

ORDINANCE NO. 5267

AN ORDINANCE making provision for the support of the government of the City of Alexandria, Virginia for Fiscal Year 2020.

THE CITY COUNCIL OF ALEXANDRIA HEREBY ORDAINS:

Section 1. That the Council of the City of Alexandria, Virginia, does hereby make provision for and appropriate to the fund hereafter named the amount hereafter stated that is required to defray certain expenditures and liabilities of the city for fiscal year 2020, the source of such amount being Capital Project Fund revenue, and further that the Council does hereby allot the amount so appropriated for fiscal year 2020, as follows:

CAPITAL PROJECTS

ESTIMATED REVENUE:

Capital Projects – Bond Interest Earnings	\$	2,738,554
Total Estimated Revenue	\$	2,738,554

APPROPRIATION:

Add: 1315 Duke Street Purchase	\$	1,800,000
Decrease: Public Transit – Van Dorn Metro Station		- 400,000
Increase: Eisenhower Avenue Improvement Project		400,000
Increase: Eisenhower Avenue Improvement Project	\$	938,554
Total Appropriation	\$	2,738,554

Section 2. That this ordinance shall be effective upon the date and at the time of its final passage.



JUSTIN M. WILSON
Mayor

ATTEST:



Gloria A. Sitton, CMC City Clerk


Final Passage: January 25, 2020

City of Alexandria, Virginia

MEMORANDUM

DATE: JANUARY 7, 2020

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: MARK B. JINKS, CITY MANAGER 

SUBJECT: ADDITIONAL FUNDING FOR EISENHOWER AVENUE ROADWAY IMPROVEMENT PROJECT

The purpose of this memorandum is to update City Council on the additional funds needed for the construction of the Eisenhower Avenue Roadway Improvements project, as well as the proposed funding source to cover the \$2.2 million funding gap. The project was budgeted at \$9.4 million but is now estimated to cost \$11.6 million. This project is financed largely with state and federal funds and as such has been and continues to be subject to a very detailed set of VDOT reviews and approvals.

The project area is located on Eisenhower Avenue between Mill Road and Holland Lane, which is a densely populated urban area with approved and substantially planned new development occurring along Eisenhower Avenue. The project provides benefits for pedestrians, bicyclists, and motorists by adding an additional left turn lane on westbound Eisenhower Avenue at Mill Road, widening the receiving lanes on Mill Road, constructing streetscape improvements, replacing the traffic circle at Holland Lane with a signalized "T" intersection and constructing bike facilities from Hooffs Run Drive to Holland Lane. The project will also entail the rebuilding of the existing deteriorated roadway. The attached shows the project design which also required the acquisition of right-of-way from a number of private landowners. When completed, the Eisenhower Avenue Roadway improvements will support the eventual full buildout of the Eisenhower East and Carlyle areas.

The City received four construction bid responses, with the lowest, as well as responsive and responsible bid, totaling \$6.6 million. This compares to a project budget of \$5.1 million. There was some bid price clustering, which provides comfort that the low bid reflects the current market. For more than just the last year the construction market has been very hard to predict as construction prices for materials and labor have been increasing at a faster pace than in previous years. This is a situation that other public entities as well as the private sector have been experiencing.

When faced with project bid overages there are three prime options: (1) cancel the project; (2) reduce the project scope; or (3) provide additional monies to close the project funding gap. In his case only the third option is viable, as if the project was cancelled the City would need to repay VDOT \$2.0 million in land acquisition cost as well as \$1.6 million in design costs. Reducing the project scope by redesign also is not a viable option as key project elements will eventually need to be constructed to meet either development design or transportation capacity needs. Redesign would also add time, more VDOT review, and likely lead to more construction cost inflation.

Staff has worked out a plan to close the funding gap by utilizing **\$0.4 million in savings from a Van Dorn Metrorail Station project that WMATA is planning to undertake and \$0.9 million in savings from the Montgomery Street reconstruction project** where the City partnered with a private sector construction project resulting in this budget savings. Normally this \$1.3 million in existing CIP saved funds would have been used to help fund the FY 21 CIP but can be used this fiscal year to help close most of the \$2.2 million funding gap. To completely close this gap, **\$0.9 million in excess CIP bond interest earnings** which have not yet been programmed for a CIP project can be made available for the Eisenhower Avenue Roadway Improvement Project.

