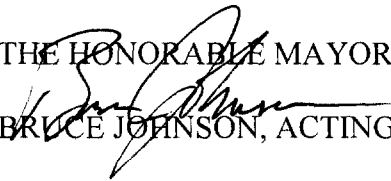


City of Alexandria, Virginia

MEMORANDUM

**DATE:** SEPTEMBER 21, 2011

**TO:** THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

**FROM:**  BRUCE JOHNSON, ACTING CITY MANAGER

**SUBJECT:** CONSIDERATION OF AUTHORIZATION OF RECOMMENDED CAPITAL PROJECT ALLOCATIONS AND PLANNED EXPENDITURES

**ISSUE:** City Council authorization of the recommended capital project allocations and planned expenditures.

**RECOMMENDATION:** That City Council authorize \$4,768,000 for capital project allocations and planned expenditures for the capital projects as detailed in the Capital Improvement Program (CIP) Expenditure Summary (Attachment).

**DISCUSSION:** This docket item provides a summary of Capital Improvement Program planned expenditures (Attachment). It includes projects reflected in the City's Fiscal Year 2012 Capital Budget approved by City Council, or approved in capital budgets prior to FY 2012 with a CIP budget document page reference in the Attachment. A project title listing appears below and a detailed summary appears in the Attachment.

Allocations are recommended for the following projects:

<b>Community Development (\$850,000)</b>	
Oronoco Outfall - Mitigation	\$850,000
<b>Public Buildings (\$75,000)</b>	
City Hall Security Enhancements – Market Square Garage	\$75,000
<b>Streets &amp; Bridges (\$225,000)</b>	
Street/Alley Reconstructions & Extensions – Software / Data Collection	\$225,000
<b>Storm Sewers (\$41,000)</b>	
Municipal Separate Storm Sewer System (MS4) Permit Program	\$41,000
<b>IT Plan (\$3,577,000)</b>	
Connectivity Initiatives - Internet	\$90,000
Enterprise Resource Planning System	\$3,150,000
Municipal Fiber Network - Study	\$160,000
Network Server Infrastructure	\$150,000
Reciprocity Contractor System – Tax Software	\$27,000

**ATTACHMENT:**

Capital Improvement Program Planned Expenditures

**STAFF:**

Mark Jinks, Deputy City Manager

Michele Evans, Deputy City Manager

Laura Triggs, Acting Chief Financial Officer

Kendel Taylor, Acting Budget Director

Chris Bever, Analyst, Office of Management and Budget

**Attachment: Capital Improvement Program (CIP) Planned Expenditures  
September 27, 2011 Report, Docketed September 27, 2011**

This attachment provides summary information on Capital Improvement Program projects for which work will be initiated and expenditures incurred during the upcoming months. Except as noted, funding for all of the projects discussed below is included in the City's Approved FY 2012 Capital Improvement Program (CIP) budget or in prior year capital budgets.

Capital Project (Category 2/3) Name		CIP Section & Page	Allocation Request	OCA / Subobject	Project #
Oronoco Outfall		Comm. Development – p. 6-39 (FY 2012 Approved CIP)	\$850,000 (General Obligation Bonds)	250050-2121	012-401
<b>Program Funding Summary</b>		<u>Use of Funds</u>			
Total Approved Project Funding To-Date	\$1,510,000	<p>This allocation request will fund the construction phase of the mitigation of ground contamination at the Potomac River Oronoco Street outfall, caused by coal tar contaminants from the former Alexandria Gas Works which operated in the 19<sup>th</sup> and 20<sup>th</sup> centuries. Project design was completed in August 2011. An Invitation to Bid will be issued in September 2011, with construction anticipated to begin in late 2011 or early 2012.</p> <p><u>Project Background</u> The Corrective Action Plan undertaken by the City of Alexandria to address long-present ground contamination from the former City (and then Washington Gas) owned Alexandria Gas Works must meet the regulations set forth in the Virginia Department of Environmental Quality's (DEQ) Voluntary Remediation Program. The Corrective Action Plan aims to eliminate discharge of impacted material to the Potomac River from the storm outfall at the end of Oronoco Street and subsequently remediate the impacted outfall sediments. This phase of the project (in-situ ground water remediation) will eliminate the discharge of impacted material. The next phase (sediment clean up) is anticipated to begin in fiscal year 2013, with \$2,200,000 planned in the FY 2013 Capital Improvement Program.</p>			
Total Project Allocations To-Date	\$575,000				
Current Allocation Request	\$850,000				
Remaining Unallocated Project Balance	\$85,000				
*Total Project Budget Including CIP Out-Years	\$3,710,000				

\* Includes \$2,200,000 planned in the FY 2013 Capital Improvement Program

**Attachment: Capital Improvement Program (CIP) Planned Expenditures  
September 27, 2011 Report, Docketed September 27, 2011**

