



THE CITY OF SAN DIEGO

Report to the City Council

DATE ISSUED: November 29, 2016 REPORT NO: 16-105
ATTENTION: Honorable Council President and Members of the City Council
SUBJECT: FY16 Facilities Condition Assessment (FCA) Report for Leased General Fund (GF) Facilities and Proposed Service Level for City-Occupied and Leased GF Facilities

REQUESTED ACTION:

Accept the report and approve the proposed Service Level for City-Occupied and Leased General Fund (GF) Facilities.

STAFF RECOMMENDATION:

Staff recommends a Service Level of "Good Condition – Goal FCI 15" for public and semi-public GF facilities and "Good Condition – Goal FCI 20" for office/work yard/operations and commercial/residential GF facilities.

EXECUTIVE SUMMARY OF ITEM BACKGROUND:

In December 2013, City Council authorized (by Resolution No. 308581) the award of three Facilities Condition Assessment (FCA) consultant agreements for the purpose of assessing the condition of City's facilities. Each of the three agreements was authorized for a maximum contract value of \$5 million and up to 5 years.

560 City-Occupied GF Facilities (presented at City Council in April 2016):

On April 12, 2016 at City Council, Public Works staff presented FCA data and a proposed service level for 560 City-occupied facilities that are supported by the City's General Fund (GF). It was reported that the average condition is Fair – FCI 25 for the City-occupied inventory. The service level proposed for the public and semi-public facilities was Good – Goal FCI 15 and for offices and work yards was Good – Goal FCI 20. A proposed reinvestment amount of \$403M was estimated to rehabilitate City-occupied GF facilities to this service level goal. This amount does not include future capital renewal, improvements, expansion, upgrade, or replacement of the facilities. The City Concourse, City Administration Building and City Operations Building facilities account for 33% or \$133M of this service level for City-occupied GF facilities. The proposed reinvestment amount is \$270M and the average condition is Fair – FCI 21 for the 558 City-occupied GF facilities not in the City Concourse.

133 Leased GF Facilities:

In addition to the 560 City-occupied facilities, the City also owns approximately 233 leased facilities that are occupied or operated by tenants or managers. A total of 133 of these leased facilities are supported by the City in that maintenance and capital renewal is completed by the City or funded by the City's GF. These 133 leased GF facilities were assessed and the FCA data is included in this report. The remaining 100 leased facilities owned by the City are generally not supported by the City's GF; maintenance and capital renewal is the

responsibility of the tenant. Therefore, these 100 facilities have not been assessed and data for these facilities is not included in this report.

This report provides FCA data and a proposed service level for the 133 leased facilities supported by the City's GF. These 133 GF leased facilities have been assessed, the data analyzed, and a service level developed using the same methodology as the 560 City-occupied GF facilities that were previously reported to City Council.

The average condition is Poor – FCI 35 for the 133 leased facilities. The proposed service level for public and semi-public leased facilities is Good – Goal FCI 15 and for office/work yard/operations and commercial/residential leased facilities is Good – Goal FCI 20. A proposed reinvestment amount of \$426M is estimated to attain this service level goal. This amount also does not include future capital renewal, improvements, expansion, upgrades, or rebuild. The City Concourse event center, parking garage, theatre/restrooms, and restaurant account for 44% or \$188M of this service level for leased GF facilities. The proposed reinvestment amount is \$238M and the average condition is Fair – FCI 28 for the 129 leased GF facilities not in the City Concourse.

693 City-Occupied and Leased GF Facilities:

This report also provides the average condition, service level and proposed reinvestment amount for the combined inventory of 693 City-occupied and leased GF facilities (560 City-occupied and 133 leased).

Combining the 560 City-occupied GF and 133 leased GF facilities, the average condition is Fair – FCI 29 for the 693 leased and City-occupied GF facilities (560 City-occupied: Fair – FCI 25; 133 leased: Poor – FCI 35). The proposed service level for public and semi-public City-occupied and leased GF facilities is Good – Goal FCI 15 and for office/work yard/operations and commercial/residential City-occupied and leased GF facilities is Good – Goal FCI 20. A proposed reinvestment amount of \$829M is estimated to attain this service level goal. This amount also does not include future capital renewal, improvements, expansion, upgrades, or rebuild. The City Concourse, City Administration Building, City Operations Building, event center, parking garage, theatre/restrooms, and restaurant account for 39% or \$188M of this service level for leased GF facilities. The proposed reinvestment amount is \$508M and the average condition is Fair – FCI 23 for the 687 City-occupied and leased GF facilities not in the City Concourse.

