



U.S. House of Representatives
Committee on Transportation and Infrastructure
Washington, DC 20515

John L. Mica
Chairman

Nick J. Rahall, III
Ranking Member

James W. Coon II, Chief of Staff

James H. Zoia, Democrat Chief of Staff

BRIEFING MEMORANDUM

TO: Members of the Subcommittee on Economic Development, Public Buildings and Emergency Management
FROM: Subcommittee on Economic Development, Public Buildings and Emergency Management Staff
SUBJECT: Joint Oversight Hearing with the Committee on Ways and Means, Subcommittee on Social Security on “Managing Costs and Mitigating Delays in the Building of Social Security’s New National Computer Center”

PURPOSE

The Subcommittee on Economic Development, Public Buildings and Emergency Management will meet on Friday, February 11, 2011, at 10:00 a.m., in room 1100 of the Longworth House Office Building to receive testimony from the General Services Administration (GSA), the Social Security Administration (SSA), and the SSA Inspector General in a joint hearing with the Committee on Ways and Means, Subcommittee on Social Security. The panel will provide testimony on the site selection and construction of SSA’s new national computer processing and data storage facility to replace the National Computer Center (NCC), currently located in Woodlawn, Maryland. A prior joint hearing was held on December 15, 2009.

The new facility is funded through the “American Recovery and Reinvestment Act of 2009” (ARRA) (Public Law 111-5), which provided \$500 million for this project. This amount is expected to cover the cost of building a new facility and part of the cost of equipping it. Replacement of the NCC is the single largest building project funded under the ARRA. GSA has been tasked to plan, design, and construct the new facility.

BACKGROUND

General Services Administration

The Subcommittee has jurisdiction over all of GSA's real property activity through the Property Act of 1949, the Public Buildings Act of 1959, and the Cooperative Use Act of 1976. These three Acts are now codified as title 40 of the United States Code. The Public Buildings Service (PBS) is responsible for the construction, repair, maintenance, alteration, and operation of United States courthouses and public buildings of the Federal Government. Additionally, PBS leases privately owned space for Federal use. PBS, with a work force of approximately 6,500 employees, owns, operates, maintains, and repairs existing Federal buildings, and plans for the construction of new Federal buildings, including courthouses.

The National Computer Center (NCC)

The SSA runs its nationwide computer operations from its Baltimore-based 30-year old NCC and from a Secondary Support Center (SSC) in Durham, North Carolina. These computer operations allow the SSA to pay benefits (over \$700 billion to more than 56 million Americans) and store secure data on most U.S. workers. The SSA currently processes over 75 million business transactions per day, and they exchange over 1 billion data files with federal and state governments and businesses to manage benefits each year.

A 2008 Lockheed Martin study concluded that the NCC is an aging facility with significant electrical and mechanical challenges, including several single points of failure (where the entire NCC would shut down should any of these points fail). The study indicated the NCC would continue operating safely and uninterrupted only for an additional 3-5 years (2011-2013).

To ensure continued operations of the NCC until the new National Support Center is ready (the current projected completion date is 2016) and based on recommendations in the Lockheed Martin report, the SSA continues to make improvements to the NCC. These improvements include initiatives to increase electrical capacity, such as adding power supply risers to add more circuits, making other circuits available for servers by converting staff space into data center space, and moving certain software (medical evidence repository) so that it is supported by servers in SSC instead of the NCC.

The SSC was created in response to Homeland Security Presidential Directive 7, which requires critical infrastructure assets, including hardware, software and telecommunications, to be protected. The SSA received the Certificate of Occupancy for the SSC in January 2009 and is transitioning into the building, a process that should be completed in 2012. First proposed in 2004, the SSC was initially designed to run a portion of the Agency's daily production work and serve as a site for disaster recovery operations. Today the SSC runs about 35 percent of the SSA's workloads.

New National Support Center (NSC)

ARRA provided \$500 million to replace (\$400 million) and partially equip (\$100 million) a new National Support Center (NSC). At the time of the December 15, 2009 hearing, GSA provided a planned timeline. However, questions were raised regarding the feasibility and cost of building the new facility on the existing SSA site. GSA conducted a feasibility study to assess the Government's procurement options and whether it would more advantageous for GSA to build on SSA's existing site or to procure a new site. GSA submitted their feasibility report on March 25, 2010 and concluded that construction of the NSC at an off-Campus site was the best option.

In addition, delays have occurred from the original timeline for completion of the projects. Below is a table of the original timetable and the current one for construction and occupancy.

Action	Original Timeline	Current Timeline
Select Site	January 2010	February 2011
Purchase Site	March 2010	June 2011
Complete Program of Requirements	August 2010	August 2010 (completed)
Award design-build contract	March 2011	January 2012
Complete construction	October 2013	September 2014
Complete installation of equipment and systems	July 2015	August 2016

GSA conducted a lengthy review process that took into account SSA's site requirements. The site selection criteria include:

- Site characteristics
- Location
- Utility availability and capacity
- Security and Operations
- Visibility
- Local Planning and Development
- Cost
- Schedule

For example, given technical issues related to the migration of data from the current facility to the new one, once it is built, the new site must be within 40 miles of the

existing facility. The list of potential sites for the new National Support Center was winnowed down to two and the two sites were within this geographic limitation. Ultimately, GSA chose a site in Frederick County, Maryland. The site acquisition strategy will target a 63 acre parcel that is approximately 33 miles from the current NCC data center. Based on the aforementioned criteria, GSA selected this site as being the best available site among those offered for construction. The next steps include purchasing the site and awarding the design-build contract, which will include a two-phase process.

WITNESSES

The Honorable Michael J. Astrue or his designee
Commissioner of Social Security
Social Security Administration

The Honorable Patrick P. O'Carroll, Jr.
Inspector General
Social Security Administration

Mr. Robert Peck or his designee
Commissioner
Public Buildings Service
General Services Administration