Coast Guard has been responsive to our recommendation and has revised its maintenance backlog to reflect maintenance projects for the next five years. We consider the recommendation closed.

Management Comments to Recommendation #5
The Coast Guard concurred with our recommendation and stated that it understands the severity and implications of potential violations of the Anti-Deficiency Act and has taken steps to ensure project funding decisions are aligned with policies and statute-based authorities.
OIG Analysis

We agree with the actions the Coast Guard has taken to address the intent of our recommendation. However, the recommendation will remain open until the Coast Guard provides us with documentation of those expenditures it has identified as inappropriately charged to the maintenance appropriation since October 1, 2002. The documentation should indicate the Coast Guard charged those expenditures against the AC&I appropriation when appropriate, and the Coast Guard notified the Secretary and the Congress that funds were used inappropriately and report statutory violations when warranted.

Our objective was to determine the extent to which the Coast Guard is properly maintaining, rehabilitating, and upgrading shore facilities in support of its missions.

To achieve our audit objective, we reviewed Coast Guard documentation and manuals related to civil engineering, including the Civil Engineering Manual, Financial Resource Management Manual, and Shore Facilities Standards Manual. We reviewed prior DHS OIG, Government Accountability Office, and Department of Transportation OIG audit reports. We also reviewed the Coast Guard's 2004 strategic assessments. In addition, we analyzed emergency maintenance requests for the period October 2004 through January 2006.

During the period January 2006 through September 2006, we interviewed civil engineering officials at Coast Guard Headquarters in Washington, D.C., at the Civil Engineering Unit in Providence, Rhode Island, and at the Maintenance and Logistics Command and Facilities Design and Construction Center in Norfolk, Virginia. We judgmentally selected Coast Guard shore facilities to visit because of the proximity to the OIG field office in Boston. Specifically, we conducted site visits to the ISC in Boston, Massachusetts, and Sector Southeastern New England in Woods Hole, Massachusetts, on February 28, 2006 and March 16, 2006, respectively. At ISC Boston, we judgmentally selected and reviewed four projects from the maintenance backlog, and at Sector Southeastern New England, we reviewed one project on the shore AC&I backlog and judgmentally selected and reviewed six projects on the maintenance backlog.

We analyzed shore AC&I backlogs from FY 2003 through August 16, 2006. Similarly, we analyzed the maintenance backlog as of February 27, 2006, for the Coast Guard's First District (New England region) and expanded our audit to all districts as of April 13, 2006. We relied on the Coast Guard's computer processed data that contained information on the shore AC&I and maintenance backlogs. We conducted limited testing of this data to source documentation. Based on these tests, we concluded that the data are sufficiently reliable to be used in meeting audit objectives.

We conducted our audit between January 2006 and May 2007 under the authority of the Inspector General Act of 1978, as amended, and according to generally accepted government auditing standards.

We would like to extend our appreciation to the Coast Guard for the cooperation and courtesies extended to our staff during this audit.

Appendix B
Management Comments to The Draft Report

U.S. Department of Homeland Security
United States Coast Guard

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United States Coast Guard

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MEMORANDUM

From: R.J. Papp, Jr., VADM
Chief of Staff, U.S. Coast Guard

Reply to Attn of: CG-823
Mark Allen Kulwicki
372-3533

To: Assistant Inspector General for Audits

Subj: COAST GUARD RESPONSE TO DHS OIG DRAFT REPORT, "MAINTENANCE, REHABILITATION AND UPGRADING OF SHORE FACILITIES IN SUPPORT OF UNITED STATES COAST GUARD MISSIONS"

Ref: (a) DHS OIG Draft Report dated November 21, 2007

1. This memorandum transmits the Coast Guard's comments to your findings and recommendations contained in reference (a).

2. If you have any questions, please contact Mark Kulwicki at (202)-372-3533.

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Enclosure: U.S. Coast Guard Comments

UNITED STATES COAST GUARD (USCG) STATEMENT ON DEPARTMENT OF HOMELAND SECURITY INSPECTOR GENERAL DISCUSSION DRAFT REPORT

TITLE: "MAINTENANCE, REHABILITATION, AND UPGRADING OF SHORE FACILITIES IN SUPPORT OF UNITED STATES COAST GUARD MISSIONS" DRAFT REPORT

COAST GUARD'S GENERAL COMMENTS ON DHS OIG FINDINGS:

The Coast Guard concurs with the findings in the report.

However, review of Coast Guard budget submissions to Congress between the mid-1980s and mid-1990s revealed a description of the Coast Guard's threshold-based use of OE appropriations for minor construction and, therefore, expressed Coast Guard intent to Congress and supported requests for OE appropriations. The Coast Guard stopped including this description in its later budget requests, but the Coast Guard continued to include thresholds in its Financial Resource Management Manual (FRMM) (COMDTINST M7100.3C).

While the Report presents possible examples of the Coast Guard improperly splitting AC&I projects in order to meet the OE threshold, we believe the Civil Engineering Program applied FRMM guidance to make decisions on the source of funding and that there was not an intentional attempt to split projects to circumvent policy. During the course of this audit, the Coast Guard provided technical comments to the OIG explaining the rationale for OE and AC&I funding decisions showing that they were made in accordance with FRMM policy.

SPECIFIC COAST GUARD RESPONSES TO DHS OIG RECOMMENDATIONS:

Recommendation #1: Develop a plan to fund shore AC&I and maintenance according to industry standard and Coast Guard policy. The plan should include a detailed description of steps to ensure that maintenance funds are not used to fund shore AC&I projects. The plan should include annual reporting requirements and the identity of organizational entities responsible for the implementation of the plan.

Response: Concur: To support future AC&I budget requests, the Coast Guard has developed a five-year Capital Investment Plan (CIP) whose funding requirements are reflected in the Coast Guard's FY 2009 OMB Budget Submission. In addition, the Commandant has designated shore infrastructure recapitalization as a strategic imperative of the Coast Guard's FY 2010 budget. The Coast Guard continues to place emphasis on recapitalizing shore facilities by including specific Deepwater (DW) facility construction and improvements within the DW budget request. However, budget constraints will continue to require the Coast Guard to evaluate its entire infrastructure of facilities, vessels and aircraft and balance those needs within the scope of the budget.

