

PUBLIC FACILITIES DISTRICT

2025	1st Quarter			2nd Quarter			YTD	Budget	Variance	%
	January	February	March	April	May	June				
BEGINNING CASH (ACTUAL)	2,229,349	2,211,158	2,223,971	2,196,457	2,181,403	2,177,268	2,229,349			
REVENUES										
Sales Tax	177,019	208,291	167,845	160,924	184,371	170,665	1,069,115	2,267,390	1,198,275	47%
Interest	430	483	503	19,737	7,269	7,409	35,830	50,000	14,170	72%
Parking Rents	1,062	740	838	986	925	772	5,323	11,400	6,077	47%
TOTAL REVENUES	178,510	209,514	169,186	181,647	192,565	178,846	1,110,268	2,328,790	1,218,522	48%
EXPENSES										
Legal							-	2,500	2,500	0%
Advertising & Promotions							-	2,500	2,500	0%
Purchasing Services							-	500	500	
Other Professional Services							-	100,000	100,000	
Misc Services Not Class (ICAP)	4,249	4,249	4,249	4,249	4,249	4,249	25,493	50,986	25,493	
Postage							-	7	7	0%
Insurance							-	10,000	10,000	0%
Other Intergovernmental Svcs								29,579	29,579	0%
Total Admininstrative Costs	4,249	4,249	4,249	4,249	4,249	4,249	25,493	196,072	170,579	13%
Debt Service 2012 Bond	72,099	72,099	72,099	72,099	72,099	72,099	432,594	865,187	432,594	50%
COB Loan Repayment	13,350	13,350	13,350	13,350	13,350	13,350	80,102	160,203	80,102	50%
Debt Service 2016 Bond	107,003	107,003	107,003	107,003	107,003	107,003	642,016	1,284,033	642,017	50%
Total Debt Payments	192,452	192,452	192,452	192,452	192,452	192,452	1,154,711	2,309,424	1,154,712	50%
TOTAL EXPENSES	196,701	196,701	196,701	196,701	196,701	196,701	1,180,204	2,505,495	1,325,291	47%
	(18,191)	12,813	(27,515)	(15,054)	(4,135)	(17,855)	(69,936)	(176,705)	(106,769)	
ENDING CASH (BUDGETED)	2,211,158	2,223,971	2,196,457	2,181,403	2,177,268	2,159,413	2,159,413			
ENDING CASH (ACTUAL)			2,494,792			2,878,707				

1st Quarter	Total	2nd Quarter	Total
Revenue	557,210	Revenue	553,058
Expenses	590,102	Expenses	590,102
	<u>(32,892)</u>		<u>(37,044)</u>

MEMORANDUM

To: BWPFD Board of Directors
From: Tara Sundin, Community & Economic Development Manager, City of Bellingham
CC: Mayor Kim Lund
Date: July 10, 2025

Subject: Mount Baker Theatre Roof Repairs – Phase II and City Request for BWPFD Funding Consideration

This memo summarizes recent communication from the City of Bellingham's Facilities Manager regarding the remaining roof work at the Mount Baker Theatre (MBT) and outlines the City's request for BWPFD consideration of financial participation in the project.

Summary of City Facilities Update

The Facilities Manager will join me at the July 17 BWPFD Board meeting to present details on the MBT roof replacement project. Key points from their memo are summarized below (full memo attached):

- In 2020–2021, the City completed replacement of three high-priority and difficult-to-access MBT roof areas for \$1.07 million. That phase also included ductwork relocation, HVAC upgrades, fall protection, and hazardous materials analysis across all roof areas.
- The remaining eight roof areas (approx. 23,990 sq. ft.) are now past their service life and present increasing risks of water infiltration. Recent PSE work has removed overhead power lines that previously limited access, enabling the City to move forward with this next phase.
- The City recommends construction take place in summer 2026 to align with the theater's planned shutdown for seat replacement. In order to meet that timeline, the City proposes issuing a Request for Qualifications (RFQ) in 2025 for architectural and engineering services.
- Total anticipated project costs: **\$2,004,696**, including A&E, construction, internal costs, and contingency.

Roles and Responsibilities

Pursuant to lease agreements between the BWPFD, City and MBT Foundation, the City and Foundation are responsible for ongoing maintenance and repairs. The BWPFD maximized its bonding capacity (based upon 25-years of revenue) to undertake major renovations at the MBT and to build the Museum's Lightcatcher building. Other than paying the debt (and misc. minor administrative costs), the BWPFD has no other obligations based on existing agreements.

City Request to BWPFD for Funding Consideration

The City is aware of its roles and responsibilities, as outlined in the Lease Agreement. The City is formally requesting the BWPFD Board to consider financial participation in this critical roof replacement for the following reasons:

1. **Sales Tax Rebate Extension**

The State of Washington has extended the public facilities district sales tax rebate by an additional 30 years—an outcome not anticipated when the City and BWPFD entered into earlier funding agreements. This extension provides new long-term financial capacity that may be used to support capital repairs and reinvestment in key arts and cultural assets.

