

Northshore Park and Recreation Service Area

Board Meeting Agenda

February 6, 2019, 6:30 PM

Northshore Senior Center, Dining Room - 10201 E. Riverside Dr., Bothell, WA 98011

1	<ul style="list-style-type: none">• CALL TO ORDER
2	<ul style="list-style-type: none">• PUBLIC COMMENT
3	<ul style="list-style-type: none">• APPROVAL OF JANUARY 16, 2018 - MINUTES (ACTION ITEM)
4	ADMIN UPDATE <ul style="list-style-type: none">• MOTION TO INCREASE STATE AUDIT BUDGET AMOUNT TO \$6,000 AND UPDATE 2019 BEGINNING BUDGETED BALANCES TO ACTUAL. (ACTION ITEM)• ADMINISTRATIVE SERVICES AGREEMENT SIGNATURES APPROVAL OF OUTSTANDING VOUCHERS (ACTION ITEMS) <ul style="list-style-type: none">• WOODINVILLE WEEKLY \$94.50• SAO AUDIT FEE \$4,945.20
5	DISCUSSION ITEMS <ul style="list-style-type: none">• STAFF REPORT ON NPRSA STATUS BROOKE KNIGHT: <ul style="list-style-type: none">• UPDATE ON CAPITAL NEEDS• DISCUSSION OF POSSIBLE FINANCING OPTIONS FOR CAPITAL NEEDS• UPDATE ON STORM WATER SYSTEM REPAIRS
6	<ul style="list-style-type: none">• NEXT MEETING DATE - WED. APRIL 17, 2019
7	<ul style="list-style-type: none">• NEW BUSINESS
8	<ul style="list-style-type: none">• ADJOURNMENT

PRELIMINARY AGENDA: The preceding is a preliminary agenda of the Northshore Park and Recreation Service Area Board. Other items may be added and action taken on matters which do not appear above. For additional information, please contact: Michael Tabor at (425) 876-7380.

SPECIAL ACCOMMODATIONS: The Northshore Parks and Recreation Service Area strives to provide accessible meetings for people with disabilities. If special accommodations are required, please contact Michael Tabor at (425) 876-7380 at least three days prior to the meeting.

Northshore Park and Recreation Service Area

February 6, 2019 Board Meeting Minutes

Call to Order

Chairman James McNeal called the meeting at Northshore Senior Center to order at 6:35 pm.

Meeting Attendees

Present were Chairman James McNeal, NPRSA Board members Tom Agnew, Joe Marshall, Liam Olsen. Rod Dembowski, Kathy Lambert and Elaine Cook also joined us by telephone.

Also present were:

Brooke Knight, Northshore Senior Center Executive Director

John Dolin, Northshore Senior Center Board President

Suzanne Greathouse, Northshore Senior Center Board Vice President

Jennifer Phillips, City Manager, City of Bothell

Kinnon Williams, NPRSA Attorney

Public Comment

No public comment

Approval of Minutes

Correction to meeting minutes—Joe Marshall does NOT work for the law firm that wrote the original contract. Joe indicated that he would speak with Mr. Williams about the contract (not to his firm).

Joe Marshall motioned that the CORRECTED minutes of January 16th, 2019 be approved. Tom Agnew seconded. The motion carried unanimously.

Administrative Update

Tom Agnew moved to increase state audit budget to the amount of \$6,000. Elaine Cook seconded the motion. Motion passes unanimously.

Joe Marshall made a motion to update 2019 beginning budgeted balances to actual. Seconded by Tom Agnew. Motion passes unanimously.

Vouchers

Tom Agnew moved to approve the three outstanding vouchers. Joe Marshall seconded the motion. Motion passes unanimously.

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Discussion Items

Administrative Services Agreement

Mr. Williams offered to provide some free service to the group based on his past association with NPRSA. Advised that Administrative Services agreement seemed fair and standard.

Joe Marshall moved to approve the agreement. The motion was seconded by Tom Agnew. Motion passes unanimously.

Staff Report on NPRSA Status and Update on Capital

Jennifer Phillips provided a written summary of NPRSA along with needed capital repairs. (Attached). Senior Center has brought to NPRSA's attention the \$2.7M of needed capital repairs and replacements as facilities are owned by NPRSA. Current NPRSA contract assumes NPRSA is responsible for all capital expenses as defined by GAAP/IRS definitions.

Given the limited administrative support that NPRSA currently has, if there is further work (levy, etc.) it is likely that there would need to be designated staffing to support that work.

Clarification by James McNeal that, while Bothell City Manager has been providing support, the responsibility rests on all 5 partners to address the situation. NPRSA is a legal entity similar to a municipality.

