

CIP White Paper
Department Name: Finance and Administrative Services
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Section 1 – Overview

The proposed capital improvement program of Finance and Administrative Services (FAS) includes ongoing programs and several miscellaneous projects. The 2014-2019 proposed capital improvement program (CIP) shows out-year appropriation in ongoing programs and this need is expected to persist for years based on asset management requirements in the more than 100 buildings owned and managed by FAS. Short-term programs and miscellaneous projects are not shown in out years because funding commitments for these types of improvements are typically made on a biennial basis. In FAS' proposed CIP, approximately \$49.5 million is appropriated for 2014.

Capital Improvement Program Projected Appropriations (2014-2019)

Name	2014	2015	2016	2017	2018	2019	Total
ADA Improvements - Citywide	241	-	-	-	-	-	241
ADA Improvements - FAS	672	-	-	-	-	-	672
Asset Preservation	3,720	3,720	3,720	3,720	3,720	3,720	22,320
Critical Infrastructure Upgrades: SMT	4,800	-	-	-	-	-	4,800
Critical Infrastructure Upgrades: EOC/WP	2,300						2,300
Customer Requested Tenant Improvement Program	3,500	3,500	3,500	3,500	3,500	3,500	21,000
Fire Facilities and Emergency Response Levy Program	5,869	15,005	7,500	-	-	-	28,374
Garden of Remembrance	25	26	27	28	29	-	136
Maintenance Shops and Yards	2,552	-	-	-	-	-	2,552
Multi-City Portal Project	1,000	-	-	-	-	-	1,000
Facility Projects Planning	750	-	-	-	-	-	750
Public Safety Facilities - Fire	3,417	1,805	3,647	312	363	-	9,544
Public Safety Facilities - Police	13,615	36,620	34,289	-	-	-	84,524
Seattle License Management System Upgrade (SLIM)	-	5,000	-	-	-	-	5,000
Summit Upgrade	7,038	6,218	-	-	-	-	13,256
Total:	49,499	71,894	52,683	7,560	7,612	7,220	196,469

- **Americans with Disabilities Act (ADA) - Citywide** – In 2014 FAS continues to manage the City’s efforts to improve accessibility to City facilities consistent with the Americans with Disabilities Act (ADA). In this role, FAS conducted a Citywide prioritization process to allocate \$3.6 million for specific ADA improvements among the four implementing departments: Parks and Recreation, Seattle Center, Seattle Public Library, and FAS. Funding Source: REET I.

Americans with Disabilities Act (ADA) - FAS – Based on this process, FAS will make ADA improvements at several buildings with public access, including the Seattle Justice Center, City Hall, Police Facilities and Seattle Municipal Tower in 2014. FAS will also hire a technical consultant to standardize acceptable ranges for departments to use for differences between current conditions at existing facilities and ADA compliant standards. . Funding Source: REET I.

- **Asset Preservation** – Through the Asset Preservation Program, FAS seeks to preserve and extend the useful life and operational capacity of existing facilities using facility space rent charges paid by City departments. Some examples of projects planned for 2014 include:
 - SMT Weatherization Program;
 - Generator upgrades at shops and yards maintenance facilities;
 - Energy efficient lighting upgrades;
 - HVAC and other building system modifications;

- East Precinct deck waterproofing and ramp repairs; and,
 - Building performance verifications and modifications in fire and police facilities.
- **Critical Infrastructure Upgrades** - In conjunction with the Department of Information Technology's work to develop the next generation data center, FAS completed an infrastructure study to assess the redundant electrical capacity needs of City facilities. The study determined that the Seattle Municipal Tower, the Emergency Operations Center and the West Precinct required electrical upgrades in 2014, as follows:
 - **Seattle Municipal Tower (SMT)** - FAS is replacing a portion of the electrical system in SMT that supplies power to the City's Data Center and other critical loads within the building. This system is at the end of its lifecycle and in need of replacement. This work must be completed before the existing data center moves out of the 26th floor of SMT to allow the building's critical loads to have a continuous power supply. Funding Source: REET I.
 - **Emergency Operations Center (EOC) and West Precinct** – FAS is increasing the cooling and electrical capacity at the EOC and installing an alternate power system at the West Precinct. This work is necessary to allow system functionality during regular maintenance on the electrical systems and to ensure continuous operations of these facilities in emergency situations. Funding Source: REET I.
 - **Customer Requested Tenant Improvements** – This ongoing program provides a mechanism for City department tenants to fund new construction, improvements, additions and expansions to FAS and utility-owned facilities. Examples include planning, design and construction of interior tenant improvements in FAS downtown office space, City vehicle shops and yards improvements, utility-owned facility redevelopments, and operational program and feasibility studies. FAS appropriations serve as a pass-through to the departments that pay for these projects with their capital and/or operating funds.
 - **Fire Facilities and Emergency Response Levy Program** – The 2003 Fire Facilities and Emergency Response Levy Program (FFERP) is a 9-year \$167 million property tax levy that voters approved in November 2003. FAS uses levy proceeds to:
 - Upgrade or replace fire stations and other fire facilities;
 - Construct a new emergency operations center and fire alarm center;
 - Build new fireboats; and,
 - Renovate the Chief Seattle fireboat.

