



## **City Council Workshop Agenda**

**May 14, 2024 at 6:30 PM**

**City Hall Council Chambers - 210 W. 6th Ave and Virtual**

The City of Kennewick broadcasts Council meetings on the City's website at  
<https://www.go2kennewick.com/CouncilMeetingBroadcasts>.

Public comment is not heard at workshop meetings.

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1. CALL TO ORDER
2. Civic Center Master Plan
3. 2023 Year-End Financial Review And Spring 2024 Budget Adjustment
4. Deferred Maintenance Of Public Infrastructure
5. ADJOURN



# CITY OF KENNEWICK CIVIC MASTER PLAN PROJECT



# PURPOSE

- Introduce and Familiarize Council with Civic Master Plan Process -  
**No Direction/Action Needed Tonight**
- Introduce Council Guiding Principles
- Additional Meeting Planned (date to be determined)
- Determine Future Information Needed

# CIVIC MASTER PLAN SCHEDULE

| Kennewick Project Schedule (Approximate) |                                                                                    |       |          | TODAY |     |      |      |     |     |     |     |      |      |      |     |     |     |     |  | 2024 |  |  |  | 2025 |  |  |  |
|------------------------------------------|------------------------------------------------------------------------------------|-------|----------|-------|-----|------|------|-----|-----|-----|-----|------|------|------|-----|-----|-----|-----|--|------|--|--|--|------|--|--|--|
| Tasks                                    | CIVIC MASTER PLAN PROJECT MANAGEMENT SERVICES                                      | Start | Duration | Feb   | Mar | Apr  | May  | Jun | Jul | Aug | Sep | Oct  | Nov  | Dec  | Jan | Feb | Mar | Apr |  |      |  |  |  |      |  |  |  |
|                                          | 5/3/24                                                                             | Month | Months   | 2/1   | 3/1 | 4/1  | 5/1  | 6/1 | 7/1 | 8/1 | 9/1 | 10/1 | 11/1 | 12/1 | 1/1 | 2/1 | 3/1 | 4/1 |  |      |  |  |  |      |  |  |  |
| Activity/ Actions                        |                                                                                    |       |          | 1     | 2   | 3    | 4    | 5   | 6   | 7   | 8   | 9    | 10   | 11   | 12  | 13  | 14  | 15  |  |      |  |  |  |      |  |  |  |
| 1                                        | Project Research, Scope Refinement, Startup & Project Management                   |       |          |       |     |      |      |     |     |     |     |      |      |      |     |     |     |     |  |      |  |  |  |      |  |  |  |
| 1.1                                      | Research, Scope Refinement, Prime/Sub Contracts                                    | 1     | 2        |       |     |      |      |     |     |     |     |      |      |      |     |     |     |     |  |      |  |  |  |      |  |  |  |
| 1.2                                      | Kick-Off Meeting                                                                   | 3     | 1        |       |     | 4/5  |      |     |     |     |     |      |      |      |     |     |     |     |  |      |  |  |  |      |  |  |  |
| 1.3                                      | Develop Draft Civic Center Guiding Principles                                      | 3     | 1        |       |     | 4/16 |      |     |     |     |     |      |      |      |     |     |     |     |  |      |  |  |  |      |  |  |  |
| 1.4                                      | City Council Briefing and Present/Introduce Guiding Principles for Consideration * | 4     | 1        |       |     |      | 5/14 |     |     |     |     |      |      |      |     |     |     |     |  |      |  |  |  |      |  |  |  |
| 1.4.1                                    | City Council retreat (May 17 & 18)                                                 | 4     | 1        |       |     |      | 5/18 |     |     |     |     |      |      |      |     |     |     |     |  |      |  |  |  |      |  |  |  |
| 1.4.2                                    | City Council Guiding Principles discussion - (date to be determined)               |       |          |       |     |      |      |     |     |     |     |      |      |      |     |     |     |     |  |      |  |  |  |      |  |  |  |
| 1.5                                      | Monthly Quality Control, Budget, Schedule, Invoicing, etc.                         | 3     | 14       |       |     |      |      |     |     |     |     |      |      |      |     |     |     |     |  |      |  |  |  |      |  |  |  |
| 2                                        | Develop Consultant Solicitation and Evaluation                                     |       |          |       |     |      |      |     |     |     |     |      |      |      |     |     |     |     |  |      |  |  |  |      |  |  |  |
| 2.1                                      | Develop Draft and Final RFQ                                                        | 4     | 2        |       |     |      |      |     |     |     |     |      |      |      |     |     |     |     |  |      |  |  |  |      |  |  |  |
| 2.2                                      | Develop RFP Scoring System                                                         | 4     | 2        |       |     |      |      |     |     |     |     |      |      |      |     |     |     |     |  |      |  |  |  |      |  |  |  |
| 2.3                                      | Contact Potential Consultants                                                      | 5     | 1        |       |     |      |      |     |     |     |     |      |      |      |     |     |     |     |  |      |  |  |  |      |  |  |  |
| 2.4                                      | Solicit RFQ's/RFP's (mail, contacts, & address questions)                          | 5     | 2        |       |     |      |      |     |     |     |     |      |      |      |     |     |     |     |  |      |  |  |  |      |  |  |  |
| 2.5                                      | Review RFQ/RFP Submittals and Select Finalists                                     | 7     | 1        |       |     |      |      |     |     |     |     |      |      |      |     |     |     |     |  |      |  |  |  |      |  |  |  |
| 2.6                                      | Conduct Interviews                                                                 | 7     | 1        |       |     |      |      |     |     |     |     |      |      |      |     |     |     |     |  |      |  |  |  |      |  |  |  |
| 2.7                                      | Negotiate Final Agreement with Preferred Consultant Team                           | 8     | 1        |       |     |      |      |     |     |     |     |      |      |      |     |     |     |     |  |      |  |  |  |      |  |  |  |
| 3                                        | Manage Master Plan Consultants/Advisory Recommendations                            |       |          |       |     |      |      |     |     |     |     |      |      |      |     |     |     |     |  |      |  |  |  |      |  |  |  |
| 3.1                                      | Project Team Meetings/Coordination (assume 20-24 meetings over 6 months) *         | 9     | 6        |       |     |      |      |     |     |     |     |      |      |      |     |     |     |     |  |      |  |  |  |      |  |  |  |
| 3.2                                      | City Advisory Sessions/Reports                                                     | 9     | 6        |       |     |      |      |     |     |     |     |      |      |      |     |     |     |     |  |      |  |  |  |      |  |  |  |
| 3.3                                      | Preliminary Investigation of Possible Fund Sources/Public-Private Partnerships     | 9     | 6        |       |     |      |      |     |     |     |     |      |      |      |     |     |     |     |  |      |  |  |  |      |  |  |  |
| 3.4                                      | Constructability Reviews (performed by KBA)                                        | 13    | 2        |       |     |      |      |     |     |     |     |      |      |      |     |     |     |     |  |      |  |  |  |      |  |  |  |
| 4                                        | Coordinate, Guide, and Assist with Master Plan Approval Process                    |       |          |       |     |      |      |     |     |     |     |      |      |      |     |     |     |     |  |      |  |  |  |      |  |  |  |
| 4.1                                      | Review Consultant Materials Against Council Expected/Needed Content & Format       | 14    | 1        |       |     |      |      |     |     |     |     |      |      |      |     |     |     |     |  |      |  |  |  |      |  |  |  |
| 4.2                                      | Assist with Presentation (assume 2-3 council sessions) *                           | 14    | 2        |       |     |      |      |     |     |     |     |      |      |      |     |     |     |     |  |      |  |  |  |      |  |  |  |

\* If Master Plan takes more than 6 months to develop, Tasks 1, 3, and 4 will need to be extended accordingly

# DESIRED OUTCOMES

- ❑ Create Guiding Principles or Council goals that will guide Civic Master Plan process
- ❑ Solicit, Rank, Select, and on-board Master Plan Consultant Team by September 2024
- ❑ Create Civic Master Plan that can be supported by the Council and funded
- ❑ Effectively manage and direct consultant team activities based on MPSC direction and feedback
- ❑ Identify Public-Private Partnerships, Funding Opportunities, Shared Space Opportunities
- ❑ Create an effective public engagement process when developing the Civic Master Plan
- ❑ City Council adoption/acceptance of Civic Master Plan

# COUNCIL CONSIDERATIONS

- ❑ Should we plan/consider a City Hall to be located at the existing Civic Campus?
- ❑ What other civic facilities should be included in the Plan at the existing Civic Campus site?
  - Police Station
  - Kennewick Activity Center
  - Community Center
  - Library
  - Old Fire Station 1
  - Kenneth Serier Pool
  - Museum
- ❑ Should we look outside the existing Civic Campus site to locate a City Hall or other City facilities?

## COUNCIL DIRECTION NEEDED – LOCATION

- ❑ Should we consider only new construction because of the age and condition of existing City facilities and/or evaluate facility remodel and expansion costs?
- ❑ Are there any funding sources that should not be considered to pay for facilities and is there a preferred and viable method of funding?
- ❑ Should we consider any property at the Civic Center site that that could be sold to help pay for facilities?
- ❑ Should we consider other agencies (public or private) that could share facilities/reduce cost?

# GUIDING PRINCIPLES - RECOMMENDATIONS

The following Guiding Principles are recommended by City leadership to help shape the planning process for the City's Civic Plan for City Council consideration.



# GUIDING PRINCIPLES - RECOMMENDATIONS

## **Responsibly steward public dollars**

- ☐ Recognizing that City facilities are a significant investment that will be in operation for 50-75 plus years, the City shall consider all available funding sources available including a public ballot measure.
- ☐ Use quality, lasting materials that are cost effective and can stand the test of time.
- ☐ Find efficiencies through shared space, consolidation, and adjacencies, providing operational cost savings.
- ☐ Design with flexibility in mind to accommodate future needs and changes.
- ☐ Consider co-locating with other agencies to find efficiencies and reduce expenses through shared space.
- ☐ Examine potential surplus public properties no longer needed by the City that could be used as potential revenue sources.
- ☐ The Civic Center Plan should evaluate and report on any potential

# GUIDING PRINCIPLES - RECOMMENDATIONS

## **Provide community accessibility, convenience, and safety**

- ☐ Locate facilities where people choose to gather and visit; unlocking the power of “third places” and strengthen the relationship between City Hall and the community.
- ☐ Locate facilities near other civic services to enhance customer service and safety; specifically locating all facilities at the existing Civic Campus.
- ☐ City Hall should include outdoor plaza space allowing for civic gatherings and community celebrations.

## **Deliver enhanced community services and amenities**

- ☐ Provide accessible indoor community meeting and event spaces.
- ☐ Because the City’s buildings are nearing their useful life, new facilities are preferred over remodeling and expanding existing facilities.
- ☐ The following facilities shall be included in the Plan: City Hall, Police Station, Kennewick Activity Center, Community Center, Library, Old Fire Station 1, Kenneth Serier Pool & Museum

# GUIDING PRINCIPLES - RECOMMENDATIONS

## **Embody environmental stewardship**

- ☐ Build to at least a LEED Platinum standard designed to reduce operating costs, improve efficiency, lower carbon emissions, and create healthier places for people. Additional consideration shall also be given to new buildings that are Net Zero or Energy Plus.

# POTENTIAL CIVIC CENTER CONSTRUCTION SCHEDULE

|               |                                                                   |
|---------------|-------------------------------------------------------------------|
| April 2025    | <i>Civic Master Plan Adoption</i>                                 |
| June 2025     | Selection of Construction Delivery Method (DBB, GC/CM, DB, 63-20) |
| June 2026     | Design Plans/Construction Documents/Bids/GMP                      |
| August 2026   | Permits/Construction                                              |
| January+ 2028 | Occupancy                                                         |

# IMMEDIATE NEXT STEPS

## **CITY COUNCIL RETREAT | May 17 -18**

Possible City Council Discussion Regarding Guiding Principles

# INFORMATION NEEDED

**What information is needed by Council to accept/create Guiding Principles for the City's Civic Master Plan Process?**





# 2023 Financial Review

Kennewick City Council Workshop  
May 14, 2024

# Fund Types

- **General Governmental Funds:**

- **General Fund:** to account for financial resources not required to be accounted for in another fund.
- **Special Revenue Funds:** to account for legally restricted resources.
- **Capital Projects Funds:** to account for financial resources to be used for acquisition or construction of capital facilities.
- **Debt Service Funds:** to account for resources accumulated for the repayment of debt.

