

From: Fehrman, Pamela
Sent: Tuesday, April 25, 2023 6:52 PM
To: Plummer David F.
Subject: RE: Council: FW: Funding For Development of Unneeded, Over-Sized Bellevue Aquatic Center

Hello Mr. Plummer,

Thank you for your continued interest in the Aquatic Feasibility and Concept Studies that have occurred to-date. I believe you may have received an acknowledgment of receipt for this email but just in case, I wanted to let you know that the City Council, and Parks & Community Services Board received your recommendation. We appreciate your participation in the planning process and look forward to sharing project information with you when project information is developed, and the fund-raising process is initiated.

Pam Fehrman



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From: Plummer David F.
Sent: Wednesday, March 29, 2023 8:26 PM
To: Council <Council@bellevuewa.gov>; parkboard <parkboard@bellevuewa.gov>
Cc: Kate Sinon; onebellevuereads; claudia.balducci@kingcounty.gov
Subject: Funding For Development of Unneeded, Over-Sized Bellevue Aquatic Center

Hello Council Members and Park Board Commissioners!

The City of Bellevue Parks Department is considering the development of a very large regional aquatic center to be constructed on approximately 10-11 acres of the City's Airfield Park site. The proposed 130,000sf facility would include a 50m x 25yd competition pool, a separate deep-water tank, a 25yd x 8-10 lane warm water pool, a 8,000sf leisure pool, and approximate 2,500sf wellness/therapy pool(s); additional details of the facility's planning concept are given in the attached Bellevue Aquatic Center pdf file; this concept was presented to the Bellevue City Council in the Council's 18 October 2021 meeting.

The City's planning/partial acquisition cost guesstimate for the facility in constant 2021 dollars is about \$124 million. The City has not developed a life cycle cost (LCC) estimate (as recommended by RCW 39.35B) for the facility, but a preliminary LCC estimate in then-year \$s (base year 2021) is shown in the attached Excel file. The City estimates that an annual subsidy of about \$0.5 to \$1 million would be required to support the operation and maintenance of the facility, but this is probably far too low an estimate when all acquisition and ownership costs are considered. The City has stated (as noted in the attached pdf file) that they are hoping for public contributions of about \$75-\$80 million to pay for part of the acquisition cost of the facility, with the balance of the life cycle costs apparently to be covered by City of Bellevue taxes (or other) revenues, or perhaps by the City's 'partners'.

During the presentation to the Council on 18 October 2021, the Parks Department director indicated that he had been working with the City's Finance Department to develop a funding proposal; and the City and Splash/Forward signed an MoU on 11 April 2022 to develop (among other things) private and

public fund-raising initiatives to finance the facility. The pdf file (below) indicates that both general public sources (City of Bellevue, King County, State and federal governments), and specific public partnerships (Bellevue School District, and neighboring regional cities - Kirkland, Redmond, and other organizations) could contribute funding for the project. Neither the Department nor Splash/Forward has released any information on the status of their fund-raising activities, so at present, both the life cycle costs and the funding mechanism for the project are unknown.

Therefore, I recommend that you defer any decisions regarding this project until the Park Department provides a credible life cycle cost estimate for the facility, and the Department and Splash/Forward provide a clearly defined credible funding plan for the acquisition, ownership and retirement of the aquatic facility.

I would appreciate your response to this recommendation at your earliest convenience.

Best regards,

David F. Plummer

Bellevue, WA

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**Table BAF-5A. Life Cycle Cost, City of Bellevue Regional Aquatic Center, Option 3,
Airfield Park Site, Millions of Then-Year \$s, 2022-2060 (Base Year-2021)**