Recommendation #2: Implement controls to ensure that expenditures of maintenance funds comply with OMB Circular No. A-11 and FASAB Statement No. 6. At a minimum, these controls should prevent maintenance funds from being used to upgrade or expand the capability or capacity of an asset. In addition, these controls should prevent splitting AC&I projects into several maintenance projects or over several years.

Response: Concur. The Coast Guard is further reviewing its financial policy to ensure that it matches the authority that the Coast Guard has in statute. In the meantime, the Coast Guard has requested statutory authority similar to that provided to the Department of Defense. This request is for the FY08 and 09 Authorization Acts (in response to a request for drafting assistance, and as part of legislative program for the Commandant's consideration). The Coast Guard has also requested similar authority in the FY 2008 Appropriations Act. The Coast Guard will ensure that these and all future policy changes are reviewed by legal counsel to ensure compliance with the law.

Recommendation #3: Revise shore AC&I backlogs to include only prioritized projects to better reflect a realistic account of the Coast Guard's AC&I needs.

Response: Concur. The Civil Engineering Program revised the Shore Facilities Requirement List (SFRL) in FY 2007 to better identify the prioritized five-year Shore AC&I Capital Investment Plan (CIP) using expanded requirements for project documentation and funding before a project is included in the five-year CIP. The unprioritized projects are tracked separately as a planning tool to show the backlog of operational shore requirements.

Recommendation #4: Revise the maintenance backlog in accordance with the Coast Guard's policy to reflect maintenance projects for the next five years, which is a more realistic account of the Coast Guard's needs.

Response: Concur. The backlog is currently being prioritized within the five year funding levels displayed in the FYHSP. The Coast Guard is currently using the Shore Asset Management (SAM) system for documenting and providing a preliminary prioritization of the OE maintenance backlog and to properly account for the various work types within the OE/maintenance program (i.e., deferred maintenance, code compliance, demolition, scheduled maintenance, preventative maintenance, etc). The backlog information from SAM is used in a robust prioritization process at the Civil Engineering Unit level through the Planned Obligation Prioritization Board, which are held at a minimum twice a year. This process involves various subject matter experts to determine the Coast Guard's high priorities within the limited funding sources available.

Recommendation #5: Identify expenditures that may have been inappropriately charged to the maintenance appropriation since October 1, 2002 and, if appropriate, charge those expenditures against the AC&I appropriation. If warranted, the Coast Guard should notify the Secretary and the Congress that funds were used inappropriately and report statutory violations.

Response: Concur. The Coast Guard understands the severity and implications of potential violations of the Anti-Deficiency Act. Upon receipt of the OIG's first draft report, we took immediate steps to ensure project funding decisions are aligned with policies and statute-based authorities.

Shore Facilities Requirement List - Updated 8/16/2006						
	SFRL #	BENEFITTING UNIT	PROJECT DESCRIPTION	EST (000)	FY	HQ-PRI
Coast Guard Major AC&I						
1	NEW	CG ACADEMY	CHASE HALL ANNEX E PHASE II	2,000	2007	1
2	NEW	CG STA NEAH BAY	CONSTRUCT BREAKWATER PHASE II	1,100	2007	2
3	NEW	CG SECTOR LONG ISLAND S.	CONSTRUCT SECTOR BUILDING PHASE II	1,000	2007	3
4	X3808	CG BASE GALVESTON	REBUILD STATION / WATERFRONT PHASE I	5,200	2007	4
5	SNEW	CG ISC SEATTLE	GROUPS ADMIN/OPS/SECTOR PHASE II	2,600	2007	5
6	407419	CG BASE GALVESTON	REBUILD STATION / WATERFRONT PHASE II	5,200	2008	1
7	S03001	CG SECTOR SAN FRANCISCO	ESTABLISH BAY AREA SECTOR COMMAND CTR	14,100	2008	2
8	408121	CG STA WASHINGTON	CONSTRUCT STATION PHASE II	2,180	2008	3
9	X4038	CG GROUP CAPE MAY	CONSOLIDATE STA/WPB / ANT FACILITY	8,642	2009	1
10	X3280	CG ISC ALAMEDA	BAY AREA SECTOR COMMAND BUILDING	22,736	2009	2
11	L00001	CG GROUP WOODS HOLE	REPLACE ANT/STA/WPB BLDGS	6,902	2009	3
12	X3733	CG AIRSTA PORT ANGELES	CONSTRUCT GROUP SUPPLY BLDG	1,740	2009	4
13	L00002	CG STA MARQUETTE	RIGHTSIZE FACILITY	2,030	2009	
14	L01005	CG BASE SAN JUAN	RENOVATE BUILDING 126	2,552	2009	
15	X3877	CG TISCOM	CPD BUILDING ADDITION	1,682	2009	
16	L9002	CG AIRSTA CORPUS CHRISTI	CONSOLIDATE AIRSTA/GP/MSO	24,592	2009	
17	L00003	CG STA OCRACOKE	REPLACE STATION SMALL	1,740	2009	
18	L6002	CG BASE MAYPORT	REPLACE STATION BUILDING	3,654	2009	
19	L7002	CG ISC MIAMI	CONSOLIDATION AT CAUSWAY ISLAND	1,160	2009	
20	X3618	CG AIRSTA ELIZABETH CITY	CONSOLIDATE AIRSTA/STA FACILITIES PH I	8,758	2009	
21	L02001	CG STA SWANSBORO	RIGHT SIZE STATION	1,566	2009	
22	L00001	CG GROUP ST PETERSBURG	NEW ANT/ATON FACILITIES	4,176	2009	
23	L01006	CG STA FAIRPORT	RECAPITALIZE STATION	6,148	2009	
24	S01003	CG STA COOS BAY	COVERED MOORING	1,624	2009	
25	S02008	CG ISC KODIAK	CONSOLIDATE AVIATION/ISC SUPPORT PH III	9,860	2009	
26	S4005	CG ISC ALAMEDA	NEW WPB MOORING	835	2009	
27	X3792	CG AIRSTA NORTH BEND	GROUP ENGINEERING BUILDING	6,879	2009	
28	S01004	CG STA JUNEAU	COVERED BOAT FACILITY	2,900	2009	
29	X3617	CG SUPRTCEN ELIZ CITY	RESCUE SWIMMER TRAINING FACILITY PHASE I	10,092	2009	
Coast Guard Minor AC&I						
30	L00010	STA FIRE ISLAND	WATERFRONT REHAB	1,450	2007	1
31	S03002	CGC HICKORY	WLBR CUTTER SUPPORT BLDG AT ALASKA	1,400	2007	2
Coast Guard Housing						
32	S01013	CGC SYCAMORE	REPLACE CORDOVA HOUSING PHASE I	5,500	2007	1
33	S01013	CGC SYCAMORE	REPLACE CORDOVA HOUSING PHASE II	5,000	2008	1
34	L9002	CG ACADEMY	CHASE HALL BARRACKS PHASE II (N ANNEX A)	10,324	2009	1
35	S01013	CGC SYCAMORE	REPLACE CORDOVA HOUSING PHASE III	11,600	2009	2
36	L00003	STA MONTAUK	PURCHASE 3 HOUSING UNITS PHASE I	1,044	2009	
37	X4004	S/C ELIZABETH CITY	REPLACE BARRACKS/THRUN HALL	16,588	2009	
Coast Guard ATON-S&D						
38		VARIOUS	SURVEY & DESIGN	2,600	2007	
39		VARIOUS	ATON/WATERWAYS	3,000	2007	
40		VARIOUS	SURVEY & DESIGN	1,337	2008	
41		VARIOUS	ATON/WATERWAYS	2,500	2008	
42		VARIOUS	SURVEY & DESIGN	2,000	2009	
43		VARIOUS	ATON/WATERWAYS	10,000	2009	

