

AMERICAN RECOVERY AND REINVESTMENT ACT OF THE NATIONAL PARK SERVICE

HEARING BEFORE THE SUBCOMMITTEE ON NATIONAL PARKS OF THE COMMITTEE ON ENERGY AND NATURAL RESOURCES UNITED STATES SENATE ONE HUNDRED ELEVENTH CONGRESS

SECOND SESSION

TO

REVIEW THE NATIONAL PARK SERVICE'S IMPLEMENTATION OF THE
AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

MAY 5, 2010



Printed for the use of the
Committee on Energy and Natural Resources

U.S. GOVERNMENT PRINTING OFFICE

57-794 PDF

WASHINGTON : 2010

For sale by the Superintendent of Documents, U.S. Government Printing Office
Internet: bookstore.gpo.gov Phone: toll free (866) 512-1800; DC area (202) 512-1800
Fax: (202) 512-2104 Mail: Stop IDCC, Washington, DC 20402-0001

COMMITTEE ON ENERGY AND NATURAL RESOURCES

JEFF BINGAMAN, New Mexico, *Chairman*

BYRON L. DORGAN, North Dakota	LISA MURKOWSKI, Alaska
RON WYDEN, Oregon	RICHARD BURR, North Carolina
TIM JOHNSON, South Dakota	JOHN BARRASSO, Wyoming
MARY L. LANDRIEU, Louisiana	SAM BROWNBACK, Kansas
MARIA CANTWELL, Washington	JAMES E. RISCH, Idaho
ROBERT MENENDEZ, New Jersey	JOHN MCCAIN, Arizona
BLANCHE L. LINCOLN, Arkansas	ROBERT F. BENNETT, Utah
BERNARD SANDERS, Vermont	JIM BUNNING, Kentucky
EVAN BAYH, Indiana	JEFF SESSIONS, Alabama
DEBBIE STABENOW, Michigan	BOB CORKER, Tennessee
MARK UDALL, Colorado	
JEANNE SHAHEEN, New Hampshire	

ROBERT M. SIMON, *Staff Director*
SAM E. FOWLER, *Chief Counsel*
MCKIE CAMPBELL, *Republican Staff Director*
KAREN K. BILLUPS, *Republican Chief Counsel*

SUBCOMMITTEE ON NATIONAL PARKS

MARK UDALL, Colorado *Chairman*

BYRON L. DORGAN, North Dakota	RICHARD BURR, North Carolina
MARY L. LANDRIEU, Louisiana	JOHN BARRASSO, Wyoming
ROBERT MENENDEZ, New Jersey	SAM BROWNBACK, Kansas
BLANCHE L. LINCOLN, Arkansas	JOHN MCCAIN, Arizona
BERNARD SANDERS, Vermont	JIM BUNNING, Kentucky
EVAN BAYH, Indiana	BOB CORKER, Tennessee
DEBBIE STABENOW, Michigan	

JEFF BINGAMAN and LISA MURKOWSKI are Ex Officio Members of the Subcommittee

CONTENTS

STATEMENTS

	Page
Burr, Hon. Richard, U.S. Senator From North Carolina	2
Hosseini, Mahmoud R., Division President, Clark Construction Group, LLC ...	13
Sheaffer, C. Bruce, Comptroller, National Park Service, Department of the Interior	2
Udall, Hon. Mark, U.S. Senator From Colorado	1

APPENDIX

Responses to additional questions	15
---	----

AMERICAN RECOVERY AND REINVESTMENT ACT OF THE NATIONAL PARK SERVICE

WEDNESDAY, MAY 5, 2010

U.S. SENATE,
SUBCOMMITTEE ON NATIONAL PARKS,
COMMITTEE ON ENERGY AND NATURAL RESOURCES,
Washington, DC.

The subcommittee met, pursuant to notice, at 2:33 p.m. in room SD-366, Dirksen Senate Office Building, Hon. Mark Udall presiding.

OPENING STATEMENT OF HON. MARK UDALL, U.S. SENATOR FROM COLORADO

Senator UDALL. The Subcommittee on National Parks will come to order.

Good afternoon. The purpose of today's hearing is to review the National Park Service's implementation of the American Recovery and Reinvestment Act, to assess the progress made so far, and to look at what work remains to be completed in the next few months.

The National Park Service received significant new funds through the Act, \$750 million for deferred maintenance, critical repairs and new construction, equipment replacement, and other critical park needs. In addition, \$170 million was appropriated for road repairs and restoration through the Park Roads and Parkways Program of the Federal Highway Administration.

When I became chairman of this subcommittee last year, one of the first issues I focused on was oversight of how these funds are being spent. At that time, the Park Service, like many other Federal agencies, had only just begun to spend a small fraction of the available funds. So, a hearing focusing on the details seemed premature.

Now, that we're 14 months into the program and less than 5 months away from its completion, this is the right time to review the Park Service's progress and hear about any issues to program completion.

Our parks are national treasures that speak to the best of who we are and where we are going as a Nation. Keeping the parks in a condition that maintains a quality visitor experience while protecting the environment is an ongoing challenge.

I look forward to hearing how the Park Service has utilized the significant funding from the Recovery Act to help care for these public lands.

Let me now recognize our ranking member, Senator Burr, for any remarks he may have.

**STATEMENT OF HON. RICHARD BURR, U.S. SENATOR FROM
NORTH CAROLINA**

Senator BURR. Thank you, Mr. Chairman. Thank you for holding this hearing.

As many know, I was not supportive of the American Recovery and Reinvestment Act last year, and there remains tremendous division over whether the bill is, or will actually, accomplish its intended goal. Fortunately, today we're not here to discuss the entire stimulus package, but just one small part.

National Park Service received \$920 million through the stimulus, and has stated that they hope to finish the allocation plans by mid-May on each of these dollars. While that's welcome news, unfortunately, up to this point only 9 percent of the National Park Service stimulus funds have actually been spent.

If that number's incorrect, I hope you'll correct me today.

I look forward to understanding why such a low percentage of the funding has been spent, up to this point. It's important to note that the stimulus package's effectiveness depends not only on how much is spent, but also when it's spent.

I thank the chairman.

Senator UDALL. I thank the ranking member, and I appreciate his point of view. I'm also pleased he's here, but I know he will have important questions for our witness.

