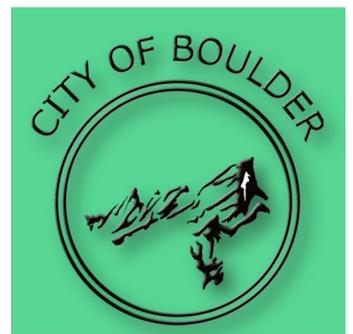
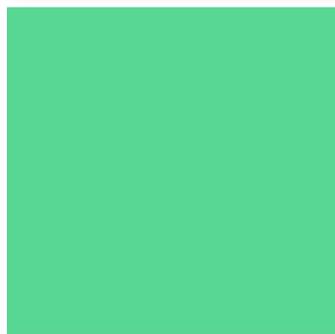
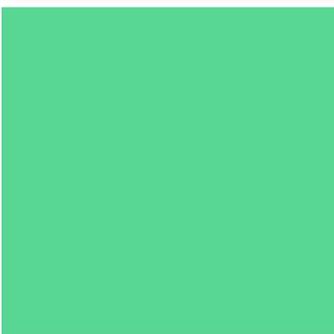
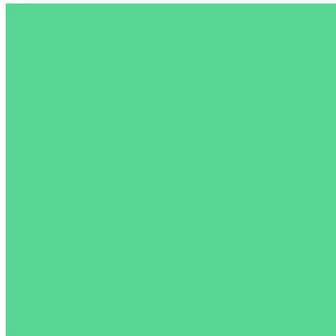
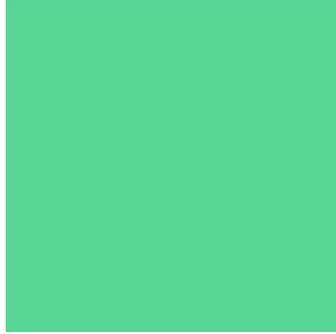


# 2005 FAM Master Plan



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Available online at <http://www.ci.boulder.co.us/publicworks/depts/disfam/>

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## INTRODUCTION

The Facilities & Asset Management (FAM) Master Plan focuses on the major challenges related to General Fund facilities facing the city through the year 2014. The goal is to establish proven methods of facility management for our assets and promote cost-effective programs that provide safe, clean and efficient environments for the public of Boulder and city staff. The format of this master plan has changed significantly since initially adopted on Aug. 6, 1996 to take advantage of improvements in technology, to incorporate the City of Boulder Business Plan and to implement a method to keep information up-to-date. Specifically, the city's Web site [ <http://www.ci.boulder.co.us/publicworks/depts/disfam/> ] will host the mapping, background and administrative portions of this plan, thereby allowing for periodic updates.

### Why Do This Update?

This master plan is being updated after eight years of experience in operating city facilities. It reflects the changes in facility inventory caused by construction and purchase of additional facilities, expansion of existing facilities, and the transfer of some facilities previously assigned to the General Fund to the Open Space & Mountain Parks Department.

### Who is FAM?

The Facilities & Asset Management workgroup is part of the Development & Support Services Division of the Public Works Department. It was formed in 1994 for the purpose of better managing city facilities. Today, FAM directly maintains over 100 facilities worth more than \$80 million. FAM's mission is to coordinate and in some cases directly manage the maintenance and replacement of city facilities and equipment. In 2003, the Facilities & Asset Manager position was expanded to include management of Fleet Services.

## Master Plan Goals and Objectives

### 2014 Goals

- Properly manage existing facilities assigned to FAM by using the established Facility Management System.
- Serve as a model for other departments in the management of facilities not assigned to FAM.
- Assign responsibility and provide planning for the maintenance and renovation of parking lots, driveways, walkways, plazas, outdoor lighting and other land improvements that directly support municipal facilities.
- Promote the efficient and effective use of existing space.
- Implement environmental sustainability and energy-saving improvements to support Council goals and initiatives.
- Coordinate with other departments whenever facilities are approved by City Council for construction or remodeling.
- Implement programs and policies to efficiently operate facilities.
- Provide funding options and recommendations for the eventual replacement of buildings.

### 2014 Objectives

- Maintain the maintenance backlog at less than \$4 million.
- Responsively address ongoing maintenance and repair needs.
- Maintain facilities in a safe condition and in compliance with applicable codes and regulations.
- Provide for the inspection and periodic renovation of buildings and major building components when they reach the end of their expected service life.
- Properly prioritize facility maintenance, renovation and replacement needs to best utilize available resources.
- Provide appropriate custodial care to clean and sanitize facilities.

FAM works with Police, Fire, Parks & Recreation, Library, and other departments to determine facility maintenance, renovation and replacement needs and priorities for all General Fund facilities. FAM has also applied the principles in the City of Boulder Business Plan to determine essential, desired and discretionary priorities. FAM assists other departments in the management of their facilities and routinely provides information on facility management practices, changing laws and regulations, and maintenance of building systems and equipment. FAM also provides facility construction and project management services to all city departments.

FAM uses a hybrid approach to managing General Fund facilities for the city of Boulder. This means that FAM is directly responsible for maintenance, renovation and replacement of 62 buildings (centralized approach), and at the same time, FAM is indirectly or partially responsible for providing these services in 55 buildings (decentralized approach). In the decentralized approach, other departments are directly responsible for some maintenance, renovation and replacement in their buildings and FAM is only involved to the extent the department desires FAM's involvement. (An agreement is established via a memorandum of understanding - an MOU.)