In 2014, FAS will continue with the construction of 11 neighborhood fire stations and begin or continue design on five additional stations. Completed levy projects, including the construction of the new Emergency Operations Center, Joint Training Facility and several neighborhood fire stations, are no longer shown in the CIP. Funding Sources: Levy proceeds, land-sale proceeds, grants, Long-Term General Obligation bonds, and REET I.

- **Fire Station 5 Relocation and Renovation** – Two multi-year projects are proposed for the Fire Station 5 in 2014. The Fire Station 5 Relocation project relocates the Engine 4 marine crew and the Engine 5 land crew to temporary facilities during the City's pier restructuring and Seawall construction. The Fire Station 5 Renovation project will seismically upgrade and renovate the station at the downtown waterfront.

- **Garden of Remembrance** – This project funds certain capital costs for the memorial located at Benaroya Hall. This project pays for major maintenance and replaces garden installations, including irrigation equipment, landscaping, electrical/lighting fixtures, and mechanical water features. Funding Sources: property sales, interest earnings, and Cumulative Reserve Subfund – Unrestricted Subaccount.
- **Maintenance Shops and Yards** – This ongoing program includes multiple projects that preserve, modernize and enhance the operational, functional and physical capacity of FAS-owned maintenance shops and yards. In 2014, FAS will finish maintenance work and energy efficiency improvements to the Airport Way Center – Building A. Funding Source: REET I.
- **Facility Projects Planning** – This ongoing program allows FAS to conduct early planning, feasibility studies, preliminary design and design in support of FAS’ CIP development of projects to be considered in future FAS CIPs. Funding source: REET I.
- **Public Safety Facilities** – These programs include multiple projects that preserve, modernize and enhance the operational, functional and physical capacity of FAS-owned police and fire facilities. Funding source: REET I; SDOT Seawall Levy Fund, and Long-Term General Obligation bonds (LTGO).
 - **Fire Facilities**
 - Two multi-year projects are proposed for the fire facilities program in 2014. The first project will seismically upgrade and renovate Fire Station 5 (waterfront). The second project will relocate the Engine 4 marine crew and the Engine 5 land crew to temporary facilities made necessary by the City’s pier restructuring and Seawall construction.
 - **Police Facilities**
 - One multi-year project continues in 2014 to site, design and construct a new North Precinct station (\$88.5 million).
 - Three police facility improvement projects are proposed in 2014, including two at the Harbor Patrol facility. The first remediates hazardous lead paint and insulation in the Harbor Patrol attic. The second project designs a new bulkhead to replace the existing, failing bulkhead with construction completed in 2015. The final project designs and installs security and access equipment at the East Precinct police station.
- **Summit Upgrade** – This is a multi-year technology project to upgrade the City's financial management system (Summit) in conjunction with FAS’ Citywide Financial Management and Accountability Program (FinMAP). These projects will improve reporting and access to information for decision makers across the City and create simplified regulatory reporting and financial oversight. The project staff added in the 2014 Proposed Budget will work with departments to begin the process of standardizing the accounting practices and use of the Summit system.

Section 2 - Summary of Upcoming Budget Issues and Challenges

The principal CIP budget issues faced by FAS continue to involve the age and condition of many City buildings, expanding tenants’ facility needs, and the age and condition of technology infrastructure in FAS buildings.

