FROM: Cathy Rosen, Public Works Director and Joe Stowell, City Engineer

INITIALED AS APPROVED FOR SUBMITTAL TO THE COUNCIL BY:
○ Scott Dudley, Mayor
○ Doug Merriman, City Administrator/Finance Director
○ Nikki Esparza, City Attorney, as to form

RECOMMENDED ACTION
1) Discuss views and opinions on inclusion of community room.
2) Utilize Resolution 15-34 addressing the inclusion of a community use room into the construction of the Clean Water Facility should City Council desire to proceed forward.

BACKGROUND / SUMMARY INFORMATION
The City of Oak Harbor is actively pursuing the replacement of two aging wastewater treatment plants with a new, state of the art, membrane bioreactor treatment plant. After an extensive site selection process, City Council selected the Windjammer Vicinity on August 14, 2012 by Resolution 12-17. Selecting the Windjammer Vicinity provides an opportunity to construct community use facilities into the project.

Many wastewater facilities in the state have community use and/or interpretative facilities. We are currently including an interpretive center on the first floor. A decision on the community use room will not impact the inclusion of an interpretive center. In order to take advantage of existing facilities and reduce impacts to the park, the design team has proposed locating the community use room on the second floor of the administrative/maintenance building. Adding a second floor for a community use room was an attractive concept due to the view of the harbor and park. The design team included this room into the 60% design to determine the cost feasibility of the proposal.

On September 30, 2015 the project team provided information regarding the community use room at a Special City Council Workshop. The following represents what has been included in the 60% design. The design proposed space for 146 people in an auditorium seating configuration. The design also included an elevator, a catering kitchen and was approximately 4,000 square feet.

At the October 20, 2105 Council Meeting, staff presented Resolution 15-34 which would direct staff to
include the Community Room as presented on September 30, 2015 into the Clean Water Facility. At
that City Council meeting, Council directed “staff to prepare revised drawings and cost estimates for
a community use room with a minimum auditorium style seating capacity of 250. The presentation
shall include specific funding opportunities and be presented to council no later than December
15, 2015.”

Staff and the consultant team have worked diligently to prepare documents requested by Council.
Attachments A and B reflect a floor plan for the facility meeting the desired capacity. Hoffman
performed an order of magnitude estimate (Attachment C) and estimates the cost of this upsized
community room facility to be $4,599,286.

Please see Fiscal Impact Section below for discussions on funding.

FISCAL IMPACT
Funds Required: $4,599,286

Appropriation Source: Wastewater Fund #402

The funding for the proposed community room can be designed would come from the Wastewater
Treatment Fund. One yet to be resolved factor in the funding structure is the use of Federal Funds, via
SRF loans, on this project. A few issues impact the funding of the community room:

1) Per the Washington Department of Ecology, the costs of the community room would not be eligible
for reimbursement through SRF loans. The City would be required to fund the community room either
through waste water funds or through other non-federal funding sources (Shawn McCone, Department of
Ecology).

2) With a significant portion of the project being funded through the Department of Ecology, per the
Office of the State Auditor the entire project is subject to the rules and regulations concerning the use of
federal funding - even if the City contributes its own sources of non-federal funding to the project.
Accordingly, any revenues generated by the federally funded project may be declared "program
income". The EPA and Department of Ecology may reclaim these rental fee revenues as a return of their
investment in our project (per Felicia Denadel, Audit Manager, Washington State Auditors office). Per
the State Auditors recommendation, the City should require an Inspector General (IG) opinion to
determine if any rental income we earned on form the community room would need to be returned.

Finance has initiated the request through the Department of Ecology to obtain an opinion on the status of
rental revenue earned on the community room. AS of the date of the preparation of this agenda bill, the
City has not received such opinion.

PREVIOUS COUNCIL / BOARD / CITIZEN INPUT
CITY COUNCIL WORKSHOP

This item was discussed at the September 30, 2015 City Council Workshop.
CITY COUNCIL PREVIOUS ACTIONS

October 20, 2015 - Councilmember Servatius moved to instruct staff to prepare revised drawings and cost estimates for a community use room with a minimum auditorium style seating capacity of 250. The presentation shall include specific funding opportunities and be presented to council no later than December 15, 2015.