I might add, before I turn to Mr. Sheaffer for his testimony, that we've been informed that perhaps we may have as many as 3 votes at 2:45 p.m.

Mr. Sheaffer, you should feel free to go ahead and provide us with your testimony.

Bruce Sheaffer is the comptroller of the National Park Service, Department of the Interior.

Thank you for coming up to the Hill. The floor is yours. We look forward to your testimony.

**STATEMENT OF C. BRUCE SHEAFFER, COMPTROLLER,
NATIONAL PARK SERVICE, DEPARTMENT OF THE INTERIOR**

Mr. SHEAFFER. Thank you, Mr. Chairman, Senator.

I'll try to be very brief, given your schedule, as I understand it. I'll go quickly and get to questions I assume that you may have.

As you said, you summarized well—we had \$750 million of the total governmentwide \$275 billion available for contracts/loans targeted to do Federal work—not only do Federal work, but to create, of course, jobs nationwide.

The Park Service's Recovery Act funding was divided among 3 appropriations: \$146 million for the operational account, to address minor needs; \$589 million for construction; \$15 million for Historically Black Colleges and Universities grant money and, as you mentioned, money from the Federal Highway—through the Federal Highway Administration, of \$170 million.

As of late February, the \$146 million in the operating account slated for execution of 653 park maintenance projects—and I must say that some of these projects have been awaiting funding for many years—so it was a marvelous opportunity for the Park Service to advance the cause—\$589 million in construction was being

used to execute 82 facility projects, 28 road projects, and, quite importantly, 36 abandoned mine restoration projects.

Projects were selected using a merit-based criteria. They were drawn from existing priority lists, almost exclusively to do deferred-maintenance-type projects, Mr. Chairman.

By late April, 57 percent of all NPS Recovery Act funds had been obligated. The number stands, today, at 61 percent. By mid-May, we expect to have 90 percent of it obligated. The remaining 10 percent will be programmed through September, with some being held to cover change orders that may occur on the obligated projects; some to cover very late obligations that we had planned all along, the largest of which is right here in the District of Columbia, for the Reflecting Pool.

The Service's suggested use of the recovery funding is due, in part, to development of 2 project lists. One list contained projects ready for execution, and another contained contingency projects. I believe we've spoken before, a number of times, about the fact that we actually made the list large enough to accommodate potential changes, and, as it turns out, a very favorable bidding climate that we noticed servicewide. We were able to advance, on the construction list, every project that had been over-target, as we described it, to the in-target program.

We face some challenges going forward. No. 1, Recovery Act obligation authority expires September 30, and we want to make the point, of course, that we have executed this in the face of this relatively tight deadline. Many projects will extend into the following year, and will require close attention to ensure all contracting program and project management and contingency requirements are met.

No. 2, the Act's special emergency temporary hiring authority will also cease September 30. We are working within the administration to resolve that potential issue.

Finally, the contracting workload associated with the Recovery Act projects will result in awarding some scheduled projects funded from a variety of sources. We will focus on expediting the award of these projects as soon as possible.

Mr. Chairman, that concludes my statement. I have a formal statement for the record.

[The prepared statement of Mr. Sheaffer follows:]

PREPARED STATEMENT OF C. BRUCE SHEAFFER, COMPTROLLER, NATIONAL PARK
SERVICE, DEPARTMENT OF THE INTERIOR

Mr. Chairman and members of the subcommittee, I appreciate the opportunity to appear before you today on the National Park Service's experience with implementing the American Recovery and Reinvestment Act of 2009 (Recovery Act).

The Recovery Act was enacted on February 17, 2009, shortly after the 111th Congress convened and President Obama took office, as a direct response to the severe economic crisis that the nation was experiencing. The act had the immediate goals of creating new jobs and saving existing ones and spurring economic activity and investment in long-term growth. It aimed to achieve those goals by making \$275 billion available for federal contracts, grants and loans, targeted at infrastructure development and enhancement. Of the total amount appropriated, the National Park Service received \$750 million. Additionally, the act provided \$170 million for the Federal Highway Administration (FHWA) to spend on improving park roads.

OVERVIEW

The \$750 million appropriated for the National Park Service is in three separate appropriations accounts: (1) \$146 million for Operation of the National Park System (ONPS), to address minor park deferred or cyclic maintenance needs, including repair of trails; (2) \$589 million for Construction; and (3) \$15 million for the Historic Preservation Fund, specifically for grants for historic preservation projects at Historically Black Colleges and Universities (HBCUs).

The \$589 million appropriated to address major construction needs has been divided among four categories of projects: facility construction, road construction, abandoned mine lands restoration, and equipment replacement. With this funding, the National Park Service was in the process of executing, as of late February, 82 facility projects, 28 road projects, 36 abandoned mine restoration projects, and six equipment replacement projects. Updates of these project numbers are in process. A sampling of these projects is attached to this statement.

With the \$15 million that was appropriated for repairs to facilities at HBCUs, 21 grants at 20 universities have been approved and are in planning. Grantees have three years to complete the approved work.

With the \$170 million appropriated to the FHWA to address road improvement needs in national park units, 31 projects are underway and two additional projects are anticipated. Together with the 28 NPS road projects, these FHWA projects have resulted in 620 miles of NPS roads that have been or will be repaired or treated for preservation.

Projects were selected using merit-based criteria to address Servicewide priorities and based on our ability to obligate funds within the timeframe of the appropriation. The vast majority of approved projects address either cyclic repairs or rehabilitation of existing assets.

OBLIGATION STATUS

As of late April, 57 percent of all NPS Recovery Act funds had been obligated. Our goal is to obligate approximately 90 percent by mid-May. The remaining 10 percent of funding is programmed through September 30 for ongoing management costs, the hiring of summer seasonal laborers for in-house projects such as trail work, and to execute two approved facility construction projects slated to be awarded in August: rehabilitation of the Lincoln Memorial Reflecting Pool, and rehabilitation of the King Gillette Ranch at Santa Monica Mountains National Recreation Area. The FHWA's \$170 million was 87 percent obligated as of late-April; the remainder is expected to be obligated by the end of June.