## WHAT IS A FAM MASTER PLAN?

The FAM Master plan is the city's long-range blueprint for facility management of the city's assets. Originally adopted in August 1996, the plan was updated and accepted in February 1998 to include all Parks & Recreation facilities in response to City Council direction that the FAM Master Plan include all General Fund facilities in its scope. There are a total of 117 General Fund facilities as compared to 372 facilities citywide. The current replacement value (CRV) of General Fund facilities is approximately \$81.7 million as compared to \$320.7 million citywide. General Fund facilities measure approximately 682,000 gross square feet (SF) as compared to 2.6 million SF citywide.

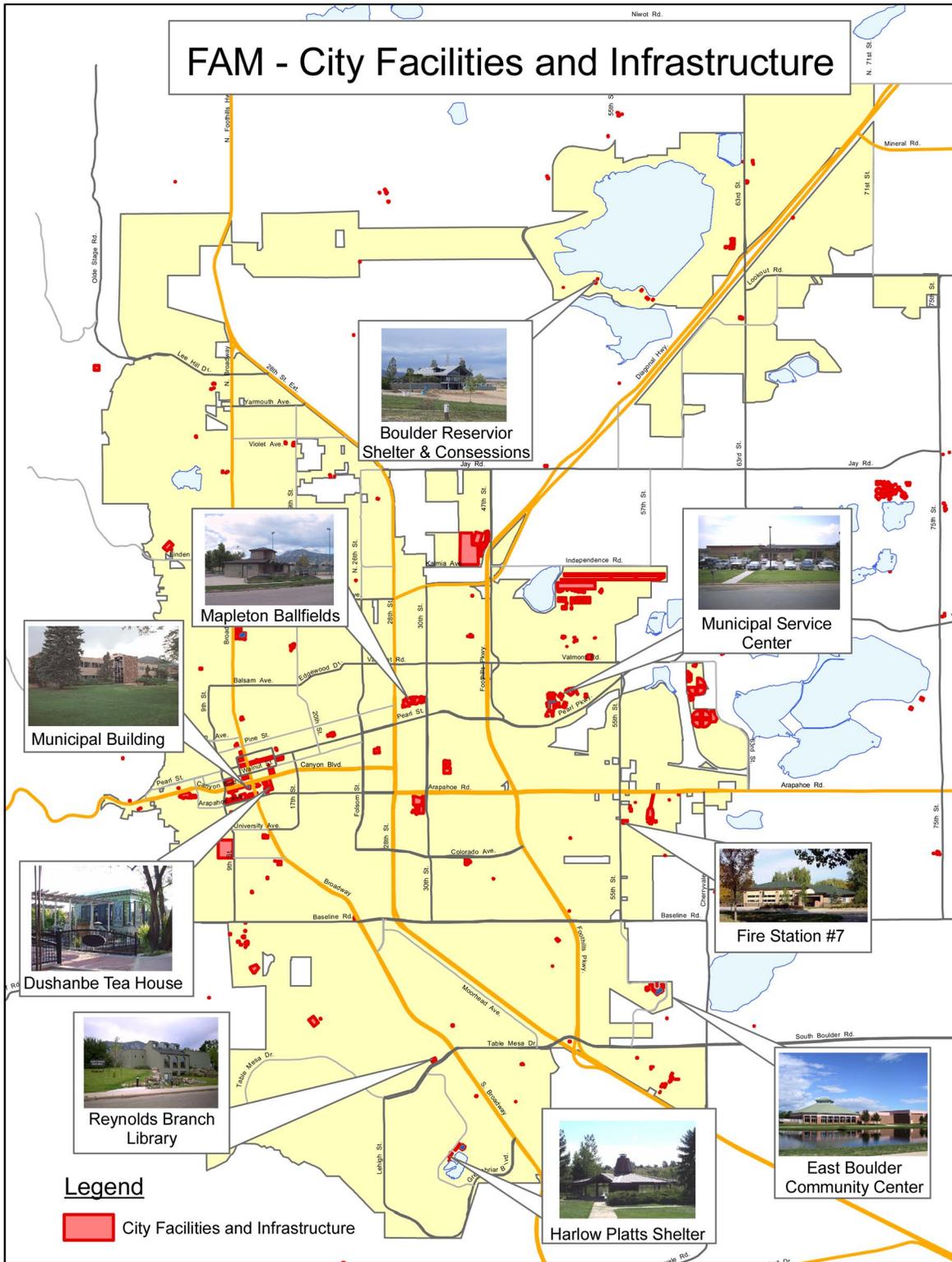
### What Does the FAM Master Plan Contain?

- Background on FAM and how FAM is funded
- Policies and priorities related to FAM
- An investment program of proposed projects within our funding limitations
- Strategic actions to address key issues
- Performance Measures

### How Does the FAM Master Plan Affect Daily Life in Boulder?

- Models energy efficiency and new technologies - North Boulder Recreation Center Solar System and LEED Silver certification
- Provides safe, clean and efficient facilities to meet public needs and uses
- Coordinates municipal facility construction projects to meet new and existing needs
- Preserves historic city-owned facilities
- Supports economic and cultural activities such as the Boulder-Dushanbe Teahouse and the Dairy Center for the Arts
- Provides high-quality design for municipal projects that are reviewed by LPAB and DDAB as appropriate.

