


*City of Alexandria, Virginia*10  
4-28-09

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MEMORANDUM

DATE: APRIL 22, 2009

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER 

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

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

**RECOMMENDATION:** That City Council authorize the capital project allocations and planned expenditures for the capital projects as detailed in the Capital Improvement 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 2009 Capital Budget, approved by City Council on May 5, 2008, or approved in capital budgets prior to FY 2009 with a CIP budget document page reference in the Attachment. A project title listing appears on the next page and a detailed summary appears in the Attachment.

Allocations are recommended for the following projects:

Community Development	
Stream & Channel Maintenance	\$250,000
Public Buildings	
General Services Capital Facilities Maintenance Plan(CFMP)	\$110,000
Streets and Bridges	
Street Lighting	\$40,000
Sewers	
Sanitary Sewer Reconstruction	\$800,000
IT Plan	
Library Automated Catalog Upgrade	\$205,000
Legacy Payroll System License Acquisition	\$150,000

**ATTACHMENTS:**

Attachment 1. Capital Improvement Program Planned Expenditures

Attachment 2. Budget Memo #116

**STAFF:**

Mark Jinks, Deputy City Manager

Bruce Johnson, Chief Financial Officer

Ryan Touhill, Analyst, Office of Management and Budget

**Attachment: Capital Improvement Program (CIP) Planned Expenditures  
April 28, 2009 Report, Docketed April 28, 2009**

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 2009 Capital Improvement Program (CIP) budget or in prior year capital budgets.

<b>PROJECT NUMBER</b>	<b>INDEX CODE/ SUB-OBJECT</b>	<b>PROJECT TITLE</b>	<b>REQUESTED ALLOCATION</b>	<b>CIP PAGE NUMBER</b>
003-601	210112-2102	Stream & Channel Maintenance	\$250,000	6-23
<p><b>PROJECT DESCRIPTION:</b></p> <ul style="list-style-type: none"> <li>• This allocation request will provide funds for restoring flood control capacity through the removal of woody vegetation by contractors along the banks of Cameron and Holmes and Backlick Run from the Norfolk Southern tunnels north of Eisenhower Avenue upstream to approximately Van Dorn St, and some minor spot removal of downed trees upstream to the City Line.</li> <li>• Woody vegetation removal allows the stream to convey floodwaters through the City to reduce flooding potential.</li> <li>• The project will take approximately 2 months, and is scheduled for completion in the Spring of 2009.</li> </ul>				

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005-020	221135-2121	General Services Capital Facilities Maintenance Program (CFMP)	\$110,000	6-78
<p><b>PROJECT DESCRIPTION:</b></p> <p>The Capital Facilities Maintenance Plan (CFMP) provides ongoing, larger-scale preventive maintenance, repairs, and improvements to City facilities. Examples of CFMP uses include: replacement of boilers, HVAC equipment; minor office renovations, provision of replacement furniture, fixtures, and equipment. The requested funding from this allocation will supplement currently allocated funds to perform the following work scopes:</p> <ul style="list-style-type: none"> <li>• Major refurbishment and/or replacement of the elevators at the joint-use Alexandria Health Department/Mental Health Clubhouse facility at 4480 King Street, which were not replaced when the building was acquired and renovated by the City. Professional engineering and design services are required to draft construction documents. The scope of work will begin in late April and should be completed by July 2009.</li> <li>• Replacement of a major sewage pump located at the City Marina. This is a project partnered with the Department of Recreation, Parks &amp; Cultural Activities, and procurement of the equipment will proceed upon approval of this allocation.</li> <li>• General painting and carpentry services in various City facilities, including the waterfront/marina, Gadsby's Tavern, City Hall, and Public Defender's office.</li> </ul>				

