



PAN AMERICAN HEALTH ORGANIZATION
WORLD HEALTH ORGANIZATION



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PAHO BUILDINGS AND FACILITIES

This document reports on previously approved and new projects financed from the PAHO Building Fund and extrabudgetary sources.

1. Status of Previously Approved Projects Financed from the Building Fund

Resolution CD31.R12 of the 31st Directing Council (1985) provided for the capitalization of the PAHO Building Fund on a permanent basis to meet the costs of major maintenance and repairs of PAHO-owned buildings. The following is a report on activity occurring since the 124th Session of the Executive Committee in June 1999.

1.1 *Maintenance and Repair of the Brazil Building*

Major repairs to the PAHO office in Brasilia have been in progress since 1995. The work has included repairs to roofs, windows, walls, and floors; electrical upgrades; bathroom remodeling; and installation of photocopy facilities. The final phase (approved by Resolution CE122.R14 in an amount of US\$ 350,000) began in 1998 and is now essentially complete, except for construction of the new Documentation Center immediately adjacent to the existing building. A general contractor was selected through a competitive bidding process in December 1999 and final construction drawings were approved in February 2000, after technical design consultations with BIREME staff. Construction is expected to be finished by September 2000.

2. New Projects Financed from the Building Fund

2.1 *Renovation of PAHO Headquarters Building*

2.1.1 *Background*

In early 1999, two serious leaks occurred due to corrosion of the water pipes serving the Headquarters Building heating/air conditioning (HVAC) system. Several offices were rendered unusable for nearly a month and there was extensive damage to the ceiling of the second floor lobby. This situation was reported to the Executive Committee at its June 1999 meeting. Engineering and architectural studies were subsequently commissioned to determine the extent of the problems in the building's mechanical systems and to recommend the necessary repair measures. Taking advantage of the presence of most of the Members of the Executive Committee at the December 1999 meeting of the Subcommittee on Planning and Programming (SPP), the PAHO Chief of General Services presented some tentative conclusions of the ongoing studies. He noted the advanced deterioration of parts of the HVAC system, explained the general nature of the repairs required, and estimated the total cost at about \$7.5 million.

The Director received unanimous consent from the seven Executive Committee Members present at the SPP meeting to proceed with the necessary repairs. A one-time \$7.5 million increase in the PAHO Building Fund ceiling was authorized, to be funded by transfer from other programs of the 1998-1999 biennium PAHO regular budget funds. Concurrence was subsequently received from the two Executive Committee Members not present at the SPP meeting, Nicaragua and Antigua and Barbuda. With the \$7.5 million increase, the current Fund ceiling stands at \$8 million.

In January 2000, PAHO commissioned a further study by a construction consulting firm, Spaulding & Slye, aimed at preparing a master plan for the repair project. Based on the findings and recommendations of the study, the Director has decided to proceed with the Headquarters Building renovation as outlined below.

2.1.2 *Heating and Air Conditioning (HVAC)*

The existing HVAC perimeter induction units and related piping are obsolete, in very poor condition, and require replacement as soon as possible. Replacement will require access to the existing hard plaster ceilings. An environmental survey has determined that the ceilings and portions of the pipe insulation contain asbestos, which must be removed prior to start of work. This will afford an opportunity to replace the obsolete induction unit technology with a more modern fan-coil system. Fan-coil units

can be installed in the ceiling rather than mounted on the floor, improving air circulation and employee comfort while also permitting a more flexible floor layout.

2.1.3 *Asbestos Abatement and Ceiling and Partition Replacement*

As advised by the consultants, the most cost-effective approach is to demolish the existing plaster ceilings and office partitions, replacing them with modern suspended ceilings and an open floor plan incorporating a mix of workstations and private offices. This will facilitate removal of asbestos, access to deteriorated pipe, replacement of induction units with ceiling fan-coil units, and installation of computer cabling and electrical wiring in the new ceilings (in place of the current mix of exposed wall conduit and obsolete under-floor raceway systems).

2.1.4 *Building Code Issues*

Even though PAHO is exempt from the provisions of the Americans with Disabilities Act and local building codes, it is concerned about the health and safety of employees and visitors. The Spaulding & Slye study has identified certain code deficiencies that can be addressed in a cost-effective manner in this project. The most important measure will be to take advantage of the removal of ceilings and partitions to install a sprinkler system throughout the building. Other selected building code and handicapped-access upgrades will be included.

