



THE CITY OF SAN DIEGO

Report to the City Council

DATE ISSUED: July 24, 2017

REPORT NO: 17-043

ATTENTION: Honorable Council President Myrtle Cole and Members of the City Council

SUBJECT: Balboa Park General Fund Facilities Condition Assessment

REQUESTED ACTION:

This report is for information purposes only.

STAFF RECOMMENDATION:

Accept the report.

BACKGROUND:

In December 2013, City Council authorized (Resolution No. 308581) the award of three Facilities Condition Assessment (FCA) consultant agreements for the purpose of assessing the condition of the City's facilities including General Fund (GF) Buildings, Developed Parks and Public Utilities Department Buildings.

A total of 560 City-occupied General Fund facilities and 133 City leased General Fund facilities were assessed in FY14-FY16 to identify the overall backlog of maintenance and capital need for the facilities. The results of the Facility Condition Assessment (FCA) were presented to City Council and approved several times over the past 3 years. Out of the 693 facilities 118 are located in Balboa Park.

Balboa Park is a 1,200 acre urban cultural park with open spaces, playgrounds, walkways and hundreds of facilities. This report outlines the condition of 118 City-occupied and City leased General Fund facilities. See Table 4.0

Condition Assessment Methodology:

During the FCA site visit at a facility, each subsystem listed in Table 1.0 below 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 FY 14-FY16 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.

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)	

Table – 1.0

Reliability Levels:

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 Table 2.0 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	Sire Roadways, Walkways	Ceiling Finishes

Table – 2.0

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).

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.

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 FCI formula used for the FY14 through FY16 assessments is shown below:

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

The Facility Condition Index ratings are classified in 3 categories, Good, Fair and Poor and are defined as shown below:

Good = 0% - 20%
Fair = 21% - 29%
Poor = 30% - 100%

Asset Functions:

All GF buildings have been grouped in to categories by Service Group function. The asset type groupings are for analyzing similar assets and assigning appropriate service levels based on the use of the asset.

The 560 GF asset type were grouped into 3 asset function, public, semi-public and office/work yard/operations. In addition, two (2) asset function (commercial & residential) were added to the 133 leased facilities as shown in table 3.0.

Service Level for City-Occupied and Leased GF Facilities:

In November 29, 2016, proposed service levels were presented and approved by the City Council for City Occupied and Leased General Fund facilities. The FCA report combined an inventory of 693 City-occupied and leased General Fund facilities.

The service level for public and semi-public City-occupied and leased GF facilities is Good – FCI 15 and for office/work yard/operations and commercial/residential City-occupied and leased GF facilities is Good – FCI 20.

Approved 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.¹ GOAL FCI	Necessary Reinvestment⁴
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 ²	\$0.0M ²
Total City-Occupied & Leased GF Facilities	693	7.7M	29 Fair	12 Good³	\$829M⁴
Total City-Occupied & Leased GF Facilities (minus CAB, COB, City Concourse, Parkade, Theatre, Restrooms, Restaurant)	687	6.5M	23 Fair	11 Good³	\$508M⁴

Table – 3.0

Note 1 – Necessary Reinvestments are based on improving the FCI of each facility within the Asset Function to the Maximum Goal FCI.

Note 2 – Leased facilities with No Service Level receive no Max Goal FCI or Reinvestment.

Note 3 – Represents an average FCI for the inventory.

Note 4 – Necessary Reinvestment amounts do not include future capital renewal, improvements, expansion, upgrades or facility replacements.

Achieving this approved 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. -This amount does not include future capital renewal, improvements, expansion, upgrades, or rebuild.

Balboa Park Condition Assessment:

One hundred and eighteen (118) GF facilities were assessed in Balboa Park. The total assessed square footage is 1.63 million square foot and the age of the buildings ranges between 3-112 years. See attachment A, B and C for Balboa Park FCA for City-occupied, leased as well as City-occupies offices/work yard and operations facilities. The attachments provide the description of each facility, facility condition index (FCI), age, facility asset group and asset function.

The 118 Balboa Park public facilities include 61 leased, 39 City-occupied and 18 other types of facilities. See Table 4.0

Balboa Park Venues			
Asset Function: Leased Public Facilities (61 facilities)			
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		
Asset Function: City-Occupied Public Facilities (39)			
21 Comfort Stations		1 Gymnasium	
5 Kiosks		1 Recreation Center	
3 Club Houses		1 Pool	
1 Fire Building		6 Other types of facilities	
Asset Function: City- Occupied Office, Work Yard, and Operations (18)			
6 Nurseries		1 Horse stables	
4 Toolsheds		1 Yard Restroom	
5 Offices and Crew Rooms		1 Storage	

Table -4.0

Balboa Park Facility Service Levels

The approved service levels for all Balboa Park facilities are shown in table 5.0 as FCI Goals with associated reinvestment amounts.

Balboa Park Facilities	# Facilities	SF (Million sf)	Total Backlog (\$ Millions)	Average FCI	Service Level	
					FCI Goal	Proposed Reinvestment (\$ Millions)
Balboa Park Public Facilities	100	1.54	\$189.9	18	15	\$73.9
Leased Public	61	1.35	\$158.9	17	15	\$60.7
City-Occupied Public	39	0.19	\$30.9	26	15	\$13.2
City-Occupied Office/Work Yard/Operations	18	0.09	\$13.3	32	20	\$5.3
Total Balboa Park	118	1.63	\$203.2	19	15/20	\$79.2

Table 5.0

Achieving the above approved service levels requires a total reinvestment of \$79.2 Million. A proposed reinvestment of \$73.9 million for 100 Balboa Park Public Facilities (City-Occupied and Leased) is necessary to improve the average FCI of 18- Good to FCI 15- Good. For City Occupied Office/Work Yard/Operations a reinvestment of \$5.3 million is needed to improve the average FCI of 32-Poor to FCI 20 - Good. 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. In addition, the total reinvestment amount of \$79.2 million does not include future capital renewal, improvements, expansion, upgrades, or rebuild. Therefore, additional funding may be required to maintain these goal FCI's over time.

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: None

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
City Council 3/14/2017; FY 16 Facilities Condition Assessment Report for Leased General Fund (GF)


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 & City Engineer
Public Works Department



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

- Attachments:
1. Facilities Condition Assessment FY14 to FY16- Balboa Park Facilities-Leased (Non-City Occupied)
 2. Facilities Condition Assessment FY14 to FY16- Balboa Park Facilities – City Occupied
 3. Facilities Condition Assessment FY14 to FY16- Balboa Park Facilities – City Occupied Office/Work Yard/Operations