- **Proprietary Funds:**

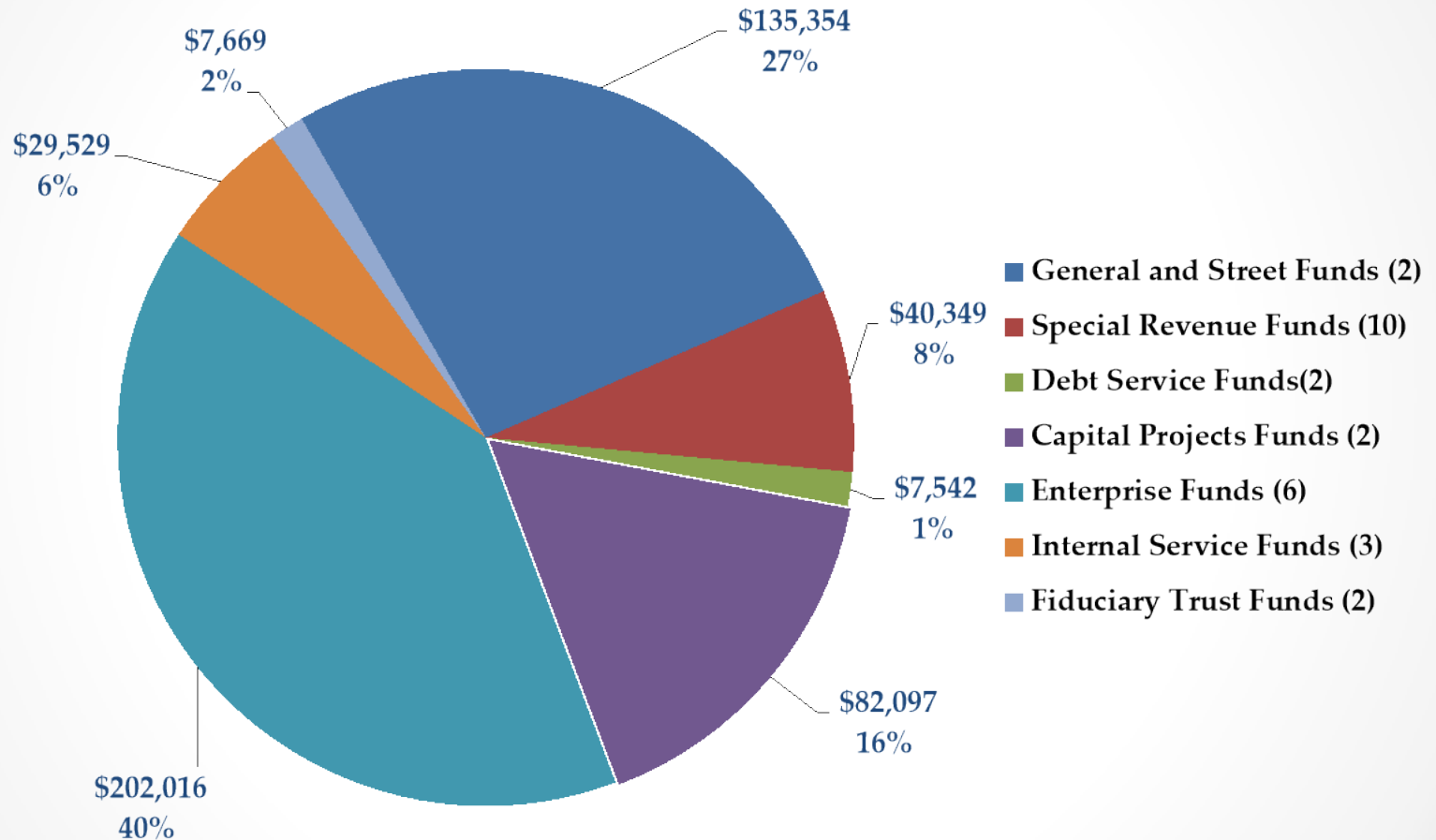
- **Enterprise Funds:** to account for operations that are financed and operated in a manner similar to a private business.
- **Internal Service Funds:** to account for financing of goods or services provided by one department to another within the government.

- **Trust & Agency Funds:**

- Fund used to account for assets held by a government in a trustee capacity.

# 2023/2024 Adj. Budget – All Funds

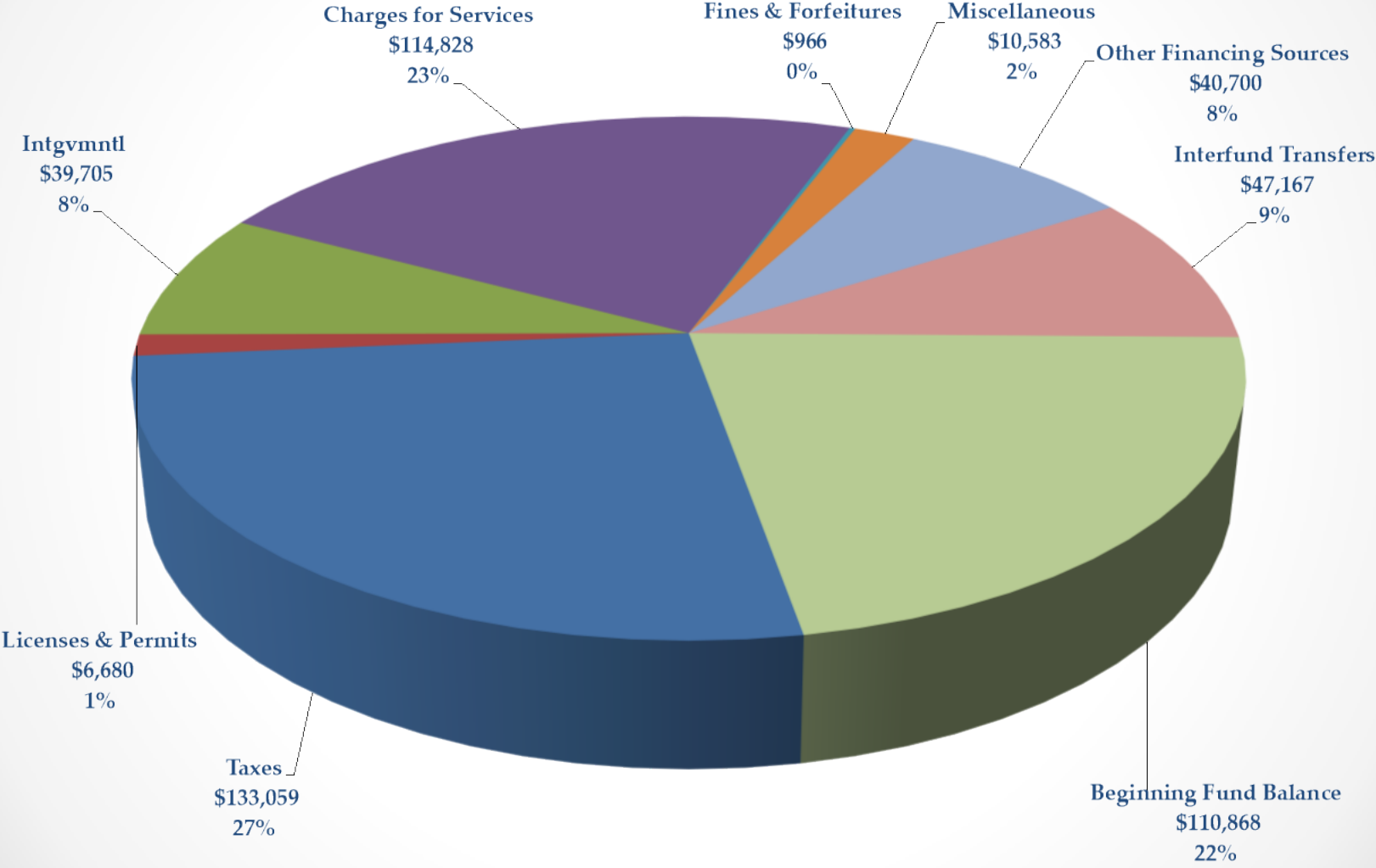
(In Thousands)



**Total 2023/2024 Adjusted Budget = \$504,555,994**

# 2023/2024 Adj. Budget – All Funds

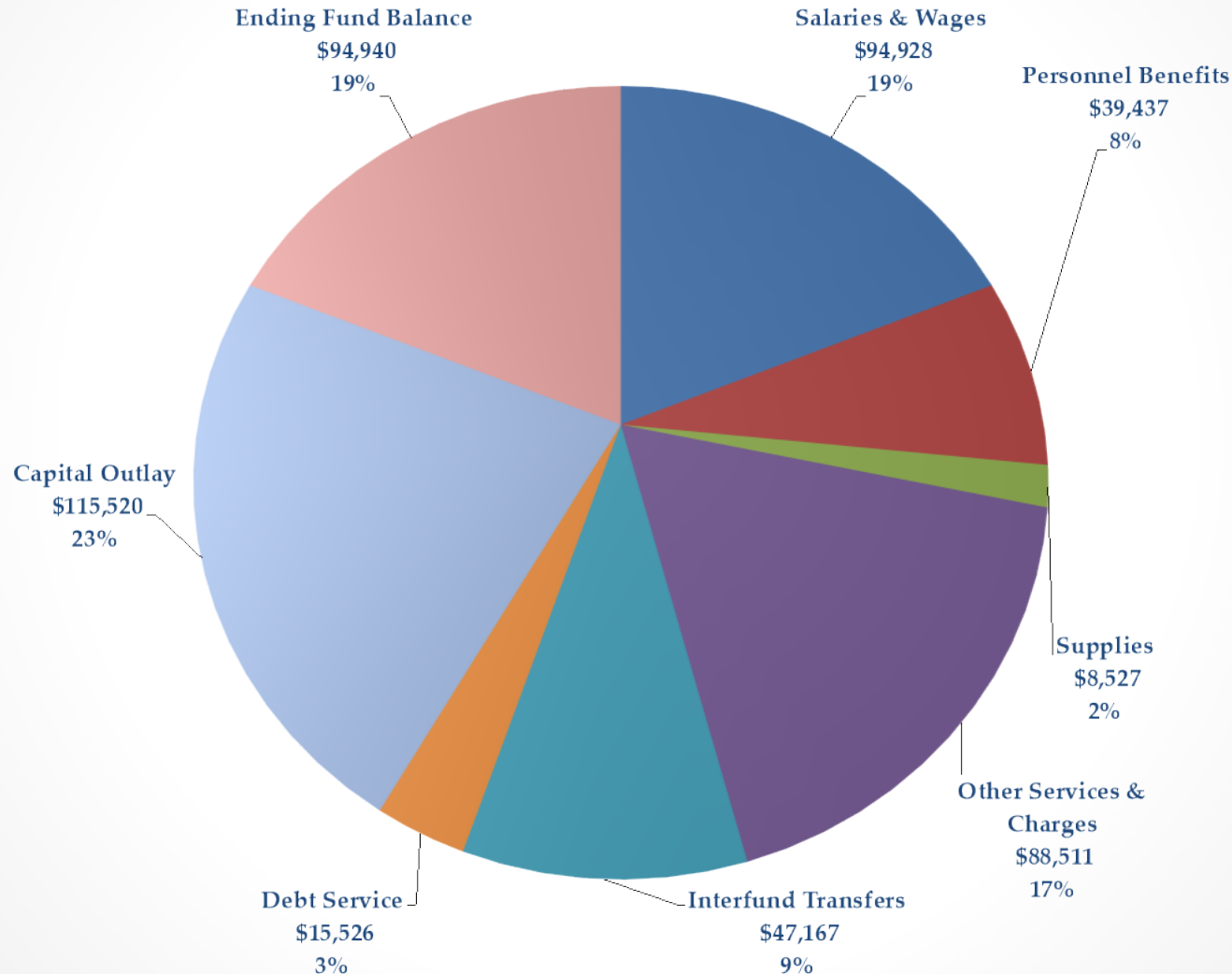
(In Thousands)



**Total 2023/2024 Adjusted Budget = \$504,555,994**

# 2023/2024 Adj. Budget – All Funds

(In Thousands)