	SFRL #	BENEFITTING UNIT	PROJECT DESCRIPTION	EST (000)	FY	HQ-PRI
	Other Acquistion Funded					
44	NEW	ISC ALAMEDA	NEW OCCSU BUILDING	9,600	2006	
45	NEW	TRACEN PETALUMA	RENOVATE BUILDING 500	4,000	2006	
46	NEW	NAVAL BASE VENTURA COUNTY	RENOVATE VUAV/MPA HANGAR	3,000	2006	
47	L03003	ATC MOBILE	NEW FLIGHT SIMULATOR BUILDING	3,800	2006	
48	NEW	SAVANNAH?	VUAV HANGER 14 AIRCRAFT	600	2006	
49	O00121	AIRSTA SACRAMENTO	RELOCATE AIR STATION	30,000	2007	
50	NEW	ISC KODIAK	OPC PIER RENOVATION	4,900	2007	
51	NEW	SECTOR SAN JUAN	FRC PIER MODIFICATIONS	1,750	2007	
52	NEW	ISC MIAMI	FRC PIER DEVELOPMENT	1,100	2007	
53	NEW	ISC KODIAK	NEW OCCSU FACILITY	11,600	2007	
54	L03002	ATC MOBILE	NEW MPA HANGER PHASE II	6,000	2008	
55	NEW	ISC SEATTLE	OPC WHARF IMPROVEMENTS	1,500	2009	
56	NEW	AIRSTA ASTORIA	NEW VUAV/MPA HANGAR	15,000	2009	
57	NEW	ISC PORTSMOUTH	FRC WHARF/NORTH & SOUTH PIER REN	10,300	2010	
58	NEW	ISC SEATTLE	NEW OCCSU FACILITY	8,000	2010	
59	NEW	ISC HONOLULU	NSC PIER SHORE TIES	3,200	2011	
60	NEW	NAVAL BASE SAN DIEGO	RELOCATE FRC CUTTERS TO NAVAL BASE	11,200	2011	
61	NEW	NAVAL BASE SAN DIEGO	NEW OCCSU FACILITY	9,600	2011	
62	NEW	ISC HONOLULU	NEW OCCSU FACILITY	8,800	2011	
63	NEW	AIRSTA BARBERS POINT	NEW VUAV HANGAR	5,400	2012	
64	NEW	BASE CHARLESTON	PAPA PIER EXTENSION	1,200	2012	
65	NEW	BASE CHARLESTON	PAPA PIER/WHARF UPGRADES	10,200	2012	
66	NEW	STA SANDY HOOK	FLOATING DOCK/SHORE TIE MODIFICATIONS	2,500	2012	
67	NEW	ISC PORTSMOUTH	NEW OCCSU FACILITY	8,700	2013	
68	NEW	GP PORTLAND	FLOATING DOCK MODIFICATIONS	3,650	2013	
69	NEW	GP PORT ANGELES	FLOATING DOCK MODIFICATIONS	1,300	2013	
70	NEW	AIRSTA JACKSONVILL	RENOVATE VUAV HANGARS	5,000	2015	
71	NEW	BASE CHARLESTON	NEW OCCSU FACILITY	11,200	2015	
72	NEW	BASE CHARLESTON	PEIR PAPA POWER UPGRADES	1,300	2015	
73	NEW	ISC PORTSMOUTH	SOUTH PIER EXTENSION	2,000	2015	
74	NEW	ISC HONOLULU	UPGRADE FRC WHARF SHORE TIES	4,200	2015	
75	NEW	APRA HARBOR GUAM	UPGRADE ELECTRICAL SERVICE	1,800	2016	
76	NEW	APRA HARBOR GUAM	NEW FRC OFFICES/WAREHOUSE	4,700	2016	
77	NEW	SECTOR KEY WEST	NEW OCCSU FACILITY	8,000	2020	
78	NEW	SECTOR KEY WEST	NEW SHORE TIES	25,600	2021	
79	NEW	ISC BOSTON	UPGRADE ELECTRICAL SERVICE	4,600	2021	
80	NEW	ISC BOSTON	NEW OCCSU FACILITY	8,100	2021	
→			**Total Prioritized Projects**	**491,391**		

ANT/WPB Building	Woods Hole site	1,700
WPB Sheds	Woods Hole site	400
TOTAL:		**2,100**
SFSM Requirement:		**2,700**
Space Deficit:		**-600**