# FAM - City Facilities and Infrastructure



See Appendix 1 for a list of all FAM facilities  
 See Appendix 2 for an alphabetical list of all City facilities

## How Does the FAM Master Plan Fit Into Citywide Planning Efforts?

The FAM Master Plan fits under the broader umbrella of the Boulder Valley Comprehensive Plan (BVCP) and supports several goals and initiatives outlined in the BVCP including sustainability, environmental, and facilities and asset management goals. In the preparation of this master plan, all currently adopted master plans and proposed capital improvement projects (CIP) were reviewed to ensure that information related to all General Fund facilities is referenced in this master plan. Departmental master plans and strategic plans will determine the priority of programs and required facilities and will address operating costs. FAM uses this information to plan and prioritize CIP projects. This revision of the FAM Master Plan will not present detailed information on these facilities. Information is available online and in a new online mapping tool that is on the city's Web site.

## What has changed since the 1998 Master Plan?

- FAM has chosen a 10-year period for this master plan rather than the standard 15-year period due to the large number of master plans and strategic plans scheduled for completion in the next two to three years.
- Two important funding sources will sunset in 2011 (.38 cent sales tax) and 2015 (.25 cent sales tax). Thus, a replacement funding plan and/or a significant reprioritization of work will be needed.
- Maintenance backlog has been reduced from \$5.5 to \$3.5 million.
- Facility conditions improved from a rating of "fair" to "good."
- In 2001, FAM assumed permanent responsibility for maintaining most major Parks & Recreation facilities.

## What is LEED?

The LEED (Leadership in Energy and Environmental Design) Green Building Rating System® is a voluntary, consensus-based national standard for developing high-performance, sustainable buildings. LEED criteria are based on nationally recognized standards that evaluate all aspects of a project to determine the overall environmental effects of the project. LEED certification distinguishes a project as demonstrating leadership in "green building" design and construction. Lessons learned from these larger projects are implemented in smaller maintenance and renovation projects. In addition, the USGBC is developing other programs such as LEED certification for existing buildings (LEED-EB) and LEED certification for commercial interiors (LEED-CI) to address similar concerns in existing buildings, core and shell construction, tenant finish construction and in other areas.

## What are the Sustainability Goals?

The principles of sustainability are addressed in the FAM Master Plan Update by:

- Incorporating USGBC LEED criteria in all new construction and major renovation projects
- Through the Community Environmental Assessment Process (CEAP) process
- Through training and operational policies and procedures
- Participating as a PACE partner and issuing a detailed waste management procedure for all process areas. On larger projects, a waste management plan is required from the General Contractor before the project begins to ensure all wastes are minimized and managed properly
- Recommending energy-saving projects to the maximum extent possible within funding limitations. Projects include high efficiency HVAC equipment, adding roof insulation, installing computerized HVAC control equipment, and others

- In 2004, FAM began performing ongoing maintenance and custodial services at all Library facilities under a Memorandum of Understanding (MOU). This agreement has been extended through 2005.
- In 1998, FAM was responsible for 13 buildings. As of 2005, FAM is responsible for over 100 buildings.
- Over \$2.2 million in energy-saving projects have been completed since 1998.
- Some facilities were reassigned from the General Fund to Open Space/Mountain Parks.
- Privatization of services has expanded from 60 percent to 65 percent.
- Several major projects and major facility additions have been completed. (See sidebar on page 7 for more information.)

## INVESTMENT PROGRAM

### How is FAM Funded?

FAM's annual operating budget of approximately \$3.2 million is primarily funded by the General Fund (Fund 010 - approximately \$2.8 million in 2005). Approximately \$400,000 is provided annually from the .25 cent sales tax fund (Fund 118) for maintenance of some Parks & Recreation facilities. FAM also receives approximately \$450,000 per year from the Capital Development Excise Tax Fund (Fund 110) to complete growth-related projects. Funding for FAM and how FAM uses the funds is provided in the graph on page 8. FAM charges individual projects directly for project management and associated project costs.

It should be noted that two funding sources that provide funding for FAM are scheduled to expire in the next 10 years and will need to be replaced with other funding sources, or additional reductions in service levels will be necessary. Specifically, the .38 cent sales tax that provides approximately 10 percent of the revenues for the General Fund in 2005 will expire in 2011. The .25 cent sales tax which provides approximately \$400,000 annually to FAM for maintenance of

**Current Replacement Value (CRV)** – The current cost of constructing a facility and is equivalent to the insured replacement value.

### Major Projects Completed from 1998 to Present:

- Pearl Street Mall rehabilitation and restroom replacement
- North Boulder Recreation Center (NBRC) reconstruction and installation of solar hot-water system
- Atrium building rehabilitation and HVAC replacement
- Spruce Pool replacement
- Preservation of BMoCA in partnership with the Colorado Historical Society
- Y2K implementation and upgrades to electrical systems at fire stations and the Public Safety Building
- Rehabilitation of Fire Stations #1 and #2

### Major facility additions to the General Fund:

- Acquisition of the Dairy Center for the Arts
- Acquisition of Tom Watson Park
- Acquisition of Valmont Butte Mill
- Construction of Foothills Community Park
- Construction of Boulder – Dushanbe Teahouse
- Construction of Fire Station #7
- NBRC new addition

### How are Facilities Funded?

The majority of FAM's funding comes from the General Fund to provide services to facilities. The General Fund also recovers the cost of providing services from restricted funds, enterprise funds and other funds through a cost allocation process. This process assures that each fund pays its share of costs for use of facilities and services.

Parks & Recreation facilities expires in 2015. The .25 cent sales tax was approved in 1995 by voters to be collected for a period of 20 years for various Parks & Recreation initiatives. Looking ahead, the extended .15 cent sales tax which provides approximately \$85,000 annually to FAM for MM/FRR will expire in 2024.