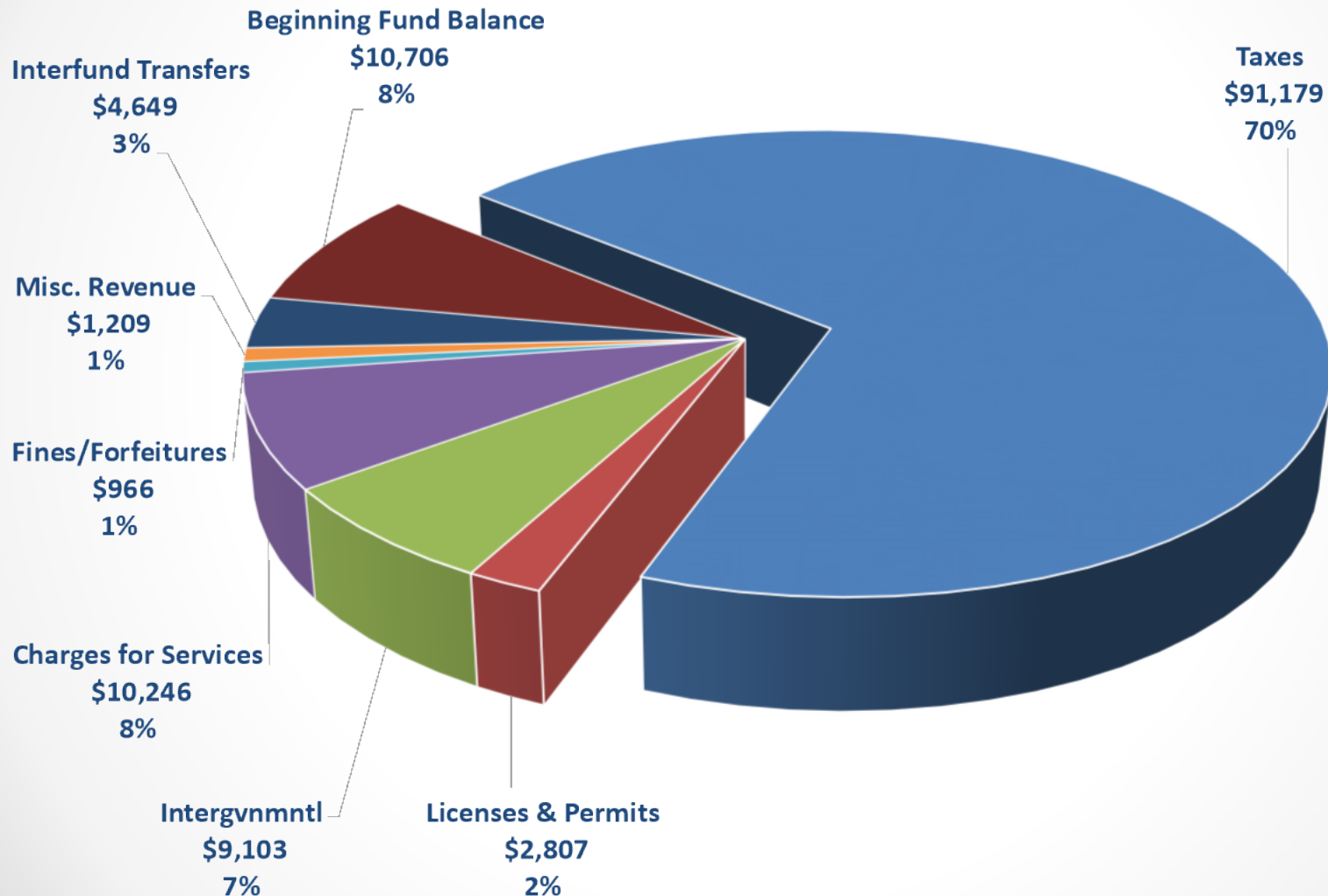
**Total 2023/2024 Adjusted Budget = \$504,555,994**

# General & Street Funds

- Police
- Fire Suppression & Inspection
- Planning
- Economic Development
- Engineering
- Parks & Recreation
- Street Maintenance
- Support & Administration Functions (e.g. City Manager & Council, City Attorney, City Clerk, Finance & Customer Service, Purchasing, Information Systems, Human Resources)

# 23/24 Adj. Budget – General/Street Funds

(In Thousands)



**Total 2023/2024 Adjusted Budget = \$135,354,433**

# General/Street Funds Revenues

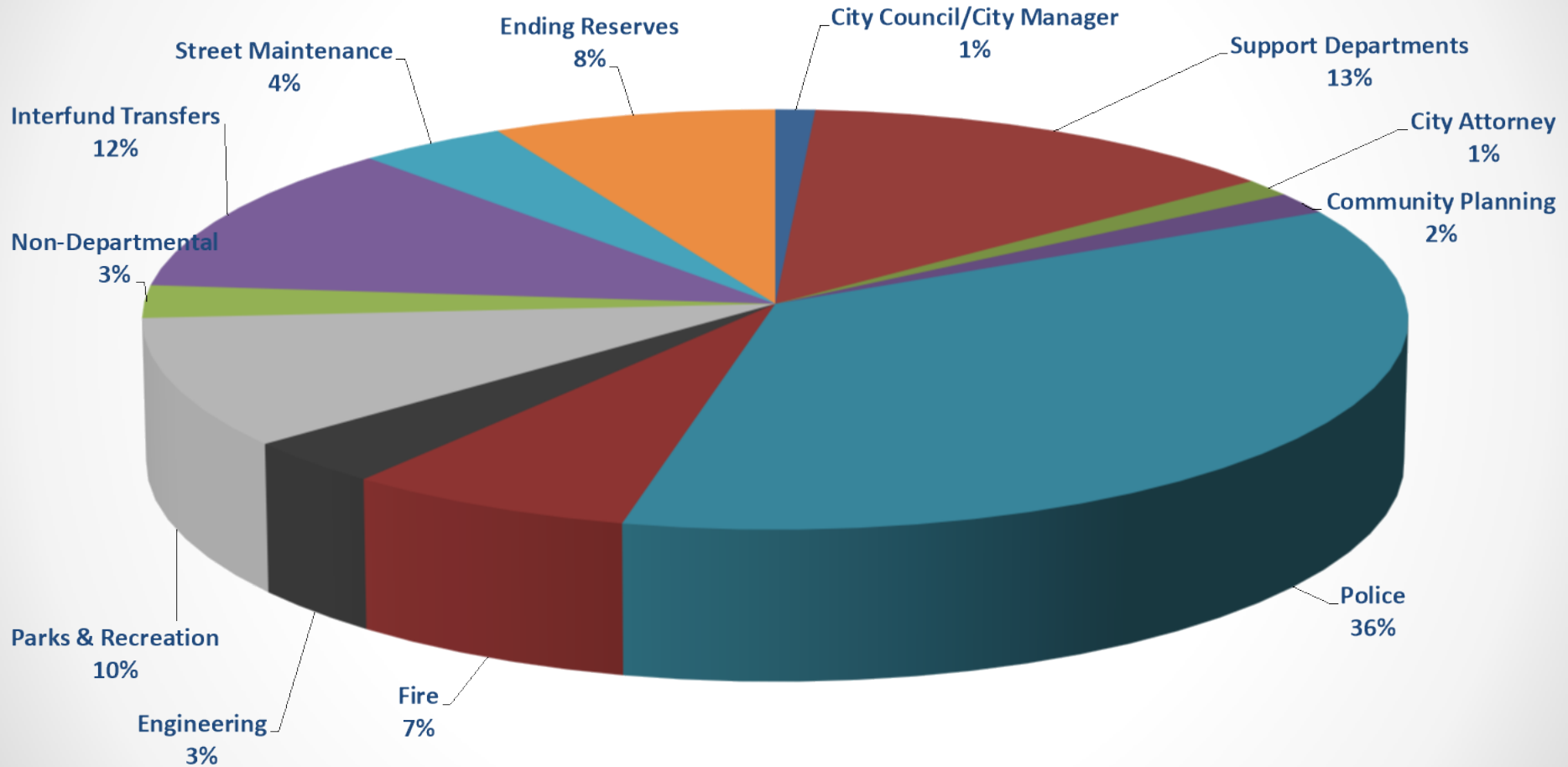
- Revenue increase of 3.5% (approx. \$2.16M)
  - Tax revenue increased 2.6% (\$1.15M)
    - Sales tax incr. citywide by 3.2% (\$654K)
    - Property taxes incr. 2.3% (\$325K)
    - Overall utility taxes incr. 1.3% (\$94K)
    - Gambling taxes *decr.* 4.7% (-\$40K)
    - Admissions taxes *decr.* 6.6% (-\$31K)
  - Licenses & Permits incr. 6.4% (\$126K) due primarily to the reclassification of cable franchise fees previously reported as utility tax
  - Intergovernmental revenues *decr.* by 2.4% (-\$125K) due to reduction in state revenue for city assistance funded through state real estate excise tax
  - Misc. Revenue (interest & facility rentals) incr. 92% (\$850K) due to higher interest rates (yield) available on the City's investment portfolio

# General/Street Funds Revenues (Thousands)

|                            | Adj Budget<br>2023/2024 | Actual<br>2023   | %<br>Rec/Spent |
|----------------------------|-------------------------|------------------|----------------|
| <b>Revenues:</b>           |                         |                  |                |
| Taxes                      | \$ 91,622               | \$ 46,045        | 50.3%          |
| Licenses & Permits         | 2,807                   | 2,100            | 74.8%          |
| Intergovernmental Revenues | 10,338                  | 5,089            | 49.2%          |
| Charges for Services       | 10,332                  | 5,080            | 49.2%          |
| Fines & Forfeitures        | 966                     | 449              | 46.5%          |
| Miscellaneous Revenue      | 1,209                   | 1,773            | 146.7%         |
| Transfers In               | 4,769                   | 2,502            | 52.5%          |
| <b>Total Revenues</b>      | <b>\$ 122,043</b>       | <b>\$ 63,038</b> | <b>51.7%</b>   |

# 23/24 Adj. Budget – General/Street Funds

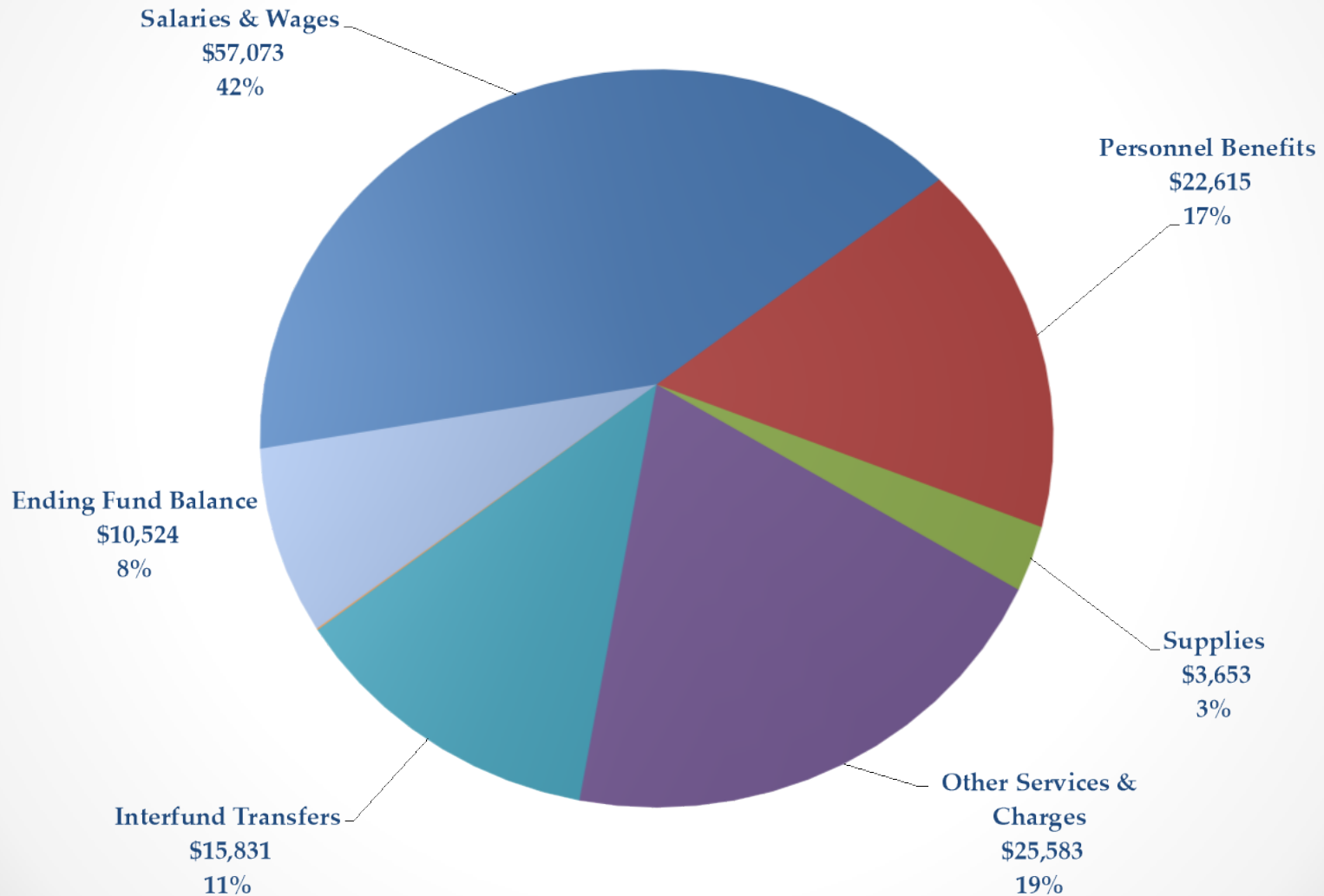
(In Thousands)



