



VITA PPEA Proposals

Briefing for the JCOTS Integrated Government Advisory Committee

June 30, 2004



Presentation Outline

- **Background – VITA Goal, Statute, Completed Activities**
- **Process Model**
- **Governance Organization**
- **Current Plan**
 - **Status of Proposals**
 - **Attributes**
 - **Communications**
 - **Milestones**
- **Response to Specific Committee Issues**



The Value of Partnerships

- **Going it alone is not an option**
 - Virginia does not have \$200 - \$400 million to invest in infrastructure and facilities
 - Virginia does not have the people, time, or resources to implement these large-scale projects
- **Potential partners bring much to the table**
 - Innovative ideas for solving our business problems
 - Access to state-of-the-art capabilities and technologies
 - Expertise and ability to bring major projects to completion
 - Ability to bring resources to bear for the benefit of citizens and customers
- **Commonwealth defines what is (and isn't) acceptable in proposals**



Goal of the VITA PPEA Process

Selectively seek investment in those public-private partnerships that best serve the business-driven technology needs of the Commonwealth, and support the agency mission, vision, and objectives established in the VITA Business Plan.

PPEA Proposal(s) = Partnership(s) = Major Project(s)



Driving PPEA Statutory Requirements

- Proposal must meet definition of “Technology Infrastructure Project.” (§56-575.1)
- Proposal must serve a public need and purpose based on the following determinations (§56-575.4(C)):
 - ...public need for or benefit derived from the qualifying project.
 - ...estimated cost is reasonable in relation to similar (projects)....
 - ...the private entity’s plans will result in the timely acquisition, design, (implementation),...,equipping, maintenance, or operation of the qualifying project.



VITA PPEA Proposals – Completed Activities

- **Nov 2003 – March 2004**
 - ✓ **Received Initial PPEA Proposals**
- **March 2004**
 - ✓ **Researched PPEA Legislation and Model Procedures**
 - ✓ **Drafted Initial Process Model**
 - ✓ **Established Enterprise Projects Office**
- **April 2004**
 - ✓ **Established Internal VITA PPEA Proposal Review Committee**
 - ✓ **Conducted Initial Review of Proposals**
 - ✓ **Drafted “Attributes for VITA PPEA Proposals”**
 - ✓ **Established Contract for High Level Sourcing Consultant**



VITA PPEA Proposals - Completed Activities (Continued)

- **May 2004**
 - ✓ **Met with Individual Proposal Teams**
 - ✓ **Received Updated Proposals**

- **June 2004**
 - ✓ **Posted Proposals, “Attributes,” and Invitation for Competing Proposals**



VITA PPEA Proposals - Process Model

	INITIAL REVIEW	CONCEPTUAL REVIEW	DETAILED REVIEW	COMP AGREEMENT (CA)
VITA (PPEA Review Committee)	Complete PPEA Initial Review (Re-scope if Necessary)	<ul style="list-style-type: none"> •Post for Competing Proposals •Evaluate Posted & Competing Proposals •Complete Local Government Review (as needed) 	<ul style="list-style-type: none"> •Complete Detailed Proposal(s) •Prepare Project Documentation for CIO/ITIB Approval •Complete Local Government Review (as needed) 	<ul style="list-style-type: none"> •Negotiate CA •Complete Detailed Project Planning
CIO	<ul style="list-style-type: none"> •Accept/Reject Proposal for Project Planning Approval •Conduct Briefings 	<ul style="list-style-type: none"> •Recommend to SOT to Accept/Reject Competing Proposals •Conduct Briefings 	<ul style="list-style-type: none"> •Recommend Project/Proposal to ITIB for Development Approval •Conduct Briefings 	Recommend CA and Project to Cabinet and Governor
ITIB (VITA Supervisory Board Role)	Receive CIO Notification	Review Recommended Course of Action		Review CA
CABINET	Receive CIO Notification	SOT, with SOA and SOF Comment, Approves Recommended Course of Action		Review CA
ITIB (Commonwealth IT Investment Board Role)	Prioritize (PPEA) Projects in Annual Report to Governor and GA		Approve Project/Proposal for Development	
OAG				Review CA
GENERAL ASSEMBLY	Receive CIO Report	Receive CIO Notification		Address CA Funding Issues in Appropriations Act (as needed)
GOVERNOR	Receive CIO Report			Approve CA



