

Lane County Events Center
Executive Summary Report for
Facility Condition Assessment Services

For
Lane County Events Center
796 W. 13th Avenue
Eugene, OR 97301



Date of Report: August 3, 2017

Provided By:

Faithful+Gould, Inc

Provided For:

Lane County

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EXECUTIVE SUMMARY

INTRODUCTION

In accordance with the agreement held between Lane County, contract # FY16-17-LEC01, and Faithful+Gould Inc, this completed report provides a combined executive summary of the individual building Facility Condition Assessment for the Lane County Events Center.

This reports provides an overview summary for the Events Center containing: a summary of the scope of the work provided, a summary of the buildings, a building expenditure summary, a distribution of immediate (year 1) needs by building system, prioritization of work and an identification of work type over the study period. A Facility Conditions Index (FCI) is calculated for the facilities which is used in Facilities Management to provide a benchmark to compare the relative condition of a group of facilities. The FCI is primarily used to support asset management initiatives of federal, state, and local government facilities organizations.

This report provides a summary of the facility information known to us at the time of the study, the scope of work performed, an equipment inventory, evaluation of the visually apparent condition of The Property together with a capital expenditure forecast of expenditures anticipated over the next 10 years. The expenditure forecast does not account for typical preventative maintenance items such as changing filters to fan coil units.

Our cost rates to produce life cycle and replacement cost estimates are based on our knowledge of the local regional market rates. Our line item costs assume that the work will be undertaken by either in-house or direct sub-contract labor. If the work is procured through public general contractor bids, we recommend budgeting for additional project costs of between 25%-35% to allow for professional fees and general contractor overhead/profit and management costs.

We have included within the costs of this report a 35% soft cost uplift to the net construction rates.

LIMITING CONDITIONS

This report has been prepared for the exclusive and sole use of the Lane County. The report may not be relied upon by any other person or entity without the express written consent of Faithful+Gould.

Any reliance on this report by a third party, any decisions that a third party makes based on this report, or any use at all of this report by a third party is the responsibility of such third parties. Any reuse without written verification or adaptation by Faithful+Gould for the specific purpose intended will be at user's sole risk and without liability or legal exposure to Faithful+Gould.

The assessment of the building/site components was performed using methods and procedures that are consistent with standard commercial and customary practice as outlined in ASTM Standard E 2018-15 for PCA assessments. As per this ASTM Standard, the assessment of the building/site components was based on a visual walk-through site visit, which captured the overall condition of the site at that specific point in time only.

No legal surveys, soil tests, environmental assessments, geotechnical assessments, detailed barrier-free compliance assessments, seismic assessments, detailed engineering calculations, or quantity surveying compilations have been made. No responsibility, therefore, is assumed concerning these matters. Faithful+Gould did not design or construct the building(s) or related structures and therefore will not be held responsible for the impact of any design or construction defects whether or not described in this report. No guarantee or warranty, expressed or implied, with respect to the property, building components, building systems, property systems, or any other physical aspect of The property is made.

The recommendations and our opinion of probable costs associated with these recommendations, as presented in this report, are based on walk-through non-invasive observations of the parts of the building which were readily accessible during our visual review. Conditions may exist that are not as per the general condition of the system being observed and reported in this report. Opinions of probable costs presented in this report are also based on information received during interviews with operations and maintenance staff. In certain instances, Faithful+Gould has been required to assume that the information provided is accurate and cannot be held responsible for incorrect information received during the interview process. Should additional information become available with respect to the condition of the building and/or site elements, Faithful+Gould requests that this information be brought to our attention so that we may reassess the conclusions presented herein.

The opinions of probable costs are intended for global budgeting purposes only. Faithful+Gould has no control over the cost of labor and materials, general contractor's or any subcontractor's method of determining prices, or competitive bidding and market conditions. The data in this report represent an opinion of probable cost of construction and is made on the basis of the experience, qualifications, and best judgment of the professional consultant familiar with the construction industry. Faithful+Gould cannot and does not guarantee that proposals, bids, or actual construction costs will not vary from this or subsequent cost estimates. The scope of work and the actual costs of the work recommended can only be determined after a detailed examination of the site element in question, understanding of the site restrictions, understanding of the effects on the ongoing operations of the site/building, definition of the construction schedule, and preparation of tender documents.

SCOPE OF WORK PROVIDED

Faithful+Gould visited Lane County owned facilities on January 24, 2017 to undertake Facility Condition Assessments (FCA) to the Lane County Events Center buildings and facilities.

The FCA's include an assessment of the architecture, mechanical, electrical and plumbing elements. The assessments determine the current condition of the facilities, identifying physical or operational deficiencies and provide cost estimates and prioritized schedules of repair work over a 10 year period. Our cost rates to produce life cycle and replacement cost estimates are based on our knowledge of the local and regional market rates. The data in this report represents an opinion of probable cost of construction and is made on the basis of the experience, qualifications, and best judgment of the professional consultant familiar with the construction industry.