**Total 2023/2024 Adjusted Budget = \$135,354,433**

# 23/24 Adj. Budget – General/Street Funds

(In Thousands)



**Total 2023/2024 Adjusted Budget = \$135,354,433**

# General/Street Funds Expenditures

- Expenditure increase of 6.6% (approx. \$3.8M)
  - Increase in salaries & benefits of 6.7% (approx. \$2.4M)
    - Negotiated pay increases for contract personnel & pay for performance awards for non-represented
    - Reduction in savings from vacant positions
    - Moderate increase in medical premiums
    - Increase in worker's compensation premiums
  - Increase in supplies of 16.8% (approx. \$315K)
    - Inflationary increases in supplies
    - One-time purchases in public safety
  - Increase in other services & charges of 11.7% (approx. \$1.3M)
    - Increase in assessments for Benton County Emergency Services (BCES), Animal Control Authority (ACA), Office of Public Defense (OPD)
    - Reduction in assessment for jail services
    - Increase in vehicle maintenance and operations charges due to fuel prices, contracted tree trimming services, and annual maintenance costs for IT software
  - *Reduction* in transfers out of 1.9% (approx. \$153K)
    - Risk Management Fund (liability insurance premiums)

# General/Street Funds Expenditures (Thousands)

|                           | Adj Budget<br>2023/2024 | Actual<br>2023   | %<br>Rec/Spent |
|---------------------------|-------------------------|------------------|----------------|
| <b>Expenditures:</b>      |                         |                  |                |
| Salaries & Benefits       | \$ 79,687               | \$ 38,080        | 47.8%          |
| Supplies                  | 3,653                   | 2,187            | 59.9%          |
| Other Services & Charges  | 25,583                  | 12,658           | 49.5%          |
| Interfund Transfers       | 15,831                  | 7,956            | 50.3%          |
| Capital Outlay            | 76                      | 52               | 68.4%          |
| <b>Total Expenditures</b> | <b>\$ 124,830</b>       | <b>\$ 60,933</b> | <b>48.8%</b>   |

# General/Street Funds Reserves

- Ending fund balance > reserve req.
  - One-time funding opportunity
- Increased strategic reserve to \$3.3M
  - Together with General Fund reserve, equals 31% of 2023 expenditures
- Opportunities & Vulnerabilities:
  - Impacts of inflation and federal monetary policy to address it
  - Future facility & other capital funding, deferred maintenance needs
  - One-time Federal funding fully allocated

# General/Street Funds Reserves (Thousands)

|                                        | Adj Budget<br>2023/2024 | Actual<br>2023 | %<br>Rec/Spent |
|----------------------------------------|-------------------------|----------------|----------------|
| <b>Total Revenues</b>                  | \$ 122,043              | \$ 63,038      | 51.7%          |
| <b>Total Expenditures</b>              | \$ 124,830              | \$ 60,933      | 48.8%          |
| <b>Excess (Deficit) Revs over Exps</b> | \$ (2,787)              | \$ 2,105       |                |
| Beginning Fund Balance                 | \$ 13,311               | \$ 13,311      |                |
| <b>Ending Fund Balance</b>             | \$ 10,524               | \$ 15,416      |                |
| Required Ending Fund Balance           | \$ 4,681                | \$ 4,681       |                |
| <b>Excess over Req. Reserve</b>        | \$ 5,843                | \$ 10,735      |                |

# 2023 Capital Program Highlights

- 2023 Citywide Pavement Preservation (\$4M)
  - W. Canal Drive (Col. Center Blvd. to N. Kellogg St.)
  - W. 10<sup>th</sup> Ave (S. Union St. to U.S. 395)
  - Bituminous Surface Treatment (BST) Seal Coat Program
  - Citywide Asphalt Patching & Crack Sealing Program
- Southridge Sports & Events Complex – Capital Funding/Reserves
  - Turf Field & Pavilion Lighting & Flooring Improvements
- Lawrence Scott Pickleball Courts & Amenities – ARPA/Park Impact Fees
- Steptoe Street/Gage (Construction) – Federally Funded
- Deschutes/CCB Intersection (Design/ROW/Constr.) – Federally Funded
- Quinault/CCB Intersection (Design/ROW) – Federally Funded
- Fire Station #1/Admin Facility – Financed with 2022 Bond Issue
- Wastewater Treatment Plant – State Loan
- Water Treatment Plant – State Loan
- AMI System & Meter Replacement – State Loan/Rate Revenue

# Water & Sewer Highlights

- Operating revenues slightly higher than anticipated
  - Water and Sewer rate revenue incr. by 8.1% & 7.7%, respectively
    - Utility accounts increased by 1.3% in 2023
    - Water consumption increased by 0.7% overall in 2023
- Interest revenue much higher than anticipated
- Expenses in line with the adjusted budget
  - Inflationary pressure for supplies including treatment chemicals
- Capital projects include:
  - Automated metering infrastructure (AMI) Ph. II, Water and Wastewater Plants improvements, Industrial Area Utility Extensions
- Ending reserves higher than anticipated
  - Significant capital projects will be completed in 2024 & beyond
  - Meets policy requirements for operating and capital reserves and debt service coverage ratio

# Water & Sewer Fund (Thousands)

|                                        | <b>Adj Budget<br/>2023/2024</b> | <b>Actual<br/>2023</b> | <b>%<br/>Rec/Spent</b> |
|----------------------------------------|---------------------------------|------------------------|------------------------|
| <b>Revenues:</b>                       |                                 |                        |                        |
| Revenue from Rates                     | \$ 61,541                       | \$ 29,749              | 48.3%                  |
| Other Fees & Charges                   | 2,259                           | 1,379                  | 61.0%                  |
| Interest & Miscellaneous               | 212                             | 1,273                  | 600.5%                 |
| Intergovernmental - ARPA               | 3,960                           | 73                     | 1.8%                   |
| Other Financing Sources                | 40,700                          | 6,751                  | 16.6%                  |
| <b>Total Revenues</b>                  | <b>\$ 108,672</b>               | <b>\$ 39,225</b>       | <b>36.1%</b>           |
| <b>Expenditures:</b>                   |                                 |                        |                        |
| Salaries & Benefits                    | \$ 11,661                       | \$ 5,302               | 45.5%                  |
| Supplies                               | 969                             | 571                    | 58.9%                  |
| Other Services & Charges               | 25,000                          | 11,427                 | 45.7%                  |
| Transfers                              | 167                             | 50                     | 29.9%                  |
| Capital                                | 61,572                          | 10,461                 | 17.0%                  |
| Debt Service                           | 7,221                           | 3,201                  | 44.3%                  |
| <b>Total Expenditures</b>              | <b>\$ 106,590</b>               | <b>\$ 31,012</b>       | <b>29.1%</b>           |
| <b>Excess (Deficit) Revs over Exps</b> | <b>\$ 2,082</b>                 | <b>\$ 8,213</b>        |                        |
| Beginning Working Capital              | \$ 25,517                       | \$ 25,517              |                        |
| <b>Ending Working Capital</b>          | <b>\$ 27,599</b>                | <b>\$ 33,730</b>       |                        |

# Stormwater Utility Highlights

- Operating revenues slightly higher than anticipated
- Interest revenue significantly higher than anticipated
- Total expenditures at only 33.9% of adjusted budget
  - Operating expenses at 42% of adjusted budget
- Remaining budgeted capital projects include:
  - Park Hills Storm Replacement, Ridgeline Drive (Sherman/W 36<sup>th</sup>), Ohrts Phase 2, Vancouver St Storm Drainage
- Reserve levels improved to \$3.2M
  - Exceeds operating reserve policy; anticipated to be reduced by the end of 2024

# Stormwater Utility Fund (Thousands)

|                                 | Adj Budget<br>2023/2024 |         | Actual<br>2023 |       | %<br>Rec/Spent |
|---------------------------------|-------------------------|---------|----------------|-------|----------------|
| Revenues:                       |                         |         |                |       |                |
| Revenue from Rates              | \$                      | 5,420   | \$             | 2,790 | 51.5%          |
| Interest & Miscellaneous        |                         | 15      |                | 460   | 3066.7%        |
| Total Revenues                  | \$                      | 5,435   | \$             | 3,250 | 59.8%          |
| Expenditures:                   |                         |         |                |       |                |
| Salaries & Benefits             | \$                      | 1,808   | \$             | 822   | 45.5%          |
| Supplies                        |                         | 56      |                | 19    | 33.9%          |
| Other Services & Charges        |                         | 1,849   |                | 704   | 38.1%          |
| Transfers                       |                         | 30      |                | 14    | 46.7%          |
| Capital                         |                         | 3,934   |                | 1,041 | 26.5%          |
| Total Expenditures              | \$                      | 7,677   | \$             | 2,600 | 33.9%          |
| Excess (Deficit) Revs over Exps | \$                      | (2,242) | \$             | 650   |                |
| Beginning Working Capital       | \$                      | 2,589   | \$             | 2,589 |                |
| Ending Working Capital          | \$                      | 347     | \$             | 3,239 |                |

# Ambulance Utility Highlights

- Growth in total operating revenue of 4.1% and in line with the adjusted budget:
  - Reduction in billable transports but moderate growth in net transport revenue
  - Increase in revenue from availability charge due to growth in commercial and residential units & automatic rate change based on CPI
- General Fund contribution remained at \$5.06M (\$10.12M for biennium)
- Operating expenses increased 5.5%, but in line with the adjusted budget overall:
  - Personnel costs (including overtime) incr. ~ 4.2%
  - Other costs increased by 10%
    - Inflationary increases in medical and other supplies
    - Increase in 2023 assessment for dispatch services
- Ending reserve level (working capital) increase
  - Exceeds budget policy requirement of 60-90 days operating & maintenance expenses
  - SAFER grant & funding for 12 positions expired in March, 2022
  - Future apparatus needs for new station #6
- New Cost of Service Study will be presented in July, 2024

# Ambulance Utility (Thousands)

|                                        | Adj Budget<br>2023/2024 | Actual<br>2023   | %<br>Rec/Spent |
|----------------------------------------|-------------------------|------------------|----------------|
| <b>Revenues:</b>                       |                         |                  |                |
| Transport Revenue                      | \$ 9,077                | \$ 4,436         | 48.9%          |
| Household Ambulance Charge             | 13,150                  | 6,239            | 47.4%          |
| Other Grants                           | -                       | 100              | n.a.           |
| Interest & Miscellaneous               | 50                      | 355              | n.a.           |
| Transfer from Capital Improvement Fund | 31                      | -                | n.a.           |
| Transfer from General Fund             | 10,120                  | 5,060            | 50.0%          |
| <b>Total Revenues</b>                  | <b>\$ 32,428</b>        | <b>\$ 16,190</b> | <b>49.9%</b>   |
| <b>Expenditures:</b>                   |                         |                  |                |
| Salaries & Benefits                    | \$ 25,997               | \$ 12,514        | 48.1%          |
| Supplies                               | 550                     | 259              | 47.1%          |
| Other Services & Charges               | 5,360                   | 2,616            | 48.8%          |
| Transfer to Capital Improvement Fund   | 54                      | -                | 0.0%           |
| <b>Total Expenditures</b>              | <b>\$ 31,961</b>        | <b>\$ 15,389</b> | <b>48.2%</b>   |
| <b>Excess (Deficit) Revs over Exps</b> | <b>\$ 467</b>           | <b>\$ 801</b>    |                |
| Beginning Working Capital              | \$ 8,926                | \$ 8,926         |                |
| <b>Ending Working Capital</b>          | <b>\$ 9,393</b>         | <b>\$ 9,727</b>  |                |

