

The Financial Implications of UUCB's Deferred Capital Maintenance Items

Warren Zittel
UUCB Buildings & Grounds Committee
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HISTORY

2010: **Component Analysis and Reserve Fund Study for UUCB** is prepared by Reserve Analysis Consulting LLC, at the request of the Ministers, the Board of Trustees, and the CT.

2012: The Physical Plant (UUCB Campus) needs are re-analyzed for our specific usage by Tom Tripp and Don Wollwage (as is the Reserve Fund Study).

2012: **Capital Campaign Findings and Recommendations**, A Feasibility Study, is submitted by George Swank, a consultant specializing in same, concurrently with the above re-analysis.

2013: Above Capital Campaign is started.

2013: Concurrently, an *ad hoc* committee is tasked with prioritizing the items most in need of this long-deferred maintenance. This committee bases its subsequent report primarily upon

- 1) Safety Concerns
- 2) Items with Accelerating Deterioration, with the cost of deferring this maintenance also growing at a sharply increasing rate.

2014: Capital Campaign is concluded, in-house project managers are chosen, and the CT chooses which items can be done with the monies available.

2015: Work starts on the major items chosen: a new roof, rebuilding the brick patio to current code (which includes replacing the West, weather-facing doors), and removal of those trees at risk of falling.

2015: Wherever possible smaller expenditure safety issues are passed to the standard maintenance budgetary line items for their completion.

2016: Several emergency situations arise wherein problems with our Physical Plant need to be dealt with in a timely manner. These include replacing a water heater repair, work on 2 heating equipment locations, and the discovery of mold in the Safir Room, the Chrysalis Room, and the Conference Room.

2017: Process of Discovery reveals much more work is necessary for the Safir Room to become usable.

CURRENTLY

Wherever possible, smaller ticket items are being handled through the existing standard maintenance line item funding. This will probably include such things as resealing the asphalt parking lot cracks, pew refurbishing, etc.

However, two larger ticket items are on the timeline for this current fiscal church year, with no funding at this time. These are:

- 1) **The required repairs to the Safir Room**, with upgrades to current codes and using best building practices.

This work will be done with an eye toward optimizing its use for event income as well as our use. There will be upgrades in the lighting and the acoustics, and possibly to the heating/cooling systems.

[The following estimates are preliminary estimates (only) and are solely intended for preliminary budgetary consideration, with an eye toward informing our Vision of ourselves as a church community and creating a Strategic Plan.]

Approximate expected costs of Safir Room renovation: \$110K to \$125K

- 2 **The removal of the remaining at-risk trees.**

These trees (Monterey Pines) have an expected lifespan of 40 to 50 years, are 5 to 15 years past expected duration, have a shallow root system, are not native to this area, and currently have a fall rate of 2 to 5 trees per year.

The tree work has been slowed down by multi-jurisdictional bureaucratic inertia.

We are close to being ready to request bids.

Approximate expected cost of the Monterey Pines removal: \$70K

UPCOMING ITEMS

These are items that are included for Safety and/or Accelerating Deterioration priorities:

- 1) **Sealing the exposed rafter tails** to prevent further dry rot.

This is essentially the injection of epoxy into the rotted areas, and then the repainting of same.

This work will keep the dry rot from continuing to expand, ultimately into our interior areas, which would cost much, *much* more to repair.

Approximate expected cost of sealing the rafter tails: \$100K to \$145K

- 2) **Resealing the water proof skin** of the church around all windows and doors.

From the best of our on-site archaeological excavations, it appears that most of the existing seal work is from the original construction, and most of it is failing. A few areas have had stop gap band aids put on top of the problem (only). What is needed is the removal of the old sealant and replacement with new (and better) sealants.

Approximate expected cost of resealing the skin of the church: \$75K to \$125K

- 3) **Replacing the kitchen floor.**

Existing tiles are missing, broken, spalled, and lifting.

This creates bacterial biomes in places that simply cannot be cleaned properly.

The work will entail major disruption due to the removal of all free-standing equipment.

As a practical construction matter, any other work that may be necessary for code considerations and/or equipment upgrades should be done at the same time.

Several types of flooring material from which to choose are available, with differing expected life spans and initial costs.

Approximate expected cost of reflooring the kitchen: \$75K to \$125K

- 4) **Redesign and replacement of doors between the Atrium and the Social Hall.**

These doors bind and are very hard to handle. If improperly handled they can fall out of their tracks.

Approximate expected cost of door replacements: \$45K to \$75K

- 5) **Replacing our existing heating systems.**

These systems are 10 plus years beyond their lifespan, have needed two emergency repairs in the last year, are inefficient and replacement parts are becoming very hard to find. Beyond this, the in-the-concrete duct work of our architecture has never been cleaned and resealed. This condition adds to the systems' inefficiency, and may create a health hazard to those with pulmonary problems.

