



**FY 2010 PERFORMANCE PLAN  
Department of Real Estate Services**

**MISSION**

The mission of the Department of Real Estate Services is to support the District Government and residents through strategic real estate management, construction and facilities management.

**SUMMARY OF SERVICES**

The Department of Real Estate Services (DRES) has primary responsibility for facility management services within the District government. DRES performs acquisition, construction, leasing, facility management, repair and alteration, facility modernization, and security services for tenant agencies and occupants of its facilities. There are 66 agencies or independent operating units occupying space in approximately 246 facilities under DRES’s management.<sup>1</sup>

**PERFORMANCE PLAN DIVISIONS**

- Portfolio
- Facilities
- Office of the Director
- Construction
- Protective Services
- Contracting and Procurement

**AGENCY WORKLOAD MEASURES**

<b>Measure</b>	<b>FY08 Actual</b>	<b>FY09 YTD</b>
Total number of completed work orders	6,621	12,944
Total recycling tonnage for core facilities	389	407 <sup>2</sup>
Total electricity usage	375,340,088	265,753,602
Total SF of currently leased space	3,576,846	3,597,716
Total annual recycling tonnage (Wilson, Reeves, One Judiciary Square, Daly)	389	407 <sup>3</sup>
Total annual trash tonnage	585	415

<sup>1</sup> According to the May 2009 District Facilities Plan

<sup>2</sup> Diversion tonnage as of July 2009. Diversion tonnage is yet to reflect annual shredding totals, CSOSA burn bags and C& D final calculation light fixtures Reeves Center retrofit.

<sup>3</sup> Diversion tonnage as of July 2009. Diversion tonnage is yet to reflect annual shredding totals, CSOSA burn bags and C& D final calculation light fixtures Reeves Center retrofit.



<b>Measure</b>	<b>FY08 Actual</b>	<b>FY09 YTD</b>
Total contract guard hours	1,143,468	609,408
Total service calls received by PSD	N/A	1,553
Number of contracts processed	627	447
Number of simplified acquisitions	511	295
Dollar amount of contracts processed	\$122,797,094	\$274,752,094
Percent of District Government office space currently leased	48.3%	57.5%



## *Facilities Division*

### **SUMMARY OF SERVICES**

The Facilities Division is responsible for the day-to-day operation of a large number of District owned properties, vacant lots and homeless shelters and acts as a liaison between agencies and landlords in leased buildings. Specifically, this includes maintaining building assets and equipment; performing various repairs and non-structural improvements; providing janitorial, trash and recycling pickup, postal and engineering services.

### **OBJECTIVE 1: Provide a clean, safe and operational work environment for District agencies through effective and efficient facility management and maintenance.**

#### **INITIATIVE 1.1: Finalize the use of FAST, an automated system designed to manage maintenance and repair work orders, and enhance delivery of quality facility services to District agencies.**

In FY08 and FY09, DRES partnered with OCTO to develop the Facilities Assistance Service Team (FAST), a remedy application that generates, assigns and tracks work orders. The system was rolled out to all owned facilities in phases. In FY10, DRES will finalize the work order business process and use FAST to respond to service requests in a timely manner and provide our clients with a communication device, as well as to diagnose bottlenecks, allocate resources and find efficiencies within the Facilities Division's operation. Associated costs: no additional costs. Deadline: August 31, 2010.

#### **INITIATIVE 1.2: Expand the preventative maintenance and routine replacement program to all District-owned DRES-managed buildings to maximize longevity of assets and reduce annual operating and repair costs.**

The absence of a comprehensive preventative maintenance program subjects District facilities to increased emergency repairs and deteriorating equipment which is costly to repair and/or replace. In FY09, the Facilities Division implemented a preliminary preventative maintenance program for the Reeves Center, One Judiciary Square and 95 M Street SW covering areas such as HVAC, elevators, building shell conditions, plumbing and other mechanical systems. In FY09, the Facilities Division developed a business process to schedule and perform preventive maintenance utilizing FAST.

In FY10, the Facilities Division will extend the preventive maintenance program to the remaining owned DRES managed facilities and finalize the schedule that was developed for OJS, Reeves and 95 M Street in FY09. The Facilities Division will use the facilities condition assessments completed in FY09 to develop an inventory of building assets. The Division will review equipment manuals and industry standards, and enter the scheduled preventive maintenance program into FAST. Associated costs: no additional costs. Deadline: September 30, 2010.