ATTACHMENTS
1. Resolution 15-34: Clean Water Facility - Inclusion of a Community Use Room into the Construction of the Clean Water Facility
2. Attachment A - Schematic Upper Floor Plan
3. Attachment B - Architectural Pricing Documents
4. Attachment C - Order of Magnitude Cost Estimate
5. Attachment D - Community Room Cost Breakeven Analysis
6. Attachment E - Funding Option Summary
CITY OF OAK HARBOR
RESOLUTION NO. 15-34

A RESOLUTION ADDRESSING THE INCLUSION OF A COMMUNITY USE ROOM INTO
THE CONSTRUCTION OF THE CLEAN WATER FACILITY

WHEREAS, the City of Oak Harbor is constructing a wastewater treatment plant called the Clean Water Facility; and

WHEREAS, as result of a public selection process the City of Oak Harbor will locate the Clean Water Facility in Windjammer Park; and

WHEREAS, the Windjammer Park location requires attention to the appearance and aesthetics of the Clean Water Facility; and

WHEREAS, The Clean Water Facility’s proximity to Windjammer Park and Puget Sound provides an opportunity for a community use room; and

WHEREAS, a community use room was included in the 60% design of the Clean Water Facility; and

WHEREAS, the City of Oak Harbor engaged in a public review process which included design charrettes, open houses, and on-line communications addressing the appearance and aesthetics of the Clean Water Facility; and

WHEREAS, in light of the unique functional requirements of the Clean Water Facility, the selected an architectural concept with Resolution 15-27; and

WHEREAS: the project 60% cost estimates included a community use room.

WHEREAS: cost estimates were prepared for a community use room at a 250 seat capacity.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Oak Harbor that:

1. Include a community use room in the final design of the project in a 250 seat configuration

2. Include the community use room in the project construction procurement process.

PASSED by the City Council and approved by its Mayor this 15th day of December, 2015.

CITY OF OAK HARBOR

__________________________
SCOTT DUDLEY, MAYOR
Attest:  

Anna Thompson, City Clerk  

Approved as to form:  

Nikki Esparza, City Attorney
UPPER FLOOR PLAN - ADMINISTRATION BUILDING

OPEN PLAN

CODE SUMMARY -

OCCUPANT LOAD @ 5 S.F. / OCCUPANT (STANDING ONLY): ROOM OCCUPANCY = 784 PEOPLE
** NEED DEFINED EXIT PATHS FOR CODE COMPLIANCE
(MORE THAN 500 OCCUPANTS REQUIRES 3RD EGRESS STAIR)

Public
Support
UPPER FLOOR PLAN - ADMINISTRATION BUILDING

PRESENTATION ROOM SEATING PLAN
264 SEATS

CODE SUMMARY -

OCCUPANT LOAD @ 7 S.F. / OCCUPANT (CHAIRS ONLY): ROOM OCCUPANCY = 560 PEOPLE
** NEED DEFINED EXIT PATHS FOR CODE COMPLIANCE
LAYOUT SHOWN ABOVE IS COMPLIANT
(MORE THAN 500 OCCUPANTS REQUIRES 3RD EGRESS STAIR)
UPPER FLOOR PLAN - ADMINISTRATION BUILDING

