STATEMENT OF

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Good morning, Chairwoman Norton, Ranking Member Diaz-Balart, and members of this Subcommittee. My name is William Guerin and I am the Recovery Executive in the Recovery Program Management Office of the General Services Administration's Public Buildings Service (PBS). Thank you for inviting me to appear before you to discuss our responsibilities for our nation's Land Ports of Entry (LPOE) and the challenge of balancing national security with the free flow of trade and travel. Today I will be discussing GSA's LPOE program, our close collaboration with the Department of Homeland Security's U.S. Customs and Border Protection (CBP), and our community involvement. I will also provide an update on GSA's LPOE projects funded by the American Recovery and Reinvestment Act of 2009 (Recovery Act).

Trade across America's borders has dramatically increased during the past 15 years; the capacity of our LPOEs to accommodate this new traffic has not kept pace. We are committed to expanding capacity of our LPOEs and building new facilities where they are needed most in a timely manner. We are actively working with our key partners and stakeholders to design, build, expand, and maintain the best LPOEs for the safety of the United States.

GSA LPOE Program

There are currently 163 LPOEs along America's borders, including 42 LPOEs along the 1,900 mile southern border and 121 along the 5,000 mile northern border. GSA owns or leases these LPOEs and is the service provider to CBP for 119, or about 75% of these ports. The Department of Homeland Security controls 43 LPOEs, while the National Park Service operates an LPOE in Minnesota.

The United States actively consults with both the Canadian and Mexican governments when performing improvements on existing LPOE's that create changes in functionality and when constructing new facilities. In determining the demand for new facilities, GSA performs analysis in collaboration with the private sector including traffic analysis (Border Wizard) and feasibility studies. In 1968, President Lyndon Johnson issued Executive Order (EO) 11423 authorizing the Secretary of State to issue Presidential permits for the construction and operation of facilities crossing our international borders. In 2004, President George W. Bush issued EO 13337 which amended EO 11423 to include land border crossings of either motor or rail vehicles among the facilities requiring a Presidential permit. In 2005, the Department of State issued interpretative guidance of this requirement in the Federal Register (70 Fed. Reg. 45748), clarifying that the Presidential permitting process applied to all new border crossings, as well as to substantial modifications to existing crossings. GSA worked closely with the Federal Highway Administration, CBP, and the Department of State to develop implementing guidelines that streamlined the

Presidential permitting process for LPOEs. All new LPOEs and any substantial changes to LPOEs that impact Canada or Mexico require a Presidential permit. However, the majority of GSA's routine renovations, infrastructure improvements, and interior changes to existing border inspection facilities do not require a permit.

Project Delivery

There are multiple ways GSA acquires a site for a new LPOE. In some instances, particularly on the southwest border, sites are donated by local municipalities. GSA also may purchase land or acquire a site through eminent domain where land donation is not viable.

GSA has been working closely with CBP to decrease the delivery time for LPOEs.

Since September 11, 2001, we have worked to streamline the cost and time required to develop, deliver, and maintain LPOE facilities, while ensuring that facilities continue to meet CBP's mission requirements. GSA and CBP jointly identified the following four actions to speed the delivery of LPOEs:

- **CBP will prioritize construction and modernization projects**: CBP has developed an objective methodology for ranking and prioritizing new projects based on its assessment of the physical urgency and its mission priorities.

- **GSA will increase the use of design/build contracts**: GSA can shorten the delivery schedule by selecting a single contractor for both project design and construction.

- **GSA and CBP will increase standardization of common LPOE components**: GSA and CBP identified seven LPOE components (*e.g.*, booths, canopies) as candidates for standardization for all new LPOE projects. Standardization as well as adapting an existing LPOE design to a different site would speed design and delivery of projects.

- **GSA has developed IDIQ contracts for LPOE design services**: GSA has developed indefinite delivery/ indefinite quantity (IDIQ) contracts for design teams devoted to LPOE projects. This expedites the design process and accelerates overall project delivery.

In looking at ways to decrease delivery times, GSA and CPB jointly reviewed GSA's project delivery methods and streamlined, wherever possible. In an effort to establish a consistent approach in LPOE pre-design, design and acquisition, GSA consolidated the funding and procurement of commonly used services, including feasibility studies, project design and special services.