#### **INITIATIVE 1.3: Increase the number of buildings receiving recycling services by adding the final DRES managed facilities.**



Shared Initiative-Office of the Director Division, Initiative 1.3

Approximately 45 facilities currently receive recycling services and in FY10, if funding permits, the Office of the Director and Facilities Division will expand recycling services to the remaining eight to ten District owned facilities with significant employee occupancy. For the first time, in FY10 the Facilities Division will conduct recycling unit inspections at all DRES managed facilities to ensure agency compliance with the District of Columbia Solid Waste Management and Multi-Material Recycling Act of 1988. These efforts will be complemented by ongoing outreach efforts to communicate the benefits and process for recycling to client agencies. Associated costs: approximately \$50 per month per facility for recycling pickup. Deadline: if funding permits, expansion will be completed by January 31, 2010; inspections will be conducted quarterly.

**PROPOSED KEY PERFORMANCE INDICATORS: Facilities Division**

Metric	FY08 Actual	FY09 Target	FY09 YTD	FY10 Projection	FY11 Projection	FY12 Projection
Percent of emergency <sup>4</sup> repair requests responded to within 2 hours	89%	92%	63%	95%	98%	98%
Percent of non-emergency repair requests responded to within 48 hours	84%	87%	92%	90%	93%	95%
Percent of completed work orders in FAST that are preventive maintenance <sup>5</sup>	N/A	N/A	Baseline year	65%	70%	75%
Total completed preventive maintenance work orders in FAST <sup>6</sup>				Benchmark	Benchmark	Benchmark
Total reduction in electricity consumption at designated buildings, <sup>7</sup> adjusted for weather (heating and cooling days) kwh			Baseline year	2% from baseline	3% from baseline	4% from baseline
Total recycling diversion rate at the Big 4: Wilson, Reeves, One Judiciary Square, Daly (i.e. % of overall waste that is recycled)	40%	47%	47%	50%	51%	52%

<sup>4</sup> Emergency repairs are issues which impact agency operations or the life, safety and health of building occupants.

<sup>5</sup> This measure does not include external requests for service.

<sup>6</sup> This number will increase as preventive maintenance schedules are developed for DRES managed owned facilities.

<sup>7</sup> Designated buildings are the Big 4: Daly, Reeves, One Judiciary Square, Wilson Building



## *Portfolio Division*

### **SUMMARY OF SERVICES**

The Portfolio Division is responsible for planning and managing the District's real estate to achieve its highest and best use. The Portfolio Division engages in activities such as lease administration; allocation of owned and leased properties to District agencies; property acquisition and disposition; fixed cost forecasting for District facilities and rent collection from entities leasing District-owned property.

### **OBJECTIVE1: Ensure accurate, timely and transparent financial transactions.**

#### **INITIATIVE 1.1: Through a multi-year effort, institute business processes and integrated systems to improve accuracy, streamline asset management and decision-making, and provide information to client agencies.**

In FY09, the Portfolio Division developed and implemented business processes focused on lease management, relocation planning, and strategic real estate portfolio management. The Portfolio Division also redesigned internal business processes for tracking, paying, collecting lease payments and receivables.

In FY10, the Division will implement the processes developed in FY09 to be more strategic in planning the District's space needs and ensure we collect the correct amount of rent, track it regularly and record it accurately.

To give staff easy access to accurate data and streamline the work of the agency, DRES will procure and begin implementation of an integrated workplace management system in FY10. The integrated workplace management system will be an enterprise platform that supports the planning, design, management, utilization and disposal of DRES's location based assets. The integrated workplace management system will assist DRES in optimizing the use of workplace resources, including the management of the real estate portfolio, infrastructure and facilities assets. Four of the primary areas of functionality include Lease Administration, Project Management, Space Management and Maintenance Management. Portfolio will be responsible for preparing real estate data to input into the system. This may require generating facility naming conventions, standardizing building data, fully abstracting leases, generating payment schedules and initial automation of data into a format that can be loaded into the new system. Associated costs: total cost of a new system is estimated to be approximately \$2 million. Deadline: data preparation and system procurement will be completed by April 30, 2010, pending funding and OCTO approval.

