



Ad Hoc Joint City-Schools Facility Investment Task Force

Memo – DRAFT

EXECUTIVE SUMMARY OF RECOMMENDATIONS

Following our work over the past seven months, the Task Force has observed the realities that we face as a City: we are a community of growing needs operating in aging and overprescribed facilities. We are one community despite organizational structures, neighborhoods, or interests and we need to collectively look to new ways of doing business and collaborating.

The City of Alexandria and Alexandria City Public Schools (collectively “the city”, “Alexandria”) has identified a significant pipeline of projected capital needs and growing deferred maintenance, with limited funding and scarce land options available. To address these needs, the city must challenge existing planning norms and rethink project delivery strategies to ensure that Alexandria successfully serves its citizens now and in the future.

As such, the Task Force recommends a comprehensive culture shift implemented through a series of structural and procedural changes. This shift is required across all entities: elected bodies, leadership, staff, and residents. Doing nothing is not an option and a sense of urgency should be assumed.

This conclusion is informed by the following Task Force recommendations:

1. **We recommend** that any future facility planning efforts should align with a larger, more cohesive vision for Alexandria. Alexandria – meaning both City and Schools - must define its ‘targeted new reality,’ a defined vision for the future which celebrates Alexandria’s history and its unique ‘DNA.’
2. **We recommend** that leadership proactively challenge traditional methods and practices for capital project and service delivery and seek opportunities for joint planning.
3. **We recommend** that leadership reconsider current citizen engagement policies and practices and resist the substitution of leadership with engagement.
4. **We recommend** resources for maintenance and operations need to be fully evaluated, rightsized, and prioritized to the extent possible as underinvesting is irresponsible and defers costs to more expensive capital projects.
5. **We recommend** the upfront groundwork to become a strong and attractive business partner and employer occur to ensure both operating and capital projects can be successfully implemented.
6. *Any additional from P&I.....*

CHAPTER 2:

ALTERNATIVE DELIVERY METHODS

BACKGROUND

The Alternative Project Delivery Methods Sub-committee (the “Sub-committee”) was charged to determine opportunities for joint facility/site/colocation and recommend alternative capital project delivery methods and project management structures.

Sub-committee members included Mignon Anthony, Chair, Dwight Dunton, Member, and David Millard, Member. The Sub-committee met a total of seven (7) times (a meeting list is provided in the exhibits):

Each Sub-committee meeting introduced themes and concepts, industry best practices, and examples of successful joint facility/site/colocation efforts applicable to Alexandria’s needs and existing conditions. B&D continued to facilitate the meetings and provide as needed technical support in addition to staff and other related stakeholders such as the Alexandria Economic Development Partnership.

The balance of this chapter is organized as follows:

- 1) Current Statutory Environment
- 2) Themes and Major Discussion Points
- 3) Actionable Recommendations

CURRENT STATUTORY ENVIRONMENT

Alexandria is an independent city in the Commonwealth of Virginia and receives its governing authority from the Code of Virginia. Similar to other local governments in Virginia, Alexandria has limited powers – powers that are specifically conferred on them by the Virginia General Assembly and that are essential to the purposes of government.

In 2006, the Design Build / Construction Management Review Board certified Alexandria to deliver construction projects utilizing both construction manager at risk and design-build methods. Construction of the DASH Operations and Maintenance Facility utilized a design-build delivery method. Fire Station 210 at Eisenhower Avenue and Patrick Henry Elementary School were delivered utilizing construction manager at risk. Charles Houston Recreation Center was delivered utilizing the traditional design-bid-build method.

Virginia’s Public-Private Education Facilities and Infrastructure Act of 2002, Amended in 2008 further defined ‘qualifying projects’ for public entities to engage in public-private partnerships and stipulated that “While substantial private sector involvement is encouraged, qualifying facilities must be devoted primarily to public use, typically involving facilities critical to public health, safety and welfare.”

ALTERNATIVE DELIVERY METHODS THEMES AND MAJOR DISCUSSION POINTS

The Alternative Delivery Methods Sub-committee explored and evaluated best practices and considerations for alternative delivery of projects and services. The following major themes emerged during Sub-committee discussions with the City and ACPS:

- **The City and ACPS lack a unified vision for capital planning and service delivery. Current city-wide facility planning efforts are fragmented and tailored to individual agency needs. As a result, gaps exist in the timing, delivery, and quality of projects.**
- **Traditional practices and a ‘business as usual’ culture in the City and ACPS have stifled decision making, resulted in low-impact solutions, and exacerbated deferred maintenance challenges. Innovating processes and procedures would greatly improve efficiency and outcomes.**
- **Citizen engagement practices heavily influence policies and decisions, often prioritizing political motivations over longer-term sustainable solutions.**

ACTIONABLE ALTERNATIVE DELIVERY METHODS RECOMMENDATIONS

In order to streamline and improve the City of Alexandria and ACPS’s stewardship of resources, services and facilities, the Alternative Project Delivery Methods Sub-committee concluded that the City/ACPS must take bold and significant steps to create a collaborative, solutions-oriented process that emphasizes efficient and transparent decision-making, specifically as it relates to alternative capital project delivery methods and project management structures. As such, the Sub-committee puts forth the following actionable recommendations:

Recommendation 1: Any future facility planning efforts should align with a larger, more cohesive vision for Alexandria. Alexandria – encompassing both City and Schools – must define its ‘targeted new reality,’ a defined vision for the future which celebrates its history and unique ‘DNA.’