Table 4 – Existing Patrol Boat (WPB/CPB) Spaces

(3) Miscellaneous ANT/WPB Building Space Usage: Aside from ANT Woods Hole and the three patrol boats attached to Group Woods Hole, the ANT/WPB Building also provides space for the main electrical distribution hub for the Woods Hole site (337 NSF). This critical function could be housed in a smaller space (approximately 150 NSF), however current building constraints limit available reconfiguration options. The ANT/WPB Building also provides 120 NSF to ESD Cape Cod for radar testing equipment in support of the three patrol boats. These spaces, while justified, further limit the space available in the ANT/WPB Building for use by ANT Woods Hole and the three patrol boats, strengthening the argument that additional space is required.

c. **Functional Deficiencies:** The primary *functional* deficiencies associated with the ANT/WPB Building are:

- Lack of an open bay-type area for TANB maintenance and large-scale projects
- Lack of adequate (watertight, ground-level) patrol boat storage facilities
- Lack of adequate vertical circulation (stairs) between floors
- Limited space (resulting in problems associated with use of ancillary spaces)

(1) Lack of TANB Bay/Open Work Area: Prior to 1988, ANT Woods Hole occupied a 1,400 GSF steel building located adjacent the Group Woods Hole Engineering Building (see Figure (4)). Use of the structure by ANT Woods Hole centered on a large open area that served as both ATON Shop and maintenance area for the ANT's 21-ft TANB. In 1988, the ANT was moved into the present ANT/WPB Building, which up until that time had served as the Group's recreational club facility. The layout of the ANT/WPB Building precludes renovating the structure to include an open bay area, so ANT Woods Hole has been functioning without one ever since.

Lack of a TANB boat bay has had a significant negative effect on ANT mission performance. Preventative maintenance (PMS) of the 21-ft TANB has suffered due to the lack of adequate indoor maintenance facilities, resulting in down time for the boat that has ultimately affected ATON discrepancy response. Increased electrical and electronic casualties have been attributed to lack of appropriate protection from the weather. According to the present ANT OIC, approximately 25 man-hours of maintenance are delayed each month due to the need to work around weather constraints. Because both PMS and ATON can often only be accomplished during periods of fair weather, the fair-weather time spent on PMS directly impacts the time available for accomplishment of ATON missions. During TANB casualties in foul weather, repair time is extended due to the need to rig tarpaulins to provide protection. Given appropriate bay facilities, the unit would normally perform PMS indoors during periods of

Problem Statement

1. SFRL NUMBER: 17-X4001

2. PROJECT TITLE: **STATION JUNEAU COVERED MOORING**

3. BENEFITTING UNIT (OPFAC): Station Juneau 17-30520

4. LANDLORD UNIT (CPFAC): Station Juneau 17-30520

5. FUNDING SOURCE: AC&I

6. SFRL STATUS: Update of Problem Statement 17-X4001. The project has been on the SFRL since an AC&I Data Sheet was submitted in Dec. 1992. The document status remains as a Problem Statement.

7. FIELD MANAGER: CGD17 (mor)

8. HQPM: COMDT (G-NRS)

9. PROBLEM STATEMENT:

   a. Current State: Station Juneau personnel must perform boat maintenance while exposed to harsh weather - conditions common in Juneau year round. Both personnel safety and boat maintenance suffer under such adverse working conditions.

   b. Desired State: Provide a covered mooring for Station Juneau personnel to complete required PMS in all types of weather.

   c. Impact of Problem: Personnel unable to complete scheduled maintenance due to weather, which may impact the operational mission.

10. HOW THE PROBLEM WAS IDENTIFIED/BACKGROUND: Extremely difficult and dangerous under less than ideal weather conditions to perform maintenance on the boat (ice, snow). Juneau, Alaska experiences 201 days of

1

measurable rainfall as cited by NOAA meteorological and climatic survey. This 201 days of measurable rainfall meets the covered moorings policy in the Small Boat Covered Moorings Policy (COMDTNOTE 11010).

11. SIGNIFICANT ISSUES:

a. Safety: Present listing and smooth surface condition of uncovered floats present slipping hazards.

b. Maintenance: Difficult to complete maintenance under adverse weather conditions which affects readiness.

c. The existing 41' UTB is scheduled for replacement (June 2000) with a 47' MLB.

d. The Alaska National Guard (ANG) plans to divest itself of their existing floats adjacent to the west end of the CG dock. These floats are now used by the 41' UTB. The floats will be transferred to the Coast Guard for installation in the new boathouse.

e. NEPA: Appropriate time is during design phase for in-water projects such as this.

12. POTENTIAL ALTERNATIVE SOLUTIONS:

a. Preferred Alternative: Demo a section of the west end of the Coast Guard dock to permit construction of a 4000GSF floating boathouse to house the MLB. Relocate/modify the existing ANG floats for use in the boathouse. This will permit required PMS to be completed out of the weather in much safer conditions. It will also provide a dry and secure storage area which is now only available over 200 yards from the boat.

13. CHECKLIST OF CONSTRAINTS, IMPACTS, & ENVIRONMENTAL CONCERNS:

Issue	*Yes, No or N/A*	*Remarks*
Real Property	No	
Personnel Change	No	
Efficiency	Yes	
Safety	Yes	
Housing	No	
Threatened Species	No	
Site Contamination	No	
Historicity	No	
Community Interface	No	

3 PROJECT SUMMARY

3.1 EXECUTIVE SUMMARY

The present facilities for Coast Guard Base Galveston were established in 1937 with the construction of the Administration Building and Boathouse Building. In 1958, the small boat piers were added to the marine railway. The change in boats within the basin has resulted in a sub-standard arrangement of piers. As expected, a great deal of deterioration has occurred in the intervening 40 years for the waterfront and a great deal more has been learned about fire safety and accessibility in the intervening 65 years for the Group/Station Building.

The intent of this project is to provide a waterfront that services the existing vessels and a 13,500 GSF station building to support the missions of the Station, the Aids to Navigation Team (ANT), and the two Coastal Patrol Boats (CPB)s. The waterfront will provide a safe moorage that allows the boat handlers to safely and efficiently moor their vessels. Safe and efficient access from the boats to the Station will be provided. The CPB pier will be extended to shore. The Station Building will provide shop, storage, and operational spaces to adequately and safely accommodate the Station's Aids to Navigation (ATON) and CPBs' missions. Most of the spaces in the Station Building will be constructed above the 100-year flood plain.