WBS No.	Option No. 3 (Note 4)	Acquisition Cost, Millions of Then-Year \$s						Total Acq. Cost	7-Dec-21 Retire Planng Note #3	Opera Year No.
		YEAR	2009-21	2022	2023	2024	2025	2026		
Snk Csts	Studies by CoB, ARC, etc.		0.600						0.600	1
1.1	Project Planning, Control									2
1.1.1	CoB Support		0.250	0.346	0.440	0.653	0.456	0.464	2.609	3
1.1.2	Plan/Scope/EIS/CUP			0.259	0.264				0.523	4
1.2	Projct. Reqmts. Def. & Spec									5
1.2.1	Reqmts Def.& Spec			2.600	5.025				7.625	6
1.2.2	Project Financing/M&O			1.542	3.985	2.472			7.999	7
1.2.3	Design & Bid RFP				2.078	3.580	1.480		7.138	8
1.3	Facility Construction									9
1.3.1	Site Prep., Permits & Admin.									10
1.3.1.1	Landfill Excavation						7.066	6.956	14.022	11
1.3.1.2	Site Prep. & Deep Found.						7.091		7.091	12
1.3.1.3	Paving/Parking							8.666	8.666	13
1.3.1.4	Landscape							2.205	2.205	14
1.3.1.5	Storm Drain							2.291	2.291	15
1.3.1.6	Water Service						0.096	0.096	0.192	16
1.3.1.7	Sewer Service						0.092	0.092	0.184	17
1.3.1.8	Electrical Service						0.230	0.230	0.460	18
1.3.2	Water Subsys. Const							50.042	50.042	19
1.3.3	Dry Facilities Const.							16.681	16.681	20
1.3.4	Furniture, Fixtures & Equip.							6.152	6.152	21
1.4	Facility Delivry & Acceptance							0.464	0.464	22
1.5	Acquisition Cost Funding									23
1.5.1	Loan Orig.Fee @0.5% of Acq. Cost			0.702					0.702	24
1.5.2	Retirement Planning								8.049	25
1.6	Facility Replcmt Sinking Fund								64.567	26
Totals			0.850	4.747	12.494	6.705	16.511	94.339	135.646	27
								Total Acq.	135.646	28
Source: 1. Site prep, permits & construction costs derived from ARC provided draft cost data, 11 Oct 2019; and Bellevue Aquatic Center Feasibility Study Update, Draft, June 2020										29
2. Total paid admissions (614,000) from Bellevue Parks Department Aquatic Center Feasibility Study Update Draft, page 21, June 2020										30
Notes: 1. Total yearly paid admissions = ca 614,000 (ref. pg 21 of Bellevue 2020 Exec. Summary)										31
2. Acquisition and ownership costs escalated at values shown on sheet 1										32
3. Retirement plan. allowance estimated as 2.5% of acquisition cost spread over 3 years (2060, 2061, 2062)										33
4. Option 3 is a regional aquatic center with 50m x 25yd, 8 lane pool with dive tank and 2 'bulkheads' for dividing the pool into 3 major use functions; facility surface area is ca 130,000 ft sq;										34
subsurface parking is 500 spaces; water program functions include competition meets;										35
wellness/therapy; leisure/recreation; cardio/fitness; <u>located at Airfield Park</u>										36
5. Makeup water cost for 2020 is \$5.61/ccf										37
6. Capital recovery costs calculated from CRF; see sheet 1; sunk costs for 2017-2021 author's estimate.										38
7. Project start: 1 Jan 2022; facility open 1 Jan 2027										39
8. Ownership costs include costs for reserve/replacement; see sheet 1										40
9. Base year for costs is 2021; the CRF is 0.05 (see sheet 1)										41
10. Site for facility is Airfield Park										42
11. Dry-side facilities were estimated: 25,000 sq ft @ \$600/ft sq										43
										44

7-Dec-21

**Table BAF-5A. Life Cycle Cost, City of Bellevue Regional Aquatic Center, Option 3,
Airfield Park Site, Millions of Then-Year \$s, 2022-2060 (Base Year-2021)**

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ting & Maint. Cost		Acquisition	Water Loss, Gal./Mo.					
Calendar Yr	O&M Cost	Cost Recovery	Main/Pro.Pool	Well. Pool	Leisure Pool	Cardio Pool	Total	
2027	5.572	7.271	37,950	7,080	18,930	23,400	87,360	
2028	5.683	7.271					117ccf/mo	
2029	5.797	7.271					\$656/mo	
2030	5.913	7.271				Makeup Water:		
2031	6.031	7.271				Evaporation		
2032	6.152	7.271				Splash		
2033	6.275	7.271				Leaks		
2034	6.400	7.271	Capital Recovery					
2035	6.528	7.271						
2036	6.659	7.271						
2037	6.792	7.271						
2038	6.928	7.271						
2039	7.067	7.271	CRF = $k/\{1-(1+k)^{-N}\}$ = 0.04/ $\{1-(1.04)^{-35}\}$ = 0.04/ $\{1-0.2534\}$ = 0.0536				Acq. Cost =135.646	
2040	7.208	7.271	Capital recovery yearly payment: (0.0536)*(Acq. Cost)					
2041	7.352	7.271	Retirement Planning (Note 3)					
2042	7.499	7.271						
2043	7.649	7.271						
2044	7.802	7.271						
2045	7.958	7.271						
2046	8.117	7.271	2060	2061	2062			
2047	8.280	7.271	2.683	2.683	2.683			
2048	8.445	7.271	Total				8.049	
2049	8.614	7.271						
2050	8.786	7.271						
2051	8.962	7.271						
2052	9.141	7.271						
2053	9.324	7.271						
2054	9.511	7.271						
2055	9.701	7.271						
2056	9.895	7.271						
2057	10.093	7.271						
2058	10.295	7.271						
2059	10.501	7.271						
2060	10.711	7.271						
2061	10.925	7.271	O&M	Sink fund Total	Retrmt Plan	Total Qwner		
2062	11.143	7.271	278.569	64.657	8.049	351.275		
2063	11.366	7.271	Total Project 35-Year Life Cycle Cost					
2064	11.594	7.271						
2065	11.825	7.271						
2066	12.062	7.271						
2067	12.303	7.271						
2068	12.549	7.271						
2069	12.800	7.271						
2070	13.056	7.271						
278.569		319.924	Total	\$879.461	Note 2A			

Notes: 1A. Odle/CoB Aquatics Center built in 1970

7-Dec-21

2A. Costs are millions of YoE \$s