- **Asset Preservation**

The FAS Asset Preservation program, created by Ordinance 121642, raises \$4 million in space rent each year for the purpose of building system replacement in the 95 City buildings inside and outside of the downtown core. Given the number and condition of the buildings (more than 50 percent of the portfolio is 40 years or older), FAS directs asset preservation funds toward building systems that are in such poor repair that they risk shutting down a building, and to address serious regulatory compliance or life/safety conditions. This \$4 million funding level, endorsed by Resolution 30812, is lower than that recommended by independent consultants at the beginning of the program (2005) and, as a result, deferred major maintenance backlogs continue to grow.

- **Expanding Needs**

FAS facilities are occupied by a wide variety of different City departments, from Police and Fire to the Seattle Department of Transportation, Seattle Public Utilities and private tenants (i.e., Washington State Patrol, private business firms). City departments' operations grow with increased population and development, more restrictive regulations, new initiatives (e.g., the Seawall Replacement Project, the Neighborhood Policing Plan (NPP)) and department reorganizations. As departments contract and expand, FAS works to propose facility modernization, space operational maximization, and facility additions or new expansions, as appropriate. Initiatives, such as the Seawall, may cause a department's space needs to expand, which in turn drives a demand for space, remodeling, etc. The North Precinct police station replacement project is another example of this kind of work. In response to workload, staffing has increased substantially, exceeding the capacity of the current building. The seismic upgrade and modernization of the Fire Station 5 is an example of an operational modernization need and an owner building maintenance/regulatory compliance condition.

Business Technology Information Technology Systems

FAS plans for, develops, implements and maintains technology that supports most of the City's enterprise business activities, including financial management, budget planning, treasury, payroll, human resource information management, purchasing, licensing, tax management and benefits administration. Several major technology systems require either upgrades or replacement (see Section 6 for details).

Section 3 - Thematic Priorities

FAS develops a CIP that addresses the following priorities: 1) Investments that Create or Enhance Operational Efficiencies/Effectiveness, 2) Asset Preservation, 3) Sustainability, 4) Race and Social Justice, 5) Life/Safety Issues and 6) Federal, State and Local Requirements.

- **Investments that Create or Enhance Operational Efficiencies/Effectiveness**

FAS is responsible for the operation and maintenance of approximately 3.2 million square feet of building space throughout the city, including the City's police and fire facilities, shops and fleet maintenance facilities, high-rise office space in the civic core, parking garages and some of the city's community-based public service facilities. FAS also maintains Citywide business technology enterprises supporting financial management, budget planning, treasury, payroll, human resource information management, purchasing and tax management. FAS' capital investments must improve or enhance the operational capacity of these mission-critical systems and facilities.

- **Asset Preservation**

Created by Ordinance 121642, FAS has a dedicated \$4 million in annual funding to support replacement of existing building systems, guided by strict policies to ensure the funds are used exclusively to upgrade, and/or replace failing and existing components, such as roofs, windows,

structures, electrical capacity, boilers or other systems when they have reached the end of their useful lives. FAS must also maintain the City's enterprise technology systems.

- **Sustainability**

The City has adopted several sustainability policies which guide FAS, as a building owner, to focus on meeting the energy efficiency requirements of the Seattle Energy Code, achieve cost-effective measures to reduce energy use, and incorporate other sustainable strategies required by regulations. The 2011 passage of the revised Sustainable Building Policy increased project requirements from LEED Silver to Gold with an emphasis on increased energy efficiency. In the future, FAS will also have to address new sustainability goals, such as "20 by 20" and the "2030 Challenge," by funding projects to reduce energy use and greenhouse gas emissions. (See Section 6 for details.)

- **Race and Social Justice Initiative**

FAS integrates the City's social equity contracting requirements into all aspects of the execution of CIP projects.

- **Life/Safety Issues**

Projects intended to ensure continuity of service at facilities that provide emergency or other essential services receive high priority, for example, replacing generators near the end of their useful lives at essential facilities, such as police or fire stations. Projects that respond to potential threats to human life and safety, such as mold/lead abatement and other hazardous conditions in building interiors and structural failures, also receive priority.

- **Federal, State and Local Requirements**

FAS must consider regulatory requirements in assessing capital needs when replacing existing, failing systems in FAS-managed facilities. One example is the Washington Administrative Code requirement of upgrades to fire alarm panels and installation of fire sprinklers when substantial alteration is made in the course of upgrading or modernizing an existing building. Another example is addressing facility improvements required by the Americans with Disabilities Act, which meet the dual goals of complying with federal requirements and providing equitable access to all.