Recommendation that someone external do an assessment of costs to come up with more firm costs. Estimated at \$3,000-\$10,000 cost based on other projects done in the region. May be more than \$10K given the age of the building and potential for required seismic upgrade. Pull together an RFQ, select and firm and have them do the work.

Need to identify funding to meet the immediate needs (\$60k for fire) including funding to do a formal study on the facility needs.

Recommended action items based on discussion.

1. Comprehensive study to assess the facility/capital needs for NPRSA owned buildings. City of Woodinville has agreed to help coordinate the issuance of an RFQ. Kathy Lambert moved to proceed with RFQ, seconded by Tom Agnew. Motion passed unanimously.
2. Putting a 1-time levy on the ballot to cover the identified capital expenditures to secure all required funds in 1 year. Cost of getting a bond/levy on the ballot is about \$90,000.
3. Immediate need for \$60,000 to address fire hazard. Request that cities and counties go back and look for mechanisms to secure funding and report back to James within 30 days.
4. Evaluate options for the sustainability of the facilities using an intern from the UW Evans School of Public Policy. Cost of intern is about \$10,000.

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Update on Capital Needs

Brooke gave a brief update on current capital needs at the senior center. In addition to the urgent need to repair a fire door and fire panel, there is a need to fix exterior storm water drainage at the Adult Day Health Building, and a burst pipe/leakage of the Metasys system (HVAC) at the same building. Still unknown total costs.

Question about whether undesignated funds in balance could be used for any of the emergency repairs. No known financial policies. In lieu of policies any expenditure would be at the discretion of the board.

Question raised by Mr. Williams about whether the property could be legally turned over to the Senior Center. No clarity on this item—state prohibition against the gift of public funds. Possibility that NPRSA could be established differently and comprised of people voted in for this purpose (similar to a hospital district).

Can existing funds in NPRSA account be used for some of the required repairs. Current budget balance is about \$25,000 in unrestricted general fund balance.

Motion to acquire an intern from the UW Evans School with a starting budget of \$5,000 from the undesignated funds in NPRSA budget. Kathy made the motion, motion seconded by Tom Agnew. Motion passed unanimously.

Rob Karlinsey (Kenmore City Manager) will pursue additional legislative options.

Action items:

Kinnon will assess how the breakdown of the levy funds was determined, along with whether the facility can legally be transferred to Northshore Senior Center.

Brooke to contact Sen. Palumbo's office to update the capital request based on current most emergent needs.

Identify someone in the House to do a companion request (due on Feb. 15th).

Connect with Rob Karlinsey to ask for help getting a second request in to Sen. Frockt.

Next Meeting Date

Michael has been requested to schedule a meeting in March.

The next meeting is scheduled for April 17th. Future quarterly board meetings are scheduled for July 17, and October 16, 2019.

New Business

Suggestion that a letter to the editor be co-authored by the senior center and the NPRSA.

Northshore Park and Recreation Service Area

Adjournment

Kathy Lambert moved to adjourn the meeting and Tom Agnew seconded the motion. Motion passed unanimously. The meeting adjourned at 8:10 pm.

Respectfully submitted,
Brooke Knight

MEMORANDUM

To: Northshore Parks and Recreation Service Area (NPRSA) Board Members

From: Jennifer Phillips, Bothell City Manager

Date: February 6, 2019

Subject: Emergency Funding Request for Northshore Senior Center through Northshore Parks and Recreation Service Area (NPRSA)

This memo provides background information on the Northshore Parks and Recreation Service Area, the owner of two buildings and pedestrian bridge on Riverside Drive in Bothell occupied by the Northshore Senior Center. Asset replacement on the buildings has been unfunded for years, leading to \$60,000 in critical facilities improvements which require immediate repairs alongside an estimated \$2.72 million in other unfunded facility needs.

Background

The Northshore Senior Center is one of the largest senior centers in the Country. They focus on providing holistic services and support to older adults, adults of all ages with disabilities, and their family caregivers. Dedicated volunteers, welcoming facilities and nearly 300 programs create a vibrant “home away from home” for people in our community by meeting their social, emotional, recreational and health needs all in one spot. Each year, nearly 6,000 people are supported by the center to live full, healthy and inspired lives. In 2017, nearly 500 of the individuals served were veterans. The Northshore Senior Center has a tremendous impact on the lives of individuals in our local community.