### FAM also manages two internal service funds

1. Equipment Replacement Fund (Fund 640) for the replacement of capital equipment citywide (individual item value of >\$5,000).
2. Facility Renovation & Replacement Fund (Fund 650) for facility renovation and replacement projects costing more than \$3,000 and for other projects that have not been accounted for in any other city CIP submitted.

## INVESTMENT STRATEGY

### Investment Programs

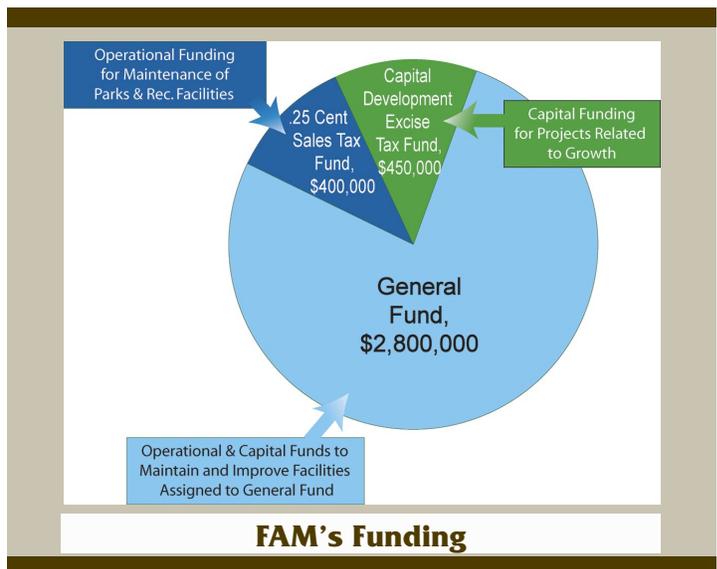
The FAM Master Plan presents three investment programs based on different levels of funding: the Current Funding (Fiscally Constrained) Plan, the Action Plan and the Vision Plan. These programs implement the policy direction of the Master Plan at the three funding levels.

### Investment Policies

#### Current Funding (Fiscally Constrained Budget Plan)

The Current Funding program reflects an investment strategy fixed at current funding levels and assumes no increases in funding will occur through 2014. FAM currently manages facilities using the Current Funding program. Estimated funding through 2014 is shown in Appendix 4.

The Current Funding program has less funding for Operations and Maintenance (O&M) than the other two options. This translates into a reduction in service levels. In addition, this has resulted in using a portion of funds intended for Major Maintenance/Facility Renovation &



### Investment Strategies

**Current Funding:** fiscally constrained business plan (where we are today). Current funding levels for O&M allow Essential Facilities to be maintained at industry standards and other buildings to receive less maintenance, based on available funding. There are approximately 30 Essential Facilities in the General Fund.

**Action Plan:** provides additional funding so that the 2% CRV goal for MM/FRR (major maintenance / facility renovation and replacement) and the 2.5 percent CRV goal for O&M (operations and maintenance) are realized by 2014. The Action Plan provides industry standard levels of maintenance at all facilities maintained by FAM.

**Vision Plan:** same as the Action Plan except the goal for O&M increases from 2.5 percent CRV to 3 percent CRV. The Vision Plan provides funding for ideal levels of maintenance, primarily surface finishes, signage, etc. at city facilities. It also provides adequate levels of maintenance, renovation and replacement for land improvements and expected growth.

Replacement (MM/FRR) to supplement O&M funding when essential needs arise and when problems are found that need to be corrected at an early and less expensive stage.

In order to prioritize needs with limited funds, facilities have been categorized as either essential or non-essential. Essential Facilities will be maintained to industry standard service levels. The remaining facilities will be maintained at a level below industry standards commensurate with available funding. Equipment in non-essential facilities will increasingly be maintained using a method known as “breakdown maintenance” where the equipment is operated until the problem becomes severe enough to place the equipment out of commission and in a deferred maintenance status until funding is available. This approach is not sustainable and will lead to an increased maintenance backlog and degraded facilities.

#### **Under the Current Funding Program:**

- Surface refurbishment schedules have been extended to their maximum limit (10 years or more).
- Implementation of Phases I and II of the Municipal Service Center (MSC) Facilities and Site Plan will occur. This is considered to be the minimum amount of modifications necessary to continue efficient operations at the MSC. Funds will be provided by the sale of land and by the Capital Development Excise Tax Fund.
- Fourteen facilities would be maintained and improved, i.e., New Britain Building HVAC replacement and Fire Station #4 rehabilitation.
- Two facilities to be replaced or refurbished: Main Library Plaza Refurbishment and Stazio Tensile Canopy Fabric Replacement.
- Two facilities to be constructed, i.e., Fire Training Center and General Storage Facility.

### **Essential Facilities**

Facilities necessary to sustain the most basic core of city services, such as public health and safety, and/or comply with federal or state laws.



**Glen Huntington Bandshell**

### **Backlog**

An accumulation of uncorrected or deferred deficiencies that represent a liability (in both physical and financial terms) for a facility. These items include maintenance deficiencies, equipment or systems overdue for replacement, etc. Future maintenance items, planned replacements and efficiency improvements are not part of the backlog.

### **Action Plan Funding Options**

**Option 1:** Slowly increases funding levels each year until the CRV goal is reached in 2014.

**Option 2:** Increase funding to the recommended level in two smaller steps -- \$90,000 in 2006 and \$90,000 in 2010 for O&M; \$262,000 in 2007 and \$262,000 in 2012 for MM/FRR.