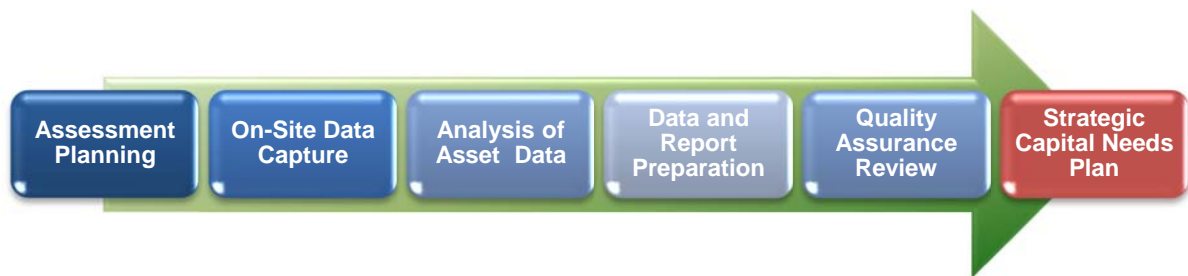
The assessments were conducted using facility information, equipment inventories and a visual only inspection of the facilities. The assessment of the building/site components was performed using methods and procedures that are consistent with standard commercial and customary practice as outlined in ASTM Standard E 2018-15 for PCA assessments. As per this ASTM Standard, the assessment of the building/site components was based on a visual walk-through site visit, which captured the overall condition of the site at that specific point in time only.

We followed the five key steps listed below to effectively manage facility and infrastructure assets:

1. Establish baseline asset inventory of event center facilities.
2. Establish meaningful baseline data about asset conditions through a detailed, structured assessment process.
3. Estimate short- and long-range asset renewal needs using the data obtained from actual field analysis.
4. Utilize decision-support models to determine priorities and reinvestment rates to obtain desired asset conditions.
5. Communicate the asset condition and impact on mission support to governing boards, senior management and line management responsible for maintaining the portfolio.

SIX-PHASE METHODOLOGY

Our approach to FCA has been key to our success in delivering strategic advice to clients for more than 60 years. Our deliverable is best described through the six phases of our project methodology and plan, shown below, which outlines the key high-level tasks and milestones. Each of our proposed services will follow the same six-phase methodology and execution plan.



The FCA's reviewed substructure systems, shell systems, interior systems, service systems, equipment and site systems. Each FCA calculated an FCI and gave an air overall condition rating for the property.

The FCI is the ratio of accumulated Total Cost (TC) (Deferred Maintenance, Capital Renewal and Plant Adaptation) to the Current Replacement Value (CRV) for a constructed asset calculated by dividing the TC by the CRV. The range is from zero for a newly constructed asset, to one for a constructed asset with a TC value equal to its CRV. Acceptable ranges vary by 'Asset Type', but as a general guideline the FCNI scoring system is as follows:

$$FCNI = \frac{\text{Deferred Maintenance + Capital Renewal + Plant Adaptation (TC)}}{\text{Current Replacement Value of the Facility(s) (CRV)}}$$

If the FCI rating is 60% or greater then replacement of the asset/building should be considered instead of renewal.

Condition	Definition	Percentage Value
GOOD	In a new or well-maintained condition, with no visual evidence of wear, soiling or other deficiencies	0% to 5%
FAIR	Subject to wear, and soiling but is still in a serviceable and functioning condition	5% to 10%
POOR	Subjected to hard or long-term wear. Nearing the end of its useful or serviceable life.	Greater than 10%
V-POOR	Subjected to hard or long-term wear. Has reached the end of its useful or serviceable life. Renewal now necessary	Greater than 60%

FACILITY DETAILS

The Lane County Events Center complex maintains a portfolio of eight primary single-story structures. The portfolio includes two arenas, an auditorium, events center, exposition hall, a pavilion, and two administration buildings.

The buildings vary widely in construction and style with most buildings being a slab on grade with cast in place concrete columns, concrete masonry units (CMU's) and/or wood frame superstructure including some with a glass storefront and glass curtain walls.

The largest occupied facility is the Events Center with 110,865 sq. ft. Other facilities in the portfolio include an Ice arena (58,080 sq. ft.), an Auditorium (14,255 sq. ft.), Exposition Hall (60,420 sq. ft.), Agricultural Pavilion-Horse Barn (34,300 sq.ft.), and Wheeler Pavilion (14,630 sq. ft.).

The buildings were built circa 1958 and at this time are not considered historic or limited by this parameter. The properties have also not received any major renovations or updates.



FACILITY CONDITION NEEDS INDEX (FCI)

The table below lists information regarding each building with their, gross rate/SF, current replacement value, total capital needs, immediate capital needs, FCI rating and building condition rating.

Key

Condition	Definition	Percentage Value
GOOD	In a new or well-maintained condition, with no visual evidence of wear, soiling or other deficiencies	0% to 5%
FAIR	Subject to wear, and soiling but is still in a serviceable and functioning condition	5% to 10%
POOR	Subjected to hard or long-term wear. Nearing the end of its useful or serviceable life.	Greater than 10%
V-POOR	Subjected to hard or long-term wear. Has reached the end of its useful or serviceable life. Renewal now necessary	Greater than 60%

Individual Building FCI Summary

Facility	Gross Square Footage	Current Replacement Value (\$)	Immediate Capital Needs (\$)	Total Capital Needs Over 10 Year Study Period (\$)	Current Year FCI Rating %	Year 10 FCI Rating %
Events Center - Administration Building	2,490	\$404,000	\$204,923.78	\$241,163.18	50.72%	59.69%
Events Center - Arena	58,080	\$10,454,400	\$5,437,184.87	\$6,680,175.52	52.01%	63.90%
Events Center - Auditorium	14,255	\$2,312,375	\$946,229.78	\$1,128,309.67	40.92%	48.79%
Lane County Events Center - Events Center	110,865	\$24,944,625	\$4,246,634.48	\$11,900,740.55	17.02%	47.71%
Events Center - Exposition Hall	60,420	\$13,594,500	\$1,774,807.32	\$3,883,852.46	13.06%	28.57%
Events Center - Livestock Arena	55,400	\$7,645,200	\$768,263.22	\$3,651,478.23	10.05%	47.76%
Events Center - Site Systems	600,000	\$12,000,000	\$3,416,065.15	\$7,593,149.94	28.47%	63.28%
Events Center - Wheeler Pavilion	14,630	\$2,642,432	\$10,768.95	\$1,326,747.01	0.41%	50.21%
Total	916,140	\$73,997,532	\$16,804,878	\$36,405,617	22.71%	49.20%