# Building Safety Highlights

- Permit revenues *declined* by 5% in 2023, but exceeded projections for adjusted 2023/2024 budget
  - 9.5% incr. in permits issued, but a 13.5% reduction in overall permit valuation
- Interest income revenue significantly higher than forecasted
- Operating expenses incr. 8.5%, but in line with adjusted budget for 203/2024
  - 7.6% increase in personnel costs due to the addition of a 0.5 full-time equivalent building inspector position
- Healthy ending reserve balance and liquidity
  - Exceeds minimum policy target of 60-90 days of operating and maintenance expenses

# Building Safety Fund (Thousands)

|                                        | Adj Budget<br>2023/2024 | Actual<br>2023  | %<br>Rec/Spent |
|----------------------------------------|-------------------------|-----------------|----------------|
| <b>Revenues:</b>                       |                         |                 |                |
| Licenses & Permits                     | \$ 3,873                | \$ 2,152        | 55.6%          |
| Interest & Miscellaneous               | 150                     | 135             | 90.0%          |
| <b>Total Revenues</b>                  | <b>\$ 4,023</b>         | <b>\$ 2,287</b> | <b>56.9%</b>   |
| <b>Expenditures:</b>                   |                         |                 |                |
| Salaries & Benefits                    | \$ 3,526                | \$ 1,653        | 46.9%          |
| Supplies                               | 42                      | 9               | 21.4%          |
| Other Services & Charges               | 825                     | 416             | 50.4%          |
| Transfers                              | 29                      | -               | 0.0%           |
| <b>Total Expenditures</b>              | <b>\$ 4,422</b>         | <b>\$ 2,078</b> | <b>47.0%</b>   |
| <b>Excess (Deficit) Revs over Exps</b> | <b>\$ (399)</b>         | <b>\$ 209</b>   |                |
| Beginning Working Capital              | \$ 3,125                | \$ 3,125        |                |
| <b>Ending Working Capital</b>          | <b>\$ 2,726</b>         | <b>\$ 3,334</b> |                |

# Toyota Center & Arena Highlights

- Net Operating Loss of \$691,580
  - \$172K more than annual budget loss of \$520K for 2023
  - \$94K more than the prior year
- 25% increase in operating revenues
- 22% increase in operating expenses
  - Increase in variable costs including event-related costs and part-time labor
  - Rising minimum wage impacting both part-time and full-time labor costs
  - Changes in state threshold for exempt employees impacting overtime costs
  - Increases in maintenance costs for aging facilities
- Loss funded through General & Lodging Tax Funds

# Toyota Center & Arena (Thousands)

|                                        | Adj Budget<br>2023/2024 |        | Actual<br>2023 |       | %<br>Rec/Spent |
|----------------------------------------|-------------------------|--------|----------------|-------|----------------|
| <b>Revenues:</b>                       |                         |        |                |       |                |
| Coliseum Event Revenue                 | \$                      | 2,958  | \$             | 1,236 | 41.8%          |
| Ice Arena Revenue                      |                         | 840    |                | 552   | 65.7%          |
| Food & Beverage Revenue                |                         | 3,138  |                | 1,897 | 60.5%          |
| Advertising/Sponsorship Revenue        |                         | 650    |                | 574   | 88.3%          |
| Miscellaneous Revenue                  |                         | -      |                | 1     | n.a.           |
| Federal Grant - ARPA                   |                         | 1,000  |                | -     | 0.0%           |
| Transfer in - Operations               |                         | 1,040  |                | 520   | 50.0%          |
| Transfer in - Capital                  |                         | 700    |                | 359   | 51.3%          |
| <b>Total Revenues</b>                  | \$                      | 10,326 | \$             | 5,139 | 49.8%          |
| <b>Expenditures:</b>                   |                         |        |                |       |                |
| Personnel Costs                        | \$                      | 4,655  | \$             | 2,580 | 55.4%          |
| Event Expenses                         |                         | 1,421  |                | 770   | 54.2%          |
| Occupancy                              |                         | 1,486  |                | 892   | 60.0%          |
| Services & Operations                  |                         | 830    |                | 569   | 68.6%          |
| General & Administrative               |                         | 143    |                | 106   | 74.1%          |
| State Taxes                            |                         | 91     |                | 34    | 37.4%          |
| Capital Outlay                         |                         | 1,700  |                | 363   | 21.4%          |
| <b>Total Expenditures</b>              | \$                      | 10,326 | \$             | 5,314 | 26.5%          |
| <b>Excess (Deficit) Revs over Exps</b> | \$                      | -      | \$             | (175) |                |
| Beginning Working Capital              | \$                      | (17)   | \$             | (17)  |                |
| <b>Ending Working Capital</b>          | \$                      | (17)   | \$             | (192) |                |

# Net General Fund Contribution

|                                          |                    |
|------------------------------------------|--------------------|
| 2023 Net Operating Loss                  | \$691,580          |
| Less: Lodging Tax Dedicated to TC&A      | (\$320,000)        |
| Less: Admissions Tax from TC&A<br>Events | <u>(\$171,779)</u> |
| Net General Fund Contribution**          | <u>\$199,801</u>   |

\*\*Does not reflect additional sales tax revenue generated through retail and dining activity generated by events held at the facilities.

# CP Golf Links Highlights

- Net operating loss of \$71K for 2023
  - \$18K less than budgeted
  - \$23K lower than 2022
- 19% increase in operating revenues
  - Primarily attributable to a 16% increase in revenue rounds
- 8% increase in operating expenses
  - Includes non-recurring tree maintenance
- Mgmt. agreement with CourseCo under negotiation (ends in 2024)

# Columbia Park Golf Links (Thousands)

|                                        | Adj Budget<br>2023/2024 | Actual<br>2023 | %<br>Rec/Spent |
|----------------------------------------|-------------------------|----------------|----------------|
| <b>Revenues:</b>                       |                         |                |                |
| Greens & Range Fees                    | \$ 604                  | \$ 338         | 56.0%          |
| Concessions & Other                    | 67                      | 36             | 53.7%          |
| Transfers In - Operations              | 200                     | 30             | 15.0%          |
| Transfers In - Capital                 | 85                      | -              | 0.0%           |
| <b>Total Revenues</b>                  | <b>\$ 956</b>           | <b>\$ 404</b>  | <b>42.3%</b>   |
| <b>Expenditures:</b>                   |                         |                |                |
| General & Administrative               | \$ 202                  | \$ 101         | 50.0%          |
| Maintenance & Operations               | 669                     | 344            | 51.4%          |
| Capital Outlay                         | 85                      | -              | 0.0%           |
| <b>Total Expenditures</b>              | <b>\$ 956</b>           | <b>\$ 445</b>  | <b>46.6%</b>   |
| <b>Excess (Deficit) Revs over Exps</b> | <b>\$ -</b>             | <b>\$ (41)</b> |                |
| Beginning Working Capital              | \$ 37                   | \$ 37          |                |
| <b>Ending Working Capital</b>          | <b>\$ 37</b>            | <b>\$ (4)</b>  |                |

# General Obligation Debt

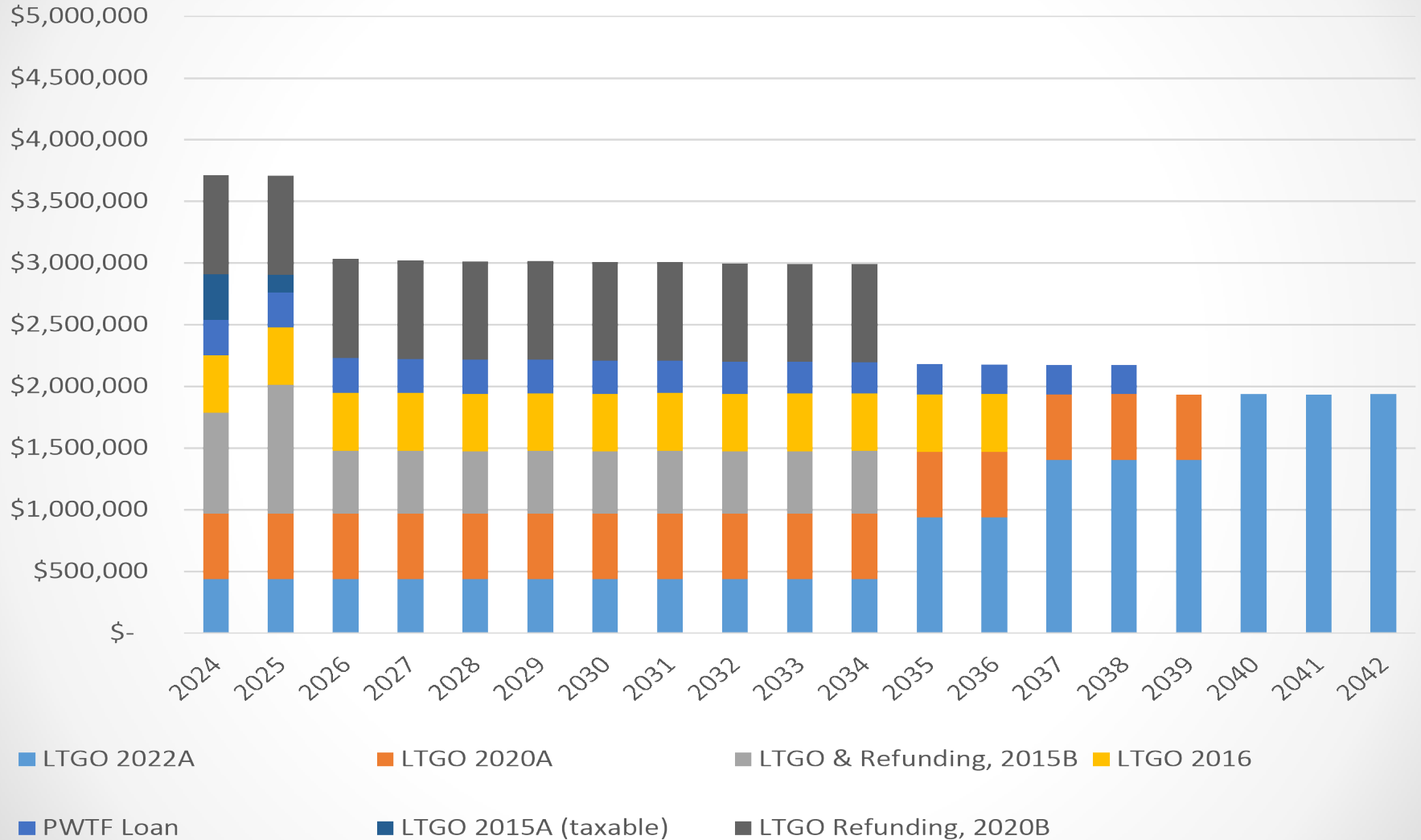
# General Obligation Debt Capacity

- Local governments in Washington State have limited debt authority under state law:
  - Non-voted debt: (councilmanic) cannot be greater than 1.5% of assessed value (AV) for the jurisdiction
  - Voter-approved debt: cannot be greater than 2.5% of AV and calculation is inclusive of non-voted debt
  - An additional 2.5% of AV is authorized for voter-approved debt for open spaces, parks, and capital facilities, as well as utilities
- City of Kennewick Non-Voted Limit 12/31/23:
  - Current AV of \$11,625,611,266 x 1.5% = \$174,384,168
  - Less: o/s general obligation debt @ 12/31 = (\$37,452,598)
  - Less: o/s debt of the KPFD guaranteed by City = (\$3,829,990)
  - 12/31/2023 Non-Voted Debt Capacity = \$133,101,580