STRATEGIES FOR IMPLEMENTATION

The Park Service has employed a number of strategies to ensure successful use of Recovery Act funds. First, initial project lists included both "in-target" projects, which were those approved for execution, and "over-target" projects, which were those approved for planning, design and compliance but where execution would depend on availability of funds. This allowed the National Park Service to substitute projects when in-target projects proved not viable. Second, the National Park Service established a management oversight group of senior-level managers who meet regularly to review progress and recommend adjustments. Third, temporary personnel were hired to increase capacity in contracting, budgeting and management/oversight. Fourth, where necessary, the Service modified internal processes to track progress and facilitate the orderly dropping or adding of projects for execution. Finally, we contracted as much of the proposed work as possible, using a number of techniques to accelerate the process, such as the use of indefinite-quantity (IDIQ) contracts and multiple-award task-order contracts, and contracting with FHWA to execute many of the NPS-funded road projects.

STRETCHING THE RECOVERY ACT FUNDING

Favorable pricing on large construction projects, along with the efficiencies we employed in the contracting process, resulted in savings of over 20 percent totaling approximately \$129 million by early 2010. Those savings have allowed us to fund an additional 30 high-priority contingency projects across the country.

We are doing far more than we originally projected we could do with \$750 million. With the funding in the ONPS account, used for minor, but high-priority park repairs, our original list of 643 projects had grown, as of late-February, to 653. As of that same date, in the Construction account we were executing 82 facility projects instead of 60; 28 road projects, not just 17; and 36 abandoned mine restoration projects.

Another benefit of the Recovery Act to the National Park Service is that we have forged a stronger partnership with FHWA, which has proved invaluable in meeting our goals. FHWA executed 14 of the National Park Service's road projects. Of the total 61 road projects, over 42 have either been awarded directly by FHWA or by the National Park Service with significant assistance from FHWA's engineering staff.

CHALLENGES FACING THE NATIONAL PARK SERVICE

One challenge the National Park Service faces in connection with the Recovery Act is that availability of the funds will expire September 30, 2010. Many projects will extend in to the following year and will require our close attention to ensure that all the contracting, program and project management, as well as project contingency requirements, are met in an efficient and transparent manner.

Second, in authorizing the Recovery Act, Congress provided a special emergency temporary hiring authority to address the increased workload. That authority will expire September 30, but the workload these positions were hired to perform will continue for some time.

Third, the contracting workload associated with executing Recovery Act projects will result in delays in awarding some scheduled projects funded from other sources. The National Park Service will focus on expediting the award of these projects as soon as possible.

Mr. Chairman, this concludes my prepared statement. I would be happy to answer any questions you and the other members of the subcommittee may have.

ATTACHMENT.—RECOVERY ACT PROJECT HIGHLIGHTS

REHABILITATE LINCOLN REFLECTING POOL AND REHABILITATE SURROUNDING AREA, NATIONAL MALL AND MEMORIAL PARKS, WASHINGTON, DC

This project will rehabilitate the Lincoln Memorial Reflecting Pool and the surrounding cultural landscape. Work will include stabilizing the foundation and repairing the surface features of the pool, providing pumping and drainage capabilities from the Potomac River to reduce the use of potable water and provide continuous filtering of the water, and upgrading the lighting and paths around the pool. Projected cost: \$33 million. Status: Planning/Design Under Way; Contract Award Scheduled for August, 2010.

REHABILITATE UNION BUILDING INTERIOR, KEWEENAW NATIONAL HISTORICAL PARK, MICHIGAN

This project will rehabilitate the interior of the Union Building for use as the Keweenaw National Historical Park's first interpretive facility. This project follows a comprehensive rehabilitation of the Union Building exterior in 2005. Projected cost: \$4 million. Status: Contract Award Pending.

STABILIZE ELLIS ISLAND SEAWALL, STATUE OF LIBERTY NATIONAL MONUMENT, NEW YORK/NEW JERSEY

This project will complete Phase I of the rehabilitation of portions of the 6,736 foot historic seawall that surrounds Ellis Island. Projected cost: \$22.4 million. Status: Contract Award Pending.

Two other major construction projects at Statue of Liberty National Monument include Installing Perimeter Security and Communication Lines around Liberty and Ellis Islands (\$2.1 million) and Stabilizing the Ellis Island Baggage and Dormitory Building (\$6.7 million). Status of both: Contract Award Pending.

DEMOLISH AND REPLACE MADISON WASTEWATER FACILITY, YELLOWSTONE NATIONAL PARK, WYOMING

This project will replace the circa 1959 trickling filter wastewater treatment facility at the Madison Area with an aerated lagoon-type system and subsurface disposal. Cost: \$4.9 million. Status: Under Way.

PROVIDE ACCESSIBILITY TO PARK COMFORT STATIONS AND PICNIC CAMP SITES, GREAT SMOKY MOUNTAINS NATIONAL PARK, NORTH CAROLINA & TENNESSEE

This project will rehabilitate 10 existing comfort stations including replacing two that are beyond their useful life. The comfort stations will be made structurally and mechanically sound. Roofs, windows, plumbing and wood work will be repaired and or replaced at each comfort station and all will meet accessibility standards. Also,

picnic and campsites will be improved by the construction of accessible parking spaces with a connecting accessible walkway to the camp or picnic site. Cost: \$3.3 million. Status: Under Way.

Also, 4 roads projects totaling \$17 million have been awarded at Great Smoky Mountains National Park, and 4 more projects are pending contract awards totaling an estimated \$16 million.

DEMOLISH AND REPLACE CONDEMNED PORTIONS OF QUARRY VISITOR CENTER,
DINOSAUR NATIONAL MONUMENT, COLORADO AND UTAH

This project will rehabilitate the quarry face exhibit shelter and demolish and replace the failed and condemned visitor service and administrative spaces at the Quarry Visitor Center (QVC) that have been closed to public use since July, 2006. Cost: \$8.4 million. Status: Under Way.

REPLACE WATERLINE, CHAPIN MESA TO NORTH PARK BOUNDARY, MESA VERDE
NATIONAL PARK, COLORADO

This project will replace five sections totaling approximately 5.4 miles of the existing deteriorated water line that provides the park's only source of water. Cost: \$5.4 million. Status: Contract Awarded.

Senator UDALL. Your statement will be included in the record. Thank you for being succinct.

My young and wise and experienced Ranking Member informs me that he thinks we probably have a—the votes are called at 2:45—til about 5 after, even 10 after, to direct some questions your way. So, why don't we do a series of 5-minute question periods. I'll start out and recognize myself for 5 minutes.

