



REPORT TO THE BUSINESS ADMINISTRATION COMMITTEE

Informational Briefing on the Implementation
of the Office of Technology Strategic Plan,
Including Procurement Strategy

September 2014

Purpose

To provide a progress update on the implementation of the Office of Technology (IT) Strategic Plan presented to the Business Administration Committee in July 2014 and to introduce a change in procurement strategy for IT services, in which the Airports Authority will move from a limited number of large dollar, fixed price contracts to a greater number of smaller dollar, task contracts.

Background

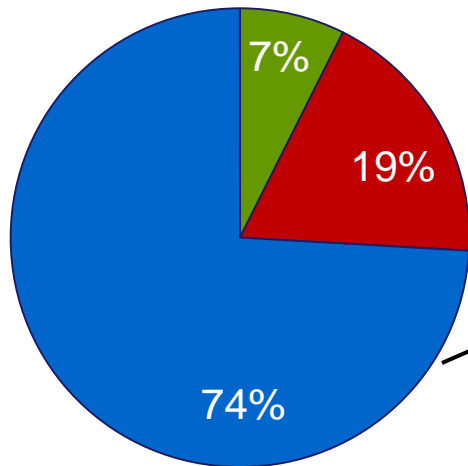
- The Airports Authority is mitigating key risks and building a best practice IT organization by:
 - Consolidating and standardizing IT
 - Bringing thought leadership in-house
 - Simplifying contracted support
- To date, the Airports Authority has:
 - Amended its Statement of Functions, changing the reporting relationship of IT to the CEO
 - Reduced the number of servers, applications, computer rooms, and help desks – while maintaining consistent levels of support
 - On-boarded 24 new term employees in the Office of Technology



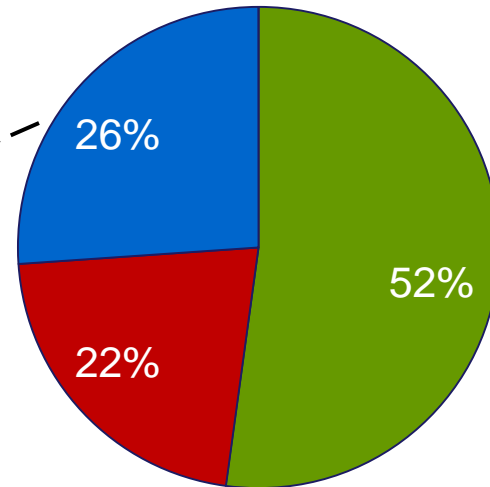
Contracted Support

- The first step in simplifying contracted support is to downsize services provided by project management contractors.

Current Annual IT Spend



Future Annual IT Spend



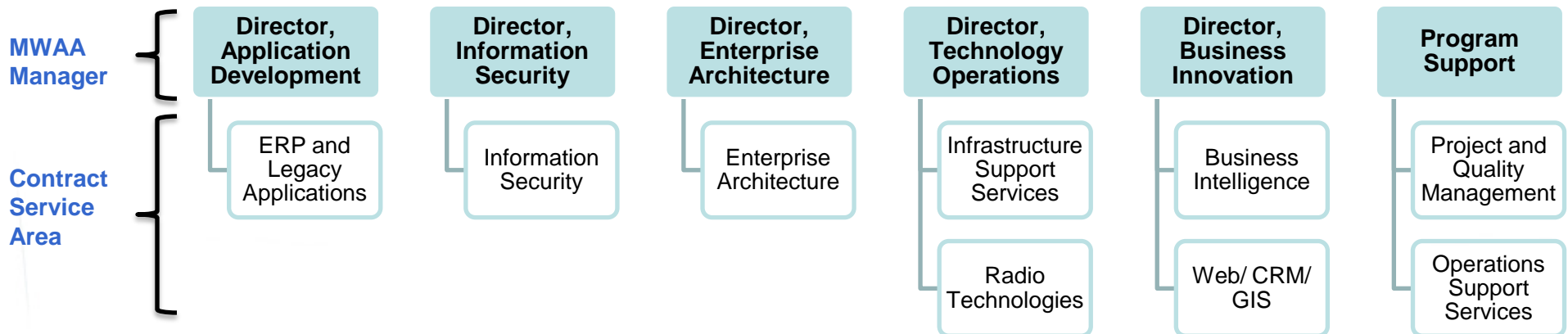
Current State: Contractors Drive Strategic Requirements

- Currently, five prime contractors oversee 50+ sub-contractors and participate heavily in the determination of strategic requirements.
- These five contractors work under fixed-price contracts.



Restructuring Support Enhances Staff Accountability & Line of Sight

- Going forward, in-house staff will replace existing five prime contractors and will become responsible for managing operations and determining strategic requirements.
- Contractors will be utilized during peak workloads in nine service areas, each of which will be managed by in-house staff:



Future State: Task Contracts Provide Greater Competition and Flexibility

- Future contractor support will be obtained through task contracts, with an intent to have multiple vendors in each service area to increase competition.
- These task contracts will be:
 - Evaluated and awarded independently of each other
 - Solicited with LDBE requirements
 - Competed with full and open competition

Technology Contracts will shift from a limited number of large dollar, fixed price contracts to a greater number of smaller dollar, task contracts

Benefits

- Enhanced accountability and thought leadership
 - In-house staff assumes greater responsibility
 - Contractors will perform the work with staff oversight
- Increased flexibility with support available from vendors in multiple areas
- Lower costs through increased competition of support contracts
- Improved IT capability – with the best technology at the best value

Cost Savings Will Be Reinvested in New Technologies Over Time

Next Steps

- Office of Technology will work with the Offices of General Counsel, Procurement, and Equal Opportunity to prepare solicitations in the nine contractor service areas.
- All contracts with an estimated value greater than \$3M will be presented to the Committee for pre-solicitation concurrence beginning in October.



Ronald Reagan Washington National Airport



Dulles Corridor Metrorail Project



Dulles Toll Road



Washington Dulles International Airport



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