**Option 3:** Increase funding to the recommended level in one large step -- \$180,000 in 2006 for O&M and \$525,000 in 2007 for MM/FRR.

- To construct a Recycling and Storage Facility at the Municipal Service Center in 2008, the project would be entirely funded by the Capital Development Excise Tax Fund (Fund 110). The Recycling and Storage Facility would address the issue of insufficient and improper storage space. The facility would be approximately 5,200 square feet and include eight large storage bays. The proposed facility would be designed to use space efficiently, have an environment suitable for storage of records with longer retention requirements (dust, temperature, and humidity controls), and would establish an area to segregate abandoned items recovered by the city until they can be characterized and properly disposed.

### Action Plan

The Action Plan represents the next best step towards reaching a sustainable level of maintenance, renovation and replacement in existing General Fund facilities.

- Raises existing O&M service levels to coincide with recommended industry standards. (This level of service corresponds to 2.5 percent CRV annual funding.)
- Increases MM/FRR funding to the service standards accepted by City Council in 1998 (2 percent of CRV).
- Keeps the maintenance backlog below \$4 million. (This amount of backlog represents the transition point where the city's General Fund facilities would no longer be rated in "good" condition overall but would be rated in "fair" condition.)
- Implements Phase III of the Municipal Service Center (MSC) Facilities and Site Plan. Funds will be primarily provided by the sale of the 6.6-acre parcel, supplemented by Public Works/Transportation and Utilities funds.
- Two facilities would be maintained and improved, i.e., Carnegie Library preservation and Flatirons Pro Shop improvements.
- Two facilities may be demolished, i.e., Forestry Complex and The Edge Building.
- Two facilities may be replaced or refurbished, i.e., Fire Station #6, BMoCA Elevator and ADA Restroom Installation.
- Two facilities may be constructed, i.e., Wildland Fire Cache and Additional Fire Apparatus Storage.

### Municipal Service Center (MSC) Facilities and Site Plan

**Phase I** is scheduled for completion in the 2005 to 2006 timeframe. It involves the subdivision, rezoning and sale of a 1.8 acre parcel located immediately south of the area operated by Eco-Cycle, sale of the 2.1 acre Park-n-Ride property along Pearl Parkway, and the purchase and use of approximately 4.66 acres of land adjacent to the Yards.

**Phase II** is planned for completion in the 2007 to 2009 timeframe. It includes the relocation of Eco-Cycle to a new site, deconstruction of the former Boulder Emergency Squad building and construction of additional city storage.

**Phase III** is scheduled for completion in the 2010 to 2014 timeframe. It includes sale of the 6.6 acre parcel along Pearl Parkway and the possible purchase of additional land. Purchase of additional land and construction of any additional facilities is conceptual at this point and will depend largely on the amount of funding available after the land sale/purchase transactions are finalized. Major facilities needed include: additional covered storage, contractor staging area, light pole storage, multi-use asphalt pad, and additional materials storage.

See Appendix 6 for more information.

## COMPARE INVESTMENT PROGRAMS AT A GLANCE

CURRENT FUNDING PLAN	ACTION PLAN	VISION PLAN
<b>Operations &amp; Maintenance</b>		
<ul style="list-style-type: none"> <li>• Essential Buildings - perform all preventive and corrective maintenance.</li> <li>• Non-Essential Buildings - only perform preventive and corrective maintenance on health and safety systems.</li> <li>• Surface Finishes - minimal operations and renewal.</li> </ul>	<ul style="list-style-type: none"> <li>• Essential Buildings - perform industry standard level of preventive and corrective maintenance all buildings.</li> <li>• Non-Essential Buildings - perform industry standard level of preventive and corrective maintenance all buildings.</li> <li>• Surface Finishes - limited operations and renewal at 10 year intervals.</li> </ul>	<ul style="list-style-type: none"> <li>• Essential Buildings - perform optimum levels of preventive and corrective maintenance in all buildings.</li> <li>• Non-Essential Buildings - perform optimum levels of preventive and corrective maintenance in all buildings.</li> <li>• Surface Finishes - full funding for operations and replacement at seven year intervals.</li> </ul>
<b>Major Maintenance / Facility Renovation &amp; Replacement</b>		
City Council Accepted Service Level		
<p>Buildings: 1.4% Land Improvements</p>	<p>Buildings: 2.0% Land Improvements</p>	<p>Buildings: 2.0% Land Improvements: 2.0%</p>
<b>Maintenance Backlog in 2014</b>		
<p>\$6.7 Million</p>	<p>\$2.5 to \$4.3 Million* <i>*depends on how soon funding can be restored</i></p>	<p>\$2.5 to \$4.3 Million or less</p>
<b>Overall Condition of General Fund Facilities in 2014</b>		
<p>Buildings: Fair Land Improvements</p>	<p>Buildings: Good Land Improvements</p>	<p>Buildings: Good Land Improvements: Good</p>
<b>Energy Saving Projects</b>		
All projects with less than 3 year simple payback will be completed.	All projects with less than 5 year simple payback will be completed.	All projects with less than 10 year simple payback will be completed.
<b>Other Services</b>		
<ul style="list-style-type: none"> <li>• Current Services - not sustainable with present building inventory</li> <li>• Administrative Functions &amp; Staff Training - sub-standard</li> </ul>	<ul style="list-style-type: none"> <li>• Current Services - sustainable with present building inventory. Some growth accommodated.</li> <li>• Administrative Functions &amp; Staff Training - industry standard</li> </ul>	<ul style="list-style-type: none"> <li>• Current Services - sustainable; can meet planned needs related to growth identified in other master plans.</li> <li>• Administrative Functions &amp; Staff Training - optimum</li> </ul>

