

Strategically Incorporating Sustainability, Resilience, and Footprint Consolidation in Portfolio Planning: FFC Workshop 2

Tuesday, October 27, 2015

8:30 A.M. to 5:00 p.m.

(lunch provided)

National Academy of Science

Room 120

2101 Constitution Ave., N.W.

Washington, D.C.

Event Registration: <http://sgiz.mobi/s3/f088017af7c6>

Workshop Goals:

- Attendees leave with both a better understanding of how to successfully incorporate lifecycle-based sustainability, resilience and footprint consolidation into portfolio planning, and the inspiration to get it done.
- Findings serve to support advisory committee recommendations to the federal government
- Identify:
 - Practical strategies, tools and resources for economically evaluating and incorporating sustainability, resilience and footprint consolidation into the portfolio prioritization process;
 - Criteria and/or data needs (e.g., facility hazard vulnerability) for this integration of goals;
 - Ways in which federal guidance may encourage more strategic incorporation of these factors into portfolio decision-making;
 - Opportunities for process improvement.

AGENDA

8:30 a.m. Registration Check-In and Coffee

9:00 a.m. Review and discussion of strategic approaches, practices, and tools from first workshop

9:30 a.m. ***Portfolio Planning As Part of Executive Policy and the President's Management Agenda***

Invited

- OMB – Federal Real Property
 - GAO or White House – Resilience/Climate Change Vulnerability
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11:00 a.m. BREAK

11:15 a.m. ***Current Agency Portfolio Planning Frameworks***

Invited

- USACE
 - NAVFAC
 - GSA
 - NASA
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12:30 a.m. Lunch (served onsite)

1:30 p.m. **Facilitated Breakouts (Scenarios)**

Scenario 1: Sustained O&M Budget with Utility cost increases (Board Room)

A sustained O&M budget at current levels is assumed for the next 5 years. However, your portfolio is located in a region with 3% annual utility price increases during those 5 years.

Scenario 2: Net Zero Energy and Water for Mission Critical Facilities (Members Room)

All mission-critical facilities need to be able to operate without external energy and water services for 10 days (but can be grouped with other portfolio properties).

Scenario 3: One-time \$10B Infrastructure Investment in Agency (Room 120)

Your agency stands to receive a one-time infrastructure investment of \$10B towards the renewal and modernization of your portfolio. This money has to be obligated to projects within 10 years. The money is stipulated that it cannot be used to increase portfolio size (there must be a matching reduction footprint). Additionally, resilience and climate change must be a factor in the portfolio planning.

The goal of each breakout is to propose frameworks for portfolio planning that consider sustainability, resilience, and footprint consolidation.

Answer:

- *Do federal agencies currently prioritize investments effectively and measurably in regard to sustainability and resilience? Is there significant room for improvement?*
- *What do you know now– what information and data are already available to support decision making? What are some of the prioritization and planning tools and resources being used?*
- *What do you need to know – what information is needed to make an informed strategic decision? What sorts of tools and resource could do the most to help achieve this goal?*
- *How do you bring together the necessary expertise? – organizationally, where do agency experts and implementers on portfolio planning, asset management, sustainability, resilience (etc.) sit and what are both the organizational barriers between and effective connections among them?*

Outline/whiteboard a strategic process which considers:

- **Strategy, tools, data, resources available/needed**
builds a robust business case and a process to understand the contribution and impact for every project in the planned portfolio
- **Organizational Inputs**
gains input and exchanges ideas with all relevant functional areas of the organization to create “a single plan of record” for the organization as a whole
- **Integration of Operations with Finance and Budget**
integrates strategic, operational and financial planning into one seamless process
- **Risk**
identifies sources of risk, and uses “what if” scenarios to allow for intelligent contingency planning and full visibility of all trade-offs to build agility in multiple areas of the organization
- **Monitoring and Performance**
continually reviews and re-evaluates the progress, resource needs, business cases, risks and priorities of every project in the organization strategic plan
- **Workforce**
assesses impacts to operations workforce including attrition, skill requirements, training, as well as project effects to facility occupants
- **Procurement models (e.g. ESPC)**
evaluates prospects for service or facility sharing, alternative financing or procurement opportunities

3:30 p.m. BREAK

3:45 p.m. Report back from breakouts and consolidation of thoughts

4:30 p.m. Summary of thoughts and path forward
What changes in overall federal government-wide or agency processes are most critical to integrate these factors into portfolio planning?

5:00 p.m. Adjourn