The Northshore Parks and Recreation Service Area (NPRSA) was established nearly 30 years ago to develop a permanent home for the Northshore Senior Center, ensuring the ability to continue to meet the growing needs of our community’s disabled and older adults. NPRSA is a local taxing district that encompasses the cities of Woodinville, Bothell and Kenmore, along with both King and Snohomish Counties¹. NPRSA successfully passed a local bond to fund the development of the Bothell Senior Center (opened in 1992), and passed a subsequent bond to fund the development of the Northshore Adult Day Health Center and a pedestrian bridge connecting the two facilities. These bonds were refinanced and consolidated in 2010 and are due to mature in 2021. Both facilities and the connecting pedestrian bridge are owned by the Northshore Parks and Recreation Service Area and are located in Bothell to serve the region. These facilities are near 30 years of age and an increasingly long list of capital repair and replacement needs have been identified by the Northshore Senior Center to ensure the sustainability of the buildings.

The Board of NPRSA consists of elected officials from the five member jurisdictions – King County, Snohomish County, City of Woodinville, City of Kenmore, and City of Bothell. Membership dues are split each year according to a formula set out in NPRSA’s Interlocal Agreement:

- King County: 27%
- Snohomish County: 18%
- City of Bothell: 29%
- City of Kenmore: 17%
- City of Woodinville: 9%

These funds are used to finance NPRSA’s basic administrative costs. NPRSA has no staff, instead contracting for part-time administrative support. It has been confirmed that NPRSA’s insurance is up-to-date but it remains unclear how and by which firm legal services are provided. Without staff, NPRSA does not have the ability to perform any analysis, financial planning, or asset replacement evaluations. A new agreement between the Center and NPRSA was negotiated and finalized last year. Due to changes in contract administrative support, the final agreement has not been located. Therefore, specific language regarding financial responsibility for the buildings is not yet available. However, it is reasonable to assume that as the building owners, NPRSA has a responsibility to properly maintain the buildings and the Center, as the tenant is responsible for maintenance and repairs related to their use of the facilities. It is important to find and review the legal obligations of both parties.

Capital Need:

The two buildings owned by the NPRSA and operated by the Northshore Senior Center are aging and in need of significant capital repairs and future improvements. A partial list of the most emergent needs are listed in Attachment A. With an annual budget just below \$3M, the Northshore Senior Center is not in a position to fund the significant capital needs faced by the aging building, nor was this financial obligation expected under the agreement between NPRSA and the Center.

Per the original Agreement, the Center is the tenant of NPRSA’s two buildings. The Center is responsible for routine maintenance and repairs not covered by warranties, while it appears NPRSA is responsible for major repairs and replacement of capital assets, although again, this should be verified. When NPRSA issued bonds to build the facilities, no funds were set aside for asset replacement.

Critical Facility Needs

The Senior Center is at risk of immediate closure for health and safety reasons if the following two repairs are not completed:

- Replacement of the fire monitoring alarm system: This system is 26 years old with an expected asset life of 20 years. Original parts are no longer available, so it must be replaced to continue functioning correctly. This will cost \$55,000.
- Replacement of roller service door: One of three in the building must be replaced immediately due to it being a fire hazard. This will cost \$5,000.

The Center has not budgeted for these significant repairs, but did pay for a few life and safety repairs last year that were required to keep the facility open. The Center is reaching out to NPRSA to request funding for these emergency repairs. Since NPRSA has no asset replacement fund nor a GF reserve, funds would need to be provided by member agencies. The emergency request of \$60,000 could be split according to the existing formula for member contributions. This would result in the following from each entity:

- King County: \$16,200 (27%)
- Snohomish County: \$10,800 (18%)
- City of Bothell: \$17,400 (29%)
- City of Kenmore: \$10,200 (17%)
- City of Woodinville (9%)

The total request will be need to be received by March 1, 2019, as the Center is under pressure to fix these two deficiencies to avoid a facility closure.

Long Term Options

While the bonds for the construction of NPRSA's facilities will be paid off in 2021, NPRSA did not fund an asset replacement fund, resulting in the \$2.72 million unfunded capital needs. This list has been compiled by the Center and the Board may find it prudent to contract for an independent facility assessment, which generally cost between \$3,000 - \$10,000 per building. Since NPRSA owns 2 building and the pedestrian bridge, a more exact estimate is difficult to identify at this time. The Senior Center Board has expressed an interest in assuming ownership of the facilities but not assuming the financial responsibility of \$2.72 million in unfunded capital needs.

With the final bond payment scheduled for 2021, NPRSA has an opportunity to assess its future as well as identify capital asset funding options. To provide NPRSA with adequate options, the Board should consider additional funding for, at a minimum, a graduate intern to perform a study and develop options. Implementation of any options will require staff support. Any additional expenditures will require additional financial contributions from member agencies, as NPRSA has no sources of GF revenue for administration expenses except member contributions. If the Board has an interest in either the intern or staff member, a member agency should be selected to serve as the responsible agency to recruit, hire and supervise.