Capital Project (Category 2/3) Name		CIP Section & Page	Allocation Request	OCA / Subobject	Project #
City Hall Security Enhancements		Public Buildings – p. 6-85 (FY 2012 Approved CIP)	\$75,000 (Cash Capital)	221261-2121	005-405
<b>Program Funding Summary</b>		<u>Use of Funds</u>			
Total Approved Project Funding To-Date	\$75,000	<p>This requested allocation of \$75,000 addresses the most immediate security upgrades needed for the Market Square Parking Garage, with installation scheduled to begin in fall, 2011:</p> <ul style="list-style-type: none"> <li>• Purchase and installation of a closed circuit television (CCTV) security system for the Market Square Parking Garage. The major components of the current system are over 20 years old, are no longer operational, and must be replaced.</li> <li>• Fourteen existing cameras in the parking garage will be replaced and one will be added at the main entry to the parking garage.</li> <li>• A new digital video recorder (DVR) will be added to the system to enable storage of historical security images. Existing conduit and cable infrastructure will be integrated with the new components.</li> <li>• To enhance garage security, ten lighted push-activated alarms (panic buttons) will be installed at strategic points, enabling customers to instantly summon help in an emergency.</li> </ul> <p><u>Project Background</u> In 2009, the City conducted a security assessment of City Hall and developed recommendations to improve the security on all five floors, basement and roof of the facility, as well as the Market Square Parking Garage and Plaza. Funding currently planned in FY 2013 (\$175,000) will provide for better control of entrances to City Hall. The cost of implementing all recommendations in the security assessment was estimated at \$1.2 million, and will be considered as part of future Capital Improvement Programs.</p>			
Total Project Allocations To-Date	\$0,000				
Current Allocation Request	\$75,000				
Remaining Unallocated Project Balance	\$0				
<i>*Total Project Budget Including CIP Out-Years</i>	<i>\$250,000</i>				

*\*Includes \$175,000 planned in the FY 2013 Capital Improvement Program*

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Ongoing Maintenance Program (Category 1 Title)		CIP Section & Page	Allocation Request	OCA / Subobject	Project #
Street/Alley Reconstructions & Extensions		Transportation & Transit Infrastructure: Streets & Bridges – p. 6-145 (FY 2012 Approved CIP)	\$225,000 (Cash Capital)	245357-2102	011-102
<b>Project Funding Summary</b>		<u>Use of Funds</u>			
Prior Year Unallocated Balance	\$600,024	<p>Funding in the amount of \$225,000 is requested to conduct a critical update to the City's Pavement Management System/Micropaver software, including costs associated with data collection on the condition of all City streets. The software provides staff the tool to measure and monitor the condition of all 233 centerline miles of City-maintained roadways in Alexandria (this number is consistent with the 521 lane miles reported to VDOT which also includes turn lanes, slip lanes, etc.), as well as park roads and parking lots maintained by the City, and Alexandria City Public Schools (ACPS) roads and parking lots maintained by ACPS. Specific work to be performed includes high-definition imagery of all 233 centerline miles of streets, park roads and parking lots, school roads and parking lots, distress and visual rutting condition reports, and integration with the City's existing GIS system.</p> <p><u>Project History / Background</u></p> <p>To monitor objectively and regularly the condition of its streets, the City in 2008 implemented a pavement management system which provides information on pavement conditions and tools that allow the City to estimate future road conditions, predict financial needs and prioritize pavement preservation projects. Without regular updates (every 3-5 years), data falls out-of-date and all streets would need to be assessed again in order to make objective and technically sound budgetary and operational decisions about the annual paving and street maintenance program.</p> <p>Additionally, this project provides funding on an annual basis to support miscellaneous street reconstruction and rehabilitation projects and streetscaping throughout the City. Projects recently completed include King Street between North Hampton Drive and I-395 and Commonwealth Avenue between Braddock Road and King Street.</p>			
FY 2012 Program Budget	\$400,000				
Total Fiscal Year Allocations to Date	\$0				
Current Allocation Request	\$225,000				
Remaining Unallocated Project Balance	\$775,024				