I want to focus again on what you said about obligating the available funds. There's some time involved. I understand the administration has a goal of 90 percent of appropriated funds being obligated by May 15. According to your testimony, Park Service has obligated 57 percent. Are you—as of late April—I think maybe you said 61 or—

Mr. SHEAFFER. Right.

Senator UDALL. Are you on track to obligate another 33 percent over the next few days?

Mr. SHEAFFER. We have been closely monitoring all of the activities that are required up to the actual awarding of the contract. I will say that, while anything, of course, can happen in the late stages of contracting, I feel very confident we're going to come at or very close to that 90 percent number by the end of May.

Senator UDALL. Is there a cutoff date, Mr. Sheaffer, by which money not obligated for a specific project will be transferred to a different project that would be able to complete its funding in a more timely manner?

Mr. SHEAFFER. We've not had to make that decision yet. We've not had any projects that reached the point where we had to make that decision. The legal cutoff, of course, is September 30. It's our goal, ultimately, to obligate every penny of this money by that point. So, for these 2 or 3 projects that we have, that are scheduled to go very late in the fiscal year, clearly a decision will have to be made about those by August or September.

Senator UDALL. But, in general, you don't think you're going to be in that position, is what I hear you saying.

Mr. SHEAFFER. We do not.

Senator UDALL. All right.

Mr. SHEAFFER. It is our intention to execute every in-target project on that list. Now, should it become, for funding reasons or

contracting reasons or compliance reasons, impossible to do so, it's our intention to find another fund source for those projects, probably from a lump-sum program available to us this year, like the Repair/Rehab Program or a future-year construction program. We're committed to doing each and every one of those projects, so they'll get done, one way or the other.

Senator UDALL. When the initial project list was developed, I understood that one of the main requirements was that only shovel-ready projects were to be included, projects that were already in your priority list. If that was the case, why has it taken so long to get the money out the door?

Mr. SHEAFFER. I'm going to say, Mr. Chairman, that it had a lot to do with the understanding of what it meant to be "shovel-ready." Our construction projects normally have a 3-year lead-in timeframe from preplanning to planning, then to construction. We usually schedule the request accordingly.

These projects were as ready to go as any we have. Frankly, the folks out in the service center that execute these programs, and elsewhere, have done a remarkable job of getting them ready. Even though we, in our minds, quote "shovel-ready," they still required some final compliance work to be done, some planning work, some packaging of bid documents and for \$5-, \$10-, \$15-million projects, that still takes some considerable time.

So, I can tell you that I am very pleased with the way the folks in the Park Service have performed. I think what is telling is, if we hit our target, we will have obligated, by the end of May, \$690 million of this program in only a bit over a year. Despite the fact that the bill passed in February, we didn't get approval to go ahead until April. That is almost 3 times what we obligate in any given year. So—

Senator UDALL. In a normal year.

Mr. SHEAFFER. In a normal year. Yes, sir.

Senator UDALL. That's fair enough. I—probably on the heels of this, we want to have "shovel-ready," as defined in a variety of settings. But, hopefully we will not be in another great recession anytime soon, and we may not—hopefully, we won't have to use that term in the way we did, just a year ago, as you point out.

My final question in this round is, the Park Service budget identified Recovery Act funds would employ up to 10,000 young people. Can you update us with the results, so far, when it comes to hiring young people to work?

Mr. SHEAFFER. Young people? Is it a question regarding youth or—

Senator UDALL. Youth—yes—

Mr. SHEAFFER [continuing]. Employment period?

Senator UDALL. Youth hiring, specifically.

Mr. SHEAFFER. The ARRA program includes roughly \$23 million of projects to be directed to youth organizations. We don't have accurate numbers, at this point. Many of them will be brought on board this summer, to do summer work—trails, noxious weed removal, and the like. We estimate that that will produce something in the neighborhood of 3,000 to 3,500 summer jobs for youth. Some were employed last summer, but most of those are going to be brought on this summer.

Part of the reason that it didn't get underway—it's mostly a summer program, of course—the large reason why they didn't get on board last summer is because the decisions of the project funding came very late to us. So, you have to get in early on those programs.

Senator UDALL. Senator Burr.

Senator BURR. Mr. Sheaffer, how many jobs were created with the money that you've put in the system?

Mr. SHEAFFER. I'd like to give you 2 answers. There are contractor reporting requirements, that have been devised by OMB, where they report directly into a data base system. It's been difficult, frankly. It's required that we work with every single contractor to get them to understand the government terminology and the like to—

Senator BURR. Tell you what, do this. Tell me how many permanent jobs were created.

Mr. SHEAFFER. None are permanent—

Senator BURR. OK.

Mr. SHEAFFER [continuing]. Senator. These are temporary.

Senator BURR. Were any foreign jobs created at the result of stimulus money?

Mr. SHEAFFER. Not that I'm aware of. No, sir.

Senator BURR. OK.

Mr. SHEAFFER. No, sir.

Senator BURR. What percentage of the Park Service stimulus funds went to new construction projects?

Mr. SHEAFFER. Almost none. We have, in the construction program—it's all repair, rehabilitation, cultural preservation, and the like. We have one project that is building a storage facility for curatorial artifacts—

Senator BURR. Of the—

Mr. SHEAFFER. No new construction for visitors, at all.

Senator BURR. Of the 9.5 billion in backlog—maintenance backlogs that the National Park Service has, how much of that was funded out of the stimulus package?

Mr. SHEAFFER. Virtually all of the \$750 million went toward deferred maintenance. Very minor exceptions; that one project I mentioned to you. The money that went for abandoned mine lands, for example, Senator, is not actually a part of our deferred maintenance backlog, but it's necessary.

Part of the reason is, we didn't have a good and accurate inventory of what our abandoned mine-lands projects were, so they've never been fed into the deferred maintenance list. But, if you look down that list, you'll see "rehabilitate, repair, replace," that sort of thing.

Senator BURR. According to—

Mr. SHEAFFER. That's—

Senator BURR. According to the Department's Website, a total of \$20 million—\$20,456,000—was originally announced from my home State of North Carolina. Do you know how much of those funds have actually been spent to date?

Mr. SHEAFFER. No. I actually have different numbers for your State, Senator. I'll have to go check and see what the Web site says.