#### **INITIATIVE 1.2: Maintain a three-year relocation plan for agency moves and associated capital costs.**

The Portfolio Division will improve its relocation forecasting capabilities. This will ensure less dependence on landlords funding renovations, and avoid rushing construction



improvements, by examining information technology utilization more carefully in order to make the most efficient purchases and by preparing more accurate yearly budgets.

The Portfolio Division will achieve this by maintaining a three-year relocation plan that lists all relocation activities, moving and construction costs and funding sources. This plan would allow the Portfolio and Construction Divisions to consolidate projects to purchase furniture, fixtures and equipment (FF&E) and IT equipment in bulk to get better prices and reduce the administrative costs of project management. Associated costs: no additional costs. Deadline: three-year plan will be updated quarterly.

**OBJECTIVE 2: Maximize the efficient and effective use of District-owned property by agencies and reduce dependence on leased space.**

**INITIATIVE 2.1: Reduce the net amount of leased square footage.**

The Portfolio Division will seek opportunities to consolidate agencies and transition from leased to owned space when leases are nearing expiration. In FY10, if funding permits, the Division plans to allow leases to expire or reduce space at: 825-941 N. Capitol Street NE; 1215 3<sup>rd</sup> Street NE; 810 First Street NE; 2213-17 14<sup>th</sup> Street NW; 717 14<sup>th</sup> Street NW; 1400 L Street NW, 51 N Street and 2626 Naylor Place. Moving from leased to owned space will result in a savings of \$19.89 per square foot of reduced leased space, based on the average occupancy costs for leased and owned office space.

1.3 million square feet of leased space is expiring in FY10. The Portfolio Division will strategically relocate a number of agencies as a result of lease expirations, agency consolidations and changing agency needs. The 1.1 million square feet of moves will require a significant effort by the Portfolio Division, the relocating agencies and other DRES divisions to perform relocation planning, programming, physical moving, furnishing and sometimes renovations for each move. Associated costs: move and build-out costs incurred in FY10 will total approximately \$78 million. The majority of this will be funded by landlords. Consolidation will generate a decrease in unrealized lease costs of \$1.3 million for DC Public Schools, \$1.4 million for the Office of the Chief Financial Officer and \$1.87 million for the Department of Health. Deadline: relocations will be initiated by September 30, 2010.



**PROPOSED KEY INDICATORS: Portfolio Division**

<b>Metric</b>	<b>FY08 Actual</b>	<b>FY09 Original Target</b>	<b>FY09 YTD Actual</b>	<b>FY10 Projection</b>	<b>FY11 Projection</b>	<b>FY12 Projection</b>
Reduction of leased space by 700,000 SF over 3 years	3,576,846 SF (DRES actually decreased leased space by 76,424 SF)	3,410,652 SF <sup>8</sup>	3,597,716 SF <sup>9</sup> (DRES actually decreased leased space by 107,691 SF)	3,442,655 <sup>10</sup> SF (DRES plans to decrease leased space by 155,061 SF)		
Percent of leased space that is currently occupied <sup>11</sup>	87%	87%	82%	89%	91%	93%
This is a 2010 case study for efficient space utilization.  Number of square feet per FTE at 1125 15 <sup>th</sup> Street NW			Baseline: 110,443 SF / work area for 300 FTEs = 368 square feet per	110,443 SF/ work area for 421 FTEs = 262 square feet per FTE	N/A	N/A

<sup>8</sup>The FY09 target was based on a baseline of 3,655,388 SF. It differs from the square footage at the end of FY08 because DRES developed an Operation Plan which carefully re-examined our inventory. In early FY09, DRES began a review of all leases and verification of square footages and updated the FY09 baseline to 3,726,386 square feet.

<sup>9</sup> The FY09 YTD and other yearly actual are impacted by lease activity and verification of the actual amount of space occupied by agencies.

<sup>10</sup> FY10 baseline is 3,597,716 SF.

<sup>11</sup> The industry standard for optimizing occupancy rates is to maintain 5% of the space as unoccupied. This reserve space provides flexibility to accommodate additional temporary or long-term building occupants or any other changes in space configurations. A 100% occupancy rate for leased and District-owned office space therefore refers in actuality to full occupancy of 95% of the total space remaining after accounting for the 5% set-aside.



