

City of Alexandria, Virginia

MEMORANDUM

DATE: MARCH 8, 2013

TO: THE HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

THROUGH: RASHAD M. YOUNG, CITY MANAGER

FROM: NELSIE L. SMITH, DIRECTOR, OFFICE OF MANAGEMENT & BUDGET

SUBJECT: BUDGET MEMO #5: RESPONSE TO COUNCIL QUESTIONS

At the City Council Work Session on Monday, March 4 the presentation inadvertently left out of the revenue enhancements information, the extension of parking meter hours City-wide by two hours. The proposal assumes that parking meters will now operate up until 9 pm rather than expiring at 7 pm. This change is estimated to increase revenues by \$348,000 for parking meter fees only and does not assume, for budgetary purposes only any additional citation revenue.

Below are additional answers to questions posed by Council members:

RATING FOR FEMA'S NATIONAL FLOOD INSURANCE PROGRAM J. Wilson

Question: "Alexandria is currently assessed a rating class of 7 in the Community Rating System for FEMA's National Flood Insurance Program. This class determines the level of discounts available to Alexandria residents purchasing Flood Insurance. What options exist for reducing Alexandria's rating class, and what would be the fiscal impact of those options?"

Response: The City is currently undergoing an evaluation that is expected to be completed in FY 2013. The next re-evaluation will occur in 2017-2018.

Alexandria is currently assessed a rating class of 7 in the Community Rating System for FEMA's National Flood Insurance Program. As a result of this rating property owners in Alexandria receive a discount of 15% on flood insurance premiums. The City is re-evaluated every five years for continued participation in this program and is currently undergoing an evaluation at this time. Staff has attempted, during this re-evaluation period to upgrade the City's rating to a Class 6, providing a 20% discount on premiums. During the previous evaluation cycle (2008) the City received 1710 points. In order to become a Class 6, 2000 points are required. In order to achieve this lower rating, staff has made changes to our

flood plain management program, such as enhanced public information and outreach, stricter permitting requirements and higher level maintenance of our flood control channels. In addition, staff enlisted the assistance of a consultant who specializes in the Community Rating System to maximize the City's points. The City should be notified of the score determination during the next few months. While staff hopes to achieve a Class 6, this is not a certainty.

FEMA is in the process of publishing a revised manual for the Community Rating System, to be released later in 2013. Early drafts indicate that the City will be eligible for additional points in some categories, but other areas where the City currently receives points are being minimized or eliminated. Once this new manual is published, staff will begin evaluating areas of improvement to achieve additional points. Under the current manual, 2500 points are required to achieve a Class 5 rating.

SBDC SERVICES (J. Wilson)

Question: "What would be the fiscal impact of including an introductory package from the Small Business Development Center in a mailing to the holder of each newly issued Business License? What other options do we have to improve awareness and usage of SBDC services and what would they cost?"

Response: The City issues approximately 1,000 new business licenses each year. Some businesses have more than one license, and some new licenses are issued for existing businesses that have changed location, name, ownership, etc. At a mailing cost of up to \$3 per introductory package, it would cost approximately \$3,000 per year to mail SBDC packages to each new license holder. This cost would, of course, vary depending on the state of the City's economy and the amount of new businesses opening in any given year.

There are several options available to improve awareness and use of SBDC services:

- 1) Finance staff can coordinate with SBDC to ensure that a list of upcoming events is posted in the Citywide Calendar of Events and to the Finance News & Announcements pages, through which residents and business can subscribe to or download specific events to their personal calendars on a variety of platforms. More frequent posting could improve awareness at no additional cost to the City.
- 2) As an alternative to a full introductory package from SBDC, the City could begin mailing to all new business license applicants a single-page, double-sided flyer or pamphlet containing general information about the variety of resources of use to new businesses or about SBDC services

specifically when the business license is mailed. Since the flyer/pamphlet would be one page only, it would not affect the current mailing costs associated with mailing the business license. The only fiscal impact would be the cost to produce the flyer/pamphlet, which is nominal.

- 3) Several departments work closely with SBDC to reach out to new businesses including: Finance, Planning and Zoning, Building and Fire Code Administration, Transportation and Environmental Services, and the Health Department. Flyers or posters describing their services in general or specific events could be posted in any offices that are open to the public. If these could be provided by SBDC there would be no fiscal impact, otherwise the costs of production would be the only impact to the City.

3-1-1 NUMBER FOR CITIZEN ASSISTANCE (J. Wilson)

Question: “What would be the fiscal impact of establishing a 3-1-1 number to provide access to Citizen Assistance (now Public Information)?”