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**Attachment: Capital Improvement Program (CIP) Planned Expenditures  
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Ongoing Maintenance Program (Category 1 Title)		CIP Section & Page	Allocation Request	OCA / Subobject	Project #
NPDES / Municipal Separate Storm Sewer System (MS4) Permit Program		Storm Sewers – p. 6-200 (FY 2012 Approved CIP)	\$41,000 (Stormwater Fund)	255230-2121	012-501
<b>Project Funding Summary</b>		<u>Use of Funds</u>			
Prior Year Unallocated Balance	\$175,000	<p>The requested allocation will fund the Municipal Separate Storm Sewer System (MS4) Permit Annual Report and the Stormwater Program Assessment Report. The MS4 Permit Annual Report is required for the City to stay in compliance with the Virginia Stormwater Management Program( VSMP). Failure to complete could result in violation of state and federal law associated with the Clean Water Act. Additionally, staff will utilize funds to develop a stormwater program assessment report, providing a roadmap for addressing changes to the City’s stormwater program as a result of the adoption of the Chesapeake Bay Total Maximum Daily Load (TMDL)/Virginia Watershed Implementation Plan (WIP) and the revised Virginia Stormwater Management Regulations.</p> <p><u>Project History / Background</u></p> <p>The Federal Water Quality Act of 1987 requires that small municipalities obtain storm water discharge permits for their Municipal Separate Storm Sewer System (MS4) under Phase II of the National Storm Water Program. The City submitted an application for a MS4 permit to the Virginia Department of Environmental Quality (VDEQ) and received its first permit effective July 8, 2003. The permit required that the City develop, implement, and enforce a stormwater management program designed to reduce the discharge of pollutants from the MS4 to the maximum extent practicable (MEP), protect the water quality and satisfy the appropriate water quality requirements of the Clean Water Act. The City was issued the latest MS4 permit effective July 9, 2008 and subsequently has successfully negotiated a Program Plan with the Virginia Department of Conservation and Recreation (DCR). The permit has extensive regulatory requirements including an illicit discharge detection and elimination program and associated concept designs; preliminary concept designs of structural and non-structural floatable controls; and best management practices. It includes requirements related to TMDL (Total Maximum Daily Loads) requirements related to PCBs for Potomac River and bacteria for the Four Mile Run watershed.</p>			
FY 2012 Program Budget	\$0				
Total Fiscal Year Allocations to Date	\$0				
Current Allocation Request	\$41,000				
Remaining Unallocated Project Balance	\$134,000				

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Ongoing Maintenance Program (Category 1 Title)		CIP Section & Page	Allocation Request	OCA / Subobject	Project #
Connectivity Initiatives		IT Plan – p. 7-94 (FY 2012 Approved CIP)	\$90,000 (Cash Capital)	TBD	TBD
<b>Project Funding Summary</b>		<u>Use of Funds</u>			
Prior Year Unallocated Balance	\$0	<p>The requested allocation of \$90,000 will provide for a redundant connection to the Internet. The City currently relies on a single link to the Internet. As more applications - including hosted e-mail and collaboration services - are dependent on the Internet, implementation of a redundant Internet connection with a secondary Internet Service Provider (ISP) allowing for continued access is necessary. Internet redundancy allows for continued Internet access even during a primary ISP failure.</p> <p><u>Project History / Background</u></p> <p>With the City's transition to Microsoft Outlook in "the cloud" (Internet), a second path to the Internet is critical to ensuring connectivity in the event that the City's primary Internet connection is disrupted. Redundant Internet access facilitates the flexibility to automatically switch traffic among multiple connections, eliminating the uncertainty associated with relying on a single link. This is accomplished by subscribing to multiple Internet Service Providers, allowing for the use of multiple types of physical connections.</p>			
FY 2012 Program Budget	\$1,075,000				
Total Fiscal Year Allocations to Date	\$0				
Current Allocation Request	\$90,000				
Remaining Unallocated Project Balance	\$985,000				

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**Attachment: Capital Improvement Program (CIP) Planned Expenditures  
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Capital Project (Category 2/3) Name		CIP Section & Page	Allocation Request	OCA / Subobject	Project #
Enterprise Resource Planning System		IT Plan – p. 7-48 (FY 2012 Approved CIP)	\$3,150,000 (\$2,900,000 - General Obligation Bonds; \$250,000 – Cash Capital)	265695-2121	015-582
<b>Program Funding Summary</b>		<u>Use of Funds</u>			
Total Approved Project Funding To-Date	\$3,150,000	<p>An allocation of \$3,150,000 is requested for the purchase and implementation of the new Enterprise Resource Planning (ERP) System. The City is close to finalizing the procurement of the ERP software suite that will replace the City's current Payroll, Human Resources, General Ledger, Accounts Payable, Procurement, Budgeting, Capital Asset, and Contract Management software packages upon full implementation.</p> <p>These modules will be integrated with seamless data sharing. It is anticipated that this project will result in streamlined processes, improved access to data and staff time savings, as well as benefits to staff and departments by having a modern, feature-rich software suite of products.</p> <p><u>Project Background</u> Project funding in the amount of \$2.9 million has been approved in prior fiscal years. A portion of the request (\$250,000) will be used to hire additional staff resources to assist with implementation services, with an additional \$250,000 planned for FY 2013 in the Approved CIP.</p>			
Total Project Allocations To-Date	\$0				
Current Allocation Request	\$3,150,000				
Remaining Unallocated Project Balance	\$0				
<i>*Total Project Budget Including CIP Out-Years</i>	<i>\$3,400,000</i>				