ⁱ Current 2018 NPRSA Members include King County Councilmember Kathy Lambert, Snohomish County Councilmember Terry Ryan, Bothell City Councilmember James McNeal (NPRSA President), Bothell City Councilmember Tom Agnew, Woodinville Deputy Mayor Elaine Cook, Kenmore City Councilmember Joe Marshall, Bothell City Councilmember Liam Olsen

Capital Needs

NPRSA Facilities

Northshore Senior Center and Northshore Adult Day Health Center

January 2019

Item	Facility	When Repair/Replacement is		Replacement Cost	Additional notes
		needed	needed		
Fire monitoring system	Senior Center	ASAP		\$ 55,000.00	Replacement required original parts no longer available
Roller service door	Senior Center	ASAP		\$ 5,000.00	1 of 3 needs immediate replacement due to fire hazard
Carpet	Senior Center	2019		\$ 60,000.00	Some replacement completed in 2018. Additional replacement needed now.
Slab Jack of exterior sidewalks	Senior Center	2019		\$ 5,000.00	Trip hazard
Building siding and windows	Senior Center	2019		\$ 500,000.00	May be additional cost once siding is off and we see extent of rot.
Parquetry/floor MPP	Senior Center	2019		\$ 83,000.00	\$10,000 from King County for 2019
Perimeter fencing	Adult Day Center	2019		\$ 15,000.00	Fencing rotted out. Fell in recent wind storm.
Commercial Garbage Disposal	Senior Center	2019		\$ 1,500.00	
HVAC	Senior Center	2020		\$ 600,000.00	Replacement due; parts and refrigerant no longer available.
Hot Water boilers (2)	Senior Center	2020		\$ 9,000.00	
Car park asphalt	Senior Center	2020		\$ 75,000.00	Resurfacing required now
Roofing	Senior Center	2020		\$ 200,000.00	Replacement required soon. Have been able to patch.
Replacement of parking lot lights	Senior Center/ADH	2020		\$ 12,000.00	Some lights replaced 2018. Additional repair needed.
Hot Water furnace (2)	Adult Day Center	2021		\$ 9,000.00	
Re-grade of parking lot entrance	Senior Center	?		\$ Unsure	Suggestion that entrance be regraded to allow better visibility of pedestrians
Carpet	Adult Day Center	2019-Q1		\$ 45,000.00	Replacement needed now. Becoming a tripping hazard.
Restroom flooring	Adult Day Center	2019-Q1		\$ 35,000.00	Current floor presents a health issue.
Kitchen range hood exhaust and supply fans.	Adult Day Center	Asset life through 2021		\$ 4,000.00	Replacement required in 4 years
Passenger elevator	Senior Center	Asset Life through 2022		\$ 275,000.00	
Wheel chair lift (Stage)	Senior Center	Asset Life through 2022		\$ 30,000.00	
Fire monitoring system	Adult Day Center	Asset life through 2026		\$ 35,000.00	
HVAC	Adult Day Center	Asset life through 2026		\$ 90,000.00	
Walkin Kitchen coolroom and freezer	Adult Day Center	Asset life through 2026		\$ 8,000.00	
Car park asphalt	Adult Day Center	Asset life through 2031		\$ 30,000.00	
Passenger elevator	Adult Day Center	Asset life through 2036		\$ 250,000.00	
Building Management System	Adult Day Center	Asset life through 2036		\$ 150,000.00	
Roofing	Adult Day Center	Asset life through 2036		\$ 75,000.00	
Kitchen range hood exhaust and supply fans.	Senior Center	DONE		DONE	
Walk-in Fridge	Senior Center	DONE		DONE	Replaced cooling unit 2018--approx. \$5,000
Ice making machine	Senior Center	DONE		DONE	Replaced 2018---approx. \$2,000
Commercial dishwasher	Senior Center			\$ 7,500.00	
Commercial combination grill/stove/oven	Senior Center			\$ 4,500.00	
Commercial convection ovens (2)	Senior Center			\$ 6,000.00	Replaced 1 set of doors 2018--approx. \$2,000
Food steamer	Senior Center	DONE		DONE	
Commercial drip coffee machine	Senior Center	DONE		DONE	
Commercial Freezer	Senior Center			\$ 4,500.00	
Dishwasher stainless steel exhaust hood	Senior Center			\$ 3,000.00	
Small kitchen exhaust hood	Senior Center			\$ 3,000.00	
				\$ 2,625,000.00	