

Architect of the Capitol Cannon Renewal Project

Statement before the Committee on House Administration United States House of Representatives

August 5, 2021

Chairperson Lofgren, Ranking Member Davis, members of the committee and this witness panel, I appreciate the opportunity to testify today and to provide an overview of the Architect of the Capitol's (AOC) Cannon Renewal Project. The committee's continued interest in and support for this project is essential to our agency's efforts on behalf of Congress.

The Cannon House Office Building holds the prestigious title of the oldest stand-alone congressional office building on campus. Unfortunately, the facility has not received a comprehensive infrastructure upgrade since the 1930s. Many of the building's systems are original, dating back to 1908 or earlier.

The AOC, with the support and cooperation of Congress and our legislative branch stakeholders, recognized the importance of correcting serious safety, health, environmental and operational issues impacting members, staff and constituents. When completed, the Cannon Renewal Project will provide an updated workplace for the next century to serve the needs of the U.S. House of Representatives and support congressional operations. The updates will improve the functionality of the building for both members and staff, making it far more efficient, comfortable and safe, while retaining the historic grandeur of the building.

A challenge for the project was the inability to relocate all 142 member offices, three hearing rooms and the essential services working within the building. Construction of this magnitude rarely occurs in an occupied building, yet we believe that we developed a workable plan to address this unique situation. The result is a rigid, 10-year renewal process where each phase is aligned to begin and end between the two-year congressional move cycles.

The initial utilities and substructure phase for this project started in January 2015 and was completed in December 2016. Phase 1 started in January 2017 and achieved an occupancy permit in December 2018. Phase 2 started in January 2019 and the occupancy of the spaces began in November 2020. Phase 3 is underway and is scheduled to take occupancy by the end of 2022. Phase 4, the final phase, will be conducted between January 2023 and November 2024.

As an engineer, let me assure you that the complexity of this project cannot be overstated. Each phase of the project is unique with its own risks. The stringent schedule, along with the logistical and budgetary parameters, are inconsistent with many industry standards and best practices.

The project team has also had to contend with a global pandemic that initially sickened members of the construction team as well as delayed needed supplies. We instituted extraordinary mitigation practices including specialized cleaning with Center for Disease Control (CDC) and Enviornmental Protection Agency (EPA) approved disinfectants, extending and rotating schedules, introducing proactive quarantines, and requiring personal protective equipment and handwashing stations. And then, the Capitol Building breach on January 6, 2021, shut down the project for 44 days while security experts and the National Guard secured the campus. This shutdown cost the project more than \$2 million. While our mission to Serve, Preserve and Inspire thrives on balancing the needs of our aging infrastructure while mitigating the impact on congressional operations, this particular project has experienced unprecedented challenges that we have and will continue to overcome.

The current total budget for the project is \$890.2 million. This budget consists of preconstruction services (planning, surveys/tests for determining program requirements, design, and enabling

work to facilitate construction), construction, and associated costs. Assuming the project recovers the unanticipated costs for COVID-19 and the January 6 event, we remain on budget at this time. As we have said in our monthly Executive Summary Reports, the Phase 3 budget is at risk. The project team is evaluating the budget for the remainder of the project and will update the committee after completion of the Integrated Cost Schedule Risk Assessment expected this fall. The team is continuing to apply the Government Accountability Office (GAO) recommended risk assessment process and I sincerely appreciate the GAO's continuing analysis of the project's cost and schedule risks.

Now in Phase 3 of this massive project, the agency has learned many lessons that have been applied, and additional lessons that I look forward to incorporating into the final phases of this project and future projects on campus.

We have previously discussed with the committee many of those lessons: building in as much flexibility as possible to address unforseen conditions, such as hazardous materials that are found in older facilities; managing a major constuction project in spaces occupied – in some cases – 24 hours per day; changing congressional calendars; code changes; challenges of logistical coordination in a compressed timeframe with campus partners; competition for sub-contractors and staff in a feverish construction market; and the volume and impact of change orders.

To the extent possible, we incorporated all known design and construction changes into the remainder of the project to minimize time delays and premium costs associated with change orders. We implemented a new change management process and more aggressive schedule management to help control cost acceleration and identify the schedule impacts of changes. Projects need to be agile enough to respond to emerging requirements, but must also be disciplined enough to protect against unnecessary impacts to the schedule and budget.

Other lessons include: incorporating cost saving measures; instituting a more robust quality program; and establishing a Building Official initative to ensure portfolio-wide compliance with adopted building codes.

