



Finance Committee

Building Repair and Replacement Update

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Title

Building Repair and Replacement Update

Recommended Action

Committee Recommendation:

Not referred to a committee

City Manager Recommendation:

Receive an update on building repair and replacement. Briefing only; no action requested.

Report

Issue:

Whether to receive an update on building repair and replacement needs and a funding assessment.

Staff Contact:

Meliss Maxfield, General Services Director, Public Works, 360.753.8202

Presenter(s):

Meliss Maxfield, General Services Director, Public Works

Background and Analysis:

The Public Works Department is responsible for major capital repair and replacement of 16 City-owned buildings (see attached summary) totaling more than 320,000 square feet, with a replacement value of \$240,198,000. The buildings provide workspace for nearly 600 employees and more than 2,000 people visit them every day. The average age of the City's buildings is 31 years.

Funding for improvements comes from 6 percent of the cable television tax, which generates approximately \$1.3 million each year.

The City's building portfolio continues to age. Despite an aggressive preventative maintenance schedule, building systems (i.e. HVAC, electrical, plumbing, etc.) continue to deteriorate and will need substantial investment in the coming years to keep them operational. Repairs are reactionary and often maintenance needs to be deferred, due to lack of adequate funding. The functional use and operation of many building systems at these City-owned locations have been extended beyond typical useful life, by dedicated maintenance staff.

The City uses a 20-year planning horizon to determine long-term major maintenance needs. The 2013 estimated repair/replacement costs for the observed deficiencies is almost \$30 million (see summary), with the Public Works Maintenance Center (\$8.1 million), the Washington Center for Performing Arts (\$7.3 million), and the Lee Creighton Justice Center (\$5.4 million) representing 70 percent of the observed deficiency costs.

We are in the process of updating our Building Condition Assessment, which provides comprehensive building deficiency information and forecasts possible future maintenance or repair requirements. We are also in the process of assessing ADA accessibility and updating ADA transition plans. The updated assessment will identify additional repairs and replacement costs, which will further stretch the Capital Facilities Plan Fund 029 used for building repair and replacement. Given the annual average estimate for 2013 to 2018 is \$5 million for deficiency repair costs, the Fund is incredibly underfunded and stretched.

Neighborhood/Community Interests (if known):

Maintaining safe and efficient City-owned buildings for employees and the public.

Options:

Information only.

Financial Impact:

Six percent of the cable television tax funds building repair and replacement activities, generating approximately \$1.3 million annually. However, Fund 029 would need an additional \$3.7 million annually to address known deficiencies.

Attachments:

Building Condition Assessment Summary