TRAINING ROOM SEATING PLAN
120 TRAINING STATIONS SHOWN

CODE SUMMARY -
ROOM OCCUPANCY LIMIT @ 15 SF / OCCUPANT = 262
**COMPLIANT

PUBLIC: 3500 #

ELEV.: 3500 #

Clean Water Facility - Community Room
Schematic Floor Plan

374
UPPER FLOOR PLAN - ADMINISTRATION BUILDING

BANQUET SEATING PLAN
APRX. 200 BANQUET SEATS

CODE SUMMARY -
OCCUPANT LOAD @ 15 SF / OCCUPANT = 262
*COMPLIANT

Public
Support
OAK HARBOR - CLEAN WATER FACILITY - PRICING DOCUMENT

ADMINISTRATION BUILDING - 250 PERSON COMMUNITY ROOM

GENERAL NOTES:
1. DRAWINGS IN THIS PACKAGE ARE FOR PRICING PURPOSES ONLY - NOT FOR CONSTRUCTION.
2. DESIGN IS STILL IN PRELIMINARY PHASES AND IS NOT CONSIDERED FULLY COORDINATED OR COMPLETE.
3. SEE STRUCTURAL AND M.E.P. NARRATIVES FOR RELEVANT INFORMATION
4. DIMENSIONS ARE TO FACE OF FINISH UNLESS NOTED OTHERWISE.
5. THIS DOCUMENT IS IN 11X17 FORMAT - PRINT AT 100% FOR SCALED DRAWINGS.
1. FIBER REINFORCED CONCRETE PLANK - REF.: OKO SIDING
2. EXPOSED, WOOD-CLAD STEEL STRUTS
3. BRICK VENEER
4. CURTAIN WALL SYSTEM
5. STOREFRONT WINDOW SYSTEM W/ STEEL FRAMES
6. EXTERIOR WOOD-CLAD STEEL COLUMN
7. STEEL FRAMED OVERHANG
8. METAL ROOF TRIM
9. OVERHEAD COILING DOOR
10. STANDING SEAM ROOFING
11. GROUND-FACED CMU VENEER
12. METAL LOUVERS - SIZE T.B.D.
13. SUN SHADING - METAL FINS

- WEST ELEVATION
- SOUTH ELEVATION
- NORTH ELEVATION

Attachment B
Clean Water Facility - Community Room
Architectural Pricing Documents
### PROJECT CSI ESTIMATE ROLL-UP SUMMARY

**BUILDING:** Oak Harbor Clean Water Facility  
**LOCATION:** Oak Harbor, Washington  
**ENGINEER:** Carollo  
**SUBJECT:** Facility Summary - 60% Design Estimate  
**DATE:** 08/21/15  
**DWG. DATE:** 06/22/15

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<th>Est. Total</th>
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<td><strong>COMMUNITY TRAINING BUILDING</strong></td>
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<td><strong>CIVIL SITEWORK</strong></td>
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<td><strong>GRAND TOTAL, CONSTRUCTION COSTS</strong></td>
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Field Duration 30 mo
## CSI Roll-Up Summary - Oak Harbor Clean Water Facility

### Cost Estimate

**Subject:** CSI Roll-Up Summary - 60% Design Estimate

**Date:** 06/22/15

**Units:** 384 Oak Harbor Clean Water Facility

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**Contact:**

- [See Internal Use for Assumptions, Clarifications, and Exclusions.](#)
City of Oak Harbor
Community Room Breakeven Analysis
As of 12/15/2015

Cost of Room:
- Principal $4,599,286
- Interest 4.30%
- Years 30
- Debt Payment $275,750

Annual Operating costs:
- Debt Payment $275,750
- Maintenance 3,500
- Janitorial 25,000
- Utilities 6,000
- Supplies 3,000
- Overhead 8,000
- Annualized costs: $321,250

Required Daily Rent to Breakeven:

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<th>Vacancy Rate</th>
<th># of Days Rented</th>
<th>Breakeven</th>
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<td>50%</td>
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<td>25%</td>
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Community Room Square Footage:

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<td>UPPER LOBBY</td>
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<td>JAN.</td>
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<td>TOTAL SQ FOOTAGE</td>
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Price of Room $4,599,286
Total Sq Footage 8,108
Price per Square Foot $567.25
Wastewater Fund pays for room construction and rents out for public usage with receipts going to Wastewater Fund to offset cost.

a) Waste Water Fund is owner
b) Vacancy risk assumed by Wastewater Fund
c) General Fund may subsidize cost via $600k - $700k
d) Any income earned by project funded by Federal Funds has restrictions and reporting requirements under Federal Program Revenue rules. State Auditors contacted for guidance.
e) Rule of Thumb: $1 million in net cost = $1 dollar in rates.