We first performed an assessment of the current practices, effectiveness and issues surrounding building code compliance throughout the AOC organization. The assessment included meetings and in-depth interviews with stakeholders and program leaders across the agency, as well as extensive review of relevant policies, procedures and support systems, such as IT and data management systems. The assessment revealed a dedicated and collaborative workforce supporting a unique and complex portfolio of buildings and projects, ranging from large construction projects to minor construction, renovations and supporting maintenance. However, the assessment confirmed that opportunities exist to improve compliance with and enforcement of AOC-adopted building codes and standards.

To support the development of an AOC Building Official program, a framework was established based upon the International Accreditation Service (IAS) Criteria for Building Departments/Code Enforcement Agencies (AC251). Using the initial assessment and the team's experience and expertise, this framework was further refined and tailored. The result is an ideal 'to be' state for the Building Official to meet unique mission needs of the AOC. This will ensure the effective and efficient administration and determination of compliance with adopted building

codes. And it will provide continuous oversite of AOC facilities for ongoing code and standard compliance.

A gap analysis was then performed to identify challenges and variances needing to be addressed in standing up the Building Official within the existing AOC business processes. Implementation plans were developed to address the identified needs and support the organization and its processes. These plans are structured across a phased rollout that leverage pilot programs, ongoing refinement and incremental changes, enabling organization-appropriate, tailored processes.

We are planning to pilot the Building Official initiative in the final inspection of the Cannon Renewal's Phase 3 and all of Phase 4. We are still finalizing the details of how the pilot will work in an on-going project, but I anticipate key performance indicators for the Building Official will include construction plan reviews, inspections, financial performance, code violations and stakeholder satisfaction.

The benefit of the pilot is two-fold: it is built upon widely recognized building code compliance best practices and will improve the product delivered by the agency on behalf of Congress, and the phased implementation approach provides opportunities for review and refinement to determine the impact to projects, including schedule and cost.

I look forward to inviting the AOC's Inspector General to join the agency on final inspections of Phase 3 so that he can witness the pilot project in action.

We have also significantly strengthened our quality program over the course of the project by adding additional staff and structure. The project's contractor, Clark Construction in a joint venture with the Christman Company (CCJV), is responsible for quality control while our inhouse team manages quality assurance.

CCJV is responsible for ensuring it submits quality documents, such as shop drawings and work plans, and that construction work meets contract requirements. These documents are required to meet applicable code requirements. Our in-house team reviews these construction documents submitted by CCJV to ensure they meet requirements and inspect actual work from the time it starts through completion of punch list and warranty work.

All aspects of construction work are inspected and, if deficiencies are noted, tracked until corrected. This includes hazardous materials abatement, architectural, structural, mechanical, electrical, plumbing, life safety, telecommunications, historic preservation and specialty work. For certain work, we require CCJV to engage qualified third-party firms to inspect work, including systems, and submit documentation of their findings. The agency also engages specialty staff who are knowledgeable and experienced in the areas they inspect, as well as third-party commissioning of all systems.

Improvements in the quality program since Phase 1 are evidenced by the significant reduction in punch list items, the focus of the team on value and craftmanship, and the speed in which punch list work has been completed in Phase 2. In January 2019, the project recorded 6,734 punch list items in Phase 1. Two years later, the January data for Phase 2, recorded 1,517 items on the

punch list. This 78 percent reduction reflected the team's commitment to the enhanced quality program. We hope to continue to build on these improvements through Phase 3 and beyond.

Another lesson that we incorporated into the project is improved scheduling and coordination with United States Capitol Police and the Chief Administrative Officer, and other stakeholders, to better manage the numerous activities required to complete members' suites once the construction elements are finished. The AOC captured all work activities into a master schedule and updated it weekly to keep all stakeholders informed of progress. This ensured that member move-ins could more quickly and efficiently progress floor-by-floor. We appreciate the committee's support and collaboration on this effort. We believe it made a significant improvement in delivering the Phase.

Finally, I'd like to extend my appreciation to the Inspector General for reviewing contract modifications and costs reimbursed to CCJV on this project. The AOC team has been aggressive in its efforts to keep costs down. The Inspector General's support in identifying these types of costs assists our efforts to be good stewards of taxpayer resources. To the extent legally and administratively possible, the team has recovered some resources and is working to recover other unallowable costs identified by the Inspector General and, if applicable, any additional amounts resulting from the application of items such as overhead and fees. The project team has also enhanced procedures to identify unallowable costs in the award of contract modifications and payment processes of contractor invoices. In addition, the team accelerated certain work early in Phase 3 to avoid higher costs had the work been accelerated later in the project.

From the first studies, through design, construction and operations of the new infrastructure, the Cannon Renewal Project continues to redefine how the AOC addresses our aging infrastructure and will combat ever-increasing operational and capital needs across campus. Our commitment to our unique mission to Serve, Preserve and Inspire is deeply rooted in our interdependent relationship with Congress and our legislative branch stakeholders. We look forward to working with you, and we greatly appreciate your continued support.