

State of Washington's
Educational Service District Network
Construction Service Group (CSG)



North Beach School District No. 64

Preliminary District Property Review

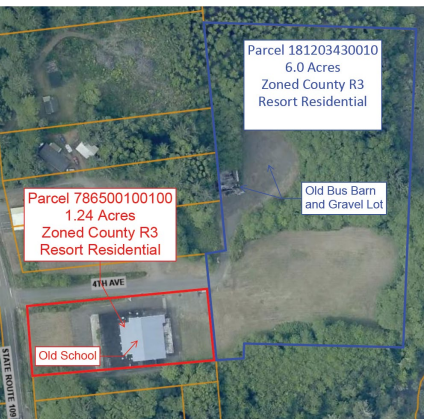
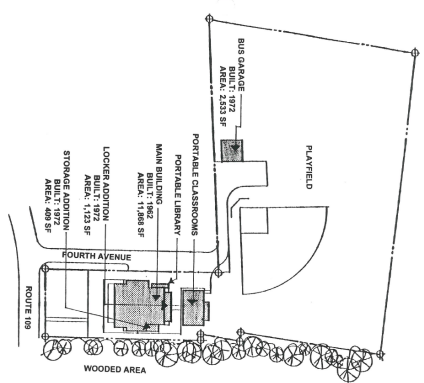
2652 State Route 109, Ocean City, WA

North Beach School District Board Meeting
January 19, 2021



Site and Land Use Review

December 10, 2020



R-3 Zoning

- R-3 Zone is “Resort Residential”
- The only outright prohibited use is “all industrial uses”
- The conditional uses allowed should be relatively easy to permit, so long as the use doesn’t create an incompatible or hazardous condition.

Grays Harbor County 17.36.030 - Conditional uses.

- A. Multiple-family units;
- B. Motels, bed and breakfast inns, nightly rentals, boarding houses;
- C. Mobile home parks;
- D. Schools (see [17.60.030](#));
- E. Churches (see [Section 17.60.040](#));
- F. Recreational vehicle parks and campgrounds;
- G. Retail sales of arts and crafts;
- H. Restaurants;
- I. Child day care centers subject to conditions;
- J. Convenience stores, subject to conditions;
- K. Motorcycle, all-terrain vehicle, automobile, light-duty truck, boat, motor home and recreational-vehicle repair, but not including repair of heavy trucks or larger vehicles; subject to, but not limited to, additional conditions

Conditional Use Permit

- Granted by the County Board of Adjustment
- Could be denied if “the characteristics of the intended use would create an incompatible or hazardous condition.”



Site Infrastructure Conditions

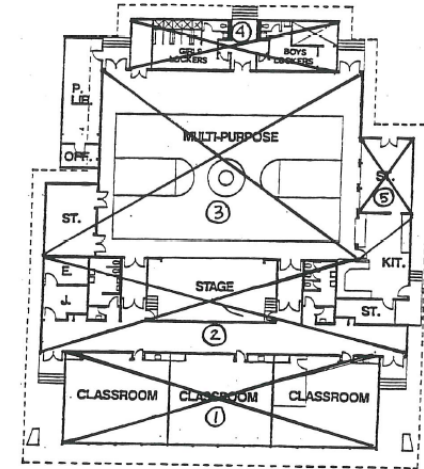
Potential Capital Reinvestment Requirements

1. **Bus Barn** Former transportation garage building subject to imminent collapse. Requires abatement and removal.
2. **Water** On-site water service required at adequate pressure for automated fire sprinkler systems (or water storage tank on site). Condition of potable water service (lead contamination possible) to be confirmed.
3. **Sanitary System** Replacement of septic system probable.
4. **Outdoor Open Space** "Laboratory" or other exterior instructional spaces or activities development would be required – no existing.
5. **Power Voice Data Services** Potential upgrades from local serving utilities required.
6. **Parking** Improvements to manage potential increased demand, replacement of existing surfaces, including impervious surface stormwater management engineered system.