To establish consistency and provide a quality product, GSA held two competitions for a national architecture and engineering services contract. One competition selected architecture and engineering firms to conduct border station feasibility studies, and a second selected design firms to provide LPOE design services. The selected firms were vetted through these national competitions before receiving training from our regional and national offices to ensure a clear understanding of the GSA/CBP mission, objectives, and priorities. These approaches to national contracts help establish consistency across feasibility studies and facility designs, while reducing the time to conduct the procurement process by up to five months.

The recently completed new international crossing between the communities of Calais, Maine and St. Stephen, New Brunswick is a prime example of cooperation among different levels of government within the United States and Canada. As the lead agency, the Maine Department of Transportation established from the outset a comprehensive and effective planning process that incorporated the interests of all stakeholders.

GSA also is greening our borders as we introduce U.S. Green Building Council Leadership in Energy and Environmental Design (LEED) Gold certified projects at our Calais, Maine and San Luis II, Arizona LPOE facilities. We are achieving a minimum level of LEED Silver in several other project locations, including Massena, New York and Jackman, Maine. New projects will address the President's most recent goals in Executive Order 13514 to reduce our greenhouse gas emissions, increase our energy efficiency, conserve water, reduce waste and support sustainably designed buildings.

GSA/CBP INTERACTION

GSA works together with CBP on many national and regional levels. CBP and GSA share a common goal of delivering state-of-the-art facilities to support efficient cross-border trade and travel. GSA collaborates with CBP to identify and move forward on LPOEs that CBP believes are the highest priority. In support of this effort, this Committee already has authorized three of CBP's top priorities for FY2010: Tornillo-Guadalupe LPOE in Texas, Calexico West LPOE in California, and the Madawaska LPOE in Maine.

Community Outreach

GSA engages local communities (who themselves often initiate border crossing projects) as early as possible when planning new LPOE construction and modernization projects. We recognize the importance of including the local community throughout the process and we continue to strive for open and meaningful communication. While the long-term benefits of LPOE projects (not just near the border but across the country) are easy to recognize, we also understand the potentially adverse short-term effects on local economies while

traffic is diverted or wait times increase during construction. To minimize such effects, we are committed to open dialogue between and among the stakeholders. GSA, through the NEPA process, is afforded the opportunity to incorporate public comment on any particular project. Public comment can ultimately be integrated into design if applicable.

Recovery Act

The Recovery Act gave us an unprecedented and exciting opportunity to contribute to our nation's economic recovery. The investments we are making in our LPOEs and other Federal buildings throughout the country are helping to stimulate job growth and retention in the construction and real estate sectors, while reducing energy consumption, improving environmental performance, promoting national security, and encouraging international commerce.

We continue to follow our aggressive schedule of awarding Recovery Act funded projects and delivering a higher performing, green building inventory. As of November 27, 2009, GSA has obligated over $1.4 billion for Federal building construction and renovation projects funded by the Recovery Act and has expended over $85 million. Of this amount, more than $76 million was obligated and over $34 million expended for our LPOEs.

The Recovery Act designated $300 million of the $5.5 billion specifically for LPOEs under the primary jurisdiction of GSA. In selecting projects, we used two overarching criteria: ability of the project to put people back to work quickly, and transforming Federal buildings into high-performance green buildings. In addition to these, we considered the priorities of CBP including reducing wait times. Our selection criteria included:

- High-Performance Features, concentrating on energy conservation and renewable energy generation
- Speed of Construction Start (creating jobs), with an emphasis on those projects that could begin within 120 days
- Execution Risk, making provisions so that the projects will not fail due to unforeseen conditions
- Facility Condition, applying the Facility Condition Index, a standard real estate industry index that reflects the cost of repair and alteration backlog of a particular building relative to the building's replacement value
- Improving Asset Utilization
- Return on Investment
- Avoiding Lease Costs

- Historic Significance

As identified to this Committee on March 31, 2009, the following LPOEs were selected for Recovery Act funding:

ME	Calais U.S. Land Port of Entry	$ 6,300,000
ME	Madawaska U.S. Land Port of Entry	750,000
ME	Van Buren U.S. Land Port of Entry	39,727,000
NM	Columbus U.S. Land Port of Entry	2,447,000
AZ	Nogales West U.S. Land Port of Entry	199,480,000
CA	Otay Mesa U.S. Land Port of Entry	21,296,000
WA	Blaine Peace Arch U.S. Land Port of Entry	30,000,000

We are moving forward on all of these projects. Notably, we just broke ground on the modernization of the Mariposa LPOE in Nogales, Arizona. This project is primarily funded by the Recovery Act, and includes the demolition and reconstruction of all facilities within America's third-busiest border crossing. The new facility will include a pedestrian and bus passenger processing facility; 12 primary inspection booths; 24 secondary inspection stations for northbound vehicles; eight commercial inspection lanes; 50 commercial inspection docks; 6 screened and secure inspection docks; administration buildings; and approximately 400 new surface parking spaces.

The Mariposa LPOE will be built to achieve a LEED Silver certification. It will use electricity-generating photovoltaic solar panels, solar-powered domestic hot water, and advanced lighting. Our goal is to provide up to 20% of the facility's energy with solar power produced on-site. Construction is expected to be completed in 2014.

Reimbursable Work at LPOEs

GSA is also supporting CBP's LPOE Modernization Program by providing acquisition, project management, planning, design/build, and construction management services for those LPOEs under the jurisdiction and control of CBP. CBP's Recovery Act funds will be used to replace eight aging LPOEs in four states along the northern border: Morgan, Scobey and Wild Horse in Montana; Churubusco in New York; Antler, Noonan and Maida in North Dakota; and Frontier in Washington. Seven projects were awarded on August 14, 2009, using GSA's IDIQ contracts. Design for seven projects is currently underway and scheduled for completion by the end of January 2010. The eighth, Maida LPOE, is currently scheduled for award in early December. As of November 9, GSA has received approximately $88 million from CBP through reimbursable work authorizations. Of this total, GSA has obligated approximately $57 million.

Progress

Our infrastructure investments are stimulating the economy. We project that over 60,000 job-years will be created from the $5.546 billion in Recovery Act funding allocated to GSA. A job-year simply means one job for one year. This projection is based on the Council on Economic Advisers' May 2009 "Estimates of Job Creation from the American Recovery and Reinvestment Act of 2009," and includes "direct" project delivery jobs, "indirect" supplier jobs, and "induced" jobs elsewhere in the economy. Initial reports indicate that as of October 30, 2009, GSA's Recovery Act funding recipients have created or retained 780 "direct" project delivery jobs as a direct result of Recovery Act funding. Approximately 56 of these jobs are related to LPOE projects. These are positive preliminary indications of GSA's contribution to the economic recovery.

We are also leveraging our Recovery Act investments to turn our large, varied and stable inventory of buildings, including LPOEs, into a proving ground for green building technologies, materials, and operating regimes. By adopting new ideas and products, then evaluating and publicizing our results, GSA is working to become the "go to" source for data on the environmental and economic payback of new systems and procedures. Our investments in innovative technologies and alternative energy solutions will reflect smart decisions about new technologies with good track records and will lead the transformation to a new green economy.

As we move forward with our infrastructure investments, we have set interim target dates for project awards in each quarter to ensure we obligate $5 billion of the $5.5 billion we received in Recovery Act funds by the end of fiscal year 2010. Pursuant to the Recovery Act, all remaining funds will be obligated by the end of fiscal year 2011. Our tracking and reporting systems help us satisfy reporting requirements and better manage our projects. We are monitoring our project variances as "early warning" signals of project slippage.

Conclusion

Securing the nation's borders is critical to preventing terrorists, illegal drugs and harmful products or produce from entering the country, but we must also facilitate the movement of international travel and trade in the form of the millions of travelers and billions of dollars in commercial goods that pass through our LPOEs every year. Due to the critical importance of these border inspection stations to our nation's security, it is imperative for GSA to continue to provide and maintain border crossings and border inspection facilities that can most effectively and efficiently handle the increased demands and future growth of traffic and trade while protecting America's border security.

We look forward to working with you and members of this Committee as we continue to deliver this important work.