Response: The fiscal impact is broken out into two areas: 1) capital and hardware related expenses and 2) operating and personnel expense.

- 1) The City is well positioned to leverage its prior year investment in an enterprise Voice Over Internet Protocol (VOIP) phone system, which would provide the foundation of a state-of-the-art “3-1-1-like” capability. To fully develop this capability, the City would need to adopt a multi-year effort and a phased approach to implementation. The City is already including \$450,000 in the FY 2014 CIP to continue to enhance the City’s telephone and telecommunications infrastructure including advanced call flows; this investment would also help a “3-1-1 like” effort. An additional investment of \$775,000 would also need to be made that would include VOIP hardware upgrades, VOIP call center software, implementation costs, system interfaces for Call.Click.Connect. Lastly, additional system interfaces such as social media, AlexStat and CAD is estimated to cost an additional \$100,000-\$150,000 per interface.
- 2) Currently the Office of Communications and Public Information (CPI) has 3 full time employees and 1 part time employee working with the Call.Click.Connect system. If the City’s “3-1-1-like” number was active 24

hours per day for 7 days per week CPI estimates they would need 10 additional full time employees and 2 additional part time employees. If the City only operated the “3-1-1-like” service between specified hours and days, for example, Monday-Friday from 7 a.m. to 7 p.m., excluding weekends and holidays, then CPI predicts it would require 5 additional full time employees and 1 additional part time employee. Each new full time staff member would cost the City approximately \$52,000 for salary and benefits and each new part time employee would cost the City approximately \$26,000 for salary and benefits. These costs could be reduced if, employees from other departments that currently have call centers or customer service representatives were reallocated to the centralized “3-1-1-like” call center. Integration would be necessary with the existing call centers that would remain, like 9-1-1 and the crisis hotline, to ensure that urgent calls are handled by the appropriately trained staff.

LIBRARY BOARD REQUEST (A. Silberberg)

Question: “How much to pay for the books and materials that the Library Board has requested?”

Response: To restore the Library system books and materials budget back to FY 2013 levels, the proposed \$56,000 expenditure reduction in FY 2014 would need to be added back to the operating budget. This would increase the total City funding for books and materials from \$333,754 back to the FY 2013 level of \$389,754. This funding would also eliminate the anticipated 1% reduction in materials circulated (from 1.456 million to 1.442 million) associated with the expenditure reduction.

LIVING WAGE ADJUSTMENT (Mayor Euille)

Question: “What would it cost to provide a living wage adjustment in the budget?”

Response: To determine the living wage the City uses a formula which takes into account the average poverty threshold for a family of four (updated annually by the U.S. Department of Health and Human Services) and the average cost for the provision of health insurance (as determined by the U.S. Bureau of Labor Statistics). To bring the City to the FY 2014 living wage level of \$14.84, City Council would need to add \$174,300 in funding to the FY 2014 budget.

LIBRARY HOURS (A. Silberberg)

Question: “Could you please let us know how much it would cost to keep the two hours that we may lose at the libraries?”

Response: The amount which would need to be added back to the budget to restore the two hours at each of the branch libraries is \$93,454. This figure primarily represents 2.025 full-time equivalent positions.

WARWICK POOL (A. Silberberg)

Question: “Could you please let us know how much it would be to keep the Warwick pool open this summer and how much for each of the next five years since Mr. Young said about \$500K for five years? Just wanted to ask for that breakdown. How much of that cost is due to lifeguards for example?”

Response: Refer to Budget Memo #6 “Short and Long Term Outlook for Funding the Recommendations of the 2012 Aquatics Facilities Study.”

COMBINING RISK POOL FOR HEALTH INSURANCE (J. Wilson)

Question: “What is the estimated savings/cost by combining the ACPS/City Self-Insurance risk pool for health insurance?”

Response: The City employment pool for health insurance consists of an older population with increasing costs whereas the Alexandria City Public Schools (ACPS) employment pool for health insurance consists of a younger population with stable costs. Presently the City has had preliminary discussions with ACPS and, intends to continue to do so; however, the primary focus of this budget cycle is to look at the structure of the City’s plan offerings to make sure that we are competitive with the market and sustainable for the future.

CAPITAL BIKESHARE EXPANSION (J. Wilson)

Question: “What are the expansion options for Capital Bikeshare, and what would be the fiscal impact of doing so?”