VITA PPEA Proposals - Governance Organization

Commonwealth IT Investment Board

Membership Established in *CODE*

Review & Decision Authorities

ITIB

Secretaries of Tech., Fin., Admin., Com. & Trade

Treasury Board OAG

VITA PPEA Review Committee

CIO Dep. CIO

VITA Directors of SMS, SCM, CS VITA CFO

Selected VITA, DGS, OAG, & Treasury Staff

Invited Participation: ITIB & Selected Agencies, Including DPB, DOA, & DHRM



VITA PPEA Proposals – Status

Proposer	Key Initiatives in Current Proposals	Status
Northrop-Grumman	<ul style="list-style-type: none"> •Construction and operation of a consolidated data center in Richmond •Use of the Bateman Advanced Shipbuilding & Carrier Integration Center for disaster recovery/testing •Establishment of a customer care and support operations center in Southwest Virginia •Asset management program integration with customer support and mainframe service operations 	Qualified Proposal
Virginia Commonwealth Partners (IBM)	<ul style="list-style-type: none"> •Construction of a consolidated data center in Southside or Southwest Virginia •Use of existing data center for non-mission critical systems and as backup data center •Responsibility for all data center operations •Server consolidation to data centers 	Qualified Proposal
Virginia Business Modernization Initiative (CGI-AMS)	<ul style="list-style-type: none"> •Business process reengineering •Data center consolidation •Integrated enterprise applications •Enterprise data architecture and applications infrastructure •Enterprise services delivered by shared service centers 	Qualified Proposal
Virginia First (Koll/EDS)	<ul style="list-style-type: none"> •Construction of new data centers in Richmond and Wise County •Creation of a 24x7 integrated help desk environment •Creation of an integrated network operations center to manage WAN and LAN •Implementation of an enterprise-wide data storage environment 	Qualified Proposal
Desktop Modernization Program (Gateway)	<ul style="list-style-type: none"> •Replacement of desktop hardware •Provide eGov development tools •Training 	Rejected



VITA PPEA Proposals - Attributes

- Suggested during initial review of PPEA proposals
- Provide potential proposers a concise insight into VITA's strategic reengineering direction and concept for a partnering relationship
- Initial development by VITA staff, ITIB and sourcing consultant
- Input from Agencies, Cabinet, Governor's Office General Assembly and IT study results (Council on Virginia's Future, Wilder Commission)



VITA PPEA Proposals - Communications

Initial Target Audiences...

ITIB & VITA Employees

Cabinet

Governor's Office

General Assembly

Agency Heads

AITR's

General Public

Business Partners

Print Media

Initial Messages...

Consolidation & Lower Costs

Meets Public Need & Purpose

Deliberate Process of Review

Acceptance Benefits Citizens

Shared Investments – Partnerships

Unsolicited – Seeking Innovation

Continuous Communication to Stakeholders

Job Creation & Economic Development

Addresses Problem of Inadequate Resources

Redefining How We Do Business



VITA PPEA Proposals - Milestones

<u>Milestone</u>	<u>Schedule</u>
Expand VITA PPEA Proposal Review Committee - Kick-off Meeting	July 29, 2004
Competing Proposals Due to VITA	August 2, 2004
Complete Conceptual Review Phase	October 2004
Complete Detailed Review Phase	January 2005
General Assembly Review/Approval	January - March 2005
Governor Approves Comprehensive Agreement(s)	



Are the unsolicited proposals what VITA anticipated?

Yes and No...

- **Parts of the proposals initially received by VITA were on target, but none had the scope or balance that we anticipated**
- **VITA made a concerted effort to publish its Business Plan to frame the planned transformation**
- **Attributes published to broaden scope of existing and future proposals**
- **Rejected Gateway Proposal because of its narrow scope & existing sourcing options (RFP, IFB, etc.)**



Feedback on the PPEA Statute

- **Code of Virginia on PPEA is broadly worded and allows agency a great deal of flexibility**
- **While PPEA is new, Commonwealth has experienced successful public-private partnerships**
 - TAX Partnership
 - Construction (Transportation, Schools, Prisons)
- **Everyone should understand that the PPEA process breaks the traditional and sometimes sluggish procurement model**

...not business as usual!!!



VITA PPEA Proposals - Points of Contact

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