

OFFICE OF INSPECTOR GENERAL

**Follow-up to Management Alert -
U.S. Immigration and Customs
Enforcement's Facility, San Pedro,
California**



Homeland
Security

July 9, 2015
OIG-15-112



DHS OIG HIGHLIGHTS

Follow-up to Management Alert — U.S. Immigration and Customs Enforcement’s Facility, San Pedro, California

July 9, 2015

Why We Did This Review

As part of the follow-up to *Management Alert — U.S. Immigration and Customs Enforcement’s San Pedro Service Processing Center, San Pedro, California, December 11, 2014*, we obtained and analyzed additional information to determine ICE’s long-term plan for, and how much it spent on, the facility.

What We Recommend

We made one recommendation to develop a long-term plan for this facility prior to spending more funds on renovations beyond the current life safety repairs identified in the Management Alert.

For Further Information:

Contact our Office of Public Affairs at (202) 254-4100, or email us at DHS-OIG.OfficePublicAffairs@oig.dhs.gov

What We Found

Although U.S. Immigration and Customs Enforcement (ICE) is taking action to repair the safety issues at the San Pedro facility identified in our Management Alert, we have concerns regarding ICE’s process to renovate this facility. ICE did not develop a long-term plan for the facility and renovated a portion of the first floor by performing several small projects. Including the safety repairs, ICE will have spent \$6 million on a mostly unused and unoccupied facility.

ICE Response

ICE’s Office of the Chief Financial Officer (CFO) concurred with the Office of Inspector General recommendation.

According to the response, ICE agrees with our recommendation “not to expend additional funds to address life safety issues until a suitable ‘long-term’ plan has been developed.” It also states that ICE personnel started to analyze the “Los Angeles City Solution plan” approximately one year ago to identify potential consolidation, reduction, and space reconfiguration opportunities to become more efficient and cost effective.

According to ICE’s CFO, it initiated corrective actions related to the identified life safety issues, enabling personnel to return to the facility in Fall 2015, and ICE should complete its master plan by May 1, 2016. The master plan includes termination of leases in Long Beach, CA, and the full renovation and use of the San Pedro facility.



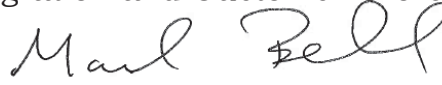
OFFICE OF INSPECTOR GENERAL

Department of Homeland Security

Washington, DC 20528 / www.oig.dhs.gov

JUL 9 2015

MEMORANDUM FOR: Jonathan Carver
Chief Financial Officer
U.S. Immigration and Customs Enforcement

FROM: Mark Bell 
Assistant Inspector General for Audits

SUBJECT: *Follow-up to Management Alert — U.S. Immigration and Customs Enforcement's Facility, San Pedro, California*

For your action is our final report, *Follow-up to Management Alert — U.S. Immigration and Customs Enforcement's Facility, San Pedro, California*. We incorporated the formal comments provided by your office.

The report contains one recommendation aimed at improving planning efforts at the ICE facility in San Pedro, CA. Your office concurred with our recommendation. Based on information provided in your response to the draft report, we consider this recommendation resolved and open. Once your office has fully implemented the recommendations, please submit a formal closeout letter to us within 30 days so that we may close the recommendation. The memorandum should be accompanied by evidence of completion of agreed-upon corrective actions and of the disposition of any monetary amounts.

Please send your response or closure request to OIGAuditsFollowup@oig.dhs.gov.

Consistent with our responsibility under the *Inspector General Act*, we will provide copies of our report to congressional committees with oversight and appropriation responsibility over the Department of Homeland Security. We will post the report on our website for public dissemination.

Please call me with any questions, or your staff may contact Don Bumgardner, Director, at (202) 254-4100.

Attachment



OFFICE OF INSPECTOR GENERAL

Department of Homeland Security

Background

San Pedro Facility

The 2-acre San Pedro Facility, formerly a Service Processing Center, includes 10 federally-owned buildings. U.S. Immigration and Customs Enforcement (ICE) used the main building of the center to house detainees, but closed the facility in 2007 because of building deficiencies and safety concerns. Figure 1 shows the main building at the old processing center.

Figure 1: Main building at ICE's San Pedro Facility



Source: ICE photo

According to an ICE official, ICE employees moved into the building in 2008. ICE Enforcement Removal Operations and Homeland Security Investigations employees occupied about one-third of the first floor of the main building—using it as office space. ICE also processed and temporarily held aliens in this facility.

In October 2012, the U.S. Army Corps of Engineers (USACE) directed a comprehensive Facility Condition Assessment of the center. USACE reported “many critical life safety issues that should be addressed immediately” and concluded that “unless the building’s current fire sprinkler and fire alarm/life safety systems are improved, the building is not a safe work environment.” USACE also recommended that ICE temporarily move mission operations to a more suitable site.