3.1.1 PROJECT SCOPE

3.1.1.1 The scope of the project includes constructing a new 13,500 GSF Station Building, rebuilding the existing small boat waterfront, and providing a more permanent connection for the (presently under design/build contract) CPB pier to the shore-side.

3.1.1.2 The Station Building will be multi-level with the Machinist Mate's shop at the 25-year flood plain elevation and all other spaces above the 100-year flood elevation. The building will be founded on piles supporting a structural frame, up to the floor of the top-most floor. The building's envelope will include split face block for the lower levels, accent brick will be used between the lower and the upper level and wood siding will be used on the upper level. The roof will be standing seam metal. This handicapped accessible facility will include elevator.

3.1.1.3 The waterfront will consist of an open-faced wharf along the waterfront, a boat ramp, and piers for the assigned small boats. A covered mooring will be provided to protect the 47' MLBs. The entire small boat basin will be dredged to elevation –10 MLW.

3.1.1.4 A paved drive will be installed between the new Station Building and the new waterfront. Existing parking around Base Galveston will be utilized, to the greatest extent practical, for personnel assigned to the Station, the ANT, and the CPBs. Outdoor storage will be provided for the RHIB and TANB.

3.1.2 BACKGROUND

Portions of Base Galveston have been in use for nearly 65 years. The waterfront is over 40 years old. The facilities are obsolete and deteriorating. The waterfront area is highly congested because of the proximity requirements between the small boat piers, the major piers for the ATON vessels, and the group/station offices. The small boat basin was designed for use by 32' open hull boats and the Station area was created as a boat house.

3.1.3 PLANNING PROCESS

3.1.3.1 The need for a replacement station and waterfront has been well documented in the past. A Planning Proposal for the replacement of the Station Building and waterfront was developed in 1992 and approved in 1994. A 1996 Master Plan confirmed the need for a new waterfront and Station Building. A revised Planning Proposal was developed and submitted in 2001 and approved by Headquarters in July 2001.

3.1.3.2 The functions performed at Galveston have increased in the 65 years since the facility was originally constructed. Presuming that any additional port security duties will be performed by some other (Coast Guard) entity, the missions of the Station are expected to remain stable.

3.1.3.3 Because the jetty exists and creates a boat basin, the waterfront shouldn't move from its existing location. Moving the waterfront from its existing location would require a huge capital expense for a new jetty. There is such an affinity in function between the waterfront and the industrial facility that it is preferred to keep the waterfront no further away than existing.

3.1.3.4 The location of the waterfront negatively impacts the location of the Station Building. The Station Building should be close to the waterfront and yet there is a scarcity of available real estate adjacent to the waterfront. The only space available is between the Group Administration building and the waterfront. Although it is preferred to not impact the view of the waterfront from the 2nd floor administrative (Group) spaces, no other preferred location is available. Further, planning is underway for the replacement of the Group's offices. It was decided that the Station Building should not be removed from its waterfront to accommodate a function (the Group) that will be relocated.

3.1.4 CURRENT STATE

3.1.4.1 The current state of the facilities associated with Station/ANT Galveston and the CPB's is: the facilities are obsolete, inefficient, hazardous, and deteriorating. Some facilities are located below the 100 year flood level and are prone to flooding even during less severe events.

3.1.4.2 The boat basin (designed for the 32' open hull boats) is inadequate for today's mix of small boats. The timber/concrete piers provided 40 years ago have deteriorated and effectively have no live load capacity. The abandoned marine railway creates a division between the two parts of the small boat basin.

3.1.4.3 Boathouse portions of the Administration Building's second floor houses some shops and offices for the Station. The stairs are too steep, secondary egress from the attic storage spaces are inadequate, inadequate head facilities are available, and there are numerous code violations. As one would expect, a 65-year old structure meant for one function (storage/ maintenance of small boats) doesn't function nearly as well as an office/shop space. The Station's locker rooms, at ground level, fail to provide privacy between the sexes. Locker rooms don't have heads and showers. The size of facilities provided within the Boathouse is well under the present day standards. Circulation between spaces is awkward.

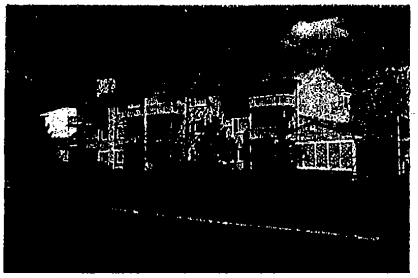
Fort Wadsworth Housing Fire Suppression Sprinkler Systems
Planning proposal/Project Proposal Report Part (A)

3. Project Summary

3.1 Executive Summary

The Coast Guard owned housing complex at Fort Wadsworth, Staten Island, New York, consists of 264 apartments in 33 buildings. The Navy originally constructed the housing in 1989 in anticipation of a new battleship homeport on Staten Island. They abandoned the battleship homeport plan during construction of this housing complex. In 1995, the Coast Guard obtained ownership of the housing as part of the streamlining program to vacate Governors Island. Prior to occupying the housing, the Coast Guard decided to upgrade the apartments to Coast Guard living standards. This work included significant renovations to each apartment. Although the designer for these renovations indicated that automatic fire suppression systems were required by code, the Coast Guard elected not to install them as part of the rehab project. In July of 1998, Commandant (G-SEC) directed Civil Engineering Unit (CEU) Providence to evaluate the 1995 CEU New York project to verify whether the Building Officials & Code Administrators (BOCA) National Building Code (Section 904.9) required installation of an automatic fire suppression system. The result of this evaluation was that the BOCA Code in force at the time, the 1993 edition, did indeed require automatic fire suppression systems. It was later determined by Commandant (G-SEC) that due to the size and scope of the installation of fire suppression systems that an Acquisition, Construction and Improvement (AC&I) project would be required to correct this deficiency. A subsequent building code survey resulted in the discovery of several other code violations. Some of these are deemed to be of such a low risk factor that the "authority having jurisdiction" (the Coast Guard in this instance) should merely waiver the compliance as permitted by the National Fire Protection Association (NFPA). However, there are some violations that should be addressed in this project. The current working estimate for the fire suppression part of this project is $5 million. The current working estimate to correct the code violations recommended for this project is $3 million. This results in a total project cost of $8 million.

