



MEETING SUMMARY

Ad Hoc Joint City-Schools Facility Investment Task Force

Capital Planning & Implementation Subcommittee Meeting

Monday, September 25, 2017

1 Task Force Members Present

- Elliott Branch, Chair
- Eric Wagner
- Marshall Cook

2 COA and ACPS Project Staff

- Jeremy McPike, Director, Department of General Services
- Morgan Routt, Director, Office of Management and Budget
- Carrie Beach, Division Chief, NPCD, Department of Planning and Zoning
- Katherine Carraway, Urban Planner, Department of Planning and Zoning
- Erika Gulick, Facilities Planner / GIS Specialist, ACPS
- Mike Herbstman, CFO, ACPS

3 Consultants

- Beth Penfield, Brailsford & Dunlavey
- Kayla Anthony, Brailsford & Dunlavey

4 Community Comment Period

- There were no comments submitted to the Subcommittee by community members.

5 Review Meeting #1 Discussion Points

- The meeting began with a review of the major themes from the subcommittee's last meeting. Subcommittee members discussed issues surrounding a 'vision for success' and reiterated that the goal is to have a more integrated capital planning process for the entire city and coherent execution of that work. Both bodies, City and ACPS, need to be held accountable and the CIP planning process and execution should be more transparent, so that residents understand how funds are spent and public expectations are managed.

6 Discussion of Proposed Strategy for CIP Governance

- Mr. Branch proposed a capability delivery model for CIP governance for the Subcommittee’s consideration and indicated that the focus should be on delivering a capability to taxpayers, and not necessarily thought of in terms of a single project. The proposed capability and delivery framework is comprised of 5 phases:
 - Capability, Need, Validation
 - Demand Management
 - Project Strategy
 - Project Planning
 - Project Execution

- Discussion addressed the following questions:
 - Is the model relevant and appropriate? If not, how do we modify it?
 - What questions should be answered and what information should be available before each stage is considered complete?
 - Who should be empowered to proceed at each stage?
 - How do we control funds flow to ensure that residents get value for dollar?

- Subcommittee feedback included the following:
 - Explore the possibility of having an MOU between City and Schools that frames the CIP development. VA Code 22.1-115 allocates authority between City and Schools.
 - Capability Need Validation: This phase defines the role and capability in delivering services. What is the specific capability needed? What does a City government need to deliver that service?
 - Demand management: If there is a capability need, there may be a number of ways to fill that need. Demand management is the phase wherein capability needs are aligned with strategic plan goals. A typical result is a recommendation for a feasibility study or “analysis of alternatives.” Stakeholder engagement starts here. This phase could offer budget “Seed money” (or planning dollars) for project development/analysis, rather than setting aside a large amount of funds for a project we aren’t sure will come to fruition.
 - Project Strategy: Heavy stakeholder engagement. Critical step where political community begins writing “social contract” with residents. Elected officials begin promoting what City will provide, benefits, costs, how the project will be financed. Partnership opportunities are explored in this phase.
 - Project Planning: typically, when a contract is entered.
 - Project Execution: Collateral work may have operating budget impact. Example schools: school may need IT technology infrastructure and training for teachers to use capital project (technology) to fully deploy the capability.
 - Not all projects need to start at Capability Needs Validation stage:
 - Life extension of existing assets: Example City Hall CIP project - Projects at this stage begin at project strategy. Model is not linear. Potential for project to go into different category as you do research on elements of project. Example green roof on this building. Business case for that, project becomes modernization.
 - Modernization of existing assets: additional service capability. May start in capability needs assessment, but may skip demand management.
 - Appropriate stage of entry into this model is project dependent.

- Constraints: Advance planning; Process alignment: always building a CIP, defending a CIP, and executing a CIP. Process must be common across entities (City, ACPS, AFD)
- Who makes the decision to move from one stage to the next? May depend on scope and complexity.

7 Wrap Up and Next Steps

- Subcommittee members concluded the discussion with the following summary points:
 - City and Schools processes are not evenly or uniformly applied by project. Benefit to creating more structure with explicit assumptions to help make decisions up front that may save money, time, or increase customer/community satisfaction. Collaboration between Schools/City needs to more be formalized.
 - Model is relevant and appropriate, but will require some modifications.
 - Who is empowered to proceed from one stage to the next? Dependent on scope and complexity.
 - Providing “seed money” for larger projects to understand needs and capabilities (feasibility analyses) will protect from the risk of going “over budget” - there would be a better understanding of costs.
 - Subcommittee members charged staff with reviewing the model, how it may or may not be applicable to current processes, what modifications would be necessary to make it consistent between both organizations, and consider the question of who is empowered to make the decision to move from one stage to the next.
 - The next subcommittee meeting will be held on Wednesday, October 11 and will focus on staff modifications/ideas to the model in a way that can be adopted by both City and ACPS.