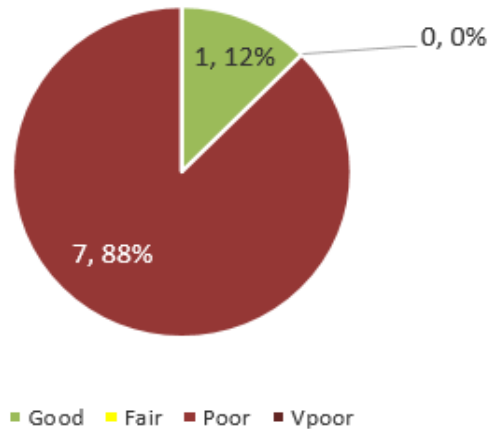
CONDITION RATING

The Lane County Events Center has eight facilities which are currently rated in poor through good conditions; one is rated in good condition and seven are rated as poor. The Lane County Events Center as a whole has a current FCI rating of 22.71%, this being in overall Poor condition. In year 10 of the study period the condition ratings will change if there is no capital investment, six will be rated as poor, and 2 will be rated as very poor. The overall FCI rating in year 10 will increase to 49.20% if there is no investment over the study period, which results as the facilities being in Poor condition.

The chart below indicates the number of buildings and percentage of buildings with their current FCI condition rating.

Current Condition of Buildings (FCI)

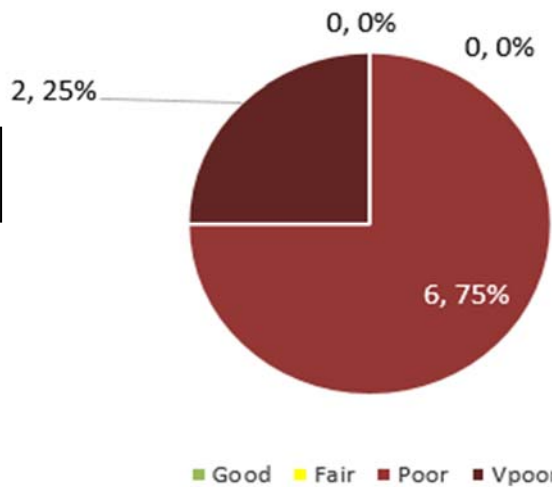
Value of Current Need
\$16,804,878



The Chart below indicates the cumulative effects of the FCI ratio over the study period assuming the required funds and expenditures are NOT provided to address the identified works and deferred maintenance each year.

Year-10 Condition of Buildings (FCI)

Need will grow to **\$36,405,617**
over 10-years

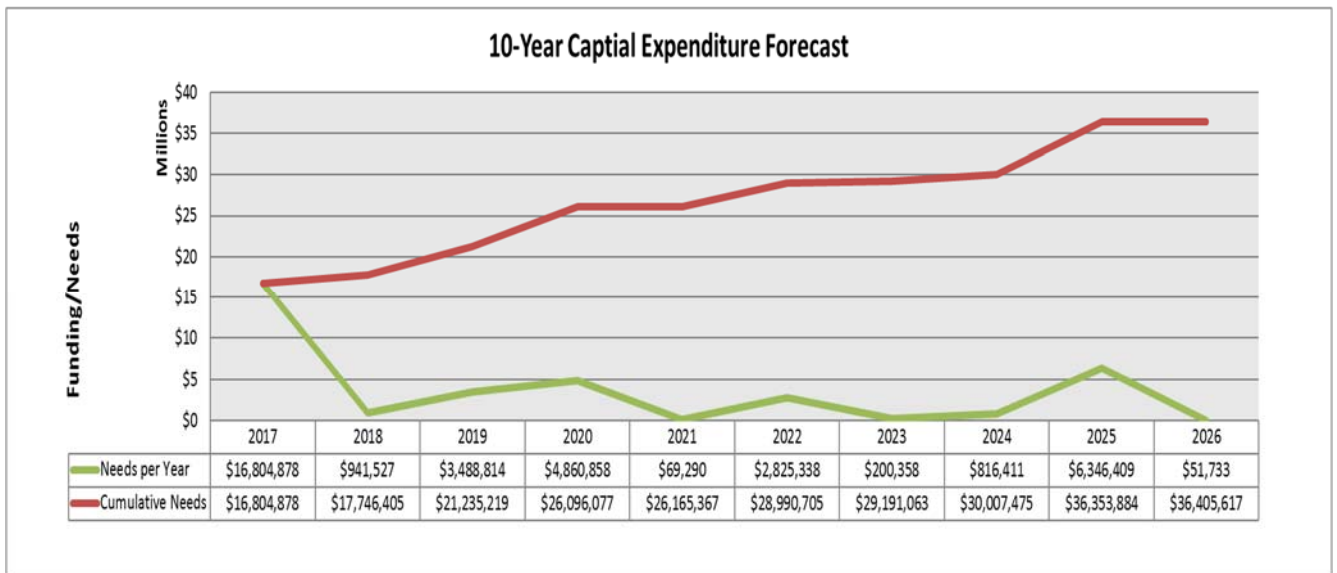


SUMMARY OF EXPENDITURE FINDINGS

The Lane County Events Center has immediate capital needs of **\$16,804,878** with a total of **\$36,405,617** capital needs over a 10-year study period.