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011-075	245373-2121	Street Lighting	\$40,000	6-14
<p><b>PROJECT DESCRIPTION:</b></p> <p>\$40,000 is requested to be allocated from the funds budgeted under Community Development for miscellaneous Street Lighting/Street Cans in the approved FY 2009 CIP (pages 6-14), located in the Street, Bridge and Pedestrian Improvements portion of the CIP budget. This project is for new and additional street lighting citywide to address deficiencies.</p> <p>This allocation is for the following:</p> <ul style="list-style-type: none"> <li>• <b>\$30,000</b> – installation of new street lighting (includes construction and installation of new poles, wiring, etc.) and upgrading of the existing street lighting at S. 28<sup>th</sup> St. &amp; King St.</li> <li>• <b>\$7,000</b> – installation of new street lighting (includes construction and installation of new poles, wiring, etc.) on Dover Pl. (no street lights there now), 1100 &amp; 1200 blks of First St., 1000 blk of Fayette St., 1000 blk of Douglas St.</li> <li>• <b>\$3,000</b> – installation of additional street lighting on existing poles, 300 blk S. Whiting St., 3900 blk Vernon Ave., 3600 blk Tupelo Pl., 1200 blk Madison St., 1000 blk Montgomery St., 1100 blk First St., 800 blk Fayette St.</li> </ul> <p>These requests are in response to Police, community leaders and citizens concern for enhanced lighting for public safety issues. These requests will promote safety at night by providing quick, accurate and comfortable lighting for pedestrians and drivers.</p> <p>The work will begin as soon as funds are available. Approximate completion time is 3-4 months.</p>				

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013-501	255133	Sanitary Sewer Reconstruction	\$800,000	6-126
<p><b>PROJECT DESCRIPTION:</b></p> <p>This allocation request will provide funds for the City share of the Potomac Yard sewer force main, which Potomac Yard Development, LLC has constructed. This force main connects the Four Mile Run pump station to the newly constructed Potomac Yard trunk sewer line and will supply needed relief capacity.</p> <p>This request is for the approximate total cost of the project of \$800,000. The exact amount will be determined at project completion, as well as developer's costs will be fully vetted prior to reimbursement.</p> <p>The project is projected to be completed by summer 2009.</p>				

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PROJECT NUMBER	INDEX CODE/ SUB-OBJECT	PROJECT TITLE	REQUESTED ALLOCATION	CIP PAGE NUMBER
015-014-7-7	265400	Library Automated Catalog Upgrade	\$205,000	7-52
<p><b>PROJECT DESCRIPTION:</b></p> <p>This allocation will provide funds to acquire the necessary hardware, software and services for the scheduled major upgrades to the library's automated catalog system by the current vendor. More specifically:</p> <ul style="list-style-type: none"> <li>• The upgrade will impact the overall library system as the implementation will increase the efficiency of the system with the handling of collection inventory, budgeting, circulation and interactions with the public.</li> <li>• The cost includes replacement servers to work with the new operating system, new ESIP software and hardware to phone patrons regarding their holds.</li> <li>• Purchasing pocketcirc devices will allow the library a more efficient way to inventory the collection plus the availability of wireless circulation, compatible with the new integrated library system.</li> <li>• The system will have the ability to display patron photos for identification and increased privacy/protection for patron records.</li> <li>• It will allow collection agency capability to collect outstanding fees, fines and materials in the future.</li> <li>• The Library will be using its existing computers, printers, and scanners.</li> <li>• They will be able to implement required updates to protect the City's investment in its applications by ensuring continued product support, user access to new product functionality, and a positive impact on the quality of service.</li> <li>• The library automated catalog upgrade will be operational in May/June 2009.</li> </ul> <p>This allocation will also provide funding for the credit card component of the library's fines and fee adjustments.</p> <ul style="list-style-type: none"> <li>• A primary feature of this upgrade will enable the credit card payments of library fines and fees through electronic financial transactions that will also incorporate real-time account adjustments, available to the patron at the Circulation Desk, the self-checkout machines and online 24/7. The projected revenue increase from offering credit card payment for FY 2010 is \$43,000, roughly 1/3 of the fines collected during FY 2008.</li> <li>• The e-commerce function will be operational May/June 2009.</li> </ul>				

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015-015-2- 5	265686	Payroll System License Acquisition	\$150,000	7-27