Question: Do we simply replace in kind, or do we upgrade to more efficient, eco-friendly electric systems (for which we can generate our own electricity).

Approximate expected costs of replacing these systems: \$175K to \$375K

Next Tier Items

These are less urgent items that are still beyond their expected life span:

1) **Electrical systems**

Our existing electrical panels include a somewhat haphazard accumulation of additions, relocations, and upgrades. A thorough review by a competent licensed independent professional would give a great deal more information on what should and could be done to improve efficiency, bring us up to current code, and meet our current and our future usage patterns and would inform our decisions accordingly.

Approximate expected cost of proposed electrical survey: \$15K to \$25K

Approximate expected cost of electrical systems upgrade: Unknown at this time

2) **Hot water systems**

These systems are at varying stages of expected lifespan; we replaced one this year in an emergency situation.

We need an overview plan in place for phasing out the older and less efficient gas water heaters and replacing them with electric water heaters. Then we could heat the water on an as-needed basis at all remote locations, using our own generated electricity.

The possibility exists for adding a solar preheating unit to our existing main gas water heater.

Approximate expected cost of upgrading water heaters: \$8k to \$12K each

3) **Chancel flooring repair and replacement**

Existing flooring has several tripping hazards due to disrepair of underflooring access hatch.

This problem is being mitigated (only) at this time by the use of an area rug.

Repair of the hatch and replacement of the flooring would increase options for use.

Approximate expected chancel floor repair and replacement cost: \$15K to \$35K

4) **Main bathrooms (off the Atrium)**

These bathrooms are due for an upgrade. They do not meet current ADA codes, nor are they appealing for event rentals.

The upgrades will require architectural specifications and drawings.

Approximate expected costs of upgrading bathrooms: \$275K to \$550K

Dream Items

1) **Wheel chair access to chancel**

Neither of the past two Capital Campaigns' physical plant advisory groups have managed to develop a feasible course of action to create direct wheelchair access to the chancel.

One of the problems is how to stay in keeping with the architectural integrity of the church.

Currently, a wheelchair person would have to go out the front doors, follow the sidewalk to the music room from which one could proceed into the chancel. However, the existing double door assembly between the rehearsal room and the chancel, while adequately providing acoustic separation, is still not ADA compliant.

2) **Wheelchair access to stage in social hall**

A set of problems similar to the above, though seemingly less complicated, arise in conjunction with this goal.

3) **Lighting**

Much has changed since our last upgrade of lighting, and the new technologies are vastly more efficient.

While many of our fixtures are still within their expected life span, we need to have a plan in place for replacing and upgrading. In some instances, our choices should be made more quickly.

The first three areas to be dealt with are: a) the Atrium—we have blown the ballasts from the use of more modern bulbs in the existing fixtures; b) the Fireside Room—existing lighting is simply inadequate; and c) the parking lot—installing efficient lighting here would yield the greatest savings.

4) **Audio & Video equipment**

Our video system is almost obsolete.

There is no acoustically engineered sound system in either the Atrium or the Social Hall.

5) **IT and Media equipment**

I truly have no idea what we need.....but we sure do need it.

Final Notes

- 1) To reiterate, the above estimates are preliminary estimates (only) and are solely intended for use in preliminary budgetary consideration, with an eye toward informing our Vision of ourselves as a Church Community and creating a Strategic Plan. Estimates include soft costs as well as construction costs.
- 2) This document only reflects the state of our main church facilities. It does not include the two main outbuildings, i.e. the preschool and the RE building. It may worth noting here that a pro-rated portion of the costs of the capital maintenance items pertaining to those buildings (for instance, new roofs) should be taken directly from those buildings' rental income stream. That money would sit in a Reserve Fund set aside explicitly and exclusively for that use.
- 3) I have worked with many of these figures twice in the past as well as now. The previous figures are now obsolete. The costs have gone up and we can only expect them to go up more.
- 4) We have three options for most of these deferred maintenance options.

They are:

- a) Repair on an emergency or on an as-needed basis,
 - b) Replacement-in-kind for all systems, but only when necessary,
 - c) Planned, and scheduled upgrades of existing systems to current state of the art technologies with greater efficiency and smaller carbon footprint.
- 1) The range of costs, from as-needed repairs at the low end to complete upgrades at the high end, is vast. The cost of replacement-in-kind versus complete upgrade is however closer to a 1:2 ratio. This latter are the ranges represented in this document.
 - 2) Some larger ticket items in the past have been done primarily with the help of "angels". The new music room and the re-leathering for our organ are recent examples. This might be a viable option in some instances.
 - 3) A number of individuals with complementary backgrounds in construction, property management, and engineering, as well as UUCB history have helped refine the above. They have added where necessary and corrected when needed. In any event, however, those errors, omissions, and/or inaccurate projections of costs that may come to light are mine alone.

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Warren Zittel