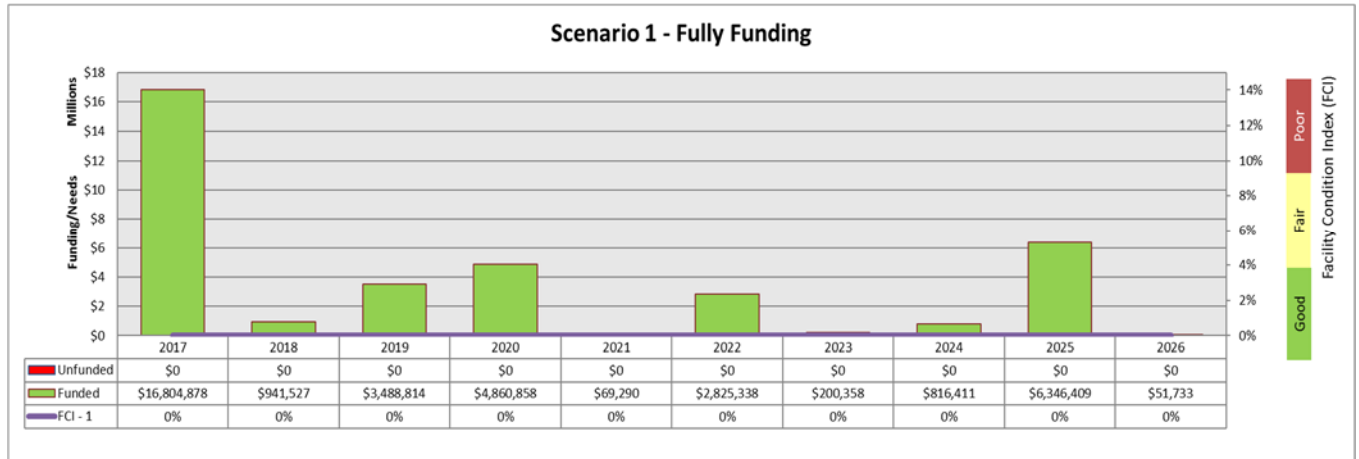
Key Findings	Metric
Immediate Capital Needs (included in FCNI)	\$16,804,878
Year 10 Capital Needs	\$36,405,617

The chart below provides a summary of yearly anticipated expenditures over the ten-year study period for Lane County Events Center. Further details of these expenditures are included within each respective report section. The results illustrate a total anticipated expenditure over the study period of circa **\$36,405,617**

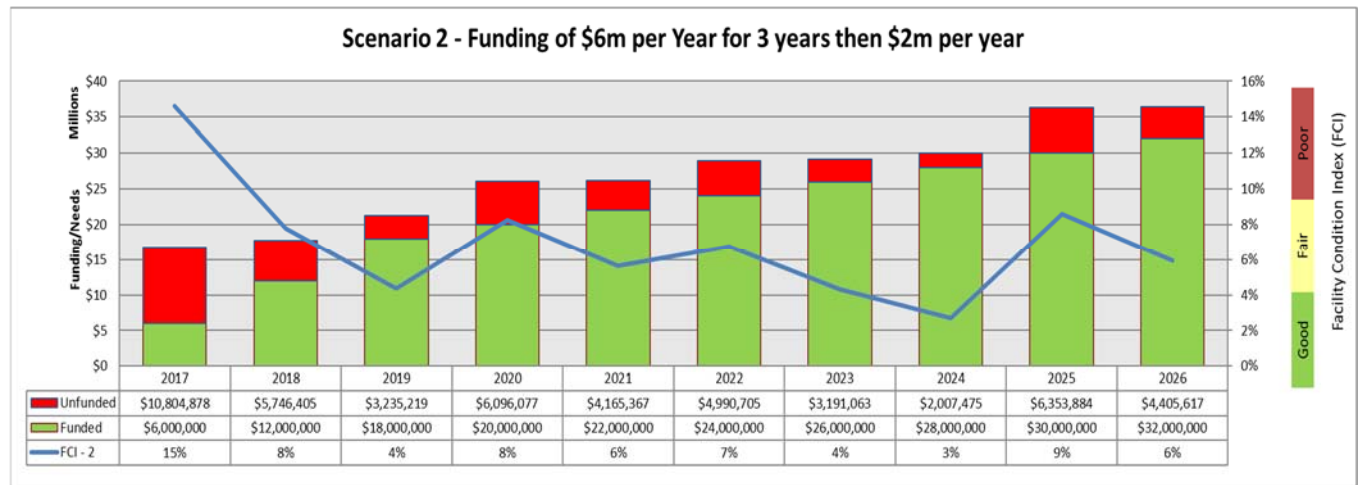


The charts below provide a summary of what impact varying funding levels per year will have on the accumulative yearly need over the ten-year study period for the Lane County Events Center. A comparison is also made with the Facility Condition index and how the funding levels will impact the condition rating.