# O/S General Obligation Debt

|                                           | <u>Year of<br/>Issue</u> | <u>Final<br/>Maturity</u> | <u>Amount<br/>Issued</u> | <u>Amount<br/>Outstanding</u> |
|-------------------------------------------|--------------------------|---------------------------|--------------------------|-------------------------------|
| <u>Non-Voted General Obligation Bonds</u> |                          |                           |                          |                               |
| LTGO 2015A (taxable)                      | 2015                     | 2025                      | \$ 3,255,000             | \$ 495,000                    |
| LTGO & Refunding, 2015B                   | 2015                     | 2034                      | \$ 10,000,000            | \$ 5,385,000                  |
| LTGO 2016                                 | 2016                     | 2036                      | \$ 6,505,000             | \$ 4,715,000                  |
| LTGO 2020A                                | 2020                     | 2039                      | \$ 7,670,000             | \$ 6,575,000                  |
| LTGO Refunding, 2020B                     | 2020                     | 2034                      | \$ 9,530,000             | \$ 7,350,000                  |
| LTGO 2022A                                | 2022                     | 2042                      | \$ 9,450,000             | \$ 9,450,000                  |
| <u>State Loans</u>                        |                          |                           |                          |                               |
| Public Works Trust Fund Loan              | 2018                     | 2038                      | \$ 4,270,541             | \$ 3,482,598                  |
|                                           |                          |                           |                          | <u>\$ 37,452,598</u>          |

# G.O. Debt Service 2024-2042



# Spring Budget Adjustment

- To adjust for revised revenue estimates for sales tax, electric utility tax, and interest earnings.
- To appropriate for a temporary 3-year Parks, Recreation and Facilities Project Coordinator, a new full-time Recreation & Events Supervisor, and two new 0.8 FTE Recreation Assistant positions.
- To revise estimated amounts for actual 2024 assessments for interlocal agreements (jail, district court/OPD, dispatch/800 MHz).
- To appropriate for grants received to implement middle housing and climate change and resiliency legislation in the City's comprehensive plan.
- To appropriate for a new Public Records Specialist position funded with public safety sales tax.
- To appropriate the remaining balance of the City's American Rescue Plan Act funding.
- To appropriate for the addition of 5 vehicles to the KPD fleet funded with public safety sale tax.
- To appropriate for the purchase of 3 pumper trucks and 1 new aerial truck for KFD.
- To appropriate for changes to estimated project costs for the City's wastewater treatment plant upgrade.

# Budget Adjustment Summary (Thousands)

| Fund Type             | 2023/2024<br>Adjusted<br>Budget | Spring 2024<br>Budget<br>Adjustment | 2023/2024<br>Adjusted<br>Budget |
|-----------------------|---------------------------------|-------------------------------------|---------------------------------|
| General & Street      | \$ 135,354                      | \$ 4,686                            | \$ 140,040                      |
| Special Revenue Funds | 40,349                          | 560                                 | 40,909                          |
| Debt Service Funds    | 7,542                           | -                                   | 7,542                           |
| Capital Funds         | 82,097                          | 4,896                               | 86,993                          |
| Proprietary Funds     | 231,545                         | 6,706                               | 238,251                         |
| Trust Funds           | 7,669                           | -                                   | 7,669                           |
| Totals:               | \$ 504,556                      | \$ 16,848                           | \$ 521,404                      |

*(3.3% Incr.)*

# Questions?

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                           |                               |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|
| <b>Council Agenda Coversheet</b><br><br>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>Agenda Item Number:</b> 4. <b>Council Date:</b> 5/14/2024<br><b>Agenda Item Type:</b> Presentation<br><b>Subject:</b> Deferred Maintenance of Public Infrastructure<br><b>Department:</b> Public Works | <b>Category:</b><br>Info Only |
| <b>Summary</b><br><p>Council members expressed an interest in receiving information on deferred maintenance of public infrastructure and requested staff prepare a presentation on deferred maintenance using the Water and Sewer Utilities as a case study.</p> <p>The purpose of the presentation is to:</p> <ol style="list-style-type: none"> <li>1) Educate Council on the importance and risks of deferred maintenance</li> <li>2) Provide a high level overview of how the City responded to the significant deferred maintenance in critical water and sewer infrastructure</li> <li>3) Consider a similar approach to address deferred maintenance in other public infrastructure as such as city streets, buildings and parks.</li> <li>4) Assist in framing up the discussion around deferred maintenance and investment in public infrastructure in advance of the Council retreat on May 17th &amp; 18th</li> </ol> <p>To facilitate discussion around deferred maintenance needs of other public infrastructure such as city buildings and parks, staff has developed the attached spreadsheets to assist with future investment in public infrastructure.</p> |                                                                                                                                                                                                           |                               |
| <b>Attachments:</b><br>1. Presentation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                           |                               |

# ***Kennewick City Council Workshop***

## ***May 14, 2024***

### ***Deferred Maintenance of Public Infrastructure (Water & Sewer Case Study)***

***Cary M. Roe, P.E.***  
***Director of Public Works***  
***City of Kennewick***



# *Purpose*

- Educate City Council on importance & Risk of Deferred Maintenance
- Definition of Public Infrastructure
- Presentation will Focus on Water & Sewer Utilities as Case Study
- Approach is Transferable to other types of Public Infrastructure

# *Background / History*

- Deferred Maintenance in Water & Sewer Infrastructure
- Problem didn't happen overnight, not one City Council or City Manager (Generations)
- Water & Sewer Comprehensive Plans out of date
- Hadn't conducted Water & Sewer Rate Study for more than 20 years
- All of which led to significant deterioration and failure of Water & Sewer Infrastructure due to deferred maintenance

# *Examples of Deferred Maintenance*

- UPRR Sewer Interceptor Pipe Collapse
  - 2015 - Emergency Declaration – 24” pipe collapse - \$50 K
  - 2018/19 – Phase 1 CIPP Lining – 2200 ft. of 24” Sewer - \$800 K
  - 2019/20 – Phase 2 CIPP Lining – 2400 ft. of 24” Sewer - \$1 M
  - 2020/21 – Phase 3 CIPP Lining – 3200 ft. of 24” Sewer - \$700 K
  - 2021/22 – Phase 4 CIPP Lining – 3900 ft. of Various 18”-30” Sewer - \$1 M
  - Total \$3.55 M

# *Examples of Deferred Maintenance*

- Water Transmission Main under both Railroads
  - 2015 – 16 inch steel pipe shutdown due to excessive leaking
  - 2018 – 1500 ft. of 24" DIP, 225 ft. of 42" casing under both railroads, 280 ft. of 60" casing (future)
  - \$1.6 M
- 18<sup>th</sup> & Kellogg Reservoir Replacement
  - 2016 – 10 MG Condition & Structural Assessment
  - 2020 - Replace 6 MG Concrete Reservoir/Plans for future 6 MG Reservoir
  - New Pump Station designed to carry water to two (2) reservoirs
  - New deep inlet/outlet pipeline
  - \$17.2 M

# *Action Plan to Correct Course*

- Update Water & Sewer Comprehensive Plans
- Perform Condition & Structural Assessment of key infrastructure
- Identify System Deficiencies & Deferred Maintenance
- Develop Projects to mitigate/fix deficiencies & Deferred Maintenance
- Prioritize Projects
- Cost out Projects – Year of anticipated expenditures
- Establish funding source to construct projects
- Implement plan & associated Projects

# *Basic Principles*

- Take care of what you have
- Address worst first
- Plan for growth
- Commitment to Plan

# *Proactive/Planned Projects*

- 7<sup>th</sup> Avenue Zone 2 Transmission Main Project
  - 2020 - 2 miles of 30" DIP
  - \$3.4 M
- Zone 3 Transmission Main Project
  - 2024/25 – 2 miles of 20" DIP
  - \$4.2 M
- WTP Upgrades Phase I
  - 2023/24 - Upgrade surge tank, replace RFP chemical tanks, replace roof on intake structure
  - \$2.2 M
- WTP Upgrade Phase II
  - 2024-25 - Replace filter membranes, upgrade pumps, replace VFD's
  - \$5.3 M
- WWTP Phase II Biosolids Project
  - 2024/25 – Sludge Holding Tank, Belt Presses, Green Houses, Pelletizer, Class A Biosolids/Fertilizer
  - \$37 M

# *Deferred Maintenance Take Aways*

- Accumulates – doesn't go away & gets worse over time
- Often results in system failure
- Requires an emergency/reactive response versus a planned/proactive response
- Typically repair/mitigation costs increase the longer you wait
- Can be addressed – requires Action Plan & Commitment of Funding
- Approach is transferrable to other Public Infrastructure assets such as:
  - City Streets
  - City Buildings
  - Parks

# *Other Public Infrastructure*

- Parks facility staff with input from all Departments have developed a comprehensive spreadsheet to identify deferral maintenance needs and new Capital Infrastructure in the City Buildings and Parks.
- The spreadsheet is intended to prompt discussion around deferred maintenance needs and assist with prioritization.
- This spreadsheet is a working document and is organized into the following four categories:
  - Large CIP Projects
  - Major Maintenance
  - General Deferred Maintenance
  - Critical Risk Projects

# Facility Spreadsheet

## CIP Large Projects > 2.5 Million

| Department | Secondary Department  | Project Name                    | Brief Description                       | Total Estimated Cost | CIP Large Projects > \$2.5m | Critical=1 | Ranking 1-5 |
|------------|-----------------------|---------------------------------|-----------------------------------------|----------------------|-----------------------------|------------|-------------|
| Fire       | Fire Station 62       | Facility Replacement            | Cost to be modeled after new station 61 | \$ 12,000,000.00     | 1                           |            | 2           |
| Fire       | Fire Station 64       | Facility Replacement            | Cost to be modeled after new station 61 | \$ 12,000,000.00     | 1                           |            | 2           |
| Fire       | Fire Station 66       | New Fire Station                | Cost to be modeled after new station 61 | \$ 12,000,000.00     | 1                           |            | 1           |
| General    | Civic Campus          | Parking Structure/Campus Square |                                         | \$ 61,891,463.00     | 1                           |            | 3           |
| General    | City Hall             | Re-roof/Add HVAC                |                                         | \$ 3,797,022.00      | 1                           |            | 1           |
| General    | City Hall             | Facility Replacement            | Including demo and parking              | \$ 62,246,888.00     | 1                           |            | 2           |
| General    | Dan Frost Campus      | Remodel/Finish Mezzanine        |                                         | \$ 2,532,240.00      | 1                           |            | 4           |
| General    | Dan Frost Campus      | Campus Development              |                                         | \$ 13,788,288.00     | 1                           |            | 2           |
| General    | East 10th Shop Campus | Move to Frost Campus (Phase 1)  |                                         | \$ 1,169,479.00      | 1                           |            | 3           |
| General    | East 10th Shop Campus | Move to Frost Campus (Phase 2)  |                                         | \$ 33,475,058.00     | 1                           |            | 3           |
| PRF        | Parks                 | Duffy's Pond                    |                                         | \$ 2,500,000.00      | 1                           |            | 5           |
| PRF        | Parks                 | Recreation Center               |                                         | \$ 50,000,000.00     | 1                           |            | 2           |
| PRF        | Parks                 | Field House                     |                                         | \$ 20,000,000.00     | 1                           |            | 3           |
| PRF        | Parks                 | KSM Pool                        |                                         | \$ 8,000,000.00      | 1                           |            | 1           |
| PW         | Water Filter Plant    | Remodel                         |                                         | \$ 1,673,360.00      | 1                           |            | 2           |
| PW         | Waste Water Plant     | Remodel/Add/Site Improvements   |                                         | \$ 3,465,198.00      | 1                           |            | 1           |

