

City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 25, 2008

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER

SUBJECT: BUDGET MEMO # 122: QUESTIONS ON THE FY 2009 – FY 2014
PROPOSED IT PLAN

This memorandum is in response to Councilman Wilson's questions regarding several projects in the FY 2009 – FY 2014 Proposed IT Plan. Each of your questions has been restated below.

- I. There is \$200k in for "Upgrade Workstation Operating Systems" and \$160k sitting in Prior Year Balances for this project. As I read it, this money is fund planning for future Vista upgrades?*

Are there other things that the money is designated to fund? What type of planning will be conducted with those funds?

The City replaces desktops and workstations on a five-year cycle, and as these are replaced the operating system is typically upgraded. However, this project provides funds for those computer workstations that are not in need of physical replacement, but still require the upgrade of the operating system or hardware components (memory, hard drive, video card, etc.) to allow a new or upgraded application to run.

The current desktop operating system standards are Windows 2000 and Windows XP. All new workstations are deployed with Windows XP. After the completion of the FY 2008 equipment replacement cycle, ITS estimates that there will be less than 1,000 workstations with Windows 2000 and about 1,300 with Windows XP. With the release of Vista in January 2007, mainstream support for Windows XP is scheduled to expire on April 14, 2009.

Funds requested in FY 2009 in this project are primarily for the planning needed to roll out Vista throughout the City without any unanticipated disruptions to applications. Funding in the amount of \$200,000 in FY 2009 will be used for Windows Vista migration planning, training, testing, and limited deployments, to ensure that no major systems are disrupted during this migration process.

The graph below provides the analysis for the use of the requested and prior year funding:

1	Windows Upgrade Workstations Operating System - VISTA Push			
2				
3	Item Description	Cost	Quantity	Total
4	VISTA Consulting Services (Migration Planning)	\$25,000.00		\$25,000.00
5	VISTA Test Workstations	\$1,475.00	60	\$88,500.00
6	Microsoft Office Software	\$315.00	60	\$18,900.00
7	VISTA Help Desk Technical Training per seat	\$2,590.00	30	\$77,700.00
8	VISTA Developer Technical Training per seat	\$2,000.00	15	\$30,000.00
9	VISTA Pilot End-User Training (Departmental IT Coords) per class	\$2,500.00	4	\$10,000.00
10	Other O/S Upgrade Initiatives	\$109,900.00	-	\$109,900.00
11	TOTAL			\$360,000.00

2. *On the Highway video project, there seems to have been \$874k allocated in previous years, but \$474,500 remaining in balance for this project? What became of the \$400k that was previously allocated? What became of the federal match dollars? Is this project still anticipated to kick-off in FY 2009?*

The Highway Video Project was first included in the FY 2006 – FY 2012 IT Plan. In FY 2006, \$41,000 of City funds were requested to “match” anticipated federal funding of \$184,000. In FY 2007, \$433,500 in City funds were requested to ‘match’ anticipated federal funding of \$1,656,490. City Council approved both funding requests, but as there were delays experienced in the project due to changing State requirements and staff turnover, these funds (now totaling \$474,500) remain unallocated and available.

According to staff from T&ES, the Highway Video Project is on hold because Congress this past February rescinded authorization for all SAFTELU projects not yet obligated, thereby rescinding the Federal funds for projects all across the nation. TES staff was looking for alternative sources of funding and/or to scale back the project, but have no specific plans at this time. Give the tight budget situation T&ES is proposing to release the \$474,500 for other purposes.

It is recommended that this \$474,500 be reallocated to a CIP contingent for the technical study of the feasibility of constructing and financing a Metrorail station in Potomac Yard. Proposed funding for this study was eliminated when the NVTAF funding was declared unconstitutional (see Budget Memo #27).

