



Finance Committee

Update on Building Repair and Replacement Fund (029)

Agenda Date: 3/12/2014
Agenda Item Number: 4.B
File Number: 14-0237

Type: report **Version:** 1 **Status:** Filed

Title

Update on Building Repair and Replacement Fund (029)

Recommendation

City Manager Recommendation:

Receive information on the projected need of Fund 029 to address major capital repair and replacement needs from 2015 - 2021.

Report

Issue:

Review the status of the Building Repair and Replacement Fund (029) as a result of the recently completed 2013 Building Condition Assessment.

Staff Contact:

Debbie Sullivan, Deputy Director, Public Works General Services, 360.753.8494

Presenter(s):

Debbie Sullivan, Deputy Director, Public Works General Services

Background and Analysis:

The Public Works Department is responsible for major capital repair and replacement for 18 City-owned buildings (see Attachment 1) totaling over 419,000 square feet with a replacement value of \$236,483,000. The buildings provide workspace for nearly 500 employees and are visited by over 2,000 people every day. 31 years is the average age of the City's buildings.

In 2008, staff completed a Building Condition Assessment to understand the state of the major systems/equipment, identify critical repair and replacement needs, and obtain planning level cost estimates. This report was instrumental in creating a 10-year Capital Improvement Plan and understanding the financial needs of Fund 029.

City Hall, Hands On Children's Museum, the 4th Fire Station, and the Fire Training Center were

under construction at the time the report was completed so they were not included in the 2008 study. Staff decided to update the Building Condition Assessment in 2013 to re-evaluate the existing buildings and add the four new buildings.

In summary, we learned that investments since 2008 are making a difference in improving the condition of some buildings. Buildings with the greatest need are the Justice Center, Olympia Center, and the Maintenance Center. And, the overall estimate to address high and medium priority projects over the next six years exceeds \$13.8M.

Staff will discuss the findings of the 2013 Building Condition Assessment and share the corresponding 6-year funding needs.

Financial Impact:

The planning level estimate to address medium and high priority projects only is \$13,854,621. Historically, Fund 029 has received \$600,000 from the Capital Facilities Plan and \$48,000 from rent collected from tenants at the Maintenance Center. However, Fund 029 would need an annual allocation of \$1.7M for the next six years to address the known deficiencies.