STATUS UPDATE:

In early 2014, three FCA consultants were selected:

- Alpha Facilities Solutions
- Kitchell CEM
- AECOM

Each of the three FCA consultants started performing assessments in FY2014. The table below summarizes the scope of services and status of the three FCA efforts – GF Buildings, Developed Parks, and Public Utilities Department (PUD) Buildings.

Asset Class	Consultant	FY14 to FY16 Scope/Projections
GF ¹ Buildings (approx. 800)	Alpha Facilities Solutions	693 GF Facilities + 100 Leased Not Supported by GF 560 City-Occupied GF 133 Leased Supported by GF

		100 Leased Not Supported by GF
		FY14-FY16 City-Occupied GF Comprehensive Report > City Council Item 334 April 2016 FY14-FY16 Leased General Fund Comprehensive Report > Available Now
Developed Parks (approx. 300) (*developed areas only)	Kitchell CEM	76 Parks + Balboa Park FY14-FY16 Interim Park Report • In Progress
PUD Buildings (approx. 300) (*does not include process equipment in water and wastewater facilities. Includes building infrastructure only.)	AECOM	306 PUD Facilities 276 City-occupied PUD Facilities 30 leased PUD Facilities FY14 PUD City-Occupied Facility Comprehensive Report • Available Now FY15 PUD Leased Facility Comprehensive Report • Available Now

Note 1 – Special assessments for GF buildings (accessibility and solar): Of the 693 City-occupied and leased GF facilities assessed in FY14 through FY16, 388 received an abbreviated accessibility assessment and 185 received a solar energy feasibility assessment. Solar System installations are feasible for 125 of the 185 City-occupied and leased GF facilities that received the solar assessment. Environmental Services Department is managing solar system planning and implementation.

DISCUSSION OF FINDINGS:

FCA Reports:

Condition Assessment data for the 133 leased GF buildings that were assessed in FY14 through FY16 is summarized in the attached report entitled “Facilities Condition Assessment: Comprehensive Report for Leased General Fund Facilities FY14 to FY16”. Condition Assessment data for the 560 City-occupied GF buildings that were assessed in FY14 through FY16 was docketed at City Council as Item 334 on April 12, 2016 and is summarized in the report entitled “Facilities Condition Assessment: Comprehensive Report for City-Occupied General Fund Facilities FY14 to FY16”.

Assessment Methodology:

As was outlined in the 2013 through 2016 FCA presentations to Infrastructure Committee and City Council, the FCA program provides detailed information on the remaining useful life and cost of replacement or repair of the subsystems in, on, or around facilities to the property line. The facilities subsystems that have been assessed as part of the GF and PUD FCA are included in the table below.

Subsystems Assessed			
Electrical	Foundation	Floor Finishes	Partitions
Fire Protection	Basement	Plumbing (Fixtures, Rain Water)	Interior Doors
HVAC	Floor/Roof Structure	Equipment (Appliances, etc.)	Interior Fittings
Plumbing (water, sewer)	Walls, Windows, Doors	Structures (Awnings, etc.)	Stair Finishes
Site Utilities	Roofing	Site Earthwork	Wall Finishes
Conveying (Elevators)	Stairs	Site Roadways, Walkways	Ceiling Finishes
		Site Utilities (Water, Storm Water)	

During the FCA site visit at a facility, each subsystem listed above is inventoried and evaluated for repairs and remaining useful life. Remaining useful life is determined from equipment tag data, maintenance records, and standard lifecycle charts included in the attached FCA report. The inventory information along with the repairs and remaining useful life for each subsystem are used to estimate the maintenance and capital backlog and to project future capital renewal for each facility in the inventory.