\$  
300,538,996.00

16



# Facility Spreadsheet

## Major Maintenance \$350k - 2.5 Million

| Department     | Secondary Department         | Project Name                     | Brief Description                                                                                                                                                                        | Total Estimated Cost | Major Maint Projects \$350k - \$2.5m | Critical=1 | Remarks                                               | Ranking 1-5 |
|----------------|------------------------------|----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|--------------------------------------|------------|-------------------------------------------------------|-------------|
| Fire           | Fire Station 61              | Facility Reuse                   |                                                                                                                                                                                          | \$ 803,951.00        | 1                                    |            |                                                       | 5           |
| General        | Canal Stt Trees              |                                  |                                                                                                                                                                                          |                      | 1                                    |            |                                                       | 4           |
| IT             | City Hall                    |                                  | HVAC in Server Room. Current unit is old, under-sized and lacking any humidity controls creating static electricity. Current environmental alarms go off daily for low humidity warning. |                      | 1                                    | 1          |                                                       | 1           |
| IT             | City Hall                    |                                  | Insufficient office space for IT staff growth - additional FTE's anticipated in upcoming biennium                                                                                        |                      | 1                                    |            |                                                       | 5           |
| Library        | Union St. Library            | Roof                             |                                                                                                                                                                                          | \$ 800,000.00        | 1                                    |            |                                                       | 3           |
| Library        | Union St. Library            | Flooring                         |                                                                                                                                                                                          | \$ 377,000.00        | 1                                    |            |                                                       | 3           |
| Management Svc | Fleet/Purchasing/WH          | Roof                             | New Roof                                                                                                                                                                                 | \$ 137,530.00        | 1                                    |            |                                                       | 1           |
| Management Svc | Fleet/Purchasing/WH          | Overhead Doors                   | Repair/Replace                                                                                                                                                                           | \$ 153,000.00        | 1                                    |            |                                                       | 3           |
| Management Svc | IT                           | Fire Suppression & HVAC          | Fire Suppression in data center in City Hall                                                                                                                                             | \$ 120,000.00        | 1                                    | 1          |                                                       | 1           |
| PRF            | Parks                        | Columbia Park - East Boat Launch | Remove and replace wooden floats with new HDPE / Galvanized floats.                                                                                                                      | \$ 1,850,000.00      | 1                                    |            |                                                       | 1           |
| PRF            | Parks                        | Grange Splash Pad                | Splash pad replacement.                                                                                                                                                                  | \$ 600,000.00        |                                      |            |                                                       | 4           |
| PRF            | Parks                        | Columbia Park - Splash Pad       | Replace POD Splash pad with re-circulatory system.                                                                                                                                       | \$ 600,000.00        | 1                                    |            |                                                       | 3           |
| PRF            | Parks                        | Southridge - Splash Pad          | Replace Splash pad with re-circulatory system.                                                                                                                                           | \$ 600,000.00        | 1                                    |            |                                                       | 3           |
| PRF            | Parks                        | Hansen                           | Install re-circulatory Splash pad system.                                                                                                                                                | \$ 600,000.00        | 1                                    |            |                                                       | 5           |
| PRF            | Parks                        | Lawrence Scott Playground        | Playground Replacement                                                                                                                                                                   | \$ 425,000.00        | 1                                    |            |                                                       | 1           |
| PRF            | Parks                        | Lawrence Scott Splashpad         | Splash pad with re-circulatory system                                                                                                                                                    | \$ 800,000.00        |                                      |            |                                                       | 5           |
| PRF            | Parks                        | Lawrence Scott Park              | In-field additive, field lighting, building renovation, asphalt surface replacement, backstop repairs, dugout roofs, ADA handrailing.                                                    | \$ 1,495,000.00      | 1                                    |            |                                                       | 2           |
| PRF            | Parks                        | Horse Heaven Hills Park          | Tennis Court Repairs & Surfacing                                                                                                                                                         | \$ 375,000.00        | 1                                    |            |                                                       | 4           |
| PRF            | Parks                        | Highlands Grange Park            | Splash pad replacement. Playground Replacement.                                                                                                                                          | \$ 1,476,270.00      | 1                                    |            |                                                       | 3           |
| PRF            | Parks                        | Layton Park                      | Shelter removal. Install Pre-fab restroom. Install Basketball back stop. Purchase soccer goal posts.                                                                                     | \$ 572,180.00        | 1                                    | 1          |                                                       | 1           |
| PRF            | Parks                        | Southridge - Grass               | Install playgrass & shade structure between playground and Carousel.                                                                                                                     | \$ 350,000.00        | 1                                    |            |                                                       | 5           |
| PRF            | Pathways & Trails            |                                  |                                                                                                                                                                                          |                      | 1                                    |            | TBD. Cost will be outlined in the feasibility report. | 3           |
| Purchasing     | Paving and re-stripe Parking |                                  | With sale of south parcel, site circulation necessariloy changes, asphalt in poor condition and some areas are gravel.                                                                   |                      | 1                                    |            |                                                       | 3           |
|                |                              |                                  |                                                                                                                                                                                          |                      |                                      |            |                                                       |             |
|                |                              |                                  |                                                                                                                                                                                          |                      |                                      |            |                                                       |             |
|                |                              |                                  |                                                                                                                                                                                          |                      |                                      |            |                                                       |             |

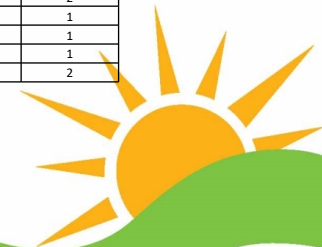
\$ 12,134,931.00 21



# Facility Spreadsheet

## Deferred Maintenance < \$350K - Page #1

| Department | Secondary Department | Project Name       | Brief Description                                                                                                                                                                                                | Total Estimated Cost | Deferred Maint Projects < \$350k | Critical | Remarks | Ranking 1-5 |
|------------|----------------------|--------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------------------|----------|---------|-------------|
| EconDev    | EconDev              | Civic Signage      | Replacement of wayfinding signage around Civic Complex                                                                                                                                                           | \$ 7,000.00          | 1                                |          |         | 5           |
| Fire       | Station 1            | Apparatus Bays     | Repair/upgrade Nederman components                                                                                                                                                                               | \$ -                 | 1                                |          |         | 1           |
| Fire       | Station 2            | Apparatus Bays     | Repair/upgrade Nederman components                                                                                                                                                                               | \$ -                 | 1                                | 1        |         | 1           |
| Fire       | Station 2            | Apparatus Bays     | Install splash-resistant wainscoting behind/below water hose assemblies                                                                                                                                          | \$ -                 | 1                                |          |         | 3           |
| Fire       | Station 2            | Apparatus Bays     | Replace sink base countertop                                                                                                                                                                                     | \$ -                 | 1                                |          |         | 4           |
| Fire       | Station 2            | Apparatus Bays     | Sand and re-stain wood doors on west wall                                                                                                                                                                        | \$ -                 | 1                                |          |         | 5           |
| Fire       | Station 2            | Kitchen            | Replace or sand and re-stain cabinets                                                                                                                                                                            | \$ -                 | 1                                |          |         | 3           |
| Fire       | Station 2            | Kitchen            | Replace countertops w/impervious and easy-to-disinfect surface                                                                                                                                                   | \$ -                 | 1                                |          |         | 3           |
| Fire       | Station 2            | Kitchen            | Replace island countertop (and possibly cabinet)                                                                                                                                                                 | \$ -                 | 1                                |          |         | 3           |
| Fire       | Station 2            | Kitchen            | Replace stove/over w/commercial-grade appliance                                                                                                                                                                  | \$ -                 | 1                                |          |         | 2           |
| Fire       | Station 2            | Kitchen            | Re-configure cabinet spacing for 3 <sup>rd</sup> refrigerator                                                                                                                                                    | \$ -                 | 1                                |          |         | 2           |
| Fire       | Station 2            | Training Space     | OPTION 1: Refresh the training room to ensure it serves that function well; OPTION 2: Re-purpose training room as workout room; re-purpose workout room as crew office; re-purpose crew office as Captain office | \$ -                 | 1                                |          |         | 4           |
| Fire       | Station 4            | Apparatus Bays     | Repair/upgrade Nederman components as directed by authorized contractor                                                                                                                                          | \$ -                 |                                  | 1        |         | 1           |
| Fire       | Station 4            | Apparatus Bays     | Install splash-resistant wainscoting behind/below water hose assemblies                                                                                                                                          | \$ -                 |                                  | 1        |         | 1           |
| Fire       | Station 4            | Apparatus Bays     | Replace sink base countertop                                                                                                                                                                                     | \$ -                 |                                  |          |         | 3           |
| Fire       | Station 4            | Apparatus Bays     | Sand and re-stain wood doors on west wall                                                                                                                                                                        | \$ -                 |                                  |          |         | 5           |
| Fire       | Station 4            | Kitchen            | Replace or sand and re-stain cabinets                                                                                                                                                                            | \$ -                 |                                  |          |         | 3           |
| Fire       | Station 4            | Kitchen            | Replace countertops w/impervious and easy-to-disinfect surface                                                                                                                                                   | \$ -                 |                                  |          |         | 3           |
| Fire       | Station 4            | Kitchen            | Replace island countertop (and possibly cabinet)                                                                                                                                                                 | \$ -                 |                                  |          |         | 3           |
| Fire       | Station 4            | Kitchen            | Replace stove/over w/commercial-grade appliance                                                                                                                                                                  | \$ -                 |                                  |          |         | 2           |
| Fire       | Station 4            | Kitchen            | Re-configure cabinet spacing for 3 <sup>rd</sup> refrigerator                                                                                                                                                    | \$ -                 |                                  |          |         | 2           |
| Fire       | Station 4            | Crew Office        | Replace 'built-in' desk area with three separate workspaces                                                                                                                                                      | \$ -                 |                                  |          |         | 4           |
| Fire       | Station 4            | Crew Office        | Install video conferencing technology on north wall                                                                                                                                                              | \$ -                 |                                  |          |         | 2           |
| Fire       | Station 4            | Crew Office        | Apply 'frosting' window treatments to front windows as a privacy/safety measure                                                                                                                                  | \$ -                 |                                  |          |         | 2           |
| Fire       | Station 4            | Bathrooms          | Remove and replace? bench with impervious and easy-to-disinfect surface                                                                                                                                          | \$ -                 |                                  |          |         | 2           |
| Fire       | Station 4            | Exterior           | Consult with structural engineer on concrete cracks near structural support to determine any concerns                                                                                                            | \$ -                 |                                  |          |         | 1           |
| Fire       | Station 4            | Exterior           | Consider sealing of concrete cracks as guided by structural engineer                                                                                                                                             | \$ -                 |                                  |          |         | 3           |
| Fire       | Station 4            | Exterior           | Install mow strips and incorporate zero-scaping                                                                                                                                                                  | \$ -                 |                                  |          |         | 5           |
| Fire       | Station 4            | Station-Wide       | Remove all carpet and polish concrete                                                                                                                                                                            | \$ -                 |                                  |          |         | 2           |
| Fire       | Station 4            | Station-Wide       | Paint interior walls                                                                                                                                                                                             | \$ -                 |                                  |          |         | 5           |
| Fire       | Station 4            | Station-Wide       | Replace lighting with energy-efficient LED, possibly motion-sensor activated                                                                                                                                     | \$ -                 |                                  |          |         | 3           |
| Fire       | Station 4            | Station-Wide       | Clean air duct system                                                                                                                                                                                            | \$ -                 |                                  |          |         | 1           |
| Fire       | Station 4            | Station-Wide       | Evaluate fire detection and suppression system for possible upgrades                                                                                                                                             | \$ -                 |                                  |          |         | 2           |
| Fire       | Station 4            | Station-Wide       | Consider total facility replacement                                                                                                                                                                              | \$ -                 |                                  |          |         | 1           |
| Fire       | Station 4            | Pest Control       | Bait Stations, Insect Treatment, Rodent Service                                                                                                                                                                  | \$ -                 | 1                                |          |         | 1           |
| Fire       | Station 5            | Bays/Bathroom Area | Water leaking creating mold and water damage. Mold may need to be mitigated and prevention measures may need to be taken to prevent additional problems.                                                         | \$ -                 |                                  |          |         | 1           |
| Fire       | Station 2            | Bathrooms          | Convert 'locker room'-style bathrooms into individual, unisex bathroom spaces                                                                                                                                    | \$ -                 | 1                                |          |         | 5           |
| Fire       | Station 2            | Exterior           | Incorporate zero-scaping                                                                                                                                                                                         | \$ -                 | 1                                |          |         | 5           |
| Fire       | Station 2            | Station-Wide       | Remove all carpet and polish concrete                                                                                                                                                                            | \$ -                 | 1                                |          |         | 2           |
| Fire       | Station 2            | Station-Wide       | Paint interior walls                                                                                                                                                                                             | \$ -                 | 1                                |          |         | 5           |
| Fire       | Station 2            | Station-Wide       | Replace lighting with energy-efficient LED, possibly motion-sensor activated                                                                                                                                     | \$ -                 | 1                                |          |         | 3           |
| Fire       | Station 2            | Station-Wide       | Clean air duct system                                                                                                                                                                                            | \$ -                 | 1                                |          |         | 1           |
| Fire       | Station 2            | Station-Wide       | Evaluate fire detection and suppression system for possible upgrades                                                                                                                                             | \$ -                 | 1                                |          |         | 2           |
| Fire       | Station 2            | Station-Wide       | Consider major facility re-model/update                                                                                                                                                                          | \$ -                 | 1                                |          |         | 1           |
| Fire       | Station 2            | Pest Control       | Bait Stations, Insect Treatment, Rodent Service                                                                                                                                                                  | \$ -                 | 1                                |          |         | 1           |
| Fire       | Station 3            | Apparatus Bays     | Repair/upgrade Nederman components                                                                                                                                                                               | \$ -                 | 1                                | 1        |         | 1           |
| Fire       | Station 3            | Crew Office        | Install cat5 connector, USB adapter, webcam                                                                                                                                                                      | \$ -                 | 1                                |          |         | 2           |