*\*Includes \$250,000 planned in the FY 2013 Capital Improvement Program*



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Capital Project (Category 2/3) Name		CIP Section & Page	Allocation Request	OCA / Subobject	Project #
Municipal Fiber Network		IT Plan – p. 7-90 (FY 2012 Approved CIP)	\$160,000 (Cash Capital)	TBD	TBD
<b>Program Funding Summary</b>		<u>Use of Funds</u>			
Total Approved Project Funding To-Date	\$160,000	<p>An allocation of \$160,000 is requested to conduct a feasibility and design study to install City-owned fiber and/or wireless broadband networks independent of the current I-Net Infrastructure. The study will:</p> <ul style="list-style-type: none"> <li>• Determine the total cost of ownership (TCO) associated with developing and maintaining a municipally owned fiber optic network;</li> <li>• Assess the TCO to specify and build a robust, redundant, and public safety grade network;</li> <li>• Assess the TCO for City to distribute network services on City-owned fiber;</li> <li>• Assess the TCO for City to leverage broadband wireless access for City operations;</li> <li>• Identify those strategic development zones where access to municipally owned fiber could be used to incentivize commercial development; and</li> <li>• Increase flexibility to enhance and expand network when City needs arise.</li> </ul> <p><u>Project Background</u></p> <p>In an effort to address the capacity limitations and lack of network redundancy at all City sites, the City is considering alternatives to the commercially provided leased fiber arrangement, including municipally-owned fiber network and wireless broadband networks. Total approved project funding is designated for the feasibility and design study only.</p>			
Total Project Allocations To-Date	\$0				
Current Allocation Request	\$160,000				
Remaining Unallocated Project Balance	\$0				
<i>Total Project Budget Including CIP Out-Years</i>	<i>\$160,000</i>				

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**Attachment: Capital Improvement Program (CIP) Planned Expenditures**  
**September 27, 2011 Report, Docketed September 27, 2011**

Ongoing Maintenance Program (Category 1 Title)		CIP Section & Page	Allocation Request	OCA / Subobject	Project #
Network Server Infrastructure		IT Plan – p. 7-87 (FY 2012 Approved CIP)	\$150,000 (Cash Capital)	265447-2121	015-409
<b>Project Funding Summary</b>		<u>Use of Funds</u>			
Prior Year Unallocated Balance	\$25,000	<p>An allocation of \$150,000 is being requested to purchase two Cisco Unified Computing System (UCS) Blade Server Chassis with six blades to connect to the new Storage Area Network (SAN). This increased capacity allows the City to continue with the server virtualization initiative which is currently constrained due to the processor and memory limitations of the current server clusters. A new server cluster needs to be deployed with the new SAN to accommodate space growth and the continuation of the server virtualization initiative.</p> <p><u>Project History / Background</u>                      The Network Server Infrastructure project provides for the phased replacement of the hardware and software required to operate the City’s computer network services. Annual funding has been utilized to purchase a cluster of four (4) servers to add to the virtual infrastructure and any additional servers that require special hardware requirements. Virtualization licenses, Operating System licenses, fiber channel cards and network printers that are out of warranty are also funded through this project.</p>			
FY 2012 Program Budget	\$125,000				
Total Fiscal Year Allocations to Date	\$0				
Current Allocation Request	\$150,000				
Remaining Unallocated Project Balance	\$0				

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Capital Project (Category 2/3) Name		CIP Section & Page	Allocation Request	OCA / Subobject	Project #
Reciprocity Contractor System		IT Plan – p. 7-55 (FY 2012 Approved CIP)	\$27,000 (Cash Capital)	265150-2102	015-557
<b>Program Funding Summary</b>		<u>Use of Funds</u>			
Total Approved Project Funding To-Date	\$61,000	<p>This project replaces the existing computer application used to record reciprocity contractor gross receipts and payments for business license taxes. Reciprocity contractors must get a business license after reaching a certain annual gross receipts threshold. This project will track the amount of revenue earned for tax purposes thus establishing a more accurate means of reporting and allowing reciprocity contractors to pay the tax online.</p> <p><u>Project Background</u> In October of 2009 a new business tax system was implemented. However, the reciprocity business license class was left in the legacy system due to additional modifications required to record the gross receipts of reciprocity contractors. This project will allow for all business licenses to be reflected in the new business tax system.</p>			
Total Project Allocations To-Date	\$0				
Current Allocation Request	\$27,000				
Remaining Unallocated Project Balance	\$34,000				
<i>*Total Project Budget Including CIP Out-Years</i>	<i>\$91,000</i>				

*\* Includes \$30,000 planned in the FY 2013 Capital Improvement Program*