Section 4 - Project Selection Criteria

Projects to be considered for inclusion in the FAS CIP fall into two categories: projects that create and/or enhance operational effectiveness or asset preservation projects.

Facilities-related projects that **create and/or enhance operational effectiveness** are solicited from FAS' tenant departments on an annual basis and internally vetted for timeliness and appropriateness, and evaluated on their own merit. Executive direction is sought for those projects that increase operational capacity for departments and identify areas of opportunity for the City to consider in the course of planning the City's Capital Improvement Program priorities. Information technology-related projects are developed by FAS staff with input from customers and the Department of Information Technology's Enterprise Applications Board.

Asset preservation - facility projects are compiled from a rolling list of urgent and high-priority building deficiencies; a facilities maintenance backlog list of projects; and from an annually updated asset management project list usually comprised of recommendations resulting from building condition assessments, energy audits, performance metrics and other preliminary engineering infrastructure studies. FAS' work-management Unifier Asset Management and Preservation System allows various operations work units to collaborate in one place, scheduling and tracking preventative maintenance activities. The system organizes tasks, such as work-order management, facility maintenance, lease management and

maintenance of property information. Energy efficiency and resource conservation elements are considered as a subset when compiling project lists. Elements that extend the useful life of improvements, increase tenant comfort and reduce utility bills are integrated into existing projects where feasible. Resource conservation and energy efficiency projects are ranked based on estimated payback period.

Asset preservation – information technology projects relate to maintaining, upgrading and enhancing software and hardware supporting many of the City’s critical enterprise business functions, including financial management, budget planning, treasury, payroll, human resource information management, purchasing, licensing, tax management, constituent relationship management and benefits administration.

FAS relies on the expertise of its technology, maintenance, operations and capital development staff to review and vet facility and technology project lists, keeping these criteria in mind: continuity of essential services; preserving the long-term use of the building/technology; meeting regulatory requirements; responsiveness to life/safety concerns; compatibility and synergy with other planned projects; and capacity to reduce demand for routine maintenance service and generate resulting dollar savings.

Section 5 - Aligning Infrastructure with Planned Growth

In aligning FAS’ capital planning with the Seattle’s Comprehensive Plan, FAS has worked with the Police and Fire Departments to address their operational needs.

FAS and the Fire Department have evaluated a variety of locations for siting a new fire station to serve growth in South Lake Union, potentially in conjunction with relocating the freshwater fireboat. The location of new fire stations in the FAS CIP reflects extensive work with the Fire Department to identify locations that keep response times at least as good as those at former locations.

The Police Department’s North Precinct serves all of Seattle north of the ship canal. The existing facility was built in 1984 for a staff of 154 and is severely undersized for its current staffing of more than 254. Conceptual planning considers replacing the existing facility with a new 60,000+ square foot building with a useful life of 30 to 50 years that will accommodate up to 370 officers and civilian staff, and provide on-site, multistory parking for patrol cars, visitors and staff.

Section 6 - Future Projects/What is on the Horizon

The following projects appear in the order of priority to FAS that focuses first on taking care of existing facilities and information technology systems. Traditionally business technology system upgrades and replacements of this scale have been debt financed, rather than treated as capital projects, but they are included here to ensure they are considered as part of the City’s overall capital needs.

Asset Preservation

In addition to the specific projects that follow, it should also be recognized that the amount of funding available for ongoing asset management of the FAS portfolio of facilities is inadequate to keep pace with the aging of the critical public safety assets. Currently, the unfunded list of asset preservation projects exceeds \$30 million. As stated in Section 2, the current FAS Asset Preservation program raises \$4 million in space rent each year for the purpose of building system replacement in the 95 buildings inside and outside of the downtown core. These buildings include the City’s downtown office building campus, fire and police facilities, the Seattle Animal Shelter and our City’s maintenance fleet shops and yards complexes. These facilities are critical to the City’s emergency responders and Utilities to maintain operations during routine and emergency operations. FAS’ future funding requests will seek to execute large asset preservation projects to address multiple failing systems in a single facility or across a program

involving a major system in multiple facilities and to provide better tools to inform ongoing asset management planning and developing capital projects.