Terminology:

The maintenance backlog for a facility is a summation of the estimated cost of repairs for each subsystem within the facility. The capital backlog is a summation of the estimated cost of replacement of the subsystems that have no remaining useful life within the facility. Subsystems that have no remaining useful life but are still in service, will eventually need to be replaced due to failure or deterioration. Capital renewal for a particular year is a summation of the estimated cost of replacement of the subsystems that have reached the point where they have no remaining useful life in the particular year.

The attached "Facilities Condition Assessment: Comprehensive Report for Leased General Fund Facilities FY14 to FY16" provides the total maintenance backlog, capital backlog, and capital renewal to bring the leased GF facilities assessed in FY14 through FY16 to an FCI of zero (0). Rehabilitating existing facilities to an FCI of zero (0) by completing all of the backlog is not industry Best Management Practice and is not a recommended service level for existing facilities.

Asset Functions:

As was done for the City-occupied GF facilities, the leased GF facilities have been grouped into categories by asset function as shown in the table below. The 133 leased GF facilities have been divided into 5 asset functions which includes the 3 City-occupied asset functions of public, semi-public, and office/work yard/operations and 2 new asset functions that are applicable to leased facilities - commercial/residential and no service level. The asset function groupings are important for analyzing similar assets and assigning appropriate service levels based on the use of the asset. The table below summarizes the type and number of facilities includes in each asset function by service group.

Asset Function: Leased Public Facilities (101 Facilities)			
Service Group: Balboa Park Venues			
23 Cultural Centers	13 Museums	6 Art Studios	4 Theatres
5 Clubhouses	1 Athletic Facility	1 Carousel	1 Community Center
1 Concession Stand	1 Exhibit Hall	1 Lath Structure	1 Performing Arts Center
1 Railroad Station		2 Retail Shops	
Service Group: City Concourse			
1 Special Events Center		1 Parking Garage	1 Theatre
Service Group: Community Service			
15 Community Service Centers		6 Community Centers	3 Youth Centers
1 Athletic Facility		1 Recreation Center	1 Residence
1 Retail Shop		1 Senior Center	1 Special Events Center
Service Group: Museum (Not in Balboa Park)			
6 Museums		1 Chapel Museum	
Asset Function: Leased Semi-Public Facilities (8 Facilities)			
Service Group: Police/Fire/Lifeguard Training			

7 Fire Rescue Training Facilities		1 Police Training Facility	
Asset Function: Leased Offices/Work Yards/Operations (2 Facilities)			
Service Group: Office		Service Group: Storage	
1 Office Building		1 Storage Facility	
Asset Function: Leased Commercial/Residential (10 Facilities)			
Service Group: Commercial			
1 Athletic Facility	1 Boat Center	1 Clubhouse	
1 Restaurant	1 Retail Shop	1 Swimming Pool	
Service Group: Residential			
4 Residences			
Asset Function: Leased No Service Level (12 Facilities)			
Service Group: To Be Sold/For Sale/Sold			
5 Residences	1 Airport Hangar	1 Trailer	
Service Group: To Be Demolished			
4 Residences		1 Community Service Center	

Condition Ratings and Facility Condition Index (FCI):

Facility Condition Index is an industry-standard calculation of a facility's condition that can be used to compare the condition of facilities within an inventory that have been assessed with a consistent methodology. The FCI that has been implemented (starting with the FY2014 assessment) is a modified standard FCI which incorporates the cost of the maintenance backlog and capital backlog. The attached FY14 to FY16 Comprehensive Report includes details about how the FCI was developed for the GF facilities inventory. Prior assessments (e.g., 2009 Parsons Assessment) included the maintenance backlog but not the capital backlog in the FCI calculations. The FCI formula used for the FY14 through FY16 assessments is shown below:

$$FCI = \frac{\text{(Estimated Cost of Maintenance Backlog + Capital Backlog)}}{\text{Plant Replacement Value (PRV)}}$$

The FCI Condition Ratings implemented (starting with the FY14 assessments) are comparable with other government agencies as shown below:

FCI Condition Ratings		Examples:
Good	0% to 20%	Balboa Park Reuben H. Fleet Science Center Balboa Park San Diego Police Museum
Fair	21% to 29%	Mid-City Adult Day Health Center Balboa Park Lawn Bowling Clubhouse
Poor	30% or higher	City Concourse Parkade City Concourse Event Facility