Building Review

December 10, 2020



| Year Built | Area Number | Area Name | Size (SF) |
|-------------|-------------|---------------------------|-----------|
| 1962 | 1 | Classrooms | 3,095 |
| 1962 | 2 | Stage/Support/Circulation | 3,784 |
| 1962 | 3 | Gymnasium | 4,989 |
| 1962 Total | | | 11,868 |
| 1972 | 4 | Locker Rooms | 1,123 |
| 1972 | 5 | Kitchen Storage Room | 409 |
| 1962 Total | | | 1,532 |
| Grand Total | | | 13,400 |

Building Envelope

Potential Capital Reinvestment Requirements

1. **Roof** Significant and accelerating deterioration of building roof systems including gutters and downspouts resulting in widespread interior damage and, in the unheated building, potential significant mold development based on current interior odors.
2. **Water Damage** At multiple locations water is penetrating the protective roof envelope and creating dry rot and associated structural damage to exterior building fascia, soffits, overhangs, and exterior walls.
3. **Exterior Wall Protection** Will need to be removed, replaced, and refinished due to accelerating dry rot, structural damage, and the wide range and different types of materials (OSB, Kraft Paper cladding) which have suffered damage and are no longer protecting the building interior from water intrusion.
4. **Exterior Steel Roof Structural Supports** Deteriorated beyond repair and unsafe.



Building Hazardous Materials Abatement

Potential Capital Reinvestment Requirements

Although over time some of the following materials may have been abated by the District, the most recent AHERA Report for the building specifically notes the presence of non-friable asbestos containing materials in flooring tiles, flooring tile mastic, interior sheetrock walls, and sheetrock taping compound.

In addition, all of the following materials - if found - during a professional assessment will be required to be removed by the District prior to the start of construction renovation activities:

- Pipe insulation and fittings
- Floor tile/material and mastic
- Ceiling tile and mastic
- Sheetrock and joint compound
- Roofing materials including lead flashings
- Lead paint
- PCBs in light fixtures
- Putty at window glazing
- Mercury in fluorescent fixtures
- Mold propagated by long term water intrusion
- Potential additional materials and items.



Building Energy Code Compliance

Potential Capital Reinvestment Requirements

A renovation of the building will require **conformance with current Washington State Energy Code** (with another new code update expected to be implemented in February 2022) will require the development of new energy conserving building including but not limited to replacement of all existing systems listed here with new systems:

1. New Exterior Windows
2. New Insulation Requirements at All Exterior Walls
3. New Exterior Doors
4. New Insulation Requirements for the Building Roof Assemblies
5. New Energy Conserving Interior and Exterior Light Fixtures
6. New HVAC System and Building Controls Systems for Heating and Indoor Air Quality



Building MEP Systems Infrastructure

Potential Capital Reinvestment Requirements

Electrical Power: A renovation of the building will require the comprehensive replacement of the current building electrical service building panels and perhaps portions of the current electrical distribution system throughout the building to meet the requirements of the required new HVAC system. Lighting fixtures and lamps will be replaced as a code-compliant requirement.

Mechanical & Plumbing: The 1999 OSPI Study and Survey conducted by the District identified the current plumbing system as unsatisfactory. It is likely new water conserving fixtures will be required in all restrooms and kitchen areas.

It is expected that the entire heating system, outside air distribution, potable water distribution and sanitary sewer systems serving the building will require replacement.