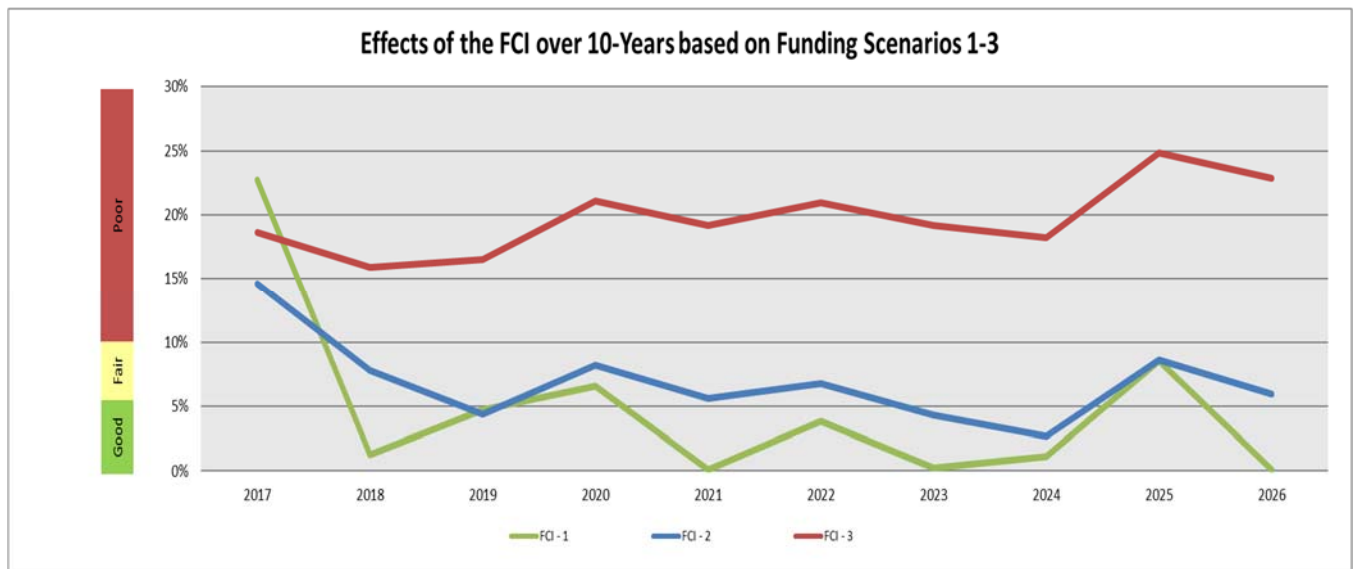
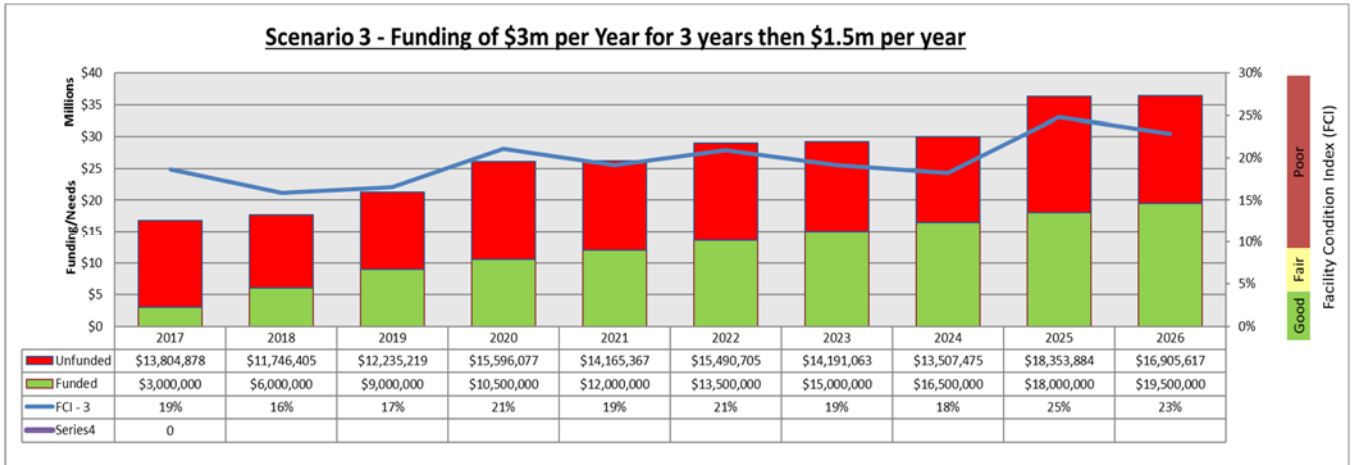
Scenario 1 chart illustrates a funding profile as fully funded each year. The FCNI Index will remain at 0% Good



Scenario 2 chart illustrates the proposed annual funding of \$6,000,000 per year for three years, with \$2,000,000 for each remaining year. In this scenario, Year 1 will have an unfunded current deferred maintenance need of \$10,804,878. This unfunded need will decrease over the next 10-years to around \$4.4 million. The FCNI will start at 15% and decrease to 6%