FCI Summary - 133 Leased GF Facilities

The average FCI for the 5 asset functions of leased GF facilities are included in the table below. The average FCI Condition Rating is an average for the entire inventory in each asset function. Regardless of the average FCI, the FCI of individual facilities may vary from good to poor. An average FCI of fair, for example, does not mean that every facility in the inventory is in fair condition. For example, the average FCI of the entire inventory of leased GF facilities is 35 which corresponds with poor condition; however, Reuben H. Fleet Science Center has an FCI of 12 – Good Condition while the City Concourse Event facility has an FCI of 59 – Poor Condition.

Asset Function	No. Bldgs. Assessed FY14-FY16	Square Footage Assessed FY14-FY16	Average FCI ²	Avg. FCI Condition Rating ²
Leased Public Facilities	101	2.44M	30	Poor ³
Leased Semi-Public Facilities	8	0.39M	63	Poor ³
Leased Office/Work Yard/Operations	2	0.01M	65	Poor ³
Leased Commercial/Residential	10	0.10M	10	Good
Leased No Service Level	12	0.05M	49	Poor ³
Total Leased GF Facilities	133	2.99M	35	Poor³
Total Leased GF Facilities (minus City Concourse, Parkade, Theatre, Restrooms, Restaurant)	129	2.17M	28	Fair⁴

Note 2 – It is not Industry Best Management Practice or typical for agencies to improve facilities to an FCI of 0.

Note 3 – The average FCI of poor for the facilities in the public, semi-public, office/work yard/operations, and no service level asset functions does not indicate that all of these facilities are in poor condition. The individual buildings may vary from good to poor condition.

Note 4 – The average FCI of fair for the leased GF facilities minus City Concourse facilities does not indicate that all of these facilities are in fair condition. The individual leased facilities may vary from good to poor condition.

Reliability Levels:

The average Poor – FCI 35 for the leased GF facilities indicates that there are facility subsystems that are operating that need maintenance repairs and capital replacements. It is important to understand the type of subsystems that will need to be replaced so that an effective capital and maintenance program can be developed. Targeting funding strategically toward facility subsystems that are critical to the operation of the buildings will ensure reliability of the facility inventory.

Facility subsystems are not all equal in terms of their ability to provide a facility that is reliable (e.g., electrical system vs. paint). Therefore, the facility subsystems have been categorized into three reliability levels based on their impact to building operations as shown in the table below. The three reliability levels are Level 1 Operations Impacts, Level 2 Deterioration, and Level 3 Appearance.

Reliability Levels by Building Subsystem			
Reliability Level 1 Operations Impacts	Reliability Level 2 Deterioration		Reliability Level 3 Appearance
Electrical	Foundation	Floor Finishes	Partitions
Fire Protection	Basement	Plumbing (fixtures, rain water)	Interior Doors
HVAC	Floor/Roof Structure	Equipment (Appliances, etc.)	Interior Fittings
Plumbing (water, sewer)	Walls, Windows, Doors	Structures (Awnings, etc.)	Stair Finishes
Site Utilities	Roofing	Site Earthwork	Wall Finishes
Conveying (Elevators)	Stairs	Site Roadways, Walkways	Ceiling Finishes

The definitions of the three reliability levels are indicated below:

- Level 1 Operations Impacts represent the subsystems that can lead to partial or full shut-downs of the facility if the subsystems are allowed to exceed the end of their useful life or are not properly maintained (e.g., electrical, HVAC, sewer/water plumbing).

- Level 2 Deterioration represents subsystems that will shorten the life of the asset and cause deterioration to other subsystems if allowed to exceed the end of their useful life or are not properly maintained (e.g., roofing, windows, doors, walls).
- Level 3 Appearance represents subsystems that provide the appearance and quality of the facility (e.g., interior wall finishes, built-in furnishings, cabinets, interior doors).

It is important to first address the Level 1 Operations Impacts deficiencies followed by the Level 2 Deterioration subsystems deficiencies to ensure reliability of the leased GF facilities.

The table below summarizes the estimated backlog by Reliability Level for each Asset Function. Completing all of the backlog for existing facilities indicated in the table below is not industry Best Management Practice and is not a recommended service level. The purpose of this table is to characterize the backlog so that a service level can be established that addresses the most critical systems to maintain safety and operations.