Building Condition Assessments and Facility Master Use / Long Range plans – This work helps FAS to better plan and manage its building portfolio to maximize funding, timing of projects and real estate investment strategies, resulting in recommendations for the timing and funding of building upgrades, replacements and other asset preservation projects within FAS facilities.

Energy Audits – In conjunction with the building condition assessments, energy audits inform major maintenance and capital planning. Limiting air and water intrusion, upgrading insulation in roofs, walls and foundations, and replacing windows should be done in tandem with energy consuming equipment replacement (lighting, boilers, sub metering, energy modeling etc.) to increase building life and energy efficiency in FAS' buildings.

Fire Station 5 (Waterfront) Temporary Relocation – Viaduct Replacement/Waterfront Reconstruction Impacts – (\$675,000)

With the Seawall project and City's pier restructuring project beginning in 2013, the Fire Station 5 Engine 4 boat crew and Engine 5 land crew will be temporarily relocated to City-owned and leased facilities in 2014 through 2016. Relocation leasing and operating costs will be incurred in 2017-2018 to keep the station crews in temporary quarters through the remaining two waterfront projects (Viaduct demolition and Waterfront reconstruction). Demobilization, moving expenses and telephone/data technology costs will be incurred when the crews return to Fire Station 5.

Maintenance Shops and Yards, Police and Fire Facilities

FAS continues to manage a backlog of asset preservation projects required in order to support a portfolio of aging facilities with outdated and inefficient infrastructure and exterior envelopes. FAS will continue to seek additional funding for large capital projects, some of which are mentioned below.

Charles Street Complex Redevelopment (\$16 million - \$38 million)

The shops and yards complex located at Charles Street includes a number of facilities that have reached the end of their useful lives. It is becoming more expensive to maintain the facilities and seismic upgrades / renovations or replacements are necessary. Individual buildings currently in need of replacement include: the 714 Building, Weights and Measures, and the Maintenance Garage. A recently completed highest and best use long-range planning study suggests the City should plan for facility and operational needs holistically and across all tenant departments (SPU, SDOT, FAS, SPD). A more detailed planning effort proposed for 2014 will involve City stakeholders to consider the site redevelopment scenarios and the possibility of a partial or full relocation of City operations to one or more new sites based on individual department operations. Considerations to address community interests in redeveloping the site for non-City use will also be assessed.

Charles Street 714 Building Replacement (\$21 million)

The Charles Street 714 Building houses engineering functions for SPU and SDOT. This includes SPU Drainage and Wastewater and SDOT Street Maintenance. The building has reached the end of its useful life. This project would demolish and replace the 714 Building on the same site.

Charles Street Weights and Measures Building Replacement (\$6 million)

This building houses the FAS Weights and Measures office. The building has reached the end of its useful life and is operationally inefficient. This project would demolish and replace the Weights and Measures building on another site (land acquisition not included in estimate).

Charles Street Maintenance Garage Replacement (\$49 million)

The Charles Street Maintenance Garage is the primary maintenance facility for City vehicles ranging from police cars and other sedans to vactor trucks and other heavy equipment. The 1950s vintage facility has a deficient exterior and much-worn building systems, and is seismically vulnerable. Also, its internal circulation makes the facility energy and operationally inefficient, and hazardous for employees from a noise transmission perspective. This project would demolish and replace the maintenance garage on the same site.

Communications Shop Replacement (\$ unknown)

The DoIT Communications Shop is located in a decommissioned fire station south of Lake Union. The building has reached the end of its useful life and is operationally inefficient. This project would replace and relocate the facility to the Charles Street Complex where it creates operational efficiency with the vehicles serviced at the Fire and Vehicle Maintenance Garages.

Seattle Municipal Tower (SMT) Maintenance Program - (\$15 million - \$30 million)

At 23 years old, the City's largest office building, the 62-story, 1,000,000+ square foot Seattle Municipal Tower has several of its most extensive exterior building systems approaching the end of their anticipated 20 to 25 year service life. Following the 2011 Weatherization Study, FAS developed and has begun executing a 7-10 year Exterior Maintenance Plan, for the Seattle Municipal Tower. In addition to the asset preservation sub fund, FAS will be seeking an additional \$15-\$30 million over the next 7-10 years to address the refurbishment and replacement of the exterior systems. Two of the most critical assemblies to be addressed first in this plan are the silicone joint sealants, which provide the primary barrier to water entry (at the tower facades and the glass curtain walls/roofing system), and the plaza deck waterproofing membrane. In 2014, an infrastructure condition assessment will be conducted to assess mechanical, electrical and plumbing systems, provide planning scopes of work and estimates performed within a 5-10 year infrastructure maintenance program schedule.