Senator BURR. What do you—

Mr. SHEAFFER. Our records show \$65 million actually went to the State of North Carolina. It may have been only 1 of the 2 or 3 funding sources is being counted there. We show out of \$65 million about \$40 million of it obligated so far.

Senator BURR. I noticed to planned stimulus projects located on the Blue Ridge Parkway were actually completed using other funding, other than stimulus. Where were those funds—

Mr. SHEAFFER. You—I—

Senator BURR [continuing]. Derived from?

Mr. SHEAFFER. I mentioned early, Senator, that regarding repair/rehabilitation—there were some delays in working through the early process. In the course of those delays, while projects were being considered, the region, because of the concern or urgency over the projects, went ahead and executed some of those projects out of our annual money that was available to us, for similar type work, repair and rehabilitation. So, they were funded out of other money available to us.

Senator BURR. Again, according to your Website, eight planned projects from ARRA were canceled and seven projects were deferred. What would one interpret either cancellation or the deferment of those 15 projects to be around?

Mr. SHEAFFER. They were only a very small number. I'd have to go back and reconcile the numbers that you're telling me here. There was only a very small number that got canceled. Very small. Most of them got moved over to another fund source. I know for a fact of one project in North Carolina that was done out of the Dam Safety Program; again, they had it ready to go while we were still awaiting the final decision. So, that project would probably show up as canceled, in the ARRA program.

Senator BURR. Was I accurate, in my opening statement, to say that you had spent just over 9 percent of the stimulus funding?

Mr. SHEAFFER. Spent, in terms of outlay, the number is now 13 percent.

Senator BURR. Thirteen percent.

Mr. SHEAFFER. Yes, sir.

Senator BURR. So, stimulus package has been into effect 15 months?

Mr. SHEAFFER. Approximately. Yes, sir.

Senator BURR. We've spent 13 percent.

Mr. SHEAFFER. That's correct. In a normal year, with a normal appropriation for our construction account, the first-year outlays for that account are under 20 percent. So, that's not an unusual outlay rate for our accounts.

Senator BURR. But, would you agree that it's an unusual amount, given that this was a package to stimulate economic activity and job creation?

Mr. SHEAFFER. I would have to say that, for the type of work the Park Service needed to get done and got done, it has been a consistent rate. I think that, to us, the driver clearly was getting very important backlog work done. We have done that in a fairly expeditious manner.

Senator BURR. What do you anticipate the spend-out rate to be at the end of 2010?

Mr. SHEAFFER. I do actually have an estimate, and I'd be glad to provide that to you.

Senator BURR. Would you supply it for—

Mr. SHEAFFER. I would be happy to.

Senator BURR. Let me ask this. What is the target for having 100-percent spend-out of stimulus money?

Mr. SHEAFFER. It will probably take 3 years to—

Senator BURR. Three years?

Mr. SHEAFFER [continuing]. Spend it out. Yes, sir.

Senator BURR. Any idea of how the 1-percent current spend-out of stimulus money at Park Service compares to other agencies?

Mr. SHEAFFER. No, I don't, because it depends on what the other agencies are engaged in. If you're making grants, it spends out at a rate that sometimes is very different, because of the match required or not required, or the work to be done, or how much planning needed to be done. In most cases, if you were buying equipment or replacing stream gauges, as, say, the Fish and Wildlife Service was, that spend-out would be pretty quick. But, in the case of actually doing on-the-ground work and hands-on work, I doubt if anybody is doing a whole lot better than us.

Senator BURR. So, I take for granted that, if I asked you a question of how you rate Park Service, relative to execution of your original plan, you would rate pretty good.

Mr. SHEAFFER. That would be my judgment. Yes, sir.

Senator BURR. OK.

Mr. SHEAFFER. Yes, sir.

Senator BURR. Thank you, Mr. Chairman.

Senator UDALL. Thank you, Senator Burr.

Let me follow up on—in a general way, on Senator Burr's line of questioning. Large influx of money in a short time, I know it's been a unique management challenge, although, hopefully, a welcome one. Your testimony identified some of the challenges that the Park Service still faces to successfully implement the Act. Are there any important lessons to be learned, or unexpected surprises? You could answer to the best of your thinking now, and also answer for the record, over time, if you—if that worked, as well.

Mr. SHEAFFER. Absolutely. Our biggest concern, going into the program, was the lack of, frankly, contracting support—Federal employees to execute these contracts. It was an enormous—and remains—an enormous workload. We have tried to be creative. We've had the cooperation of the Department in finding creative ways to execute contracts. I think we're going to find, in the end, that we did so very successfully.

I think that we found that people were challenged to work faster, more efficiently, and better than they ever had done before. They've done that. So, that's been a very pleasant surprise. The cooperation among other Department of the Interior bureaus and the Department has been extraordinary, and that's been a pleasant surprise, the way it's come out.

There's no question, in programs like this—of this magnitude—that it kind of magnifies any weaknesses that you may have. But, we've reacted quickly to try to make up for them. So, it's, frankly, been very exciting to be able to do and to be able to do work—I've seen some of these projects sit on backlog lists and sit on priority

lists for many years, and we had the opportunity to fund them. So, that's been real gratifying for everybody involved.

Senator UDALL. All right. Thank you for that insight. I certainly—the subcommittee would welcome additional thoughts, moving forward, Mr. Sheaffer, in that regard.

At a budget hearing last year, Deputy Director Wenk, who you know, expressed some hope that the funded projects would spur partners to come forward with additional funds that might allow for the completion of even more work. Has that happened?

Mr. SHEAFFER. There are only a couple of projects in here that were ever anticipated to be partnership projects, Mr. Chairman. Because we drew from project lists that were ready, that had, for the most part, been planned, or where planning was well underway, we couldn't really turn the direction toward partnership projects, so to speak. We have a small amount of appropriated dollars that have been given to us by the Congress—roughly \$15 million—that we are using as leverage money. But, there are only a couple of projects—significant ones here, where we're partnering mostly with States—the State of Maryland on a project at the C&O Canal; and the State of California on a project at Santa Monica Mountains—both good-sized, large projects. Again, I think, in both cases, they were projects that desperately needed to be done. Maryland kicked in with road money, and the State of California kicked in with a land transfer. So, opportunities were seized, for good solid projects.