<b>Metric</b>	<b>FY08 Actual</b>	<b>FY09 Original Target</b>	<b>FY09 YTD Actual</b>	<b>FY10 Projection</b>	<b>FY11 Projection</b>	<b>FY12 Projection</b>
			FTE			
Cost per SF for leased space vs. market <sup>12</sup>	Market = \$50.26 DC Leased = \$34.91	Market = \$51.89 DC Leased = \$38.41	Market = \$40.86 DC Leased = \$37.49	Market = \$41.68 DC = \$38.13	Market = \$42.51 DC = \$38.39	Market = \$43.36 DC = \$39.19

<sup>12</sup> For FY09 YTD data and beyond, market information refers to full service rent for Class B space in the Central Business District extracted from CoStar, assuming a 2% increase per year. DRES' current portfolio includes a number of older Class B buildings. Most new deals will be in Class A buildings, average rent for which CoStar lists as \$48.12 in FY09. Assuming a 2% increase per year, this rate will be \$49.08 in FY10, \$50.06 in FY11 and \$51.07 in FY12. DC lease information is taken from DRES' fixed cost budget and portfolio plan. It includes base rent from actual leases for *office* space + operating expenses + real estate taxes divided by average annual square footage.





## *Office of the Director*

### **SUMMARY OF SERVICES**

The Office of the Director supports the operational requirements of DRES by hiring and developing the agency's workforce and managing programs including customer service, performance management, public information, legislative policy, budget, energy management, industrial space management, information technology and fleet management.

### **OBJECTIVE 1: Reduce energy consumption in District space and achieve increased energy efficiency.**

#### **INITIATIVE 1.1: Achieve consumption efficiencies by implementing an energy campaign in District buildings.**

The Office of the Director, in conjunction with other divisions, will reduce consumption of electricity by 2% from FY09. In FY10, the Office of the Director will continue a campaign launched in FY09 in all buildings housing a high concentration of District employees. This campaign highlights practical actions employees can take to reduce energy consumption by sending monthly updates with tips and updates on consumption reduction. If funding is available, DRES will distribute power strips to employees to facilitate daily equipment shutoff. Associated costs: if federal stimulus funding is available, DRES would purchase power strips at \$25 each. Deadline: campaign will be completed by September 30, 2010.

#### **INITIATIVE 1.2: Achieve consumption efficiencies by implementing energy efficiency technologies using stimulus grants and other designated monies.**

In FY09, the Construction Division conducted condition assessments of more than 7 million square feet of District owned space. The Office of the Director will work with the Construction and Facilities Divisions to use the results of the assessments to plan and implement energy retrofits in owned buildings utilizing funds expected from the American Recovery and Reinvestment Act. Such retrofits include installing Building Management Systems, variable frequency drives on machines, energy efficient HVAC units, air handlers, green roofs, envelope improvements and storm water management.

The Office of the Director will ensure federal stimulus funds received for energy efficiency are spent quickly and efficiently. DRES plans to encumber design fees for 75% of energy projects no later than three months after receipt of funds. Associated costs: using stimulus funding and therefore costs are unknown until funds are received. Deadline: design fees for 75% of projects will be encumbered within three months after DRES receives funds.

#### **INITIATIVE 1.3: Increase the number of buildings receiving recycling services by adding the final DRES managed facilities.**

Shared initiative: Facilities Division Initiative 1.3

Approximately 45 facilities currently receive recycling services and in FY10, if funding



permits, the Office of the Director and Facilities Division will expand recycling services to the remaining District owned facilities with significant employee occupancy. The Facilities Division will conduct recycling unit inspections quarterly to ensure agency compliance with the District of Columbia Solid Waste Management and Multi-Material Recycling Act of 1988. These efforts will be complemented by ongoing outreach efforts to communicate the benefits and process for recycling to client agencies. Associated costs: approximately \$50 per month per facility for recycling pickup. Deadline: if funding permits, expansion will be completed by January 2010; inspections will be conducted quarterly.