## Vision Plan

The Vision Plan will take longer than 2014 to support financially. This is reflected in Appendix 4. The Vision Plan includes the Action Plan and would also:

- Reach desired service levels of O&M (3 percent CRV) when funding is available. The 3 percent CRV annual funding level would increase service levels to optimum industry standards. The largest component of this level of service would be restoring surface refurbishments to a 7-year schedule.
- Maintain the 2 percent CRV target for MM/FRR.
- Implement a maintenance, renovation and replacement program for land improvements. FAM recommends funding be provided as part of the replacement/extension of the .38 cent sales tax in 2010 or 2011.
- Identify land improvement needs, funding options, future funding needs and options related to eventual building replacements when they reach the end of their expected service lives
- One facility may be maintained and improved, i.e., Mustard's Last Stand ADA Improvements.
- No facilities would be replaced or refurbished.
- New facilities may be constructed, i.e., Fire Station #8.

## TWO KEY ISSUES



**1. Ongoing Operations and Maintenance (O&M) – Planned funding is inadequate as compared to industry standards.**

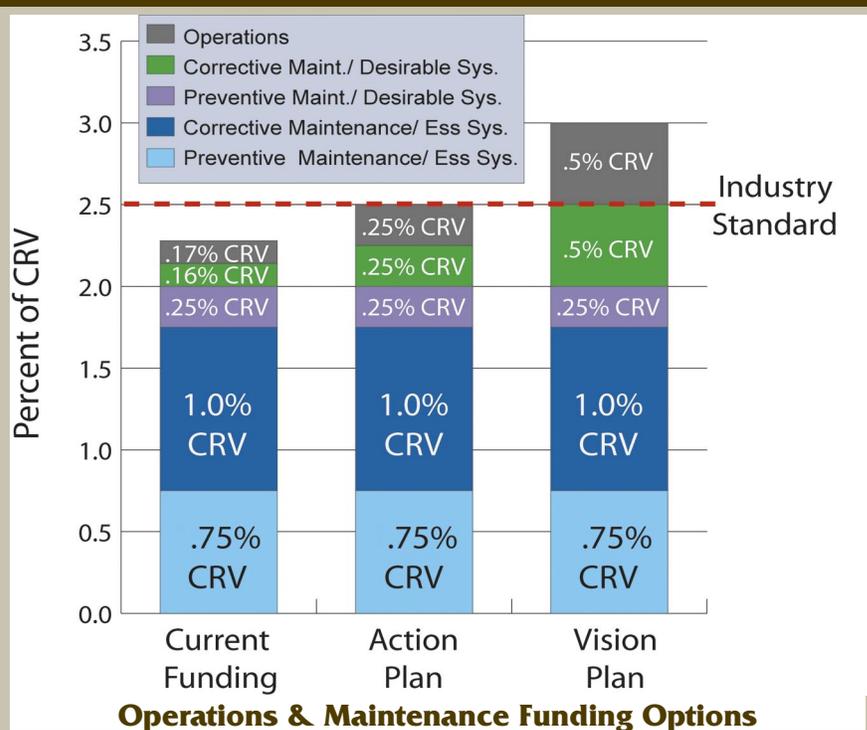
**The O&M program includes:** preventive maintenance on building systems and support equipment; surface refurbishments (carpet, paint, etc.); corrective maintenance needed to restore systems and

## Service levels and associated funding at 2.5 percent CRV proposed in the Action Plan

- Recommended industry standard levels of O&M. (American Public Works Assoc.)
- Recommend the Action Plan be supported with additional resources as they become available.
- The maintenance backlog will be kept below \$4 million.
- Recommend extending or replacing sales tax-based funding sources when existing sources sunset.

## Issues identified in the Vision Plan and the eventual need for additional funding.

- The long-range facility replacement plan is outlined in Appendix 5.
- FAM will be working with other departments on identification and assignment of responsibility for maintenance, renovation and replacement of land improvements.



FAM outsources approximately 65 percent of its services. Ten percent cost increases per year are common in highly technical fields.

Building material costs rose sharply in 2004 due to increased global demand for these products.

equipment to operation within their designed service life; and normal facility operations such as unlocking buildings, room occupant signage, key services, etc.

The current funding levels for operations and maintenance are inadequate. This situation has occurred due to **increasing operational needs** and **reduced funding levels**. The condition and appearance of facilities is expected to worsen in the future if actions are not taken to restore funding.

### **Increased Operational Needs**

- Construction and acquisition of additional space such as: the addition to the North Boulder Recreation Center, purchasing the Dairy Center for the Arts, purchasing the Valmont Butte Mill, accepting Tom Watson Park, construction of Foothills Community Park, etc.
- Expanded security systems and processes for staff and vendors including installing physical barriers, installing card access systems, implementing security policies and procedures, etc.
- Increased focus on indoor air quality, waste management, wildlife management, stormwater management, as well as other environmental initiatives, concerns and programs.
- Increased energy costs including electricity, natural gas, diesel fuel and gasoline.
- Higher costs to contractors and vendors for labor and building materials averaging 5 percent to 10 percent per year.