Asset Function	No. Bldgs. Assessed FY14-16	Square Footage Assessed	Reliability Level 1 ^s Operations Impacts	Level 2 ^s Deterioration	Level 3 ^s Appearance
Leased Public Facilities	101	2.44M	\$255.7M	\$141.6M	\$75.7M
Leased Semi-Public Facilities	8	0.39M	\$88.9M	\$48.6M	\$41.5M
Leased Office/Work Yard/Operations	2	0.01M	\$1.0M	\$0.7M	\$0.4M
Leased Commercial/Residential	10	0.10M	\$4.6M	\$1.7M	\$1.3M
Leased No Service Level	12	0.05M	\$5.5M	\$3.5M	\$2.0M
Total Leased GF Facilities	133	2.99M	\$355.7M	\$196.1M	\$120.9M
Total Leased GF Facilities (minus City Concourse, Parkade, Theatre, Restrooms, Restaurant)	129	2.17M	\$241M	\$139M	\$36M

Note 5 – It is not Industry Best Management Practice or typical for agencies to improve facilities to a backlog of \$0.

Proposed Service Level for Leased GF Facilities:

Asset management is critical to developing an effective capital and maintenance program which, if implemented, will ensure the safety and reliability of the facilities inventory. In order to plan for future funding needs so that an effective capital and maintenance program can be implemented, it is important to establish condition goals called Service Levels. The average FCI's and reliability backlogs for the leased GF facilities have been considered in developing a Proposed Service Level for leased GF facilities.

This Proposed Service Level for leased GF facilities establishes a condition of Good – FCI 15 for leased public and semi-public facilities and Good – FCI 20 for leased offices/work yards/operations and commercial/residential facilities which will allow for targeting of funding in a fiscally responsible way to assure reliability of the leased GF facilities. The Proposed Service Level for leased GF facilities is summarized in the table below.

Proposed Service Level (FCI 15/15/20/20):					
Leased Public & Semi-Public – FCI 15 Good					
Leased Office/Work Yard/Operations & Commercial/Residential – FCI 20 Good					
Asset Function	No. Bldgs. Assessed FY14-16	Square Footage Assessed in FY14-16	Avg. ACTUAL FCI	Max.⁶ GOAL FCI	Necessary Reinvestment⁹
Leased Public Facilities	101	2.44M	30 Poor	15 Good	\$286.0M
Leased Semi-Public Facilities	8	0.39M	63 Poor	15 Good	\$136.2M
Leased Office/Work Yard/Operations	2	0.01M	65 Poor	20 Good	\$1.4M
Leased Commercial/Residential	10	0.10M	10 Good	20 Good	\$2.4M
Leased No Service Level	12	0.05M	49 Poor	N/A ⁷	\$0.0M ⁷
Total Leased GF Facilities	133	2.99M	35 Poor	13 Good⁸	\$426.0M⁹
Total Leased GF Facilities (minus City Concourse, Parkade, Theatre, Restrooms, Restaurant)	129	2.17M	28 Fair	12 Good⁸	\$237.9M⁹

Note 6 – Necessary Reinvestments are based on improving the FCI of each facility within the Asset Function to the Maximum Goal FCI.

Note 7 – Leased facilities with No Service Level receive no Max Goal FCI or Reinvestment.

Note 8 – Represents an average FCI for the inventory.

Note 9 – Necessary Reinvestment amounts do not include future capital renewal, improvements, expansion, upgrades or facility replacements.

Achieving this Proposed Service Level for leased GF facilities requires a reinvestment of \$426M for the 133 leased GF facilities to improve the average FCI from 35 Poor to 12 Good with a maximum FCI for each building of FCI 15 - Good for leased public/semi-public and FCI 20 - Good for leased offices/work yards/operations and commercial/residential facilities. It is important to note that the average FCI's reported are for 2016 and that the FCI's change over time due to deterioration of the facilities. Therefore, additional funding may be required to maintain these goal FCI's over time. It is important to note that the City Concourse Event Center, Parkade, Theatre, Restrooms, and Restaurant account for 44% of this Proposed Service Level or \$188M of the \$426M reinvestment amount. The proposed reinvestment amount is \$238M and the average condition is Fair - FCI 28 for the 129 leased GF facilities not in the City Concourse.