**OBJECTIVE 2: Provide oversight, support and program evaluation of DRES divisions to ensure the agency performs efficiently, effectively and to the best of its ability.**

**INITIATIVE 2.1: Procure and begin implementation of an integrated workplace management system.**

To improve business operations and enhance productivity, DRES redesigned and implemented a number of key business processes in FY09. In FY10, the Office of the Director will support and guide finalization and implementation of the new business processes throughout the agency. The integrated workplace management system will be an enterprise platform that supports the planning, design, management, utilization and disposal of DRES's location based assets. The integrated workplace management system will assist DRES in optimizing the use of workplace resources, including the management of the real estate portfolio, infrastructure and facilities assets. Four of the primary areas of functionality include Lease Administration, Project Management, Space Management and Maintenance Management.

The Office of the Director will also work with other divisions to procure and begin implementation of an integrated workplace management system that includes real estate management, asset inventory, building condition inventory, payment schedules, project management and work order management modules. The Office of the Director will oversee efforts to standardize and prepare data in advance of implementation. Costs associated: total cost of a new system is estimated to be approximately \$2 million. Deadline: procurement will be completed by April 30, 2010 pending funding and OCTO approval.

**OBJECTIVE 3: Maximize use of District warehouse space.**

**INITIATIVE 3.1: Store items resulting from agency relocations efficiently and without leasing additional warehouse space.**

In FY10, DRES will relocate 1.1 million square feet of space due to lease expirations, agency consolidations and changing agency needs. Agencies will be dispossessing their furniture through the Office of Contracting & Procurement's (OCP) Personal Property Disposition program. DRES will be responsible for storing this furniture in the short



term until OCP can accommodate it. DRES will respond to the increased need for storage by utilizing current owned space, refraining from leasing additional warehouse space. This will require the Office of the Director to continue FY08 and 09 efforts to maintain an accurate inventory of warehouse space, clean up warehouses and consolidate space to maximize its use. Costs associated: no additional costs. Deadline: relocations will be initiated by September 30, 2010.

**PROPOSED KEY INDICATORS: Office of the Director**

<b>Metric</b>	<b>FY08 Actual</b>	<b>FY09 Original Target</b>	<b>FY09 YTD Actual</b>	<b>FY10 Projection</b>	<b>FY11 Projection</b>	<b>FY12 Projection</b>
Total reduction in electricity consumption at designated buildings, <sup>13</sup> adjusted for weather (heating and cooling days) kwh			Baseline year	2% from baseline	3% from baseline	4% from baseline
Total recycling diversion rate at the Big 4: Wilson, Reeves, One Judiciary Square, Daly (i.e. percent of overall waste that is recycled)	40%	47%	47%	50%	51%	52%

**STANDARD CITYWIDE OPERATIONAL MEASURES**

<b>Measure</b>	<b>FY09 YTD</b>
<b>Contracts</b>	
% of sole-source contracts	
Average time from requisition to purchase order for small (under \$100K) purchases	
# of ratifications	
% of invoices processed in 30 days	

<sup>13</sup> Designated buildings are the Big 4: Daly, Reeves, One Judiciary Square, Wilson Building



<b>Measure</b>	<b>FY09 YTD</b>
or less	
<b>Customer Service</b>	
OUC customer service score	
<b>Finance</b>	
Variance between agency budget estimate and actual spending	
Overtime as percent of salary pay	
Travel/Conference spending per employee	
Operating expenditures "per capita" (adjusted: per client, per resident)	
<b>People</b>	
Ratio of non-supervisory staff to supervisory staff	
Vacancy Rate Total for Agency	
Admin leave and sick leave hours as percent of total hours worked	
Employee turnover rate	
% of workforce eligible to retire or will be within 2 years	
Average evaluation score for staff	
Operational support employees are percent of total employees	
<b>Property</b>	
Square feet of office space occupied per employee	
<b>Risk</b>	
# of worker comp and disability claims per 100 employees	



## *Protective Services Division*

### **SUMMARY OF SERVICES**

The Protective Services Division (PSD) is responsible for managing and providing security and law enforcement services at District owned and leased properties. This mission is executed through patrol operations, contract security guard management, electronic access control and security systems. PSD also assists District and federal agencies during special events and criminal investigations.