**PROJECT DESCRIPTION:**

- \$150,000 is required for continued capital payment to the existing payroll vendor for maintenance support and tax upgrades and the purchase of a paid-up perpetual license for the City's legacy payroll system. Integral, the City's payroll vendor since 1983, is stopping support for the City's 26-year-old version of their payroll system in 2010. This payment will cover the City's financial obligation until the end of 2010. The system is well beyond the vendor's normal scheduled retirement date. Additional payments totaling \$201,000 are due in conjunction with the start of the fiscal year (July 2009 - \$155K and July 2010 - \$46K) to ensure the City's ability to operate through 2010. Although the long-term solution for the City is to acquire a fully functional combined HR/payroll system, the City should not risk a disruption of payroll services while awaiting approval for and implementing a new system.
- By funding the legacy system for two years the City will establish a transition period during which it can operate its current payroll system with maintenance support and tax updates from Integral for the next two years. During the transition, the City plans to issue an RFP for and select an enterprise HR/payroll system while the HR department continues to rely upon manual systems and processes until a new system is acquired and becomes operational. Discussions about joint payroll/HR possibilities with the City school system are continuing. A two-year timeframe to undertake this software replacement project is a tight timeframe, so by purchasing the license now the City will have the ability to use the existing payroll software if implementation by the end of 2010 is not accomplished.
- See Budget Memo #116 (Attachment 2) for additional information on the HR/Payroll System.



*City of Alexandria, Virginia*

## MEMORANDUM

DATE: APRIL 20, 2009

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER

SUBJECT: BUDGET MEMO # 116 : PAYROLL/HUMAN RESOURCES SYSTEM

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This memo addresses the request for a new Payroll/Human Resources System as part of the IT Plan within the Proposed FY 2010-2014 Capital Improvement Program (CIP). The City's current payroll system is a custom designed, server-based system derived from a legacy mainframe system that does not adequately incorporate many human resources capabilities. Currently the City requires periodic funding installments for continued maintenance support, tax upgrades and perpetual licenses for the City's legacy payroll system because Integral, the City's payroll vendor since 1983, is stopping support for the City's 26-year-old version of their payroll system in 2010. The City would benefit from a fully integrated, client-server or web-based system that could better support our human resources.

The current legacy system is well beyond the vendor's scheduled retirement date and does not incorporate critical human resources capabilities such as applicant tracking, position control or benefits administration. In addition, once the vendor's support expires, the City will not be able to provide continued maintenance or the necessary tax upgrades to the system. In essence, this will mean the City will not be able to rely on vendor support if a major system failure occurred, or provide critical tax updates to the system that are necessary to maintain an up-to-date payroll system. This lack of support could leave the City vulnerable to not being able to carry out basic human resources and payroll administrative functions in the event of a system disruption or catastrophic failure. Finally, if the system did experience a service disruption the after the vendor coverage expired, the City would be forced to use a tremendous amount of staff time, resources and City funds to either bring the system back online or to make an unscheduled and unplanned purchase of a new system.

The City is planning on continually funding the legacy system for two years through FY 2011, during which the City will establish a reasonable transition period where we can operate our current payroll system with maintenance support and tax updates from Integral. The City will pay \$150,000 to cover the City's financial obligation through the end of FY 2009. Additional payments totaling \$201,000 are due in conjunction with the start of fiscal years FY 2010 (\$155,000) and FY 2011 (\$46,000) to ensure the City's ability to operate through FY 2011. During the transition, the City should have time to issue an RFP for and select an enterprise system while the Human Resources Department continues to rely upon the legacy system until a new system is acquired and becomes operational.

The proposed CIP includes \$3 million in funding (\$2 million FY 2010 and \$1 million FY 2011) for a replacement payroll and human resources system. The City has undertaken a thorough review of its payroll and human resources business processes and developed clear, concise system requirements that can be used to acquire a new system application. The benefits of a fully integrated, client-server or web-based system that could better support our human resources would be enhanced productivity through more effective, secure and reliable distribution of payroll and personnel data to staff, through the automation of process that are currently manual. In addition, the implementation of position control as part of a new system will ensure that budgeted positions are appropriately requisitioned and filled.

The City has been in contact with Arlington County concerning a shared use of its recently developed system, but no significant cost savings appear possible from this approach. We feel that any adjustment to the proposed schedule for implementation of a new system in FY 2011 would result in the City having to maintain its current system without support from Integral. If vendor support was allowed to expire, risks of system failure are significant and the potential impact to City operations would be quite harmful.