The targeted new reality is aspirational – a vision for a future, evolved Alexandria, which celebrates its rich history and DNA. The visioning session should include a comprehensive understanding of the existing conditions and confirmation of the city’s aspirational capabilities and services. This strategic visioning effort should be done in concert with the recommended city-wide Facilities Master Plan in a transparent and comprehensive consensus-building process, which includes input from citizens, elected officials, city and school leaders, and interested stakeholders.

A third party should facilitate the development of a common strategic vision for a targeted new reality that embodies the concept of the Capability Development and Delivery Framework and answers questions such as:

- What are the current / existing conditions in Alexandria?

- What do we want the future Alexandria to be?
- How do we position the city to move forward to that future?

While citizen engagement is critical in determining the future for Alexandrians, it is important to distinguish that engagement is not a substitute for leadership. Engagement should be used to inform policy decisions, but not manipulate them. The synthesis of the strategic visioning session will identify gaps in existing conditions with the targeted new reality, and it will be used to create criteria and guidelines for decision-making when considering alternative delivery. We recommend identifying a shared mandate about the timeline for making improvements and associated milestones for seeking this joint new vision.

Recommendation 2: Leadership must proactively challenge traditional methods and practices for capital project and service delivery and seek opportunities for joint planning.

Through enabling legislation, the city should create a formal, decision-making body and policy framework for joint planning and alternative delivery methods. The legislation should establish clear expectations and initiatives and empower the decision-making body to implement a transparent, collaborative process for delivering projects via alternative methods. For the body to be successful, the city must identify and provide resources, including a budget for implementation, staff from City and School agencies, and capacity, as well as identify a champion with decision-making authority to lead this effort.

As part of this effort, the decision-making body should develop specific criteria for determining whether an opportunity exists for alternative delivery of a service or capital project. The criteria – in alignment with the Capability Development and Delivery Framework, outlined by the Capital Planning and Implementation Subcommittee – should provide a transparent framework for decision-making, with key performance indicators that hold the City and ACPS accountable. Planning and project decision rights and information flow should be transparent and clear to all stakeholders.

To support transparency and accountability, this official body should develop an organizational structure and process for alternative delivery procurement that clearly defines projects, utilizes a formal request process such as Request for Qualifications or Request for Proposals, and supports negotiations and engagement with partners for services and/or capabilities. This body would also refine and review existing standardized written agreements, develop new templates that support project strategy development and negotiations, and monitor compliance and adherence to those standards, which include:

- Facility design standards
- Physical parameters and guidelines for capabilities and services
- Colocation guidelines and agreements
- Financing strategies

The decision-making body should identify the means and methods for regularly and consistently collaborating with other partners and existing resources, including:

- Alexandria Economic Development Partnership (AEDP)
- Alexandria Chamber of Commerce
- Alexandria Budget and Fiscal Affairs Advisory Committee (BFAAC)
- Industrial Development Authority of Alexandria (IDA)
- Peer and neighboring municipalities
- Legal counsel and other external experts

Through a defined process for engagement with the private sector and standardized written agreements, the city can make timely, vision-aligned decisions regarding capital needs without the risk of projects getting stymied by political forces. All project planning decisions should be transparent and clearly aligned with the city's targeted new reality.

Recommendation 3: Leadership must reconsider current citizen engagement policies and resist the substitution of leadership with engagement.

Alexandria must ensure that its communication strategy is aligned with a comprehensive focus on the city's targeted new reality. At its core, this effort should educate all stakeholders about the need for a paradigm shift to be solutions-minded – 'business as usual' will no longer suffice. The champion identified for the decision-making body should lead and implement this comprehensive community wide communication and engagement effort.

The City and ACPS should also evaluate the existing engagement plan and policies and consider the appropriate balance and rigor of community engagement, staff expertise, leadership, and elected bodies. Ongoing efforts may need rightsized and the engagement plan updated. Meetings, councils, and work groups across the City and Schools should be streamlined and their purpose clearly stated in order to be more efficient with staff time and effective with community engagement. Engagement should promote transparency through active outreach and manage expectations by informing citizens of the levels and timing of participation. Overall, efforts and tasks supporting this paradigm shift should support innovation in the delivery of projects that strive for delivering the best value to Alexandria residents.

Current Opportunities

The Task Force recommends City and Schools explore alternative delivery of capital projects with immediate or near-term opportunities as identified by the Sub-committee:

Projects within Facility Capital Improvement Plan (red example text for discussion)

- ACPS swing space: Swing space is an immediate need, but should be pursued with a long-term mindset. When swing opportunities are analyzed, consideration should be given to transitioning a swing space to a permanent school location. Where possible, swing space should be provided on-site to offset the difficulties of building and locating swing space offsite.
- New and/or reconstructed schools: Where possible, urban school design (multi-story, mixed-used) should be pursued in contrast to traditional school design (large tracts of land, single-story).
- Gadsby's Tavern: We recommend the City explore uses of historic tax credits for restoring this building and consider eliminating the requirement to provide a federal-era dining experience.
- City Hall
- Other projects as identified

Projects not within Facility Capital Improvement Plan

- Torpedo Factory
- Affordable housing
- Other projects as identified

Exhibits:

Meeting List:

- September 1, 2017 – Overview of alternative project delivery methods
- September 14, 2017 – Alternative project delivery indicators
- October 5, 2017 – Capabilities service model and alternative delivery (part 1)
- October 19, 2017 – Capabilities service model and alternative delivery (part 2)
- November 2, 2017 – Synthesize draft recommendations
- November 16, 2017 – Formalize recommendation and review memo outline
- November 30, 2017 – Review and refine memo