**OBJECTIVE 1: Provide a safe and secure work environment for District agencies, visitors, contractors and all persons conducting business with the District through effective and efficient protective and law enforcement services.**

**INITIATIVE 1.1: PSD will conduct security assessments and implement technological solutions to efficiently manage the number of personnel needed to meet security requirements at District facilities.**

As a result of modifying the services provided at homeless shelters, conducting security assessments and reallocating resources, PSD projects utilizing 50% fewer contract guard hours in FY09 than were used in FY08. This correlates to spending \$14 million dollars less than in FY08. In FY10, PSD will perform eight facility assessments to evaluate opportunities to utilize technology to ensure efficient use of security personnel proactively. This may include incorporating the use of video monitoring and access cards. Associated costs: if new technology is required, it will have a cost that is currently unknown. Deadline: assessments will be conducted by July 30, 2010.

**INITIATIVE 1.2: PSD will professionalize its training program by improving documentation and tracking.**

PSD officers are required to participate in 40 hours of in-service training per year, including firearms, legal and policy and procedures training. It is integral that PSD maintain excellent records of officer participation and monitor them regularly in order to identify individual training needs.

To provide high level training to PSD officers and ensure they meet industry standards of professionalism, PSD will develop a filing system to maintain training documentation and formulate a business process to ensure officers are meeting training requirements in FY10. Additionally, PSD plans to procure and implement software that would track firearms and training documentation for each officer. Associated costs: new technology is estimated to cost \$5,000. Deadline: software will be procured, filing system and new business process will be in place by August 31, 2010.

**INITIATIVE 1.3: PSD will raise the standards for entry into the force and qualifications for maintaining a position as a PSD officer.**

In order to ensure District buildings are being served by highly trained and qualified officers, PSD will adopt screening standards in line with the professional standards set by



the International Association of Chiefs of Police for both officers and applicants. PSD will utilize NCIC/WALES to conduct background checks of applicants and other relevant individuals, heighten the fitness standards required and necessitate psychological screening. All new officers will be required to complete the MPD Academy or equivalent law enforcement training. Associated costs: DRES is providing office space for MPD in exchange for training services. Therefore, there will be no new costs in FY10. Deadline: new standards will be in place by September 30, 2010.

**PROPOSED KEY INDICATORS: Protective Services Division**

<b>Metric</b>	<b>FY08 Actual</b>	<b>FY09 Target</b>	<b>FY09 YTD</b>	<b>FY10 Projection</b>	<b>FY11 Projection</b>	<b>FY12 Projection</b>
Reduction in contract guard hours utilized	Baseline year	7% (from baseline year)	51% (from baseline year)	0% from previous year	0% from previous year	0% from previous year
Mean time to respond to service calls <sup>14</sup>			Baseline year	20 min	20 min	20 min
Percent of calls for service responded to within 20 minutes during all hours			Baseline year	90%	92%	94%
Percent at building checks performed monthly of a subset of 144 DRES owned and leased buildings. <sup>15</sup>			Baseline year	90%	92%	94%

<sup>14</sup> The source of this data will change if the Metropolitan Police Department assumes responsibility for PSD dispatch in FY10 as planned.

<sup>15</sup> During the course of inspections conducted by PSD's Penetration Interdiction and Tracking team (PIT), all electronic screening devices are validated.



## *Construction Division*

### **SUMMARY OF SERVICES**

The Construction Division implements and oversees the public building needs in the Capital Improvements Plan for most District government agencies. The Plan outlines agencies' capital needs, including the rehabilitation of existing properties and construction of new facilities. The Construction Division ensures the timely and cost-effective delivery of superior quality engineering and design, construction, as well as a variety of other technical services on all relevant capital development projects in the Plan.

### **OBJECTIVE 1: Support the efficient provision of government services through high quality and efficient stewardship of constructed assets.**

#### **INITIATIVE 1.1: Develop District-wide design performance standards.**

The Construction Division will work with DRES's Energy group to develop design standards that are geared toward gaining consistency in the design of all District facilities and achieving energy efficiency therein. The design performance standards would standardize major components such as paint, roofing, boilers, HVAC units and lighting for new construction and renovation projects. The document will lay out the energy performance DRES expects of each component. Completing this document will enable DRES to commit to designing all energy efficient construction projects and support the current goal of achieving LEED certification on all new construction or significant renovation. Associated costs: approximately \$1M to hire an architecture and engineering firm to draft standards. Deadline: new standards will be developed by September 30, 2010.

