
MEMORANDUM

DATE: May 15, 2018

TO: Kevin Callan, Executive Director, PFD

FROM: Bryan Slater, Senior Project Manager – B&D

CC: Bill Mykins, Vice President, RA, LEED AP – B&D; Andrew Lieber, APM – B&D

RE: **Assessment of Long-Term Capital Needs Requirements for Safeco Field (2037 to 2041)**

PURPOSE

The purpose of this memo is to provide the Washington State MLB Stadium Public Facilities District (“PFD”) with Brailsford & Dunlavey’s (“B&D”) professional opinion of recommended long-term capital investment levels required to maintain Safeco Field in a first class condition through the year 2041.

APPROACH

The analyses and recommendations herein rely heavily upon the “Safeco Field Long-Term Capital Needs Assessment” report that B&D previously completed and submitted to the PFD, which forecasted recommended levels of investment through the year 2036. For this assignment, B&D focused on identifying additional investments that could reasonably be expected between the years 2037 to 2041 in order understand the total investments that would be required through the year 2041. B&D’s analysis extended previously forecasted lifecycles and costs for an additional 5-years to identify incremental costs. This analysis assumes that the target life for the ballpark is as a 100-year facility.

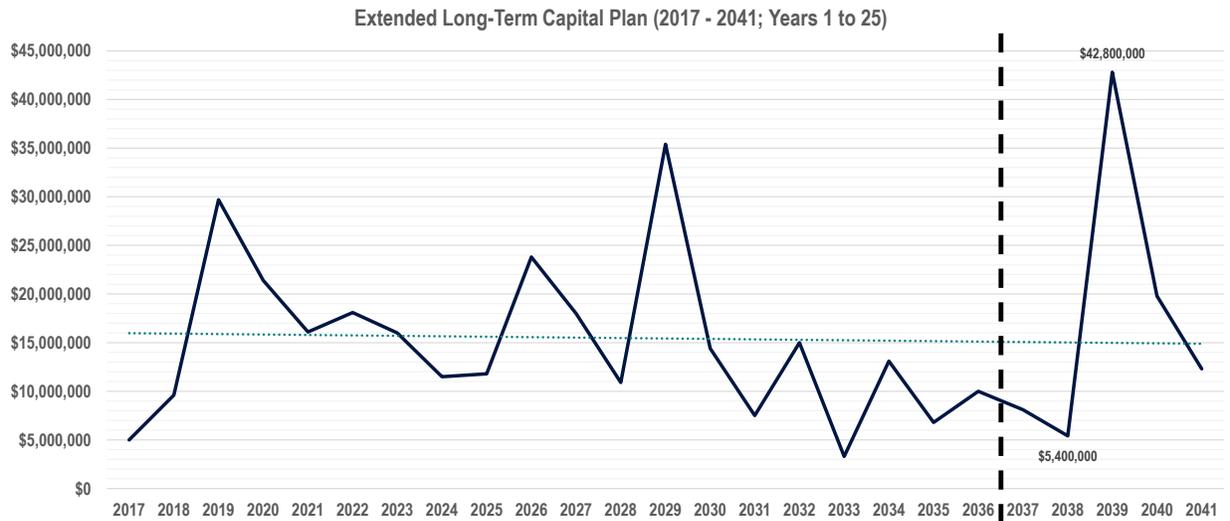
Note: all investment costs are rough order of magnitude estimates in 2015 dollars that have been adjusted for inflation (unless otherwise noted) and include a 15% contingency.

EXTENSION OF SYSTEM LIFECYCLES AND COSTS (2037 to 2041)

Utilizing the methodology from the previous report, B&D extended system lifecycles and costs for an additional 5-years, which resulted in an additional \$88.5MM in investment required between the years 2037 to 2041. This equates to approximately \$385.5MM over the 25-year horizon as compared to approximately \$297MM over the previously forecasted 20-year horizon. The average annual investment required increases from \$14.9MM over 20 years to \$15.4MM over 25 years.

This significant increase in cost is largely due to the recurrence of high-cost system replacements (further defined below), which are compounded by cost escalation over the 25-year horizon. Two of the last five years in the assessment, 2039 (\$42.8 million) and 2040 (\$19.8 million), rank among the top 10 in largest

annual investments over the 25-year time horizon. The chart below identifies forecasted annual levels of investment over the 25-year horizon.



Forecasted annual investment levels for the years 2037 to 2041 are listed below:

- ◆ 2037: \$8.1 million
 - ◆ 2038: \$5.4 million
 - ◆ 2039: \$42.8 million
 - ◆ 2040: \$19.8 million
 - ◆ 2041: \$12.3 million
- Total: \$88.5 million**

The table below examines required investments by category. Consistent with the previous forecasts, the technology and infrastructure categories comprise the largest portion of overall investment (55%). Significant annual investments are also needed for the spectator requirements category, including the seating bowl, food service, and premium spaces that require proactive and comparatively more frequent replacement. Annual investments in the garage and retractable roof remain relatively consistent and limited.

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 Analysis of Long-Term Capital Needs Requirements for Safeco Field (2037 to 2041)
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#	Major Category	Projected					% of Total
		2037 (Year 21)	2038 (Year 22)	2039 (Year 23)	2040 (Year 24)	2041 (Year 25)	
1	Architectural	\$1,763,000	\$1,895,000	\$2,279,000	\$2,974,000	\$3,435,000	14%
2	Retractable Roof	\$386,000	\$0	\$409,000	\$0	\$434,000	1%
3	Garage	\$55,000	\$79,000	\$58,000	\$60,000	\$87,000	0%
4	Spectator Requirements	\$4,262,000	\$2,312,000	\$5,798,000	\$3,372,000	\$4,186,000	23%
5	Building Systems	\$339,000	\$498,000	\$360,000	\$4,050,000	\$475,000	6%
6	Technology	\$771,000	\$0	\$21,273,000	\$8,427,000	\$3,224,000	38%
7	Infrastructure	\$551,000	\$567,000	\$12,624,000	\$963,000	\$508,000	17%
Total by Grouping		\$8,127,000	\$5,351,000	\$42,801,000	\$19,846,000	\$12,349,000	\$88,474,000

CONCLUSION

Based upon the analyses completed above and the assumptions of a 100-year target life for the ballpark, B&D believes that it's reasonable for the PFD to assume that the long-term capital investment required to maintain Safeco Field in a first class condition through the year 2041 will be approximately \$385.5MM over the 25-year horizon between the years 2016 to 2041. This cost is comprised of the approximately \$297MM identified in the original report in addition to approximately \$88.5MM identified for the years 2037 to 2041.