Major Maintenance
Technical Criteria & List

Quality of Life Committee
March 27, 2006
Briefing Agenda

- Define EBS facility maintenance programs
  - Operation and Maintenance (O&M)
  - Major Maintenance
- Discuss list of needs currently identified
- Present revised technical scoring criteria for Major Maintenance
- Continuing the process
- Appendix
  - A – Technical Criteria Form
  - B – Current List of Needs
Operation and Maintenance (O&M)

- O&M funded through annual operating budgets
- Scope of work narrowly defined
- Generally handled by City (EBS) staff
- Includes
  - System operation – i.e. adjustments to heating and cooling system
  - Preventive maintenance – i.e. filter maintenance for HVAC, roof inspections
  - Routine maintenance or minor repairs – i.e. replace/adjust hardware, repair roof parameter flashings
  - Unscheduled work – i.e. leaking roof, stopped-up plumbing, power outage
Operation and Maintenance (O&M)

- Most O&M repair work is provided as response to call for service from customer departments.
- Current level of O&M work does not meet all facility maintenance needs; therefore, major maintenance program required.
Major Maintenance

- Scope of major maintenance work larger and broader in nature
- Greater level specialization required (including design)
- Contracted to private sector in most cases
- More time needed to complete
- Includes
  - Repair of major building systems/components
  - Replacement of major building systems/components
    - i.e. Roof replacement (requires significant portion of annual funding allocation because of cost of each project)
  - Reconstruction
Major Maintenance

- Major Maintenance projects typically cost more than O&M projects and funding not available in annual operating budget
  - While some facility needs are eligible and funded by G.O. bonds, major maintenance typically funded as part of annual capital budget process (use general-purpose funding – i.e. transfer from GF, GCR, etc.)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Amount of Funds Allocated</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2001-02</td>
<td>$5,917,807</td>
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<tr>
<td>FY 2002-03</td>
<td>$2,577,375</td>
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<tr>
<td>FY 2003-04</td>
<td>$2,500,000</td>
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<td>FY 2004-05</td>
<td>$3,116,834</td>
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<td>FY 2005-06</td>
<td>$2,317,438</td>
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</tbody>
</table>

- Grant (i.e. CDBG) funds sometimes available with eligibility criteria
- Private/donations (i.e. Friends of the Library) available in some instances
Opportunity

- Current level of O&M and Major Maintenance has not been adequate to meet all facility maintenance needs; therefore, additional funding being sought through bond program

- Bond funds provide opportunity to address many deferred needs
  - Legal restrictions on use
  - Not eligible – operation, routine maintenance, repairs or “fixes”
  - Eligible – Replacement, reconstruction, and improvements
  - Must be a capital project
  - Must have expected useful life of at least 20 years or life of the bonds
Opportunity

- Failure to take care of facilities as they are used and as they age will result in continued deterioration
  - Pay now or pay more later
- Strategic approach
  - Use bond funds to invest in building components that serve as primary protection for rest of building – i.e. Roof Replacement
  - By funding projects such as roof replacement through bond program, more dollars available on annual basis to address other facility needs
Benefits

- **Staff Accountability**
  - Protect tax payer investment by taking care of assets
  - Maximize life of facilities and avoid need for replacement facilities
    - Replacement cost value for general-purpose facilities is $1.2 billion as of Sept. 2005

- **Public Safety and Neighborhood Quality of Life**
  - Ensure facilities are safe and useable for public and staff
  - Promote positive image within neighborhoods by taking better care of City facilities
Needs Identified

- Maintenance needs are being identified
  - Prior facility assessments
  - Work Order history for facilities (history of calls received and work completed by EBS trades staff)
  - Risk and safety assessments
  - Citizen input
  - Mayor and City Council input
  - Management input
  - Coordination between EBS and customer departments
  - Department master plans
Needs Identified

- Needs identification process to be revised to assess condition of every single city facility on bi-annual basis (similar to street assessment process)
  - Analyze expected useful life of each building component in each facility
  - Forecast level of funding needed each year over useful life of each facility
# Needs Identified

List Represents Needs: Both Eligible and Not-eligible for Bond Funds

<table>
<thead>
<tr>
<th>Type of Facility</th>
<th># Projects Currently Identified</th>
<th>Cost - Projects Currently Identified</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cultural Facilities</td>
<td>32</td>
<td>$51,197,933</td>
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<tr>
<td>Fire Facilities</td>
<td>74</td>
<td>$6,831,738</td>
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<tr>
<td>Library Facilities</td>
<td>47</td>
<td>$11,172,024</td>
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<tr>
<td>Other Facilities</td>
<td>77</td>
<td>$25,773,712</td>
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<tr>
<td>Park Facilities</td>
<td>199</td>
<td>$58,947,617</td>
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<td>Police Facilities</td>
<td>30</td>
<td>$20,012,447</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>459</strong></td>
<td><strong>$173,935,468</strong></td>
</tr>
</tbody>
</table>

Note: Projects currently identified are listed in Appendix B
# Needs Identified

List Represents Needs: Both Eligible and Not-eligible for Bond Funds

<table>
<thead>
<tr>
<th>Type of Improvement</th>
<th># Projects Currently Identified</th>
<th>Cost - Projects Currently Identified</th>
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</thead>
<tbody>
<tr>
<td>Roof Replacements</td>
<td>90</td>
<td>$18,588,699</td>
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<tr>
<td>Major Maintenance</td>
<td>221</td>
<td>$63,227,475</td>
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<tr>
<td>Study</td>
<td>6</td>
<td>$1,417,800</td>
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<td>Construction</td>
<td>12</td>
<td>$41,948,195</td>
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<tr>
<td>Renovation</td>
<td>62</td>
<td>$38,360,979</td>
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<tr>
<td>Maintenance (not-eligible)</td>
<td>68</td>
<td>$10,392,320</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>459</td>
<td><strong>$173,935,468</strong></td>
</tr>
</tbody>
</table>

Note: Projects currently identified are listed in Appendix B
Technical Criteria

- Primary goal is to ensure that worst projects are addressed first
- Criteria revised to address more variables and to weight them for relative significance
- Example variables listed below (Criteria in Appendix A)
  - Health and safety
  - Codes and regulations
  - Potential for damage to other building components or contents
  - History of number of work orders and cost of repairs
  - Master Plan
  - Other funding available or potential to leverage other funds
  - Facility’s history of receiving major maintenance dollars
Continuing the Process

- Finalize Needs Inventory (include verifying technical scoring and ranking)
- Republish Needs Inventory and brief Council – April 19
- Develop recommendation for 2006 bond program and brief Council – May 17
  - Include building system replacement, reconstruction, and improvement projects that are eligible – i.e. roofs
- Develop strategy and recommend funding level to address non-eligible projects through annual budget allocation process
  - Use needs inventory and technical criteria to recommend future projects for annual funding
- Implement on-going facility assessment program – assess condition of every single city facility on bi-annual basis (similar to street assessment process)
Appendix A – Technical Criteria Form
Appendix B –
Current List of Needs