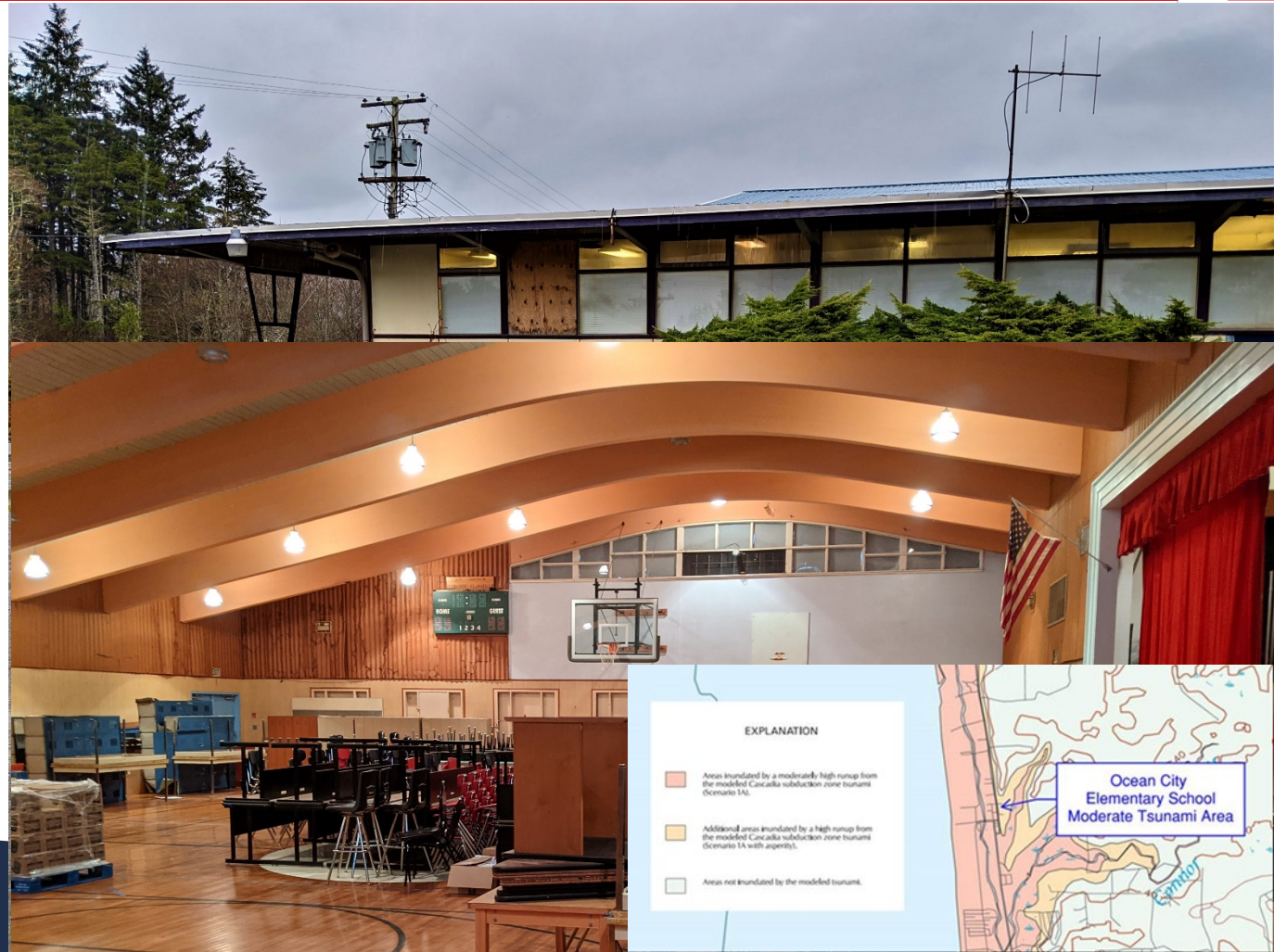
Building Structural System

Potential Capital Reinvestment Requirements

A renovation will require the original 1962 building - very similar in age of the Pacific Beach Elementary School - to be renovated to meet current seismic performance requirements.

The capital cost for the seismic retrofit of the gym/kitchen - now in planning - for the Pacific Beach Elementary School Gym is likely to exceed \$2M in 2020 dollars - and does not include the entire school building.

A major renovation of this building will likely require a more extensive and building-wide comprehensive seismic renovation including replacement of damaged structural components due to the water infiltration identified in the description of the current building envelope.