In December 2014, we visited the facility and issued a Management Alert that described the safety issues.¹ We recommended that ICE take immediate action and vacate the building until all safety issues are corrected or until ICE determines that the facility is safe. In response to our Management Alert, ICE took action and vacated the building within 48 hours.

¹ *Management Alert - U.S. Immigration and Customs Enforcement's San Pedro Service Processing Center, San Pedro, California*, December 11, 2014.

https://www.oig.dhs.gov/assets/Mga/OIG_mga-121114.pdf



OFFICE OF INSPECTOR GENERAL

Department of Homeland Security

Results of Review

Repair and Renovation Costs

Between 2008 and 2014, ICE spent about \$4.2 million to repair portions of the building, remediate mold, and convert part of the first floor to office space. However, at the time of our visit, the building was not safe to occupy.

In January 2015, ICE awarded another \$1.6 million contract to repair the fire suppression system. We encouraged ICE to confer with the Los Angeles Fire Department (LAFD) to ensure that the repairs to the fire suppression system conformed to local codes. ICE did include the LAFD in the project.

Although ICE is taking action to repair the fire suppression system, we have concerns regarding ICE's process to renovate this facility. ICE did not develop a long-term plan for the facility and renovated the first floor by performing several small projects without addressing the known safety issues. Therefore, when ICE repairs the fire suppression and alarm systems, it will have spent \$6 million on a mostly unused and unoccupied facility.

ICE personnel told us that since the building was designed to hold detainees, the parking lot was not designed to accommodate parking needs of more than the 39 employees who were working at the facility. In addition, ICE housed detainees on the second and third floors when it was an active detention facility. According to ICE personnel, the walls are 3-feet thick and do not have electrical outlets; therefore, it would be difficult and costly to install outlets and convert these spaces to office space. As a result, the unused floors may not be suitable for office space.

Recommendation

We recommend that the Executive Director, Office of Asset and Facilities Management, develop a long-term plan for this facility prior to spending more funds on renovations beyond the current life safety repairs identified in the Management Alert. The plan should include, at a minimum:

- an assessment of whether it would be more cost effective to demolish the facility and construct a new building; and
- how ICE plans to use the second and third floors.



OFFICE OF INSPECTOR GENERAL

Department of Homeland Security

ICE Comments

ICE's CFO concurred with the OIG recommendation.

The response states ICE agrees with our recommendation “not to expend additional funds to address life safety issues until a suitable ‘long-term’ plan has been developed.” It also states that ICE personnel started to analyze the “Los Angeles City Solution Plan” approximately 1 year ago to identify potential consolidation, reduction, and space reconfiguration opportunities to become more efficient and cost effective.

According to ICE’s CFO, it initiated corrective actions related to the identified life safety issues so that personnel can return to the facility in Fall 2015, and ICE should complete its master plan by May 1, 2016. The master plan includes termination of leases in Long Beach, CA, and the full renovation and use of the San Pedro facility.

The response also contained a request to refer to San Pedro as an “ICE Facility” rather than a “Service Processing Center.”

OIG Analysis of ICE Comments

Based on our analysis of ICE’s response, we consider the recommendation resolved and open; however, we want to clarify the intent of the recommendation.

The recommendation states ICE should not spend funds to renovate the facility beyond the current life safety repairs identified in the Management Alert. In other words, if ICE plans to inhabit the facility, it cannot leave the building’s life safety issues unrepaired while developing its long-term plan. In addition, the assessment of the San Pedro facility must include a full evaluation to determine if it is more cost effective to demolish the building rather than renovate it.

The existing facility was a jail and has limited parking. Retrofitting the facility to accommodate the consolidation of ICE employees, and their vehicles, from other ICE offices may not be cost effective or feasible.

ICE also requested that we refer to the San Pedro building as an “ICE Facility” instead of a “Service Processing Center” and we made this change throughout the report, as appropriate.



OFFICE OF INSPECTOR GENERAL

Department of Homeland Security

Objective, Scope, and Methodology

The Department of Homeland Security (DHS) Office of Inspector General (OIG) was established by the *Homeland Security Act of 2002* (Public Law 107-296) by amendment to the *Inspector General Act of 1978*.

On December 8, 2014, we visited ICE's San Pedro facility near Los Angeles, CA, to determine the extent of life safety issues at the facility. We interviewed officials from ICE Homeland Security Investigations, Enforcement Removal Office, Los Angeles City Fire Department, and Federal Occupational Health Service. We viewed the interior and exterior of the San Pedro facility and reviewed case files and logs.

As part of the follow-up to the Management Alert, we obtained and analyzed additional information to determine ICE's long-term plan for, and how much it spent on, the facility. We conducted additional interviews with personnel from ICE's Management & Program Analysis. We also obtained and analyzed financial and contracting information related to the facility.

Office of Audits major contributors to this report are: Sean Pettersen, Audit Manager; Holly Snow, Program Analyst; and Priscilla Cast, Program Analyst.