FY16 Proposed Service Level for City-Occupied GF Facilities (presented at City Council in April 2016):

The following table summarizes the FY16 Proposed Service Level for 560 City-occupied GF facilities that was presented to City Council on April 12, 2016.

FY16 Proposed Service Level (FCI 15/15/20):					
City-Occupied Public & Semi-Public – FCI 15 Good					
City-Occupied Office/Work Yard/Operations - FCI 20 Good					
Asset Function	No. Bldgs. Assessed FY14-16	Square Footage Assessed in FY14-16	Avg. ACTUAL FCI	Max.¹⁰ GOAL FCI	Necessary Reinvestment¹⁰
City-Occupied Public Facilities	350	2.3M	19 Good	15 Good	\$147M
City-Occupied Semi-Public Facilities	63	0.9M	19 Good	15 Good	\$43M

City-Occupied Semi-Public Facilities	63	0.9M	19 Good	15 Good	\$43M
City-Occupied Office/Work Yard/ Operations	147	1.5M	38 Poor	20 Good	\$213M
Total City-Occupied GF Facilities	560	4.7M	25 Fair	12 Good¹¹	\$403M¹²
Total City-Occupied GF Facilities (minus CAB/COB)	558	4.3M	21 Fair	11 Good¹¹	\$270M¹²

Note 10 – Necessary Reinvestments are based on improving the FCI of each facility within the Asset Function to the Maximum Goal FCI.

Note 11 – Represents an average FCI for the inventory.

Note 12 – Necessary Reinvestment amounts do not include future capital renewal, improvements, expansion, upgrades or facility replacements.

Achieving this FY16 Proposed Service Level for City-occupied GF facilities requires a reinvestment of \$403M for the 560 City-occupied GF Facilities to improve the average FCI from 25 Fair to 12 Good with a maximum FCI for each building of FCI 15 - Good for City-occupied public/semi-public and FCI 20 - Good for City-occupied offices/work yards/operations facilities. It is important to note that the average FCI's reported are for 2016 and that the FCI's change over time due to deterioration of the facilities. Therefore, additional funding may be required to maintain these goal FCI's over time. It is important to note that the City Concourse, City Administration Building and City Operations Building facilities account for 33% of this Proposed Service Level or \$133M of the \$403M reinvestment amount. The proposed reinvestment amount is \$270M and the average condition is Fair – FCI 21 for the 558 City-occupied GF facilities not in the City Concourse.

Proposed Service Level for City-Occupied and Leased GF Facilities:

The following table combines FY16 Proposed Service Level for City-occupied GF facilities that was presented to City Council on April 12, 2016 with the Proposed Service Level for leased GF facilities presented in this report.

Proposed Service Level (FCI 15/15/20/20):					
City-Occupied & Leased Public & Semi-Public – FCI 15 Good					
City-Occupied & Leased Office/Work Yard/Operations & Commercial/Residential – FCI 20					
Good					
Asset Function	No. Bldgs. Assessed FY14-16	Square Footage Assessed FY14-16	Avg. ACTUAL FCI	Max.¹³ GOAL FCI	Necessary Reinvestment¹³
City-Occupied & Leased Public Facilities	451	4.7M	25 Fair	15 Good	\$432.9M
City-Occupied & Leased Semi-Public Facilities	71	1.3M	31 Poor	15 Good	\$178.8M
City-Occupied & Leased Office/Work Yard/ Operations	149	1.5M	38 Poor	20 Good	\$214.6M
City-Occupied & Leased Commercial/Residential	10	0.1M	10 Good	20 Good	\$2.4M
City-Occupied & Leased No Service Level	12	0.05M	49 Poor	N/A ¹⁴	\$0.0M ¹⁴
Total City-Occupied & Leased GF Facilities	693	7.7M	29 Fair	12 Good¹⁵	\$829M¹⁶
Total City-Occupied & Leased GF Facilities (minus CAB, COB, City Concourse, Parkade, Theatre, Restrooms, Restaurant)	687	6.5M	23 Fair	11 Good¹⁵	\$508M¹⁶

Note 13 – Necessary Reinvestments are based on improving the FCI of each facility within the Asset Function to the Maximum Goal FCI.

