Legislation Text

File #: 23-0292, Version: 1

City of Alexandria, Virginia

MEMORANDUM

DATE: SEPTEMBER 20, 2022

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

THROUGH: JAMES F. PARAJON, CITY MANAGER /s/

FROM: JULIAN GONSALVES, ASSISTANT CITY MANAGER FOR PUBLIC-PRIVATE PARTNERSHIPS

DOCKET TITLE:

Consideration of a Resolution Amending City of Alexandria's Guidelines for the Use of the Virginia Public-Private Education Facilities and Infrastructure Act of 2002 ("PPEA"). [ROLL-CALL VOTE]

<u>ISSUE</u>: Clarifying the City of Alexandria's PPEA Guidelines ("Guidelines") for solicited projects that do not involve private investment and other minor clarifications.

<u>RECOMMENDATION</u>: That City Council adopt the attached resolution adopting amendments to the City of Alexandria's PPEA Guidelines ("Guidelines").

BACKGROUND: Public-private partnerships are contractual arrangements between public and private sectors that allow for greater private sector participation in delivery of public sector projects, services, and infrastructure. Public-private partnerships serve as another tool to bring about investment and private sector expertise to the public sector. The PPEA establishes a formal mechanism to solicit or to receive unsolicited proposals from the private sector. Pursuant to the PPEA, on September 18, 2021, City Council adopted a resolution establishing Guidelines that allow the City of Alexandria to solicit proposals for qualifying projects through procurement processes or to receive unsolicited proposals that propose a qualifying project. Qualifying projects include public buildings and facilities of all types and certain infrastructure and services, telecommunications infrastructure, building security improvements, recreational facilities, and technology infrastructure and services.

<u>DISCUSSION</u>: During a review of the City's Guidelines as the City implements alternative delivery strategies for solicited projects without private investment (e.g. the Waterfront Implementation Project), the City

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identified opportunities to clarify the differences between projects with private investment and solicited projects with no private investment (e.g. Progressive Design Build where a single entity is responsible for design and construction and is procured through a qualifications-based selection process).

The proposed amendments provide the required clarifications for solicited projects with no private investment:

- Allowing for flexibility regarding who must conduct a hearing during the proposal review process, a step that is required pursuant to the PPEA. *See* Va. Code § 56-575.17(B).
- Removing the requirement that the process can only advance from the proposal phase to the negotiation phase by resolution. This aligns with the City's typical solicitation procedures for projects without private investment.

The above amendments are also consistent with the Guidelines of several other jurisdictions, including Arlington County, Fairfax County, the City of Hampton, and the City of Chesapeake. The proposed amendments do not change the requirement for City Council to review and authorize execution of any proposed interim or comprehensive agreement by resolution.

The amended guidelines incorporate several other clarifications, which include:

- Clarifying that multiple steps could occur in a solicited process versus the previously specified "twostep process." The Virginia PPEA statute does not limit or specify the number of steps associated with solicitation procedures.
- Clarifying that the content within Section V of the Guidelines, "Posting and Inspection of Conceptual Proposals," is specific to proposals submitted pursuant to the unsolicited process.
- Clarifying in Section A.4 of the Guidelines, "Virginia Freedom of Information Act and Confidential Proprietary Information," that City employees other than the Purchasing Agent may also make determinations regarding confidentiality during the PPEA procurement process. This clarification ensures consistency with Section III. E of the Guidelines, "Communication Protocol," which provides guidance on communication protocol with different City employee points of contact for various stages and types of solicitation.
- Clarifications to address scrivener's errors.

FISCAL IMPACT: Adopting the amendments to the Guidelines does not have any immediate direct fiscal impact. The amendments may have an indirect positive fiscal impact during the solicited process on a case-by-case basis by reducing logistics and associated schedule impact of organizing Council hearings for solicited proposals that do not involve private investment. This efficiency can reduce the procurement timeline and any associated quantified risks the private party may assign to a longer procurement schedule.

ATTACHMENTS:

- 1. PPEA Amendment Resolution
- 2. City of Alexandria PPEA Guidelines Version 2.0

<u>STAFF</u>:

Joanna Anderson, City Attorney Christina Brown, Deputy City Attorney Lindsay Dubin, Assistant City Attorney Emily A. Baker, Deputy City Manager Julian Gonsalves, Assistant City Manager for Public-Private Partnerships Terry Suehr, Director of Project Implementation Wynndell Bishop, Purchasing Agent/Contracting Officer, Department of Finance Matthew Landes, Portfolio Manager, Department of Project Implementation