# Facility Spreadsheet

## Deferred Maintenance <\$350K- Page #2

|                |                     |                           |                                                                                                                                                                                         |    |            |   |   |                                          |   |
|----------------|---------------------|---------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|------------|---|---|------------------------------------------|---|
| Fire           | Station 3           | Pest Control              | Insect Treatment                                                                                                                                                                        | \$ | -          | 1 |   |                                          | 1 |
| Fire           | Station 5           | Apparatus Bays            | Repair/upgrade Nederman components as directed by authorized contractor                                                                                                                 | \$ | -          | 1 | 1 |                                          | 1 |
| Fire           | Station 5           | Exterior                  | Consider sealing of concrete cracks                                                                                                                                                     | \$ | -          | 1 |   |                                          | 5 |
| Fire           | Station 5           | Exterior                  | Plan for replacement of concrete aprons 5-7 years out                                                                                                                                   | \$ | -          | 1 |   |                                          | 1 |
| Fire           | Station 5           | Exterior                  | Plan for replacement of concrete landscaping wall 5-7 years out                                                                                                                         | \$ | -          | 1 |   |                                          | 4 |
| Fire           | Station 5           | Pest Control              | Insect Treatment                                                                                                                                                                        | \$ | -          | 1 |   |                                          | 1 |
| General        | City Hall           |                           | Exterior Doors - many don't secure reliably and bounce back open. Replacement was recommended years ago given the age of the doors                                                      | \$ | -          | 1 |   |                                          | 1 |
| General        | City Hall           |                           | Restrooms in IT/Admin Area - no hot water; 1/2 of existing lighting non functional; edging on door hanging off and staff have been tripping on it.                                      | \$ | -          | 1 |   | Need to install a tankless water heater. | 3 |
| General        | City Hall           |                           | Air quality/health check needed. Concerns regarding environmental exposures (i.e. asbestos, mold) have been reported for years.                                                         | \$ | -          | 1 | 1 |                                          | 1 |
| General        | City Hall           |                           | Carpeting & Paint throughout                                                                                                                                                            | \$ | -          | 1 |   |                                          |   |
| General        | City Hall Basement  |                           | Ceiling tiles in old dispatch area water soaked and much of it is crumbled on the floor. Carpet has also been soaked. Mold also a concern.                                              | \$ | -          | 1 |   | To be completed in-house by Facilities.  | 1 |
| General        | City Hall Basement  |                           | Water leaks into the old phone room. There has been water pooled right next to live electrical boxes. Safety concern. Water leaks also concern for the records stored down there.       | \$ | -          | 1 |   |                                          | 1 |
| IT             | City Hall           |                           | Columbia Conference Room - needs dual door replaced with single sized door so we can add badge access to it. Can't be one with current double door.                                     | \$ | -          | 1 |   |                                          | 1 |
| IT             | City Hall           |                           | Walls in Data Center are covered with sound damping material that is highly flammable. Flooring should also be tile material not the existing carpet due to static electricity concerns | \$ | -          | 1 |   | To be completed in-house by Facilities.  | 1 |
| IT             | City Hall           |                           | IT Work room outside of Data Center is significantly undersized                                                                                                                         | \$ | -          | 1 |   |                                          | 5 |
| Library        | Union St. Library   | Lighting                  |                                                                                                                                                                                         | \$ | 83,000.00  | 1 |   |                                          | 2 |
| Library        | Union St. Library   | Plumbing Upgrade          |                                                                                                                                                                                         | \$ | 21,000.00  | 1 |   |                                          | 2 |
| Library        | Union St. Library   | Front Doors               |                                                                                                                                                                                         | \$ | 52,000.00  | 1 |   |                                          | 4 |
| Management Svc | Fleet/Purchasing/WH | Office Update             | New carpet, paint, ceiling tiles, lighting                                                                                                                                              | \$ | 6,000.00   | 1 |   |                                          | 2 |
| Management Svc | Fleet/Purchasing/WH | Man-door Replacement      | Repair/Replace                                                                                                                                                                          | \$ | 20,000.00  | 1 |   |                                          | 1 |
| Management Svc | Fleet/Purchasing/WH | Lighting                  | Lighting in shops and warehouse                                                                                                                                                         | \$ | 20,000.00  | 1 |   |                                          | 1 |
| Management Svc | Fleet/Purchasing/WH | HVAC                      | New HVAC Sytem                                                                                                                                                                          | \$ | 30,000.00  | 1 | 1 |                                          | 1 |
| PD             | Police Station      | Stairs                    | Slip protection                                                                                                                                                                         | \$ | -          | 1 |   |                                          | 1 |
| PD             | Police Station      | Parking Lot               | Restripe the secure parking lot                                                                                                                                                         | \$ | -          | 1 |   |                                          | 3 |
| PD             | Police Station      | Floor and Wall repair     | Repair damaged floor and drywall in 2nd floor breakroom from leaking ice machine.                                                                                                       | \$ | -          | 1 |   | To be completed in-house by Facilities.  | 1 |
| PRF            | Parks               | Underwood                 | Playground replacement                                                                                                                                                                  | \$ | 145,000.00 | 1 |   |                                          | 3 |
| PRF            | Parks               | Columbia Park - POD       | Replace PIP surface with playground grass. PIP surface life beyond ROI.                                                                                                                 | \$ | 90,000.00  | 1 |   |                                          | 1 |
| PRF            | Parks               | Hansen                    | Replace PIP surface with playground grass. PIP surface life beyond ROI. Install shade structure.                                                                                        | \$ | 70,200.00  | 1 |   |                                          | 1 |
| PRF            | Parks               | Canyon Lakes              | Playground & Surface replacement.                                                                                                                                                       | \$ | 150,000.00 | 1 |   |                                          | 1 |
| PRF            | Parks               | Hard Surfaces             | Hard Surfaces maintenance program. This includes lots and pathways. Program only includes repair and maintenance/sealing.                                                               | \$ | 215,000.00 | 1 |   |                                          | 2 |
| PRF            | Parks               | Vancouver                 | Install bike playground                                                                                                                                                                 | \$ | 215,000.00 | 1 |   |                                          | 3 |
| PRF            | Frost               | Facilities office         |                                                                                                                                                                                         | \$ | 150,000.00 | 1 |   |                                          | 3 |
| PRF            | Parks               | Campground                | Demolition                                                                                                                                                                              | \$ | 152,000.00 | 1 |   | Out to Bid                               | 1 |
| PRF            | Parks               | Southridge                | Install Hard Roofs on dugouts                                                                                                                                                           | \$ | 135,000.00 | 1 |   |                                          | 2 |
| PRF            | Parks               | Lawrence Scott Park       | Install Hard Roofs on dugouts                                                                                                                                                           | \$ | 112,000.00 | 1 |   |                                          | 2 |
| PRF            | Parks               | Civic Ball Fields         | Install Hard Roofs on dugouts                                                                                                                                                           | \$ | 84,000.00  | 1 |   |                                          | 2 |
| PRF            | Parks               | Southridge                | Scoreboard replacement                                                                                                                                                                  | \$ | 80,000.00  | 1 |   |                                          | 1 |
| PRF            | Parks               | Columbia Park - Landing   | Pave parking lot for landing restaurant.                                                                                                                                                | \$ | 120,000.00 | 1 |   |                                          | 1 |
| PRK            | Parks               | Columbia Park J&S Express | Install J&S train storage facility                                                                                                                                                      | \$ | 75,000.00  | 1 |   |                                          | 5 |
| Purchasing     | 10th Ave Shops      |                           | Insufficient office space for Purchasing staff growth expected next year                                                                                                                | \$ | -          | 1 |   |                                          | 3 |
| Purchasing     | Perimeter Fencing   |                           | Replace perimeter fencing. Assume KHA will install new fence between parcels                                                                                                            | \$ | -          | 1 |   |                                          | 1 |

5 2,032,200.00 54

# Facility Spreadsheet

## Critical Risk Projects

| Department     | Secondary Department | Project Name            | Brief Description                                                                                                                                                                        | Total Estimated Cost                                                                | Ranking (1-5) | CIP Large Project | Major Maint | Deferred Maint | Remarks                                                                                        |
|----------------|----------------------|-------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|---------------|-------------------|-------------|----------------|------------------------------------------------------------------------------------------------|
|                |                      |                         |                                                                                                                                                                                          |                                                                                     |               |                   |             |                |                                                                                                |
|                |                      |                         |                                                                                                                                                                                          | \$ 1,709.95                                                                         |               |                   |             | x              | In-progress                                                                                    |
| Fire           | Station 2            | Apparatus Bays          | Repair/upgrade Nederman components                                                                                                                                                       | \$ 3,814.35                                                                         |               |                   |             | x              | In-progress                                                                                    |
| Fire           | Station 4            | Apparatus Bays          | Repair/upgrade Nederman components as directed by authorized contractor                                                                                                                  | \$ 3,274.16                                                                         |               |                   |             | x              | In-progress                                                                                    |
| Fire           | Station 4            | Apparatus Bays          | Install splash-resistant wainscoting behind/below water hose assemblies                                                                                                                  | 0                                                                                   |               |                   |             | x              |                                                                                                |
| Fire           | Station 3            | Apparatus Bays          | Repair/upgrade Nederman components                                                                                                                                                       | \$ 5,058.20                                                                         |               |                   |             | x              | In-progress                                                                                    |
| Fire           | Station 5            | Apparatus Bays          | Repair/upgrade Nederman components as directed by authorized contractor                                                                                                                  | \$ 5,571.90                                                                         |               |                   |             | x              | In-progress                                                                                    |
|                |                      |                         |                                                                                                                                                                                          | <a href="#">H:\Parks\Capital Projects\Working CIP Long Range Plan_Version2.xlsx</a> |               |                   |             |                |                                                                                                |
|                |                      |                         |                                                                                                                                                                                          | \$ 80,000.00                                                                        | 4             |                   |             | x              |                                                                                                |
|                |                      |                         |                                                                                                                                                                                          |                                                                                     | 3             |                   |             | x              | In-progress. Facilities is assessing tankless water heater solution. Deferred maintenance cost |
| General        | City Hall            | 0                       | Air quality/health check needed. Concerns regarding environmental exposures (i.e. asbestos, mold) have been reported for years.                                                          | \$ -                                                                                | 1             |                   |             | x              |                                                                                                |
| Management Svc | Fleet/Purchasing/WH  | HVAC                    | New HVAC Sytem                                                                                                                                                                           | \$ -                                                                                | 1             |                   |             | x              | Awaiting quote from Apollo. Work to be completed using deferred maintenance funds.             |
| IT             | City Hall            | 0                       | HVAC in Server Room. Current unit is old, under-sized and lacking any humidity controls creating static electricity. Current environmental alarms go off daily for low humidity warning. | \$ -                                                                                | 1             |                   | x           |                | Awaiting quote from Apollo.                                                                    |
| Management Svc | IT                   | Fire Suppression & HVAC | Fire Suppression in data center in City Hall                                                                                                                                             | \$ 120,000.00                                                                       | 1             |                   | x           |                |                                                                                                |
|                |                      | Southridge - Splash Pad |                                                                                                                                                                                          |                                                                                     |               |                   |             |                |                                                                                                |
|                |                      | Hansen                  |                                                                                                                                                                                          |                                                                                     |               |                   |             |                |                                                                                                |
|                |                      | Lawrence Scott Park     |                                                                                                                                                                                          |                                                                                     |               |                   |             |                |                                                                                                |
|                |                      | Highlands Grange Park   |                                                                                                                                                                                          |                                                                                     |               |                   |             |                |                                                                                                |
| PRF            | Parks                | Layton Park             | Shelter removal. Install Pre-fab restroom. Install Basketball back stop. Purchase soccer goal posts.                                                                                     | 572180                                                                              |               |                   |             |                |                                                                                                |



# *Questions*

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