Note 14 – Leased facilities with No Service Level receive no Max Goal FCI or Reinvestment.

Note 15 – Represents an average FCI for the inventory.

Note 16 – Necessary Reinvestment amounts do not include future capital renewal, improvements, expansion, upgrades or facility replacements.

Achieving this Proposed Service Level requires a reinvestment of \$829M for the 693 City-occupied and leased GF facilities to improve the average FCI from 29 Fair to 12 Good with a maximum FCI for each building of FCI 15 - Good for City-occupied and leased public/semi-public and FCI 20 - Good for City-occupied and leased offices/work yards/operations facilities. It is important to note that the average FCI's reported are for 2016 and that the FCI's change over time due to deterioration of the facilities. Therefore, additional funding may be required to maintain these goal FCI's over time. It is important to note that the City Administration Building, City Operations Building, City Concourse, Parkade, theatre, restrooms, and restaurant facilities account for 39% of this Proposed Service Level or \$321M of the \$829M reinvestment amount. The proposed reinvestment amount is \$508M and the average condition is Fair – FCI 23 for the 687 City-occupied and leased GF facilities not in the City Concourse.

SUMMARY:

It is important for the City to establish a Service Level which can be used to develop an asset management plan, a long-term funding plan, and a capital and maintenance program for the City-occupied and leased GF facilities.

City Staff recommends the following Service Level for the City-Occupied and Leased General Fund Facilities:

Goals (FCI 15/15/20/20):

Public & Semi Public Facilities: FCI Goal 15 - Good Condition

Office/Work Yard/Operations & Commercial/Residential Facilities: FCI Goal 20 – Good Condition

CITY STRATEGIC PLAN GOAL(S)/OBJECTIVES:

Goal # 2 Objective #1: Protect lives, property, and the environment through timely and effective response in all communities

Goal #2 Objective #3: Invest in infrastructure

Goal #2 Objective #4: Foster services that improve quality of life

Goal #3 Objective #1: Create dynamic neighborhoods that incorporate mobility, connectivity and sustainability

FISCAL CONSIDERATIONS: The proposed Service Level outlined in this report requires approximately \$829M for 693 City-occupied and Leased GF facilities assessed in FY14 through FY16. Six buildings in the City Concourse (City Administration Building, City Operations Building, City Concourse Event Center, Parkade, Theatre/restrooms, and restaurant) make up \$321M which is 39% of this proposed reinvestment amount. As future assessments are completed, projected funding requirements will be revised. The Proposed Service Level of \$403M for 560 City-occupied GF facilities is included in the FY17 - FY21 Five-Year Capital Infrastructure Planning Outlook as unfunded needs.

EQUAL OPPORTUNITY CONTRACTING INFORMATION (if applicable): N/A

PREVIOUS COUNCIL and/or COMMITTEE ACTIONS:

City Council 12/9/2013 Resolution 308581; FCA Consultant Contracts
Infrastructure Committee 1/21/2015; FY 2016 – 2020 Consolidated Multi-Year Capital
Planning Report
Infrastructure Committee 6/3/2015; FY14 Facilities Condition Assessment Update
City Council 7/13/2015; FY14 Facilities Condition Assessment Update
Infrastructure Committee 12/9/2015; FY17 – FY21 Five-year Capital Infrastructure Planning
Outlook
Infrastructure Committee 3/16/2016; FY16 Facilities Condition Assessment Update
City Council 4/12/2016; FY16 Facilities Condition Assessment Update


COMMUNITY PARTICIPATION AND OUTREACH EFFORTS: N/A

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

Key stakeholders include City of San Diego residents and employees. Impacts include
improving conditions of City-occupied and leased GF facilities.



James Nagelvoort, PE
Director
Public Works Department



Paz Gomez, PE, CEM, GBE
Deputy Chief Operating Officer
Infrastructure and Public Works

Attachment:

1. Facilities Condition Assessment: Comprehensive Report for Lease General Fund
Facilities FY14 to FY16