2.1.5 *Space Plan Revisions*

In view of the fact that the current ceilings and partitions must be removed for access to the mechanical systems and for asbestos abatement, a complete revision of the standard office floor plan will be undertaken. Senior professionals will continue to be accommodated in private offices along the south side of the building, though these will be somewhat smaller than at present. Support staff will be housed in modular workstations in open areas on the north side. This arrangement will greatly ease the current critical space situation and provide for the minimal staff growth expected over the next five years.

2.1.6 *Schedule*

The renovation will be carried out on a phased basis to minimize the impact of construction and relocation activities on PAHO operations. The schedule below is contingent upon late fall 2000 completion of certain critical valve replacements requiring rotating shutdowns of portions of the HVAC system. If this work is not completed in November, activities will have to be suspended until spring 2001, and the project may not be completed until June 2002.

Anticipated Timetable

May - August 2000	Complete design and abate asbestos in basement and sub-basement, first, second, and tenth floors
August 2000	Move third, fourth, and fifth floor occupants to swing space
August - September 2000	Asbestos abatement and demolition, floors 3-5
October - November 2000	<i>Critical period:</i> valve installation, floors 2-5 and 10
October 2000 - February 2001	Renovation of floors 3-5
February 2001	Occupants of floors 6-7 move to completed space on floors 3-4, former occupants of fifth floor move back to completed space on fifth floor
February - July 2001	Asbestos abatement, demolition, renovation of floors 6-7
July 2001	Occupants of floors 8-9 move to completed space on floors 6-7
July - November 2001	Asbestos abatement, demolition, renovation of floors 8-9
December 2001	Former occupants of floors 3-4 return to floors 8-9. All work is completed

2.1.7 *Swing Space*

While it would be desirable to vacate the entire building for the duration of construction, the cost of renting the space required would be prohibitive. Accordingly, arrangements are being made to rent approximately 20,000 sq. ft. (1,858 sq. meters) of office space as close as possible to the Headquarters Building to provide swing space for staff displaced during the period that construction is in progress on the floors they occupy.

2.1.8 *Major Project Elements and Associated Cost*

At the time of preparation of this document, construction documents were not yet available and competitive bidding for the different elements had not yet taken place. Accordingly, the following cost table is based on best current estimates. Updated information will be provided to the Committee during the meeting.

Design

Architectural, mechanical and other consulting services	\$600,000	\$600,000
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Demolition and construction

Asbestos abatement	800,000	
Demolition of existing floors and partitions	400,000	
Replacement of induction units with fan-coil units	3,100,000	
Install suspended ceiling and lighting, interior walls, carpet and other finishes	2,000,000	
Selected handicapped-access items	300,000	
Install sprinkler system	500,000	
General contractor expenses	850,000	
Construction contingency allowance	550,000	8,500,000

Project management

Project management services, legal services, risk insurance	200,000	200,000
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Furnishings and wiring

Voice and data cabling	500,000	
Modular workstations for support staff	800,000	
Interior signage, window blinds, misc.	100,000	1,400,000

Moving costs

Moving company and consultants	300,000	
Leasing of swing space	1,500,000	1,800,000

General project contingency provision	500,000	500,000
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Estimated total project cost		\$13,000,000
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2.1.9 Request to Increase Level of Building Fund

As noted above, at the Director's request in December 1999, the Executive Committee has already taken action to raise the Building Fund ceiling to its current level of \$8 million, based on preliminary cost estimates. The more detailed estimates obtained through the Spaulding & Slye study indicate that the total cost will be about \$13 million.

Accordingly, it is suggested at this time that the Executive Committee take action to raise the Fund ceiling to \$13 million.

2.1.10 Sources of Financing

The \$5 million additional cost will be met from extrabudgetary funds. Also, by agreement with the World Health Organization, major maintenance and repair projects at PAHO Headquarters are eligible for reimbursement of 25% of the cost from the WHO Real Estate Fund.

3. Other Projects

3.1 *Modifications to PAHO Office in Caracas, Venezuela*

As reported to the Committee in June 1999, modifications of the PAHO-owned PWR office in Caracas, Venezuela, are being carried out, including repositioning of air conditioning equipment, relocation of storage areas, modification of internal partitioning, and construction of additional bathrooms, financed with approximately \$200,000 in extrabudgetary funds. Most of the work on the second floor has now been completed, and the project is expected to be finished within budget by the end of 2000.