Building Interior Systems

Potential Capital Reinvestment Requirements

Accessibility Improvements: There will be a required component of the renovation requiring new door hardware, greater accessibility in restrooms to fixtures and space, and other interior wall reconfigurations.

Safety and Security Improvements: A critical component today of every K12 instructional facility.

Space Reconfiguration: Depending on the instructional program anticipated it is expected that there will be extensive interior wall reconfigurations, floor and wall material changes, ceiling material replacement, and some level of new furniture and equipment to support the educational activities.

Fire & Life Safety Improvements: In 1999 the District's submitted Study & Survey to OSPI noted that the building was not compliant. Compliance would be required for all emergency lighting, fire detection, and other systems required by the building code officials



Total Median Project Capital Cost Projection for Major Renovation for Instructional Space Use

| | In 2020 Dollars | | | |
|--|------------------|--------|------------|---------|
| | New Construction | | Renovation | |
| | Low | High | Minor | Major |
| Rural Elementary School Benchmarks Western WA | | | | |
| Construction \$/SF | \$ 267 | \$ 398 | \$ 140 | \$ 322 |
| Demolition \$/SF | \$ - | \$ - | \$ 3.75 | \$ 5.25 |
| Hazardous Abatement \$/SF | \$ - | \$ - | \$ 2.25 | \$ 4.50 |
| Site Development Cost | 10% | 12% | 5% | 8.0% |
| Indirect Costs (1) | 25% | 30% | 20% | 25% |

(1) Architect/Engineer, Permit, Furniture & Equipment, Project Administration, Contingencies

| | |
|--|---------|
| Elementary School Benchmarks for Route 109 Property @ 15,000 SF | |
| Construction \$/SF | \$ 390 |
| Demolition \$/SF | \$ 4.25 |
| Hazardous Abatement | \$ 7.50 |
| Site Development Cost | 10% |
| Indirect Costs | 25% |

| | |
|--|---------------------|
| Instructional Use Renovation for Route 109 Property @ 15,000 SF | |
| Construction Renovation Cost | \$ 5,850,000 |
| Demolition Cost | \$ 63,750 |
| Hazardous Materials Abatement Cost | \$ 112,500 |
| Site Development Cost | \$ 602,625 |
| WSST (8.9% at Ocean City, WA 12.2020) | \$ 589,970 |
| Indirect Costs | \$ 1,657,219 |
| Projected Total Cost Model | \$ 8,876,064 |

Practice Burning of Building

- Olympic Region Clean Air Agency (ORCAA) is the agency with jurisdiction. Orcaa.org
- Would need to have local fire department fill out a Training Fire Request Form
- Before any burning, would need certified inspection for hazardous materials
- Any asbestos and mercury containing switches and t-stats would have to be identified and properly abated
- All materials not essential for training (furniture, carpet, floor tile, etc.) must be removed before burning



Observations

Risk Management/Liability & Mothballing Costs: Consider building abatement and removal due to building deterioration, unsecured site access, and continued and accelerating annual operating expenses to protect and maintain the building and building services.

Building Condition and Renovation Costs: Due to the existing conditions, any renovation will likely trigger major and very comprehensive improvements to meet current building codes. Capital costs will be high due to small scale of the building, state public works requirements, and the need for both site and building improvements. Any renovation would not likely be considered eligible nor competitive for future state renovation grant programs due to the very poor and increasingly unsafe current building condition. **CSG has also conducted an updated a former OSPI Building Condition Assessment which shows that the building has only 26.5% useful remaining life compared to 100% for a new building.**

Alternative Uses of the Real Estate Asset: District could conduct due diligence – without advanced commitment – to explore a property exchange with other public or private sector interests; to investigate the potential of a long-term ground lease to a private sector entity for an approved land use allowing the District to transfer risk, perhaps limited revenue, but not dispose of the property; or consider –through compliant public surplus disposal processes – selling the property.

Educational Service District 112
Construction Service Group

North Beach School District No. 64

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