#### **INITIATIVE 1.2: Complete or start construction on major building projects, complying with DRES' new Workplace Design Guidelines and LEED requirements.**

The District maintains a number of aging facilities that no longer efficiently meet the needs of District agencies and hamper the provision of quality services. In FY10, DRES will begin and complete a number of major building projects to provide new and higher quality services to staff.

The Construction Division will complete the following construction projects by September 30, 2010: Ward 6 Wellness Center (\$7.9M) and Southwest Waterfront interior build-out (\$15.7M). The Construction Division will break ground for the following construction projects by September 30, 2010: Evidence Warehouse (\$20M), DC Armory limestone renovation (\$1.7M), Inmate Processing Center (\$9M), PR Harris (\$26.3M) and Consolidated Forensics Lab (\$218M).

#### **INITIATIVE 1.3: Use facilities condition assessments to develop a more comprehensive capital budget for FY11.**

In FY09, the Construction Division conducted condition assessments of more than 7



million square feet of District owned space managed by the Department of Parks and Recreation (DPR), Fire and Emergency Management Services (FEMS), Department of Human Services (DHS), Metropolitan Police Department (MPD), the Department of Corrections (DOC) and DRES. The assessments are a comprehensive snapshot of the existing conditions of a large number of buildings, their infrastructure and assets.

In FY10, the Construction Division will use the information gained from the assessments to set priorities, plan and more accurately request funding to resolve outstanding issues in District buildings. The Construction Division will develop a 6-year capital plan which outlines the replacement needs of DRES-managed District facilities and provide information which will help our client agencies better plan for their capital needs. Associated costs: no additional costs. Deadline: capital plan will be developed by April 1, 2010.

**PROPOSED KEY INDICATORS: Construction Division**

<b>Metric</b>	<b>FY08 Actual</b>	<b>FY09 Target</b>	<b>FY09 YTD</b>	<b>FY10 Projection</b>	<b>FY11 Projection</b>	<b>FY12 Projection</b>
Percent of design and construction projects completed within 10% of allotted time for project.	80%	83%	54%	84%	84%	84%
Percent of design and construction project completed within 10% of original budget.	80%	83%	100%	84%	84%	84%
Percent of design or construction projects where DRES- directed change order values do not exceed 5% of the original awarded construction contracts.	80%	83%	54%	84%	84%	84%
Percent of new DRES capital projects that were assigned to a project manager and had a schedule developed within 7 days of funding.	95%	95%	100%	98%	99%	99%





## *Contracting & Procurement Division*

### **SUMMARY OF SERVICES**

The Contracting and Procurement Division, formed in May 2009, provides service and support to DRES in procuring goods and services that fall into the following categories: construction, architecture and engineering; facilities maintenance and operation; real estate asset management (including leasing and auditing); and utility contracts and security. Additionally, the Division is responsible for vertical construction procurement for any District agency that does not have independent contracting authority.

**OBJECTIVE 1: To provide quality goods and services for DRES and select District agencies through a coherent and streamlined procurement process that is responsive to the needs of its customers.**

**INITIATIVE 1.1: Reduce the procurement time for simplified acquisitions (valued at \$100,000 or less) to seven days.**

By transferring procurement services from the Office of Contracting & Procurement to DRES, the agency intends to produce a higher number of procurement activities more quickly, enabling more efficient and effective construction and property management work. This is mainly done by collocating procurement staff working on real estate and construction issues with program staff and senior management, enabling more oversight and coordination; holding procurement staff to the same performance standards as program staff; setting and refining procurement goals according to the DRES Director's priorities; involving procurement staff early in the acquisition process and redeveloping the procurement approval path to strictly include in-house staff, giving the DRES Director direct access in case issues arise.

The Contracting & Procurement Division will reduce the procurement time for simplified acquisitions to seven business days<sup>16</sup> by providing classroom and individualized training in drafting scopes of work for simple acquisitions to enable program staff to clearly identify their requirements, speeding up the procurement process and eliminating inefficiencies. The Division will assist in the development of DRES' FY2011 procurement plan in order to plan procurement activities and allocate resources appropriately. Associated costs: no additional costs. Deadline: trainings will be conducted by September 30, 2010; the procurement plan will be completed by the fourth quarter of the fiscal year.