### **Reduced Funding Levels**

Funding levels for O&M were reduced in 2002, 2003 and 2004. In 2004 alone, FAM's O&M budget of \$2,376,240 was reduced by \$473,000 with \$85,000 being restored through 2024 by continuation of the .15 cent sales tax. The net reduction of \$388,000 equates to a reduction of approximately 16.3 percent of FAM's total budget for operations and maintenance at a time when O&M costs are rising 10 percent annually. Specifically, in 2005, O&M funding levels are 2.33 percent of the CRV of General Fund facilities as compared to a recommended service standard corresponding to 2.5 percent CRV. Without action to restore funding, O&M funding levels are expected to drop further due to cost increases.

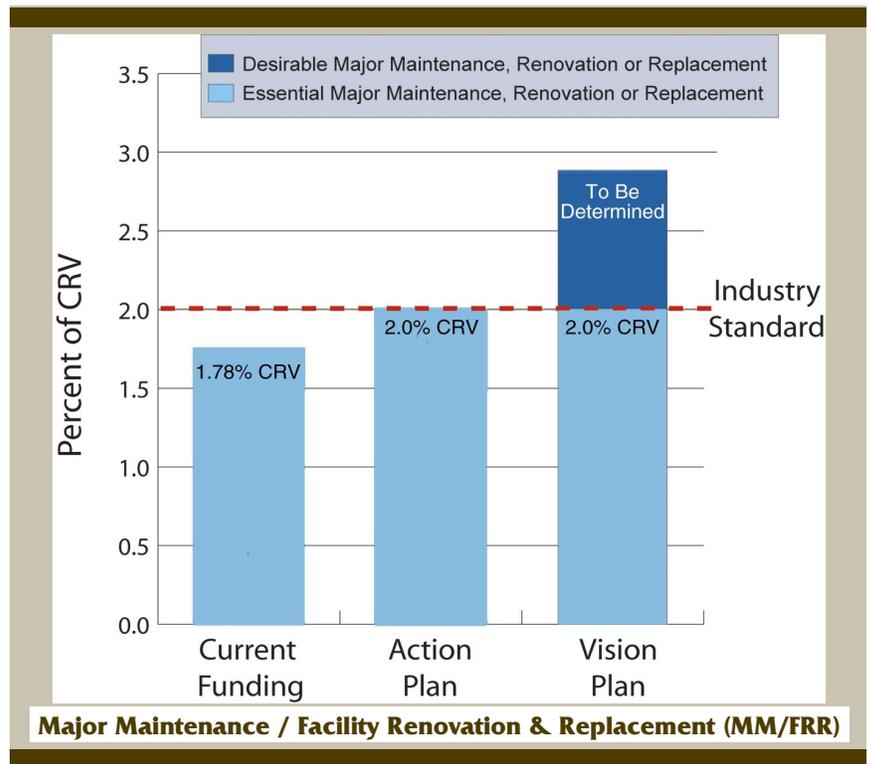


**Chautauqua Dining Hall**

**Current funding:** Because current funds are insufficient to fully fund all of the ongoing O&M, the O&M needs have been prioritized. Under the Current Funding program, all preventive and corrective maintenance will be performed on essential systems in both essential and other buildings. Service levels will decrease steadily until only the essential buildings receive all maintenance and all other buildings will receive only maintenance essential systems.

**Action Plan:** Additional funds identified in the Action Plan would restore funding to the 2.5 percent CRV goal as soon as possible. All preventive and corrective maintenance of essential and desirable systems would be performed in all General Fund buildings to meet the industry standard (2.5 percent CRV).

**Vision Plan:** The funding necessary to increase O&M funding to an optimum level of 3 percent CRV would be provided. This would increase service levels to optimum industry standards. The largest component of this level of service would be restoring surface refurbishments to a 7-year schedule from a 10-year replacement schedule.



## 2. Major Maintenance, Renovation and Replacement (MM/FRR) – Planned funding for MM/FRR is inadequate as compared to Council budget policies and industry standards

### Major Maintenance

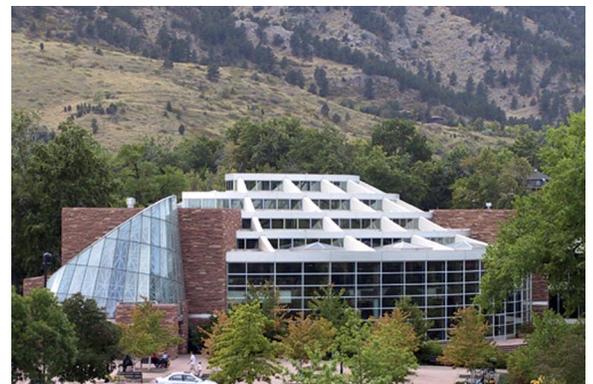
Major maintenance is the operational component of the MM/FRR program and includes those repairs that are above and beyond normal O&M expenses. It provides for corrective maintenance and replacement of facility system components where the cost of each repair exceeds \$3,000 per repair (excluding surface refurbishments).

### Facility Renovation and Replacement

Facility Renovation and Replacement makes up the capital renewal component of the MM/FRR program. It provides:

- scheduled predictive renovation and replacement of building systems and components when they reach the end of their expected service life;
- space renovations due to organizational changes;
- improvements required by codes and regulations;
- may provide partial funding for the eventual addition, replacement or demolition of existing facilities due to age, obsolescence or increased capacity needs.