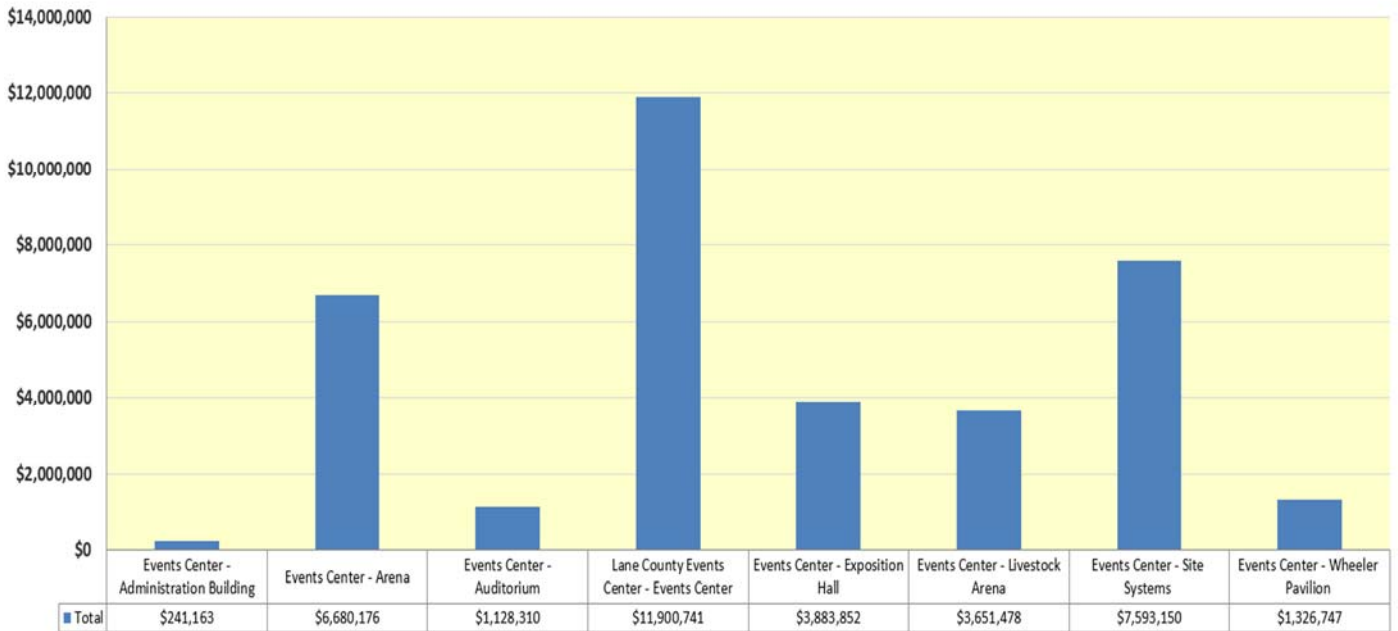
Scenario 3 chart illustrates an example annual funding of \$3,000,000 for the first three years, then \$1,500,000 for the remaining years of the study period. Year 1 will have an unfunded current deferred maintenance need of \$13,804,878. This unfunded need will grow over the next 10-years to over \$16.9 million. The FCNI will start at 19% and increase to 23%



SUMMARY OF EXPENDITURE FINDINGS CONTINUED

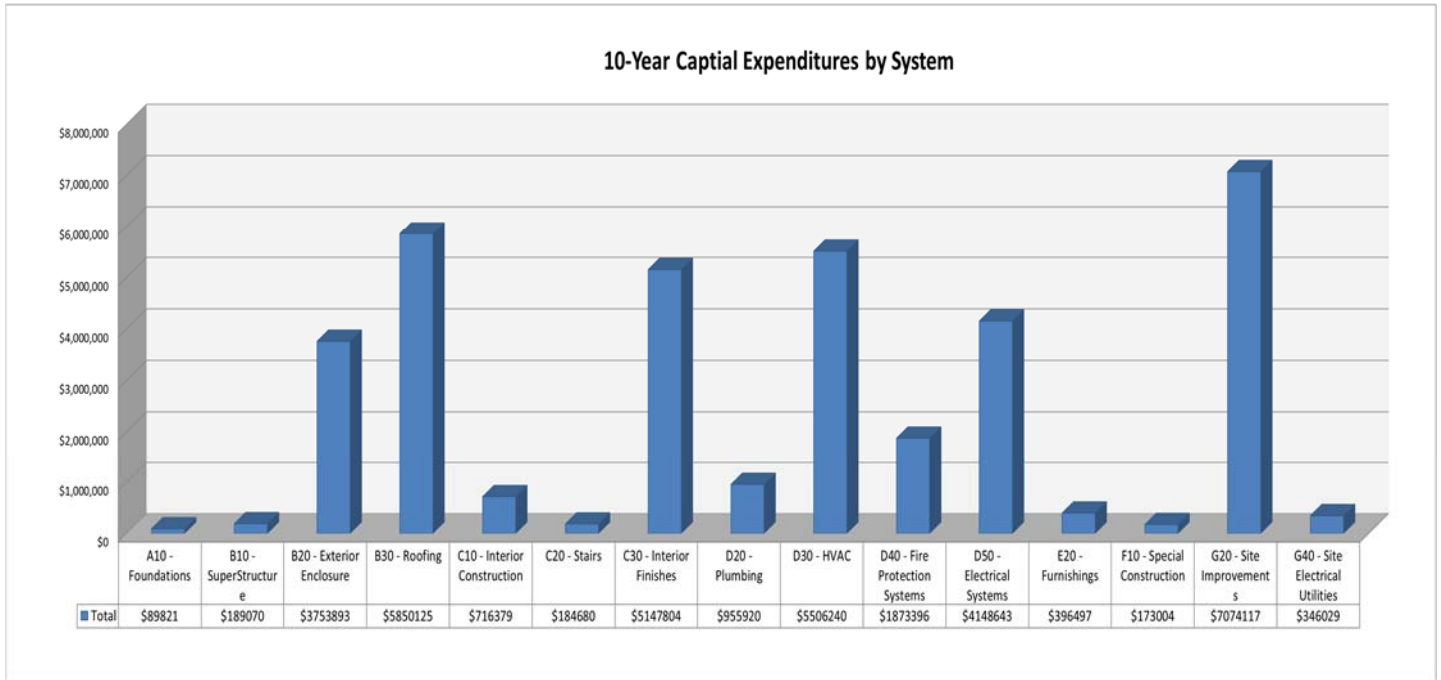
The chart below shows a 10-year cost expenditure by building. As can be seen Lane County Events Center building has the largest anticipated spend identified of \$11,900,741. Lane County Site Systems and the Lane County Arena have the next largest need.