3.1.1 Problem Definition

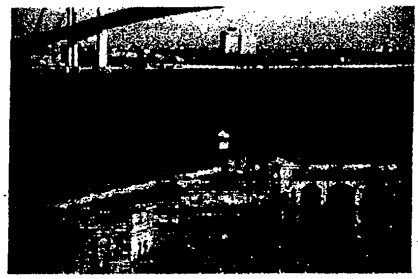


REAR VIEW BUILDING 442

Of the 33 buildings within the Coast Guard owned housing complex at Fort Wadsworth, 30 have very similar exterior profiles showing 3-story construction with single-floor apartments and two interior stairwells. The other 3 are unique structures which are all or in part 2-story structures. The combustible type construction, the number of floors, the overall footprint size and height of the structures generate the criteria by which automatic fire suppression systems are required by the BOCA Code. Water source analyses have indicated that there is adequate water pressure and flow within each building to supply an automatic fire suppression system. Distributing this water through appropriate valves, to system risers and eventually to each sprinkler head will require enough demolition and construction in every apartment to require the apartment to be vacant during the installation. Since most of the carports and exterior storage bins for each building are directly attached to the building, sprinkler heads will be required in those areas as well. This complicates the project since these areas are unheated. In addition, the

existing fire alarm system will have to be replaced with a system capable of detecting flow within the sprinkler system and alert a manned site, such as the local fire department. To keep the construction costs to a reasonable level, each building will need to be entirely vacant in order to proceed with installation.

3.1.2 Support Missions and Functions



VIEW FROM FORT WADSWORTH

This housing complex currently supports Coast Guard active duty military personnel from 15 separate commands. The complement includes 63 officers, 328 enlisted and 26 warrant officers. Breakdowns of these billets are provided later in this report. However, 56% of the billets are directly attached to Activities New York. This indicates that most of the residents have little or no commute from their housing to their place of employment. The units are generally high quality apartments with a typical 3-bedroom unit providing over 1600 square feet of living space. The sight lines from many of the apartments are spectacular views of New York Harbor. There are some concerns involving the noise and pollution relating to the proximity of the Verrazano Bridge, but overall the apartments provide excellent living quarters for personnel assigned to Coast Guard units in the New York City area. In addition to providing desirable housing for both Officer and Enlisted families, the location of the Fort Wadsworth complex within a controlled federal facility provides a measure of security and family safety that is critical to the difficult task of assigning and retaining Coast Guard personnel in the New York City Metropolitan area.

3.1.3 Discussion of Alternatives:

During the development of prototypical designs for this project, a thorough review of the building and life safety codes that apply to these buildings was conducted. Code violations, in addition to the lack of fire suppression systems were discovered. These other violations can be generally categorized as follows:

a. The existing secondary means of egress from second and third floor apartments is not and cannot be made to be fully compliant with the life safety codes. The only known correction for this issue is a set of stair towers off the back of each building. If these were installed, the technical code violations would be eliminated.

b. The existing furnace room enclosures within each apartment and associated flues do not have adequate fire resistance ratings. Additional layers of drywall and fireproofing would be required to meet these code requirements.

c. Various other building code related issues such as combustion air capacity, proper labels on entrance doors, bathroom ventilation rate and crawl space insulation/ventilation are not fully compliant with the codes in force at the time of the Coast Guard renovations. Changing doors, increasing duct sizes, and reconfiguring the ventilation in the crawl space, can correct these code violations.

b. Desired State:

1. Recapitalization of aging Buildings in the LANT AOR to accommodate current and future Coast Guard missions, boats, systems, and staffing.

2. Development and dissemination of a comprehensive CG-wide plan to address how to satisfy current and foreseeable CG shore facility requirements over the next several decades. At a minimum, the plan should include:

(a) Formal guidance on how to provide shore facilities that satisfy current operational and personnel requirements given both the current constraints on AFC-43 expenditures and the lack of sufficient Capital Acquisition funding to recapitalize older assets. Potential plans might include dramatically increased divestitures of CG-owned facilities (offset by increased use of leased facilities), benign neglect (due to under-funding) during the Deepwater/Rescue 21 era followed by a shore facility version of Deepwater, aggressive efforts at the HQ-level to increase CA funding/billets, or a combination of these or other initiatives.

(b) Formal promulgation of policy on the identification, designation, and funding of long-term maintenance of "legacy" buildings (e.g. Coast Guard Academy) that will remain in use long beyond the 40-year depreciation lifespan listed in COMDTINST 7100.3B (Financial Resources Management Manual (FRMM)) and the 50-year useful life standard quoted in G-SEC letter 11000 dated 27 Nov 2002.

c. Impact of Problem: Without significant and costly life-extending Rebuild/Renewal and/or Improvement projects, these 186 buildings will increasingly exhibit problems that adversely affect operational readiness and personnel, including higher maintenance requirements and costs, unsuitability for current and evolving missions and platforms, failure to meet space standards, insufficient accommodations for mixed-gender crews, high energy consumption, code-compliance gaps (building, life-safety, seismic, electrical, Americans with Disabilities Act (ADA), etc.), high energy consumption, and other deficiencies.

10. HOW PROBLEM WAS IDENTIFIED/BACKGROUND:

a. Regional Strategic Assessments (RSAs) conducted by LANTAREA Districts have long recognized the adverse impacts of aging shore facilities on operations and personnel. The over 50% reduction in CG-wide Shore CA funding from FY02 to FY03 and zero ($0) Shore CA funding in FY04 have forced delays in projects throughout LANTAREA, and have further escalated concerns over shore facilities recapitalization and maintenance.

While it is clear the resolution of these issues will require time, significantly increased funding, and/or a major shift to non-Government owned facilities, the lack of a formal, long-term shore facilities recapitalization and maintenance plan is conspicuous, and denies facilities managers the benefits of leadership vision. The current focus on programs such as Deepwater, Rescue 21, Homeland Security initiatives (i.e. MSSTs, consolidation of Group/MSOs, etc.), and high-visibility inserts (i.e. Chase Hall, Station Washington, etc.) are acknowledged to have adverse impacts on shore facility recapitalization. Tightened restrictions on the use of AFC-43 funds (i.e. favoring assets less than 35 years old) have further limited the ability to maintain facilities in the face of dismal CA funding projections.