2. **City Budget Limitations**

The City has limited financial options to fund large-scale repairs to arts and culture facilities. The general fund—which relies on sales, property, and business & occupation taxes—has not kept pace with inflation. It is also heavily committed to essential services, especially police and fire. The general fund revenues had been outpaced by inflation even prior to the most recent downturn beginning February 2025. This roof repair project would place further strain on the City's most limited financial resource.

Given the timing of the sales tax extension and the critical need for roof replacement, the Mayor has asked that I work with the BWPFD Board to reevaluate prior commitments and funding structures. Although broader capital needs assessments are still underway, the City is asking that the BWPFD consider this project now, as the roof repairs should not be delayed.

Proposed Next Steps/Roof Repair

To ensure this project proceeds responsibly and aligns with the BWPFD's financial planning and governance process, I recommend the following actions:

1. **Issue an RFQ** in 2025 for architectural and engineering services – no award will be made without the BWPFD Board agreement to designate financial resources to the repair the roof and approval of the A&E contract.
2. **A&E Consultant to Refine cost estimates** and prepare construction documents for early 2026 bidding.
3. **Determine legal steps** — identify whether a new agreement is needed between the City and BWPFD or if amendments to existing agreements are appropriate to authorize this action.
4. **Work with the City Finance Director, bond counsel, and financial advisor** to explore financing options:
 - Review potential to issue debt aligned with the newly extended sales tax authority under applicable RCW [insert citation].
 - Consider refinancing existing PFD debt in conjunction with this project.
 - Confirm cash capacity: the Finance Director has determined that existing cash reserves are not sufficient to cover the full project cost without new financing, unless project bids come in significantly under budget.

This project represents a critical preservation effort for a historic and heavily used public facility. I look forward to discussing this further with the Board on July 17, in partnership with the City Facilities Manager.

Attachment: Memo from City Facilities Manager to Tara Sundin

DATE: July 10, 2025

TO: Tara Sundin

FROM: Carol Rofkar

RE: Mount Baker Theatre (MBT) Roof Repair

I will be available on July 17 to join you in presenting this item to the PFD Board. You requested the following:

- 1) Summary of the scope and funding to complete 2020/2021 roof repairs.
- 2) Current roof condition and repair needs.
- 3) Preferred Timeline

2020/2021 Roof Repairs

Three out of eleven roof areas on the Mount Baker Theater (MBT) were replaced in 2020/2021. That project was constructed for \$1.07 million and included the three most difficult roofs on the building. These roofs included a significant amount of relocated ducting and HVAC work as well as fall protection. The roofs were chosen based on budget constraints and building envelope prioritizations. The roofs were located in difficult areas to access and were considered the most problematic with the highest priority for replacement.

During that time, we were able to complete an analysis of hazardous materials present on all of the roofs. We created a good plan of the overall layout of the roofs, analysis of types of roofs and a substantially complete specification package which will be used to support the construction documents needed in this final phase. These advanced preparatory aspects completed in the 2020/2021 design and construction cycle gives us a head start into the next phase which is to complete the replacement of the remaining roofs.

Current Roof Repair Needs

The remaining roof project includes the eight roof areas roughly 23,990 square feet and encompassing three distinct roof types. All of the remaining roofs require replacement based on age and increasing difficulty repairing and identifying leak sources. Water infiltration compromises the structural and aesthetic integrity of the building. Further supporting this work was a PSE project during the summer of 2024 when the company came through and buried the overhead power lines. Those power lines created challenges for the 2020/2021 project in terms of safety and accessibility to the roofs. Now that they are removed we expect some time and cost savings to be reflected in the 2026 project.

Timeline

Based upon our professional experience, the Facilities group of Internal Services is recommending these roof repairs be addressed immediately to prevent potential damage to this historic property. The recommended timeline for installation is summer of 2026 and to keep this target date, it is

important to start the procurement process for delivering these roofs now. I suggest issuing a Request for Qualifications to solicit Architecture and Engineering (A&E) work in 2025. This work will include design and any required engineering that will be necessary to produce construction plans ready for bid in early 2026. This schedule works with the MBT's planned shut down in July/August 2026 for the replacement of the chairs. While the roof work is not anticipated to cause significant disruption during theater events there may be areas where HVAC systems will be interrupted for periods of time.

Estimates below were from a 2023 cost estimate +10% for a 3 year escalation and 10% contingency. Our recent experience has been roof projects are coming in under the engineer's estimate. We believe the escalation and contingency will suffice for planning purposes however during the design process more accurate cost estimates will be produced prior to bidding.