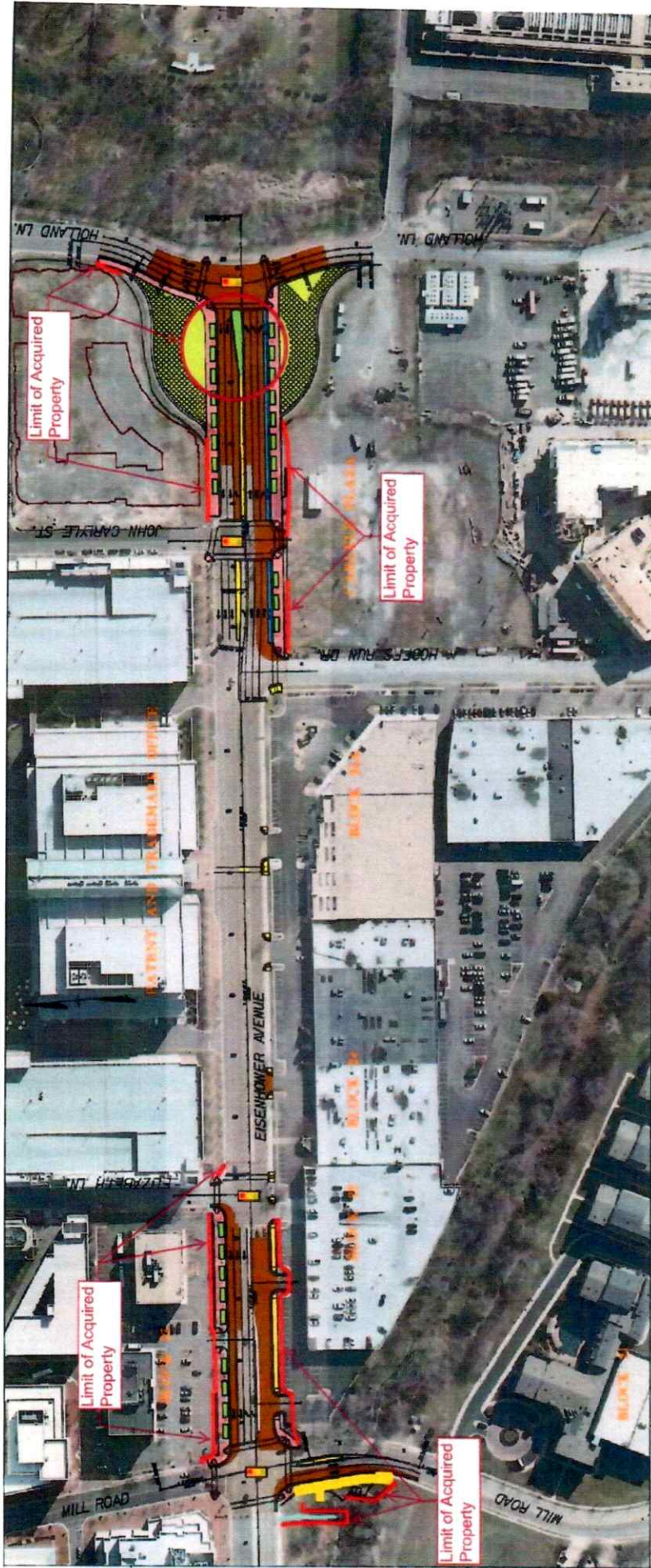
The following chart summarizes the Eisenhower Avenue Roadway Improvement Project Sources and Uses:

USES	
	\$ in Millions
Design & Engineering	\$2.2
Land Acquisition	\$2.0
Construction	\$6.6
Contingent & Miscellaneous	\$0.8
TOTAL USES	\$11.6
SOURCES	
Federal/State	\$9.4
Reprogrammed Van Dorn Metro	\$0.4
Reprogrammed Montgomery Street	\$0.9
Bond Interest Earnings	\$0.9
TOTAL SOURCES	\$11.6

If Council Members have any questions, please let me know. The only action Council will need to take will be the appropriation of the bond interest earnings via ordinance in February.

Attachment

- cc: Joanna Anderson, City Attorney, CAO
- Emily A. Baker, PE, Deputy City Manager
- Terry A. Suehr, Director, Department of Project Implementation
- Yon Lambert, Director, Department of Transportation & Environmental Services
- Karl Moritz, Director, Department of Planning & Zoning
- Morgan Routt, Director, Office of Management and Budget
- Arthur Wicks, Capital Improvement Program Manager, Office of Management and Budget



EISENHOWER AVENUE PROJECT

CITY OF ALEXANDRIA, VIRGINIA
DEPARTMENT OF TRANSPORTATION
AND ENVIRONMENTAL SERVICES

ROADWAY DISPLAY

0 50 100

LEGEND

- EXISTING RESIDENTIAL
- PROPOSED RESIDENTIAL
- EXISTING COMMERCIAL
- PROPOSED COMMERCIAL
- EXISTING INSTITUTIONAL
- PROPOSED INSTITUTIONAL
- EXISTING PUBLIC UTILITY
- PROPOSED PUBLIC UTILITY
- EXISTING UTILITY
- PROPOSED UTILITY
- EXISTING VACANT
- PROPOSED VACANT
- EXISTING UNDEVELOPED
- PROPOSED UNDEVELOPED
- EXISTING WOODED
- PROPOSED WOODED
- EXISTING FLOODPLAIN
- PROPOSED FLOODPLAIN