Senator UDALL. You noted, the funding authority under the Recovery Act expires at the end of the fiscal year, which is September 30, yet many of the funded projects will continue into next year. Is there a chance any of these projects will be left uncompleted once the funding authority expires?

Mr. SHEAFFER. Uncompleted, no. There are provisions that will allow us to use funds available to complete the projects, if necessary. Now, we have discussed with the appropriators the need for some language that would allow us to use other available funds to complete some of these projects, should it be necessary for change orders and the like, and to continue the administration of these projects to the end. So, I think, with that one proviso, we'll be able to accommodate all these projects.

Senator UDALL. You sound like you've had to play the role of a general contractor, writ large. You don't have to respond to that, but—

One last question, before I turn it back to Senator Burr, and it's related to that—the question I just asked. Your emergency hiring authority expires, as well, I believe, on—

Mr. SHEAFFER. Correct.

Senator UDALL [continuing]. September 30. Your testimony notes that the workload associated with those hires will continue. How will the Park Service address the loss of those positions while getting the projects completely finished?

Mr. SHEAFFER. We have asked for some guidance in that regard. We may have to look for another authority to keep these people on that we'll need to execute the program. I've already started conversations with the Department, and probably OPM, to do so. I expect we'll find some way to continue it.

Senator UDALL. I want to turn to Senator Burr.

I do have one last question for the record. I'll tell you that it talks about the difference in some funding in 2 of our 3 national parks, at Great Sand Dunes and Rocky Mountain National Park. But, I'll direct that to you for the record.

Senator UDALL. Senator Burr.

Senator BURR. I think we used your money already.

[Laughter.]

Senator UDALL. I'm fond of North Carolina.

Senator BURR. Mr. Sheaffer—

Senator UDALL. Up to a point.

Senator BURR [continuing]. Just a quick clarification. On the HBCUs and the grants, why 3 years to use that money?

Mr. SHEAFFER. Why 3 years—allowing 3 years—

Senator BURR. Yes.

Mr. SHEAFFER [continuing]. For them to use that money? We have found, in the past, that those colleges and universities tend to not have plans ready, as I mentioned earlier. I would say, chances of them having, quote, "shovel-ready" projects was probably slimmer than ours, frankly. We've seen, in the past, where it can take them 2 or 3 years to get a major project up and done. I think that was anticipated—

Senator BURR. Just—

Mr. SHEAFFER [continuing]. Frankly.

Senator BURR [continuing]. Just for your own knowledge, I've got seven of 'em. Trust me, they're ready.

Mr. SHEAFFER. They are ready?

Senator BURR. Yes.

Mr. SHEAFFER. The money's been given to them, Senator. So, we'll hope for the best.

Senator BURR. If you will, briefly—and it may be the Chairman knows this—but, can you describe for me what an "indefinite-quantity contract" is and what a "multiple-award task-order contract" is?

Mr. SHEAFFER. They are both contracting options that are available, and used often, beyond this program, to expedite the contracting process, where the overall contract allows you to go in and develop task orders against the broad contract to get a variety of projects done. A few years ago—it was fairly amazing—people starting looking for efficiencies from the contracting process. It took them, frankly, a long time to get to it. This is one of those efficiencies, where they define a contract at a large—

Senator BURR. This—

Mr. SHEAFFER [continuing]. Level—

Senator BURR [continuing]. Would be a multiproject contract?

Mr. SHEAFFER. That's correct.

Senator BURR. Are both of them the same? A multi-award task—

Mr. SHEAFFER. No—

Senator BURR.—order—

Mr. SHEAFFER [continuing]. The multi—

Senator BURR [continuing]. Contract—

Mr. SHEAFFER. No, sir, they're not.

Senator BURR [continuing]. Indefinite-quantity contract?

Mr. SHEAFFER. That would be with a single contractor. The other one often involves the use of multiple contractors under a blanket contract, where a contractor—let's say you have one in the East that would be willing to do work throughout the entire East, or throughout the entire Rocky Mountain area, multiple States. There's a cap put on it, and you could actually toss several contracts their way, and then they would find the subcontractors to do the work. Again, it's kind of a new model and an expeditious way to go. We've done some very successfully in the Intermountain Region, and are beginning to do it in the East.

Senator BURR. OK. Thank you.

Thank you, Mr. Chairman.

Senator UDALL. I thank the Senator from North Carolina.

I want to thank Mr. Sheaffer. I know I have some additional questions, but we'll extend them to you through the process of the record.

I want to thank you for coming up here, for answering all of our questions, for the work you've done.

As you know from your previous experience, some members may want to submit additional questions in writing. If so, we may ask you to submit answers for the record, as well.

We'll keep the hearing record open for 2 weeks to receive any additional comments.

Finally, thank you for being such a great general contractor. I look forward to seeing a lot of these successes in my visits to the parks and the units of the Park Service.

With that, the subcommittee's adjourned.

Thank you.

[Whereupon, at 3:02 p.m., the hearing was adjourned.]

[The following statement was received for the record.]

PREPARED STATEMENT OF MAHMOUD R. HOSSEINI, DIVISION PRESIDENT, CLARK
CONSTRUCTION GROUP, LLC

Founded in 1906, Clark Construction Group, LLC, is today one of the nation's most experienced and respected providers of construction services, with over \$4.5 billion in annual revenue and major projects throughout the United States. In 2008 we ranked 14th in the United States on the Engineering News Record Top 400 list.

We perform a full range of construction services throughout the United States from small interior renovations to some of the most visible architectural landmarks in the country. Projects we are known for in the Washington, DC, area include the Verizon Center, FedEx Field, and the United States Institute for Peace. Nationally, completed projects include McCormick Place Convention Center in Chicago, the Los Angeles County/ University of Southern California Hospital in Los Angeles, and Brooke Army Medical Center in San Antonio, Texas. The foundation of all of our construction work is a solid relationship with both public and private clients who have the confidence to rely, time and again, on our experience, and in-house expertise to make their vision a reality and a commitment to the communities where we work.

We approach each project with a cooperative mindset, working with clients, architects, subcontractors and the community toward the common goal—successful project delivery. Our diverse construction portfolio and specialized divisions and subsidiaries ensure that each project is matched with appropriate resources and expertise. Through technical skill, pre-construction know-how and self-performance capability, we anticipate project challenges, develop solutions that meet clients' objectives and ultimately deliver award-winning projects. In this way, our work today continues to meet the stringent standards of safety, quality and integrity, which have been the Company's core values since its founding in 1906.