10-Year Expenditure by Building



DISTRIBUTION OF CAPITAL NEEDS BY BUILDING SYSTEM OVER 10 YEAR STUDY PERIOD

The below chart shows the distribution of expenditure by building system with Site Improvements, HVAC, Interior Finishes, and Roofing being the highest building system spend area over the study period.

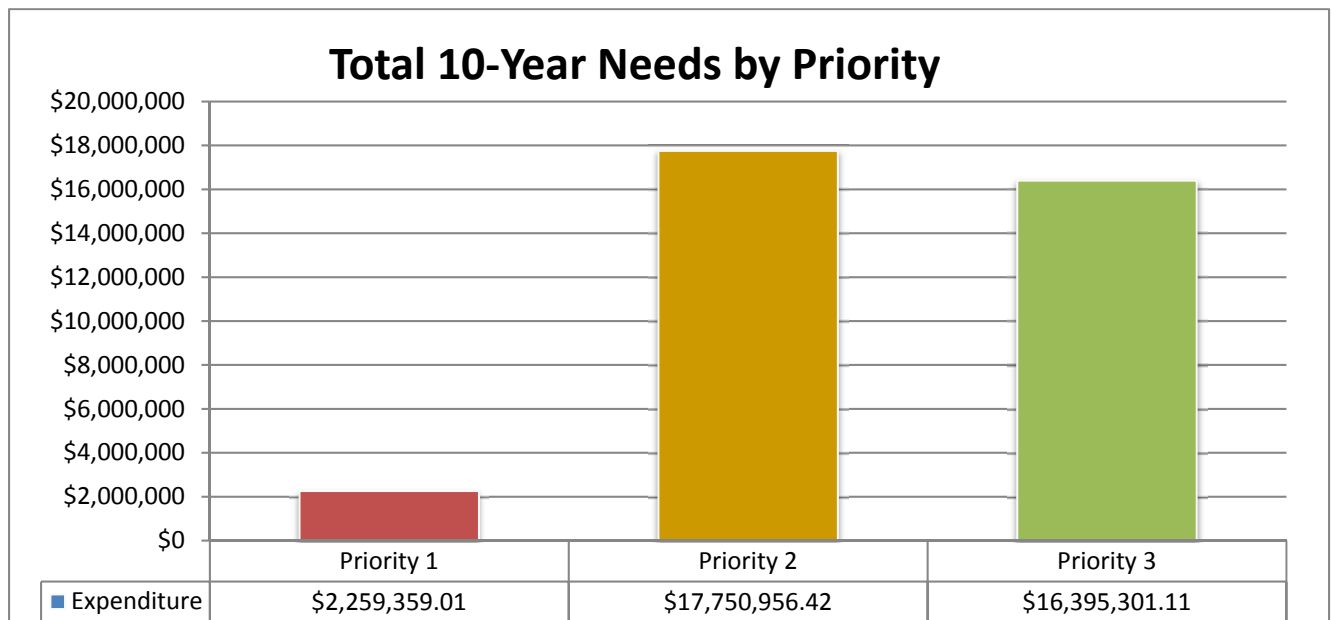


System Type	Total	% of Total
A10 - Foundations	\$89,821	0.25%
B10 - Superstructure	\$189,070	0.52%
B20 - Exterior Enclosure	\$3,753,893	10.31%
B30 - Roofing	\$5,850,125	16.07%
C10 - Interior Construction	\$716,379	1.97%
C20 - Stairs	\$184,680	0.51%
C30 - Interior Finishes	\$5,147,804	14.14%
D20 - Plumbing	\$955,920	2.63%
D30 - HVAC	\$5,506,240	15.12%
D40 - Fire Protection Systems	\$1,873,396	5.15%
D50 - Electrical Systems	\$4,148,643	11.40%
E20 - Furnishings	\$396,497	1.09%
F10 - Special Construction	\$173,004	0.48%
G20 - Site Improvements	\$7,074,117	19.43%
G40 - Site Electrical Utilities	\$346,029	0.95%
Total	\$36,405,617	100.00%

PRIORITIZATION OF WORK

Faithful+Gould has prioritized the identified work in order to assist with analyzing the deficiencies found during the assessment. The baseline prioritization model is not just based on replacement year or criticality but uses four key data attributes to build an overall importance metric for every recommendation: System type, the cause or nature of the issue, timing and building mission incorporated into the model with relative weighting to provide an overall priority score. Priority categories are shown below:

<p>Priority 1 Life Safety/Code Compliance/ADA:</p>	<ul style="list-style-type: none"> • Compromises staff or public safety or when a system requires to be upgraded to comply with current codes and standards
<p>Priority 2 Currently Critical:</p>	<ul style="list-style-type: none"> • A system or component is inoperable or compromised and requires immediate action
<p>Priority 3 Necessary / Not Critical:</p>	<ul style="list-style-type: none"> • Future Lifecycle replacement to maintain the integrity of the facility or component and replace those items, which will exceeded their expected useful life



NEEDS SORTED BY PLAN TYPE

Faithful+Gould has prioritized the identified work according to the Plan Type or deficiency categories in order to assist with analyzing the deficiencies found during the assessment.