We conducted this review under the authority of the *Inspector General Act of 1978*, as amended, and according to the Quality Standards for Inspections issued by the Council of the Inspectors General on Integrity and Efficiency.



OFFICE OF INSPECTOR GENERAL
Department of Homeland Security

Appendix A
ICE Comments to the Draft Report

Office of the Chief Financial Officer

U.S. Department of Homeland Security
500 12th Street, SW
Washington, D.C. 20536



**U.S. Immigration
and Customs
Enforcement**

June 10, 2015

MEMORANDUM FOR: Mark Bell
Assistant Inspector General of Audits
Office of Inspector General

FROM: Jonathan Carver
Chief Financial Officer

SUBJECT: Management Response for OIG Draft Report, "Follow-up to Management Alert – U.S. Immigration and Customs Enforcement's San Pedro Service Processing Center, San Pedro, California" dated June 1, 2015

Thank you for the opportunity to review and comment on the subject draft report. U.S. Immigration and Customs Enforcement (ICE) appreciates the Office of Inspector General's (OIG) work in conducting its review and issuing this follow up Management Alert report on the safety issues identified at the San Pedro facility. In accordance with DHS Instruction #077-01-001, Instruction on Follow-up and Resolution for OIG Report Recommendations, dated January 31, 2011, this memorandum provides a response to address the recommendation made in the subject report.

In the final report, we request that the name of the subject facility not be titled as a Service Processing Center but rather as the San Pedro ICE Facility. This facility has not been used as a Service Processing Center since 2007.

As you are aware, we have initiated corrective actions related to life safety issues at the facility in order to return personnel to the facility later this Fall 2015. The \$1.6 million that was awarded to rectify life safety issues in January 2015 actually went beyond "repair to the fire suppression system." These additional repairs included fire rated penetrations, fire barriers, HVAC repair, elevator, fence repairs and road repairs. In fact, a modification to that award was made to address concerns that were brought to our office's attention when we met with Los Angeles Fire Department staff at San Pedro in March 2015.

www.ice.gov



OFFICE OF INSPECTOR GENERAL

Department of Homeland Security

The report contains one recommendation. Specifically, OIG recommended that the ICE Executive Director, Office of Assets and Facilities Management:

Recommendation 1: Develop a long term plan for this facility prior to spending more funds on renovations beyond the current life safety repairs identified in the Management Alert. The plan should include, at a minimum: (a) an assessment of whether it would be more cost effective to demolish the facility and construct a new building; and, (b) how ICE plans to use the second and third floors.

Response: Concur. ICE agrees with your recommendation not to expend additional funds to address life safety issues until a suitable “long-term” plan has been developed. The ICE Facilities team began analyzing the Los Angeles City Solution plan approximately one year ago. The “long-term” use of the San Pedro facility is part of that plan. The purpose of the analysis was to identify potential consolidation, reduction, and or space reconfiguration opportunities and support facilities requirements in a more efficient (reduce footprint) and cost effective (reduce rent cost) manner. ICE operational units have conveyed that they would like to continue to use the San Pedro facility. In essence, ICE’s long-term” plan would include the cancellation of leases in Long Beach, California and the full renovation and utilization of San Pedro. Once a mission supportable master plan to synchronize relocation and consolidation of operations has been completed, ICE will share this report with the OIG.

We request that this recommendation be considered resolved and open pending completion of the aforementioned activities. Estimated Completion Date (ECD): May 1, 2016.

We look forward to working with you in the future. If you have any questions, please contact Michael Moy, Senior Portfolio Manager, at (202) 732-6263 or by email at Michael.C.Moy@ice.dhs.gov.



OFFICE OF INSPECTOR GENERAL
Department of Homeland Security

Appendix B
Report Distribution

Department of Homeland Security

Secretary
Deputy Secretary
Chief of Staff
General Counsel
Executive Secretary
Director, GAO/OIG Liaison Office
Assistant Secretary for Office of Policy
Assistant Secretary for Office of Public Affairs
Assistant Secretary for Office of Legislative Affairs
ICE Audit Liaison

Office of Management and Budget

Chief, Homeland Security Branch
DHS OIG Budget Examiner

Congress

Congressional Oversight and Appropriations Committees

ADDITIONAL INFORMATION AND COPIES

To view this and any of our other reports, please visit our website at: www.oig.dhs.gov.

For further information or questions, please contact Office of Inspector General Public Affairs at: DHS-OIG.OfficePublicAffairs@oig.dhs.gov. Follow us on Twitter at: @dhsoig.



OIG HOTLINE

To report fraud, waste, or abuse, visit our website at www.oig.dhs.gov and click on the red "Hotline" tab. If you cannot access our website, call our hotline at (800) 323-8603, fax our hotline at (202) 254-4297, or write to us at:

Department of Homeland Security
Office of Inspector General, Mail Stop 0305
Attention: Hotline
245 Murray Drive, SW
Washington, DC 20528-0305