Response: Over the next 10 years, \$2.4 million is budgeted for Capital Bikeshare expansion. Of that, \$1.275M is funded by the TIP (2.2 cents reserved for transportation expansion) and the remaining funds are from non-City sources, primarily CMAQ grants. Depending on station size, there will be approximately 6-8 new stations installed with FY 2013 funds in the Del Ray, Carlyle and Old Town areas, in addition to the eight currently in operation. For FY14-23, there is \$1.995 million budgeted, which could install approximately 16 to 20 stations depending on size. On average, based on our current operating contract, each station costs \$25,000 annually, a portion of which is recovered by membership and user fees. It is expected that stations will reach full cost recovery for operations by FY 2017; these estimates will be updated as additional system revenue data is available for Alexandria.

CROSSWALKS AND OTHER COMPLETE STREETS PROJECTS (T. Lovain)

Question: a) “How much do high-visibility thermoplastic and reflective crosswalks cost?”

- b) “How does this cost compare with the cost of other Complete Streets improvements, such as new sidewalks, curb ramps, regular crosswalks, brick-pattern and colored crosswalks, countdown signals, flashing signals, lighted crosswalks, and traffic-calming features like speed tables, bulb outs and medians?”
- c) “Did you already prioritize certain crosswalks, like high-visibility crosswalks, in recent budgeting?”
- d) “If you received additional funds for Complete Streets, how would you prioritize how to spend those funds?”
- e) “Could you spend a substantial portion of additional funds on high-visibility crosswalks and, if so, can you identify where those funds would likely be spent?”
- f) “Do you expect to apply for additional federal grants for Complete Streets projects, such as through the Safe Routes to Schools program?”

Response:

- a) Crosswalks (assume 40 feet crossing and 10 feet wide for one leg): Standard crosswalks - \$175; High visibility crosswalk - \$1,886; Imprinted crosswalk - \$13,744; Textured asphalt crosswalk - \$2,930; and Lighted crosswalks - \$20,000 using in-pavement lights. A high visibility crosswalk is a regular crosswalk with the 24-inch wide ladder lines in the middle and static pedestrian warning signs. The imprinted crosswalk is more expensive and more labor intensive because the contractor must mill out the old crosswalk to a depth of three inches, roll in hot asphalt, stamp a pattern in the hot asphalt and then apply several coats of paint.
- b) Sidewalks (assume 5 feet wide, one mile sections): New concrete sidewalk - \$239,653 and New brick sidewalk - \$307,120. Considerations include: Remove existing sidewalk - \$39,600, Install curb and gutter - \$88,440, Remove utility pole - \$10,000/pole, Remove light pole - \$1,200/pole, New curb ramps - \$1,200 per ramp. Traffic Calming Devices: Curb extensions - \$4,500 for two (one on each side of crosswalk), Median islands - \$20,000-\$50,000 (depending on size and location), Speed hump/Raised Crosswalk - \$10,000-\$30,000.
- c) Yes, through a number of existing projects and citizen request, we have identified locations where new standard crosswalks will be install or existing crosswalks will be upgraded to high visibility (Del Ray Neighborhood project, Edsall and Picket pedestrian safety grant, paving list locations, etc.). We are also planning to look at the locations with the highest numbers of pedestrian

crashes in the city and upgrade those intersections for improved safety, which could include high visibility crosswalks.

- d) Funds would be prioritized based on safety. Prioritization will be made based on crash data, distance from schools and major transit stops (metro and bus), senior centers, data collected on the street (speed and traffic volume) and recommendations from the Pedestrian and Bicycle Mobility Plan.
- e) We will spend funding on high visibility crosswalks at intersections with high pedestrian volumes or safety concerns. The number that we could install depends on the level of funding. There are typically additional measures we would take when upgrading an intersection improved safety that are more costly than crosswalks, and we would not want or funding to be limited to crosswalk upgrades when there could be uses that would be more appropriate for solving the safety issues at a particular location.
- f) Plan to submit application for New Freedom (FTA) funding for pedestrian ramp and signal upgrades at high priority locations for seniors and people with disabilities.

PARKING METERS (J. Wilson)

Question: “What would be the revenue impact from amending City Code to operate parking meters on Sundays?”

Response: Over \$3M in meter revenue was received in 2012. Excluding Sundays and City Holidays, there are 301 meter charging days. This averages out to \$9,966 of meter revenue per day. Adding Sundays would net slightly over \$500,000 of additional gross revenue, including the Carlyle area. Without Carlyle, the increase in revenue would be a little over \$400,000; Carlyle represents about 20% of spaces in the city.

To charge for meters on Sunday, staff estimates a need to hire an additional meter collections staff to work the weekends. The cost of benefits and salary is \$62,000 per year. Add in the cost of receipt paper, parts, gas, etc. and the total cost for operating meters on Sunday's is \$80,000. After this cost, the total net revenue is \$300,000 (without Carlyle). This analysis does not assume any additional cost for parking enforcement officers.