South Lake Union Fire Station (\$20 million - \$30 million)

The South Lake Union area has experienced significant growth in the last decade, and an increase in the density of both structures and people in the neighborhood. Historically, SFD has provided emergency response for the area with overlapping coverage from as many as four fire stations. However, the higher demand for emergency services and the need for faster response times to the area now justify a station specifically for that neighborhood. Conceptual planning considers building a new facility with three response units on a new site in the South Lake Union neighborhood, adding approximately 13,000 square feet of capacity to the City's emergency response infrastructure. This station could include the freshwater fireboat if located on Lake Union.

Police Harbor Patrol Site Redevelopment/Marine Emergency Response Facility (\$15 million - \$30 million)

The Police Harbor Patrol Unit deploys 10 patrol boats and 26 officers out of a 3,600 square foot facility originally designed for one patrol boat and nine officers. The existing 80-year-old facility on Lake Union is beyond its useful service life and cannot be modified to adequately accommodate the current staffing and the specialized gear of the Harbor Patrol unit. This project will consider site redevelopment options to meet the current and future needs of the Harbor Patrol. This project may also be an opportunity to assess a co-location for the freshwater fireboat currently moored in Elliott Bay, as SFD is seeking a more central location on Lake Union to improve emergency response times to calls on both Lake Union and Lake Washington.

Haller Lake Complex Redevelopment (\$50 million - \$80 million)

The Haller Lake Complex is home to a FAS Vehicle Maintenance Shop, the north end operations for the SPU Drainage and Wastewater Maintenance crews, the north end operations of the SDOT Road

Maintenance crews, a FAS Fueling Station, and a SPU Household Waste Collection Site. The buildings on the site range from 30 to 50 years old and none have been renovated. The facilities are undersized and/or ill-configured for current operations. The building systems are significantly beyond their useful service lives and are energy inefficient. Building exteriors are consistently in poor condition, with significant water and outside air intrusion issues. Site drainage is significantly substandard, and discharges to receiving waters. This project would demolish and replace several buildings at the site, and install environmentally sustainable drainage infrastructure.

Fire Headquarters Relocation (\$75 million - \$80 million)

This project provides for the design and construction of a new facility that will consolidate the Fire Operations and Fire Marshal's Office functions at the site of the new Fire Station 10, where space is available for this purpose. Both in Pioneer Square, the Fire Marshal's office is in leased space while the Fire Department Headquarters is located in the old Fire Station 10, a seismically vulnerable building in a liquefaction zone. In a seismic event, the building – and the Fire Department command and control staff – is at considerable risk. At 80 years old and at the end of its useful service life, continued use of this building will require substantial reinvestment in all building systems, as well as substantial seismic retrofit. Even with retrofit, the liquefaction zone means the building will likely be inoperable after an earthquake. The project will keep Fire Department staff safe in the event of an earthquake and co-locate important fire command and control functions.

Police Firing Range Safety (\$0.4 million - \$30 million)

The Police Firing Range is a 40-year-old facility originally designed and constructed when high-powered weapons were used only by the military in combat situations. Today, the use of high-powered weapons is more prevalent in law enforcement, and these weapons demand frequent and consistent practice to master use. Because of SPD's operational interest in the facility, and because of the difficulty in siting such a facility within city limits, the City has an interest in addressing the issues of containment of both lead and high-powered ammunition at the existing site. Costs for excavating existing metal-contaminated soil and constructing enhanced protection start at \$0.4 million, and escalate depending on the comprehensiveness of the improvements. Constructing a fully enclosed replacement facility could cost \$30 million.

Freshwater Fireboat Siting (\$ unknown)

This project locates a site and designs a small facility on Lake Union from which the Fire Department will operate a freshwater fireboat. The scope of the construction project will include any waterfront improvements – such as bulkheads, docks and piers – necessary to properly moor the vessel. The freshwater fireboat is currently moored at Fisherman's Terminal in Interbay and responds to emergency calls on both Lake Union and Lake Washington from that location. To more centrally locate the fireboat unit and improve emergency response times, SFD would like to have a base of operations for the boat on Lake Union. A 2008 study estimated it would cost between \$2 million and \$8.1 million to develop such a facility at the NOAA site on Lake Union. A freshwater fireboat facility could be co-located with Harbor Patrol or a new South Lake Union fire station. As is the case with the Police Harbor Patrol Site Redevelopment/Marine Emergency Response Facility project, this project requires additional analysis by CBO and FAS with assistance from Police and Fire.