The following Plan Types are shown below:

The chart below illustrates the breakdown of expenditure according to the Plan Type or deficiency categories providing an opportunity to strategically plan and effectively direct funding. As can be observed from the chart below future Capital Renewal of \$55 million is the highest expenditure during the study period with Deferred Maintenance at \$16 million.

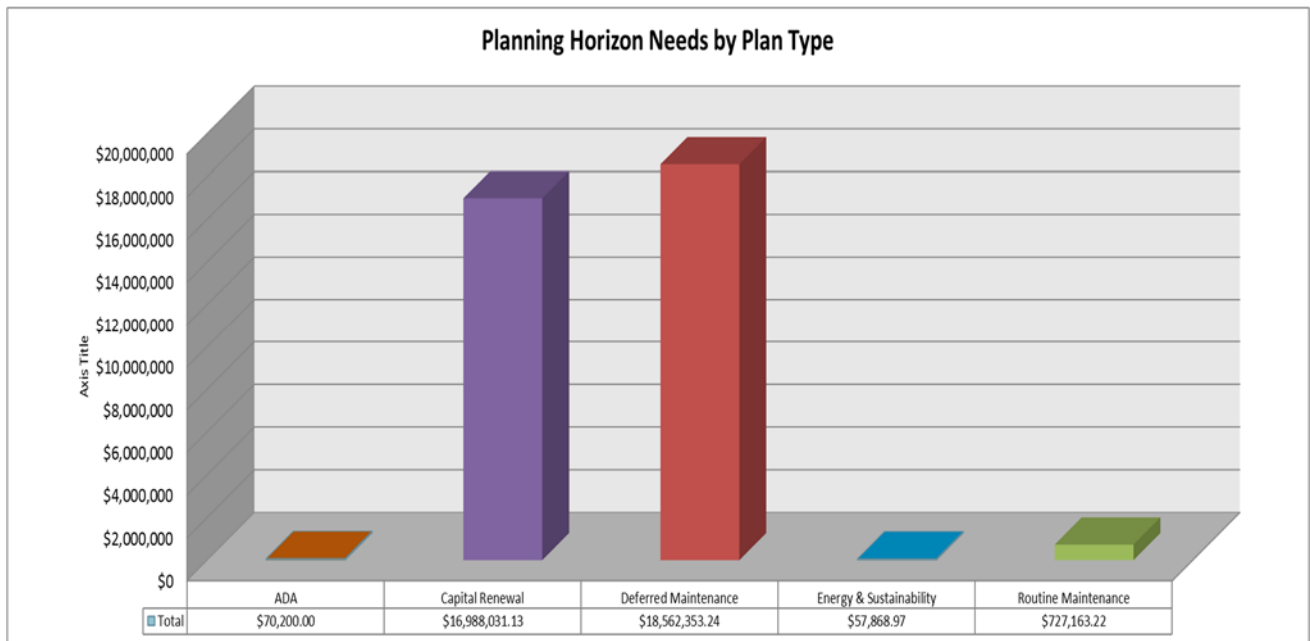
- Plan Type 1**
Deferred Maintenance

- Maintenance that was not performed when it was scheduled or past its useful life resulting in immediate repair or replacement
- Plan Type 2**
Routine Maintenance

- Maintenance that is planned and performed on a routine basis to maintain and preserve the condition
- Plan Type 3**
Capital Renewal

- Planned replacement of building systems that have or will reach the end of their useful life
- Plan Type 4**
Energy & Sustainability

- When the repair or replacement of equipment or systems are recommended to improve energy and sustainability performance



CONCLUSION

The Lane County Event Center has eight primary structures located across the fairground facility. The ten-year study found there is a total of \$36,405,617 required over the study period. There is an immediate capital need of \$16,804,878.

The most pertinent expenditure area of spend over the study period is Site Systems with \$7 Million being required over the study period. The study found that \$18.5 Million is required in the first year of the study period under Deferred Maintenance, with an anticipated Capital Renewal spend being \$17 Million over the study period.

There is \$2.3 Million rated as a Priority 1 - Currently Critical expenditure, which is for systems that have currently failed, compromise staff or public safety, or require upgrade to comply with current code. There is \$17.8 Million rated as a Priority 2 - Potential Critical expenditure, which is a system or component that is nearing end of useful life, if not addressed will cause additional deterioration and added repair costs. Finally, there is \$16.4 Million in Priority 3 - Necessary Not Critical needs identified over the study period.

Lane County Events Center has eight facilities which are currently rated as in poor through good conditions; one is rated as good, and seven are rated as poor. Lane County Events Center as a whole has a current FCI rating of 22.71%, this being in Poor condition. In year 10 of the study period the condition ratings will change if there is no capital investment, six will be rated as poor, and 2 will be rated as very poor. The overall FCI rating in year 10 will increase to 49.20% if there is no investment over the study period, which results in the campus-wide facilities being in Poor condition.