**INITIATIVE 1.2: Streamline vertical construction procurement services.**

The Contracting & Procurement Division will implement the appropriate contracting mechanisms (i.e. on call, two step, RFQs) to allow the agency to utilize Indefinite delivery/indefinite quantity contracts and other vehicles that would decrease the time

---

<sup>16</sup> Tracked from when the final scope of work is received by the contracting officer to the PASS purchase order issue date.



required for contract review and approval. The Division would draft and introduce the use of new contract templates in order to shorten the procurement process.

The Division will train construction staff from DRES and client agencies as required to draft more descriptive scopes of work to eliminate the need for procurement staff to spend time clarifying the scope, thus speeding up the process.

The Contracting & Procurement Division will reduce the amount of time that it takes for legal sufficiency review to five business days for contract packages valued at \$1 million or more by modifying document templates such as the Council Summary and Business Clearance Memorandum and/or altering the timing of the review process to be concurrent with other steps. Associated costs: no additional costs. Deadline: September 30, 2010.

**INITIATIVE 1.3: Develop relations and procedures to ensure the capital construction procurement needs of our client agencies are being met.**

In FY10, the Contracting & Procurement Division will meet with a representative from each client agency monthly to review the status of their procurement requests and evaluate their satisfaction with our services.

In FY10, the Division will utilize DRES' newly developed database of procurement requisitions to issue a monthly status report on all requisitions to the Director of DRES and to client agencies. The Deputy Director will pay close attention to client agency requests to ensure they receive the same attention as DRES requests. Deadline: status reports will be issued by the 10<sup>th</sup> business day of each month; client meetings will be held monthly. Associated costs: no additional costs in FY10.

**INITIATIVE 1.4: A multi-year process to gain independent contracting authority.**

DRES has delegated authority from the Chief Procurement Officer which places the agency under his/her direct oversight. Independent authority would facilitate more efficiency since DRES would be able to procure all items independently and one level of approval would be removed from the contracting process. Under the current delegation authority, the Contracting & Procurement Division procures the majority of DRES' annual spend, with the exception of goods and services that are purchased through district-wide term contracts. With independent authority, DRES would make use of such term contracts, which the District considers to be the best contracting vehicle for this purpose.

To establish independent authority, the Division would draft legislation and work to gain Council approval for it, explore the need to set a certification requirement for procurement staff such as the Certified Professional Public Buyer certification, develop a bona fide training program for contracting staff, display a superior track record of processing procurement services, demonstrate that the agency has adhered to the delegation authority granted, gain the endorsement of the District's Chief Procurement



Officer and, most importantly, demonstrate why independent authority would allow DRES to be more productive and efficient. Associated costs: no additional costs. Deadline: training program will be in place by July 30, 2010.

**PROPOSED KEY PERFORMANCE INDICATORS: Contracting and Procurement Division**

<b>Metric</b>	<b>FY08 Actual</b>	<b>FY09 Target</b>	<b>FY09 YTD</b>	<b>FY10 Projection</b>	<b>FY11 Projection</b>	<b>FY12 Projection</b>
Average time for processing a simplified acquisition <sup>17</sup>	N/A	Baseline year	7 business days	6.5 business days	6 business days	6 business days
Percent of DRES construction documents reviewed for legal sufficiency by OAG in 5 business days <sup>18</sup>	N/A	Baseline year	90%	91%	92%	93%
Purchase card utilization rate <sup>19</sup>	N/A	Baseline year	N/A	70%	75%	80%
Average time for awarding an Invitation for Bids (IFB) under \$1 million <sup>20</sup>	N/A	Baseline year	N/A	90 calendar days	90 calendar days	90 calendar days

<sup>17</sup> Tracked from when final scope of work is received by contracting officer to PASS purchase order issue date.

<sup>18</sup> Tracked from when OAG assigns a lawyer to review the documents to when DRES receives a letter with their comments.

<sup>19</sup> Based on total purchases \$2,500 and below.

<sup>20</sup> Tracked from when final scope of work is received by contracting officer to contract award date.