Sustainability (\$ unknown)

The City has articulated a variety of energy efficiency goals for its buildings, including the “20 by 20” effort to reduce energy use by 20 percent by 2020 and the “2030 Challenge” to reduce greenhouse gas emissions. Substantial progress on these goals has been made through raising sustainability standards for new buildings and executing projects to replace inefficient systems where energy savings alone justify the project costs. Few projects remain that are justified purely on a cost-avoidance basis. Future savings will likely come from replacing failing building systems, such as full exterior replacements (windows, exterior cladding, insulation upgrades), boilers and roofs, with much more energy-efficient systems. It may also

require accelerating the replacement of these building systems to meet the timeline of the goals. Both these approaches will require funding in addition to current asset preservation levels.

Replace the City of Seattle’s Human Resources Information and Payroll System (\$30.5 million - \$35.5 million)

HRIS/Payroll supports the City’s functions related to Payroll Processing, Human Resource and Benefits Administration. The system, originally implemented in 1995 at a cost of \$10 million, has been upgraded six times: in 1997, 1999, 2001, 2003, 2006 and 2010. There is no known end date for support for the current version, ADP’s version EV5. However, ADP has indicated its new business strategy will be to offer this software as a service (i.e., a “cloud-based solution,” meaning all the software and information are stored on ADP servers, accessible over the Internet) vs. providing on-premises software the City would own. This change in business strategy requires the City to decide by 2016 to either re-implement with ADP or select another vendor to provide software to replace HRIS, Payroll, Benefits Administration and Employee Self Service. If the City decides to replace the system, this work would begin in 2018 and be completed by 2019. If significant business process reengineering or redesign efforts are undertaken related to this business function, the costs associated may need to be revisited. The cost estimates provided assume minimal business process change.

Replace the City of Seattle’s Oracle/PeopleSoft Enterprise Budget System (\$10 million)

The Summit Budget System supports the development of the Parks Department Budget. The current Budget System is on Oracle PeopleSoft version 9.0. Rather than upgrade this system to version 9.1, which will be the final version in this product line, it is more cost effective in the long run to replace it with a new state-of-the art budgeting solution. Replacing the system also gives the City the opportunity to expand the budget system to other departments or Citywide. If significant business process reengineering or redesign efforts are undertaken related to this business function, the costs associated may need to be revisited and adjusted. The cost estimates provided assume minimal business process change.

Replace the City of Seattle’s License Information System (SLIM) (\$5 million)

This project replaces the SLIM system, which manages the issuance and renewal of business licenses and the collection of revenue from fees and taxes. SLIM is outdated and can no longer adequately meet the needs of expanding business license, tax collection and enforcement processes. This project is dependent on the Multi-City tax portal project and is targeted to begin in 2015.

Section 7 - CIP Revenue Sources

Cumulative Reserve Subfund (CRS) - Asset Preservation Subaccount (00168)

FAS is unique in that the FAS CIP contains an asset preservation program established by Council Resolution Number 30812. For decades the City’s resource for funding major maintenance work was REET. The volatility in REET revenues year to year, along with competing priorities for capital dollars Citywide, meant there was infrastructure replacement work that did not get done. This resulted in a “run-to-failure” approach to facilities maintenance with little attention given to more proactive measures based on priority assessments and life cycle/cost benefit analyses of the building. To supplement the REET resource, in 2005 the Executive and City Council created a new FAS asset preservation program. The AP Subaccount (00168) resides in the Capital Projects Account of the Cumulative Reserve Subfund. It is designated for FAS’ use; no other department may access funds in the subaccount. Revenues to the subaccount derive from a portion of the per-square-foot space rent charge that FAS levies on its tenant departments. Each year FAS is responsible for depositing the collections attributable to the asset preservation program into the subaccount. The \$4 million annual collection for asset preservation projects (i.e., exterior replacements; mechanical, electrical, plumbing replacements; upgrades), was set in 2005, and is somewhat lower than that recommended by the consultants who participated in program development.