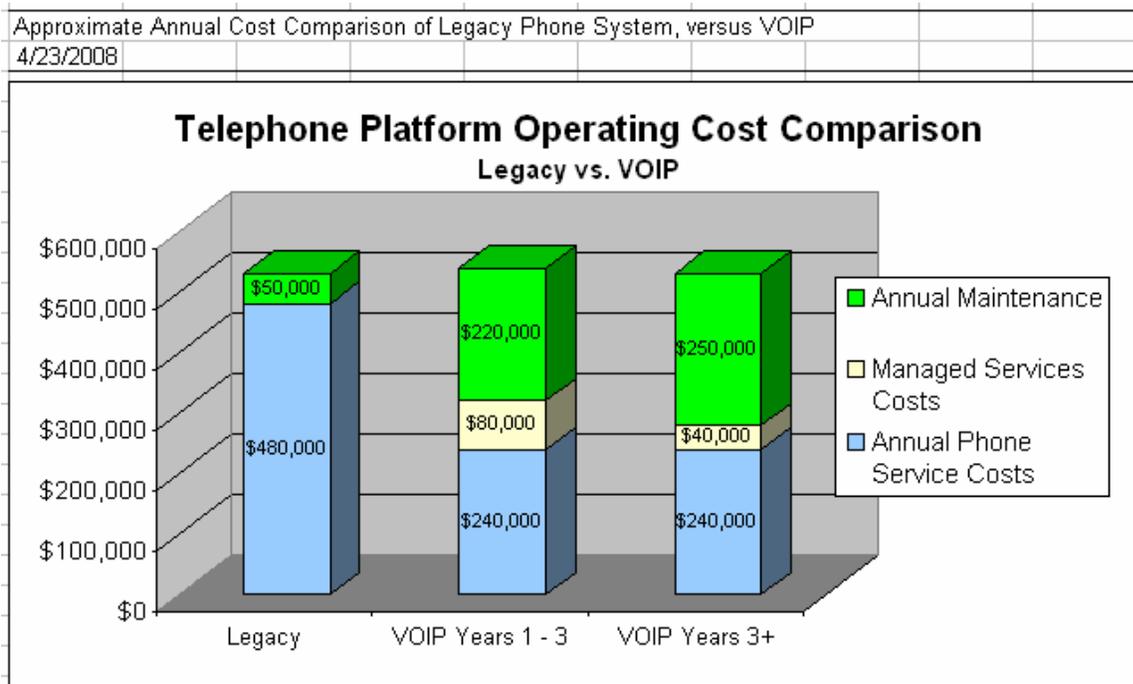
3. *On the Telephony project, there is some discussion of the savings to be realized by moving to VOIP, but then some commentary that we're going to have to purchase managed services given the lack of staff capacity to manage VOIP? Is this transition actually going to save us anything? What becomes of existing telecom staff?*

The City is moving forward with plans as contemplated in prior IT Plans (as well as the current IT Plan) to acquire VOIP technology and to replace the City’s phone systems because it is the technologically prudent course of action, given our aging telecommunications infrastructure and

the lack of telecommunications functionality the City now has. Ultimately, it will be difficult to show overall major savings by going to VOIP.

The City will see savings in some places. The City will save money on line charges and continually required “moves”, “adds” and “changes.” These savings will be largely offset by an increase in maintenance costs for VOIP, however. We will -have a new and better product that will provide higher quality and more efficient service to the citizens and employees of the City.

The following graph shows our current legacy phone system costs, compared with cost projections for VOIP years 1 through 3, and VOIP after year 3:



The City’s current telecommunications organization is staffed to support telephones in the City. The total number of phones will not change very much, so the staff size should not change either. ‘Managed services’ does not mean we will be paying to “outsource” our telecom staff; it means hiring additional services to get the City through the critical implementation phases of the project. Our telecom and I-Net staff combined is too small to do this project on our own. Once the system is stable and the voice and data networks are fully converged, we plan to reduce the level of managed services we purchase. The City is likely to always need some level of managed service because we’ve turned our telephone system into a computer network. We will need to acquire software upgrades and anti-virus patches to keep the system current.