PROBLEM STATEMENT

1. **SFRL NUMBER:** 01 - L02002
2. **PROJECT TITLE:** Boathouse Rehabilitation
3. **BENEFITING UNITS:** USCG Station Boothbay Harbor (01-30606), USCG Group Portland (01-36212)
4. **LANDLORD UNIT:** USCG Station Boothbay Harbor (01-30606)
5. **FUNDING SOURCE:** Major AC&I
6. **SFRL STATUS:** New
7. **FIELD MANAGER:** D1 (dpl)
8. **HQPM:** Comdt (G-OCS)
9. **PROBLEM STATEMENT:**

a. Current State: The USCG Station Boothbay Harbor Boathouse structure consists of a walkway, an over-the-water boathouse and a U-shaped pier. The boathouse and pier both open to the north. The boathouse and pier are supported by five timber cribs, which rest on a stabilized rock bed. The east and west legs of the pier are supported by two 12' x 22.5' timber cribs, and the south pier is supported in the center by an 8' x 8' timber crib. The walkway leading to the boathouse is an 80' x 6' timber walkway supported by three concrete piers spaced 20' on center.

The approximate dimensions of the interior of the boathouse are 45' deep x 40' wide x 31' high at Mean Low Water (MLW). However, an 8' wide floating dock, which reduces the usable width of the boathouse, was installed in the center of the boathouse, thereby creating two 16' wide boat slips for the previous contingent of boats: a 41' UTB and a 44' MLB. The floating dock is held in place by a concrete-filled steel guide pile. When installed in 1999, the guide pile was inserted into a rock socket extending 10' below the surface of the ledge, and then grouted in place.

→ Presently there are two distinct issues relating to the boathouse. First, the boathouse is insufficient to meet the operational requirements of the station as listed in the COMDTNOTE 11010, Subject: Boat Covered Moorings Policy, dated March 5, 2001. In the Discussion section of the notice, it is stated that covered moorings are intended to provide shelter for the ready boat and protection of the crews performing boat maintenance. In the Policy section of the notice, it is stated that one covered mooring is

authorized for protection of the Bravo Zero ready boat and personnel performing boat maintenance where environmental factors are such that a covered mooring will enhance unit readiness. Authorization to construct additional covered moorings to protect a second ready boat is primarily dependant on whether the location in question meets specific extreme environmental criteria. Station Boothbay Harbor, where the average temperature is below 32 degrees F for more than four months every year and the average wind chill is below 32 degrees F for more than five months every year, meets this condition precedent. At Station Boothbay Harbor, the 47' MLB Bravo Zero ready boat does not fit in the existing covered boathouse. First, the available berthing slips are too narrow to dock the boat. The existing width is approximately 16'; the ready boat requires a 24' slip. Second, the antenna height on a 47' MLB is 28' 4". The elevation of the boathouse roof beams is 31' above MLW, and Mean High Water is +9.5' above MLW. The insufficient roof clearance requires the crew of 47' MLB to lower the antenna prior to mooring. While this does not require a significant amount of time, it does fatigue the High Frequency and Direction Finder antennas. The fatigue will eventually result in fracture and maintenance time and money. Finally, an extreme high tide over +10.5' prohibits the storage of the 47' MLB in the boathouse even with the antenna lowered. According to the tide tables, a high tide greater than or equal to +10.5' will be achieved thirty-three times in the next six months.

The second issue that guides any course of action at this site is that the boathouse has experienced deterioration of structural members and differential settlement, which creates residual stresses in the deteriorated structural members. A 1997 inspection of the facility revealed the following discrepancies in the boathouse and pier structure.

1. 100% of cores taken from the main timber columns, which provide the majority of the strength of the timber cribs, revealed moderate defects in the structural integrity of the columns. Interior voids representing 7% of the original column cross-section were found in three of the four core samples taken.
2. Moderate splits were found in the lateral cross bracing on four cribs and longitudinal cross bracing on all five cribs. The moderate splits represent a defect length of 15-45% of the total member length. Three braces had severe splits of more than 75% of the total member length.
3. Moderate defects were found in the horizontal timber crib members of four cribs. Interior voids representing over 1% of the cross-section constituted moderate defects.

These structural discrepancies, evaluated apart from any other discrepancies, are sufficient to cause concern. The boathouse was built in 1965 and has received little regular maintenance on the structural members. Thirty-two years later, during the 1997 inspection, typical deterioration of the members was expected. However, during this inspection, it was also noted that two of the five cribs had rotated, shifted laterally, and settled relative to the other three cribs. This movement created residual stresses in the boathouse columns and roof beams. The residual stresses do not exceed the allowable stresses for the timber members. However, when the boathouse is loaded with the design wind and snow forces and the applied stresses are added to the existing residual stresses, the resulting stresses exceed the allowable stresses of the timber members.

3 PROJECT SUMMARY

3.1 EXECUTIVE SUMMARY

3.1.1 PROJECT SCOPE: Demolish (a) a portion of the western pier, (b) all of the western wave barrier, (c) central timber pier, and (d) timber marine railway. Construct (a) steel wave barrier, (b) concrete floating pier, and (c) concrete marine railway. Filter fabric and filter media or a composite sheet wall will be installed behind the main wharf to minimize washouts behind the wharf. Various minor replacements/repairs will also be accomplished.

3.1.2 BACKGROUND: The Station's circa 1940 timber structures (wave barrier, marine railway, central pier, and supports for the western pier) have vastly exceeded their design life and require extensive repairs or complete replacement. A pier survey and structural inspection performed by Appledore Engineering, Inc. in 1999 revealed numerous deficiencies. The report shows a requirement for $200K in near-term repairs just to keep from down-rating the load capacities of the piers/wharf. Major repairs were evidently performed on the western pier in 1975 and 1989 and to the wharf in 1981. Using the 14 year period between the last two major repairs to the western pier (1975 to 1989) shows that we are near the end of another life cycle (1989+14 = 2003.)