2003 Fire Facilities Fund (34440)

A large portion of the funding for FAS CIP work comes from the 2003 Fire Facilities Fund (34440). As established in Ordinance 121230, the City collected \$167.2 million from 2004 to 2012 for the 2003 Fire Facilities and Emergency Response Levy Program. The original levy program included an additional \$29.7 million from other planned resources, including land sale proceeds, grant proceeds and non-interest bearing receipts from SPU for the Joint Training Facility.

The overall cost of the Fire Facilities and Emergency Response Levy Program is currently at \$308 million. The difference between the initial \$196.9 million levy program and the final estimate of \$308 million is most notably caused by the \$67.7 million that was funded by REET I in 2006 and LTGO in 2008 to address unprecedented cost escalation in the local construction market, low project estimates and LEED certification requirements. Other funding has been added to the program over the course of its execution to address specific scope adjustments. The primary funding sources for the program are Levy Tax Proceeds, Long-Term General Obligation Bonds (starting in 2008), REET I and Grant.

LTGO Bonds

Fire Levy – A 2013-2016 \$36.4 million commitment of Long-Term General Obligation Bond funding contained within the FAS CIP is dedicated to the execution of the Fire Facilities and Emergency Response Levy Program. The FAS capital plan for the program continues to assume full funding for all remaining projects, including those deferred in 2009 due to the decline in REET revenues and those projects delayed in 2011 due to the restructuring of the 2010-2016 Proposed CIP. As strains on the City's financial status continue to evolve, FAS will work closely with CBO to ensure the delivery of the Fire Facilities and Emergency Response Levy Program.

North Precinct Station – The design and construction of the new North Precinct station is proposed to receive LTGO bonds beginning in 2014 through 2019 totaling approximately \$88.5 million.

Information Technology Projects – Included in the FAS CIP, three information technology projects (SLIM, HRIS, SUMMIT) are proposed to receive LTGO bonds and future bond funds of approximately \$50 million to execute over a three-year period.

CRS-REET 1

The payment of debt service on bonds issued to cover a portion of the costs associated with the 2003 Fire Facilities and Emergency Response Levy Program will continue as planned and in response to funding changes as the levy progresses through its completion schedule. Also, ongoing preservation programs that involve major maintenance projects that focus on extending the life or operational capacity of an existing facility typically have been funded by REET I. More recently, REET funding has been provided for the FAS Americans with Disabilities Act (ADA) Improvement Program and various new or major renovation facility projects.

Land Sale Proceeds

Proceeds from the future sale of Fire Station 6 and Fire Station 39 are planned revenue sources for the Fire Levy program in the 2014-2019 proposed CIP.

Section 8 - CIP Spending by Major Category

FAS proposes using three of the thematic priorities discussed in Section 3, Thematic Priorities for the FAS 2014-2019 CIP. See Section 3 for examples of projects that would fit into each category.

1. Investments that Create or Enhance Operational Efficiencies/Effectiveness
2. Asset Preservation
3. Federal or State Requirements

Note: Per the Race and Social Justice Initiative, FAS integrates the City’s social equity contracting requirements into all aspects of the execution of CIP projects; therefore, there is not a separate list of projects that are uniquely categorized as RSJ.

Summary of FAS 2014-2019 CIP Table by Proposed Thematic Categories (\$000)

Thematic Priority	2014-2019 CIP Budget
Operational Efficiencies/Effectiveness	\$173,100
Critical Infrastructure Upgrades: SMT	\$4,800
Critical Infrastructure Upgrades: EOC/WP	\$2,300
Customer Requested Tenant Improvement Program	\$21,000
Fire Facilities and Emergency Response Program	\$28,374
Facility Projects Planning	\$750
Maintenance Shops and Yards	\$2,552
Multi-City Portal Project	\$1,000
Public Safety Facilities – Fire	\$9,544
Public Safety Facilities – Police	\$84,524
Seattle License Management System Upgrade	\$5,000
Summit Upgrade	\$13,256
 Asset Preservation	 \$22,320
Asset Preservation	\$22,320
 Federal or State Requirements	 \$1,049
ADA Improvements – FAS	\$672
ADA Improvements – Citywide	241
Garden of Remembrance	\$136
 Grand Total	 \$196,469