Today, Clark is pleased to respond to the Subcommittee request to address the use of stimulus funds provided by the American Recovery and Reinvestment Act of 2009 (ARRA) for the repair of the Thomas Jefferson Memorial Seawall.

To date, we have been awarded four projects which included ARRA funding. Three of these projects are in the National Capital area: Air National Guard Readiness Center—Area D at Andrews Air Force Base, Maryland; Construction of the new U.S. Coast Guard Headquarters Building at St. Elizabeth's, Washington, DC, and Emergency Repairs for Settlement at the Jefferson Memorial Seawall, Washington DC.

Emergency Repairs for Settlement at the Jefferson Memorial Seawall was awarded on September 17, 2009. This seawall protects one of the most recognizable landmarks in Washington, DC, and is slowly sinking. Areas surrounding the Jefferson Memorial, which stand directly south of the White House on the Potomac River Tidal Basin, have long suffered from settlement and lateral movement. Clark Construction Group, LLC, was awarded a \$12.4 million contract by the National Park Service with funds from the ARRA to stabilize the Ashlar Seawall and preserve those portions of the famous monument.

Originally constructed from 1939 to 1943, the Jefferson Memorial structure is supported by a deep foundation system that includes 443 concrete piles and nearly 200 concrete caissons that prevent settlement. However, the Ashlar Seawall, which separates the public North Plaza from the Tidal Basin, is supported by timber piles that investigators believe never reached solid rock during the original construction.

The seawall and the plaza have been subject to settlement since the Memorial was dedicated in 1943. By 1965, settlement of the North Plaza had reached three feet. Four years later, a reconstruction effort placed the North Plaza on structural slab-on-grade beams and piles. However, settlement and lateral movement at the North Plaza continued as groundwater conditions in the area changed, causing consolidation of the soil below.

To accommodate the repairs, the Clark team will construct a sheet pile cofferdam installation this spring, removing water from an area within the Tidal Basin along the length of the Ashlar Seawall. Historic stone on the seawall will be removed, cleaned, and stored. Clark will demolish the existing concrete seawall, install caissons and driven pipe piles, and construct a new cast-in-place seawall. Clark will further resurface the North Plaza. These repairs are designed to provide resistance to both vertical and lateral movement in the North Plaza area. Additionally, the memorial's structural transition zones leading from the North Plaza will be rebuilt to accommodate future settlement of surrounding landscaped areas.

Clark received notice to proceed with the emergency repairs on this critical project on December 7, 2009. As of the first quarter of 2010, this project has created 21 new and retained jobs. As with most construction projects, different trades work on different stages of the project, completing their work and allowing the next set of trades to begin work on the following phase. This project is no different. Thus not all of the jobs created last the entire length of the project. That does not diminish the nature or number of jobs created nor its corresponding economic impact.

The seawall project is approximately 20 percent complete. We expect that this project will employ 40 people at its peak in the fall of this year. The anticipated completion date is June 2011.

Stimulus or not, construction jobs help fuel the American economy, creating good paying jobs and creating demand for American goods and materials.

APPENDIX

RESPONSES TO ADDITIONAL QUESTIONS

RESPONSES FROM C. BRUCE SHEAFFER TO QUESTIONS FROM SENATOR MURKOWSKI

Question 1. The National Park Service used the process stated in 36 CFR 1.5 to close hunting and trapping authorized by the Alaska Board of Game in park/preserve units. Does NPS dispute that the state provides subsistence on park lands, as clearly stated in ANILCA?

Answer. The Alaska National Interest Lands Conservation Act (ANILCA) authorizes subsistence uses pursuant to Title VIII of ANILCA by "local rural residents" in certain national parks and monuments in Alaska. In addition sport hunting and trapping are authorized in those park areas in the State labeled as preserves. The Alaska Supreme Court found the rural preference provisions of the state's subsistence law unconstitutional in 1989. The Departments of Interior and Agriculture assumed management of subsistence on federal public lands in 1990. Unless and until the state amends its Constitution to meet the federally required rural preference, it cannot manage Title VIII subsistence. There is no other statutory authorization for state managed subsistence on park lands.

Question 2. The Park Service closed park areas to hunting and trapping based on "national park values" which are not among the statutory criteria for restricting state authorized hunting and trapping. These values seem in direct contradiction of the Congressional intent of ANILCA. How will the Park Service reconcile these differences?

Answer. Section 1313 of the Alaska National Interest Lands Conservation Act authorizes Federal restrictions on hunting and trapping for "public safety, administration, floral and faunal protection, or public use and enjoyment." National park values encompass all of those items. In addition, section 201 of ANILCA identifies the purposes for which the Alaska parks were established. Included in these are the protection of populations of wolves and bears.

In the case of Yukon-Charley Rivers National Preserve, the purposes of the preserve expressly include the protection of wolves. The Yukon-Charley Rivers National Preserve also provides hunting and trapping opportunities for local rural residents under Title VIII of ANILCA. The restrictions on sport take of wolves were prompted by a 43 percent decline in wolf numbers and the loss of one complete wolf pack in the preceding months. Because the state-authorized method of killing black bear sows and cubs at den sites was allowed for any resident hunter in Alaska, the Federal restriction was enacted to help prevent a loss of natural abundance and changes in distribution, and behavior.

Question 3. Reports have indicated that NPS made its decision to close park areas to hunting and trapping prior to consulting with the Department of Fish and Game and without consulting with the affected user groups, despite requests from such groups, inconsistent with the park closure regulations.

a. If the Park Service did indeed meet with affected use groups, can you please provide a list of the user groups which were consulted prior to the decision to close park areas?

b. What is the NPS' process for consulting with affected users prior to closures that are not an emergency?

c. Were the Alaska Native organizations consulted or just provided notice of hearings?

d. Were the local residents of Huslia that requested the Board of Game authorize spring bear take consulted about your intent to supersede the State's authorization of a longstanding customary and traditional subsistence practice?

Answer. Any reports suggesting that closure decisions were made by the National Park Service prior to consultation with the Alaska Department of Fish and Game are incorrect. Our concerns regarding the allowance for anyone with a state hunting

license to kill black bear sows and cubs at den sites in portions of Denali and Gates of the Arctic National Preserve were initially conveyed on May 19, 2009, in a meeting with Alaska Department of Fish and Game regional supervisors. More than a dozen subsequent meetings and lengthy phone conversations were held with ADFG management, up to and including the Commissioner.