3.1.3 CURRENT CONDITION: The Station doesn't use the existing western pier ; the primary purpose of the pier is to support the western timber wave barrier. The western pier is utilized by ANT Moriches' to load its 49 foot ANT boat; the pier is also used by visiting boats, such as the Corps of Engineers. Visiting boats can also utilize the ANT's floating pier. The marine railway is utilized, especially in the winter, for launching and retrieving small boats (22' RHIB). The central timber pier provides a moorage for the Station's 47 foot MLB (intermittently). Station boats are typically moored to, or fueled at, existing floating piers.

The western pier is in moderate condition but will not be required once the new floating pier is installed by CEU Providence, except as a platform for loading the ANT boat. The western wave barrier is in marginal/moderate condition and should be replaced. The marine railway is in poor condition. Soil migrates through the bulkhead at the main pier creating sink holes (low spots) along the sidewalk.

3.1.4 DESIRED CONDITION: Replace the western wave barrier with steel sheetpiling, replace the central pier with a floating pier, and replace the marine railway with a concrete railway. The choice of concrete for the railway is to minimize future maintenance. A floating pier was chosen for the central pier because of the ease of access to the railway from any of the Station's boats. Steel sheetpiling with steel H-piles were chosen to match the portions of the wave barrier that have been previously replaced. Although some of the timber sheets in the main wharf's bulkhead have deteriorated, Appledore's reports notes adequate strength but inadequate soil retention. Because of this, replacement of the bulkhead is not recommended at this time. Merely the addition of filter media (or a vinyl sheetpile behind the timber sheeting) to minimize

PROBLEM STATEMENT AMENDMENT

1. **SFRL Number:** 05 – L7001

2. **PROJECT TITLE:** RIGHT-SIZE FACILITIES FOR STATION HATTERAS INLET, HATTERAS, NC

3. **BENEFITTING UNITS:** Station Hatteras Inlet (05-30271)
ANT Hatteras (05-41906)
Station (Small) Ocracoke (05-30271-01)

4. **LANDLORD UNIT:** Group Cape Hatteras (05-36230)

5. **FUNDING SOURCE:** Major AC&I

6. **SFRL STATUS:** Amendment to PS

7. **FIELD MANAGER:** D5 (Aosr)

8. **HQPC:** COMDT (G-OCS)

9. **OPERATIONAL/SUPPORT PREMISE:** USCG Station Hatteras Inlet is located on Hatteras Island in North Carolina. Hatteras Island proper is surrounded by water on three sides; Pamlico Sound to the north, Hatteras Inlet to the west which provides access to the Atlantic Ocean which is the southern border. The Station is provided access to Pamlico Sound through Austin Reef. Station Hatteras Inlet is co-located with ANT Hatteras and is the parent unit for Station (Small) Ocracoke. According to the Shore Facilities Inventory Report, the Multi-Purpose Station Building was constructed in 1961. Although, the personnel billets at USCG Station Hatteras Inlet have grown in the 40 years since its inception, it continues to operate from the same multi-purpose facility.

10. **PROBLEM STATEMENT:**

a. **Current Status:** Station Hatteras Inlet occupies approximately 5.7 acres of land and operates from its original 10,400 square foot Multi-Purpose Station Building. Accordingly, the existing UPH is filled to capacity and the station/ANT is unable to adequately house all UPH eligible members. Also, within the Station Building, other than head facilities in the duty and UPH rooms, there is only one head facility available to the crew and visitors. This facility is located in the galley, which due to its location, violates sanitation requirements. Based on a 2001 space study, Station Hatteras Inlet/Ant Hatteras was determined to have an overall asset deficiency of 5,180 GSF.

b. **Desired State:** Provide new and functional right-sized Multi-Purpose Station Building, UPH, dining and head facilities.

c. **Impact of Problem:** With implementation of the 1996 Station Streamlining Plan, a severe shortfall exists for unaccompanied personnel accommodations. The new influx of personnel (18 additional billets) has quickly exceeded the station's ability to provide adequate berthing and messing, which severely impacts the quality of life. Likewise, the Station Building itself is undersized for the current needs of the Coast

Guard at this location. Furthermore, the Multi-Purpose Station Building is experiencing signs of structural cracking, spalling and/or delaminating and is nearing the end of its useful life.

11. HOW WAS THE PROBLEM IDENTIFED/BACKGROUND: Station Hatteras Inlet has grown, and its facilities are undersized. The Station along with their landlord unit, Group Cape Hatteras, would like the station (UPH included) right-sized to better match their current needs and to better utilize the property. Along with being undersized for the additional personnel now stationed at Hatteras Inlet, it is in dire need of structural repairs.

The Station Streamlining initiative added 18 new billets to Hatteras Inlet. The plan made no attempt to address increased UPH requirements, dining facility and overall habitability issues. Currently, the UPH is at 100% occupancy. Additional unit members berth at the Group UPH, approximately 12 miles away. However, the Group UPH cannot handle all the existing requirements. The area is primarily a resort community and leasing affordable housing is extremely difficult if it is in fact available.

12. SIGNIFICANT ISSUES: According to CEDS, the Multi-Purpose Station Building has 4 years remaining in its useful life; it is presently in need of repair and undersized by 5180 GSF.

According to the current PALs for Station Hatteras Inlet, ANT Hatteras and Station (Small) Ocracoke, there are 32, 9, and 10 active duty members respectively, for a total of fifty-one CG personnel attached to this unit.

It is anticipated that temporary accommodations will have to be provided while the Multi-Purpose Building and UPH are right-sized. Temporary trailers may be required to accommodate working personnel and ready boat crew.

13. RANGE OF POTENTIAL ALTERNATIVES:

a. Status Quo: Continue to operate from existing, undersized, and outdated facilities.

b. Rehabilitate existing Multi-Purpose Building and Dining Facility: The existing Multi-Purpose Building is nearing the end of its useful life and is in need of structural repair. However, the Station Building would remain undersized, as well the UPH and dining facilites.

c. Construct an Addition and Rehabilitate existing Multi-Purpose Building & Dining Facility: The existing Multi-Purpose Building is nearing the end of its useful life and is in need of structural repair. However, the Multi-Purpose Building, UPH and dining facilities would be right-sized.

d. Rehabilitate existing Multi-Purpose Building & Dining Facility and Construct new UPH on existing property: The existing Multi-Purpose Building is nearing the end of its useful life and is in need of structural repair. However, the Multi-Purpose Building, UPH & dining facilities would be right-sized.

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