Part of the Vision Plan is to identify and quantify land improvement needs and to develop a funding plan for them. The funding goals in this master plan do not include all the maintenance, renovation and replacement needs for land improvements such as parking lots, swimming



**Library Main Branch**

pools, ball fields, sidewalks, exterior lighting and other assets. FAM is currently working to inventory these assets and develop maintenance and renovation plans that meet industry standards. This project is being coordinated with Parks & Recreation Department, Public Works/Information Resources and other departments to develop similar plans for landscaping, playgrounds, irrigation systems, etc. This effort is now possible due to the city's advanced GIS capabilities and with the cooperation of the County Assessor's Office. The goal is to provide a Web-based, comprehensive listing of all assets (land, land improvements, buildings, and building systems) for each General Fund site. This project should be completed in 2007.

### Reduced Funding Levels

The current funding levels for major maintenance, renovation, and replacement are inadequate.

- This situation has occurred due to budget reductions in 2002 and 2003, increasing maintenance responsibilities and by using a portion of funding for MM/FRR for O&M.
- In 2003, the MM/FRR budget was reduced by \$118,500.
- Funding levels in 2005 for MM/FRR are at 1.78 percent CRV as compared to accepted service levels corresponding to the 2.0 percent CRV annual funding target established in Council Budget Policy #3.3.
- Debt service on three facilities (Public Safety Building in 2006, 1992 section of the Main Library in 2011, and East Boulder Community Center in 2012) will be retired and funding for renovation and replacement will be needed as noted in Council Budget Policy #3.4. Currently, only major maintenance needs at these three facilities are funded while the debt is being paid off.

The result of these reductions will be an increase in the maintenance backlog.

- Without additional funding, the MM/FRR program will be funded at 1.64 percent CRV in 2007, and funding will decrease to 1.40 percent CRV in 2014.
- The maintenance backlog is expected to increase from approximately \$3.5 million in 2005 to approximately \$6.7 million in 2014.

Due to inadequate funds to maintain all facilities, the MM/FRR needs have been prioritized.

- **Current Funding:** The essential facilities will be maintained to Council accepted service standards, and the remaining facilities will be maintained at a level below service standards commensurate with funding available.
- **Action Plan:** Additional funds would return MM/FRR funding levels to approximately 2 percent CRV as soon as possible. The backlog would be maintained at between \$2.5 and \$4.3 million.
- **Vision Plan:** This plan would begin providing the funding necessary to implement a long-range facility replacement program to address facility replacements to the year 2050.

### Maintenance Backlog

A maintenance backlog of \$4 million corresponds to the transition point where overall condition rating of General Fund facilities goes from "good" to "fair." A maintenance backlog of \$8 million corresponds to the transition point where the overall condition rating of General Fund facilities goes from "fair" to "poor."

### Essential Facilities and Floodplains

Some "Essential Facilities" are currently located in the floodplain such as the Municipal Building, the Justice Center and Fire Station #3. These facilities should be relocated or flood-proofed to withstand a 500-year flood event as recommended in the Comprehensive Flood and Stormwater Master Plan. Recommended funding includes establishment of a sinking fund for eventual facility replacements and/or flood-proofing, supplemented by one or more capital improvement bond issues.

New federal and state regulations are anticipated that will need to be implemented and possibly back-fitted into existing facilities. For example, the new ADA requirements, currently under review, may require installation of elevators in all government-owned multi-story buildings.

The MM/FRR funding level of 2 percent CRV is designed to maintain, renovate and replace facility systems/components at recommended intervals. The funding can also assist in funding eventual facility replacements or to supplement Colorado Historical Society grant funding; however, it is not adequate to entirely fund the replacement or restoration of larger facilities. During the period covered by this plan, no large facilities are due for replacement or restoration; however, many large facilities will require replacement or restoration in the years ahead. See Appendix 5 for details.

### Long-Range Planning

FAM has developed a long-range plan (2015 to 2050) that quantifies these needs. FAM recommends that a sinking fund be established to partially fund eventual facility replacements, supplemented as necessary by a capital replacement bond issue. This is outside the scope of this master plan but will be part of the Vision Plan in the future. Facilities will be replaced as they become obsolete or in need of significant repair. Essential facilities will receive the highest priority for funding.

### CONCLUSION

- FAM is proceeding with the fiscally constrained plan until such time as the city's financial condition improves.
- Facility conditions could erode in the years to come.
- O&M and MM/FRR prioritization will be implemented according to funding provided resulting in the outcomes described and charted.
- Any increases in sales tax revenues in the upcoming years should have a portion dedicated to addressing the existing facility needs.
- Significant funding shortfalls are expected in 2012 (when the .38 cent sales tax sunsets in 2011) resulting in a reduction of revenues to the General Fund of approximately 10 percent.

#### CURRENT PERFORMANCE MEASURES

- Maintenance backlog
- Facility Condition Index and associated condition rating (good, fair or poor)
- Percent of outsourcing
- Building area maintained (square feet)

#### 2006 - 2014 PERFORMANCE MEASURES

1. Continue to measure maintenance backlog
2. Continue to measure Facility Condition Index and associated condition rating (good, fair or poor)
3. Continue to measure building area maintained (square feet)
4. Current Replacement Value of facilities
5. Cost of Services (\$/SF) in each program area. (O&M, MM/FRR, custodial services)
6. Energy projects completed each year and estimated annual cost savings
7. Amount of energy used and cost at each facility annually
8. Continue to measure percent of outsourcing

- In 2015, an additional source of revenue (.25 cent sales tax) sunsets, resulting in a reduction of greater than 50 percent maintenance funding for Parks & Recreation facilities. A replacement funding mechanism is necessary to offset the loss of revenues.
- FAM anticipates that only a portion of the funding necessary to implement the Action Plan will be available during the period of this plan, particularly 2012 through 2014. FAM will continue to quantify the Vision Plan needs.