The NPS engaged in an extensive public process regarding both the bear sow/cub restrictions and the wolf hunting closure. These included publishing advertisements and issuing press releases on the availability of the proposed restriction for comment as part of the annual compendium process; media interviews; posting public notices; written proposals and oral testimony as part of the Board of Game's public process; a meeting with the Denali Subsistence Resource Commission on February 21, 2010; and public hearings in the communities closest to the affected units (Eagle, Allakaket, Nikolai, Fairbanks and Denali Park). The Allakaket meeting included the village council chiefs of Alatna and Allakaket. The State of Alaska commented in writing about the proposed compendium closures on February 16, March 22, and March 29.

Regulations at 36 CFR 13.50(f)(1) require the NPS to provide notice of closures by the following methods: "Published in at least one newspaper of general circulation in the State and in at least one local newspaper if available, posted at community post offices within the vicinity affected, made available for broadcast on local radio stations in a manner reasonably calculated to inform residents in the affected vicinity, and designated on a map which shall be available for public inspection at the office of the Superintendent and other places convenient to the public."

The efforts described above were judged successful, as about 60 people attended public hearings, and additional comments were received, including comments from user groups such as the Alaska Trappers Association and the Alaska Outdoor Council.

The community of Allakaket was selected for a public hearing as it was the closest village to Gates of the Arctic National Preserve and is one of the park's subsistence resident zone communities (as is Alatna, but not Huslia). Public statements and discussions with area residents also noted that if the bear hunting practice approved for all state residents was brought to the Federal Subsistence Board for consideration as a hunting method for local rural residents under Title VIII of ANILCA, the NPS would be likely to support the proposal. The issue has already been discussed at the late April meeting of the Gates of the Arctic Subsistence Resource Commission in Barrow.

Question 4. Can you please describe in detail why the NPS would close park-managed lands to a state authorized hunting or trapping activity even though the NPS conceded there was no biological emergency?

Answer. Biological emergencies are not the only reasons for hunting and trapping closures. As noted above, Section 1313 of the ANILCA authorizes Federal restrictions on hunting and trapping for "public safety, administration, floral and faunal protection, or public use and enjoyment." Additionally, regulations at 36 CFR 13.50 provide for closures on an emergency, temporary, or permanent basis. Under the regulation, the Service is guided by "factors such as public health and safety, resource protection, protection of cultural or scientific values, subsistence uses, endangered or threatened species conservation, and other management considerations necessary to ensure that the activity or area is being managed in a manner compatible with the purposes for which the park area was established."

As described in Answer #2, the decision by the State of Alaska to allow any resident with a hunting license to engage in the unusual practice of taking black bear sows and cubs at den sites, and increasing hunter efficiency by allowing the use of artificial light, brought about a potential for a harvest that would adversely change the natural distribution, behavior, and abundance of bears in Denali and Gates of the Arctic. Similarly, the 43 percent drop in Yukon-Charley wolf numbers, when paired with an active aerial predator control program immediately outside the preserve boundary, has left 26 wolves (known through radio collars and other tracking methods) that spend much of their time within the 2.7 million acre preserve. Given that low population level, the natural integrity of these populations is compromised and subsistence trapping opportunities are reduced. These factors resulted in the closure under 36 CFR 13.50.

Question 5. How do you reconcile the use of technology as customary and traditional in Gates of the Arctic NPP for the transportation for hunters (ORVs), while making rules against the "technology" of using a flashlight to determine the presence of cubs or the gender of black bears within a den?

Answer. Certain types of technology, such as snowmachines when ground conditions are favorable, are authorized in Gates of the Arctic National Park and Preserve to support lawful hunter access. Other types of technology, such as ORVs are

not authorized. The practice of taking bear cubs and sows with cubs at den sites has been generally prohibited in Alaska since statehood. This is in keeping with traditional management principles by which hunters avoid animals at their most vulnerable state. At the time the state allowance for this method of taking sows and cubs was authorized, and at the time the Federal restrictions were proposed, the written finding of the Alaska Board of Game protected sows and cubs from harvest unless it was necessary as part of a bear predator control program. The provision for the use of artificial light further added to the efficiency by which hunters could kill sows and cubs. State laws which seek to manipulate wildlife populations in favor of prey species, or which have that practical effect, are inconsistent with NPS statutes, regulations, and policies and exceed the authorization for sport hunting contained in ANILCA.

Existing Federal Subsistence Board regulations (developed from long-standing State prohibitions) prohibit the take of black bear sows and cubs and the use of artificial lights on Federal public lands. The recent state authorizations in question undermined these subsistence regulations; the practical effect being that a local rural hunter hunting under subsistence is prohibited from taking these bears by this means, but a sport hunter from an urban area can use artificial lights and kill sows and cubs. The NPS closure brought uniformity to the regulations, and we encouraged Federal subsistence users to apply to the Federal Subsistence Board if they desire to use these means in these preserves.

Question 6. Wouldn't Federal funds currently being expended by NPS to "manage wildlife" be more appropriately directed as a "pass-through" to the proper State wildlife management agency?

Answer. The State of Alaska has a substantial role in managing wildlife on state and Federal land; however, that role is not solely theirs nor is their authority unlimited. The National Park Service Organic Act, ANILCA, and other laws address Federal responsibilities in managing wildlife and other activities to meet the park purposes mandated by Congress. Federal funds allow the NPS to meet those responsibilities. To a large extent, state hunting and fishing regulations do not conflict with National Park System purposes and are supported and enforced in national preserves. This spring's regulatory actions responded to circumstances where the mandates of the National Park System differ from the recent direction taken by the Alaska Board of Game and implemented by the Alaska Department of Fish and Game.

It is important to note that significant Federal funding already benefits Alaska's fish and wildlife management; for instance, on March 2, 2010, the Department of the Interior announced \$39.6 million in Wildlife and Sport Fish Restoration Program grants to the state of Alaska. Additional National Park Service funds are spent in support of our partnership role with the state of Alaska in managing fish and wildlife resources. Many of these research projects can be viewed at <http://science.nature.nps.gov/im/units/AKRO/index.cfm>.