Architecture and Engineering

Includes design fee, permits. Calculated at 15% of construction costs

Total anticipated A&E: \$254,310, includes (10% Contingency)

Construction costs:

Roofs: \$1,340,000

Various hatches and replacement of metal roofing penthouses and enclosures: \$74,000

Sales tax: \$139,986

Total anticipated construction: \$1,695,386 (includes 10% Contingency)

Internal fees:

Includes PM fees, permits, Facilities support

Total anticipated costs: \$55,000

Total anticipated project costs: \$2,004,696

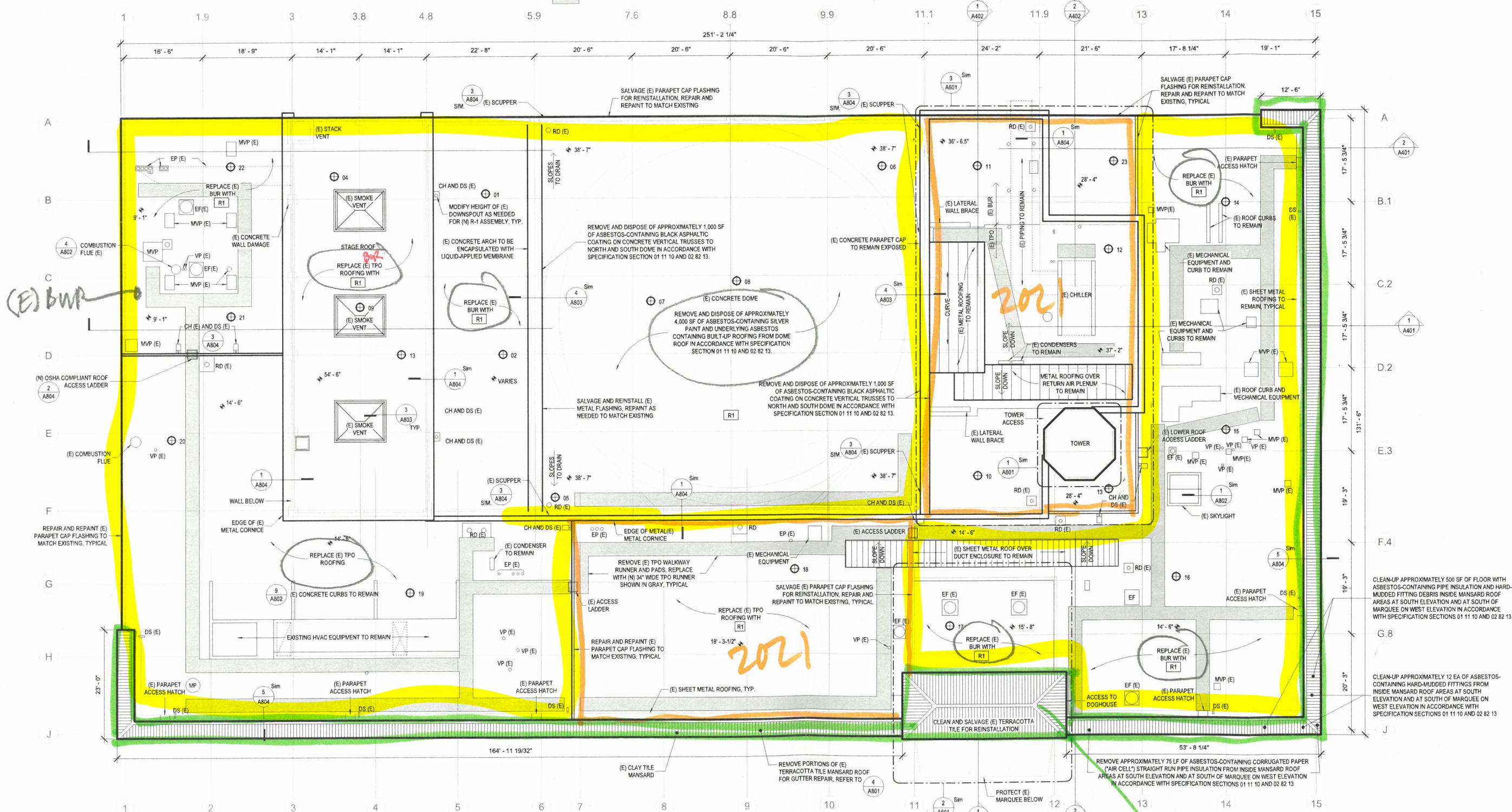
2026 Scope of Work

PLAN LEGEND

- BUR (E) EXISTING ASPHALTIC BUILT-UP ROOF TO BE REMOVED
TPO (E) EXISTING TPO ROOF ASSEMBLY TO BE REMOVED DOWN TO (E) CONCRETE ROOF STRUCTURE UNLESS OTHERWISE NOTED
DS (E) EXISTING DOWNSPOUT TO REMAIN, REPAIR AND REPAINT TO MATCH EXISTING
CH (E) EXISTING DOWNSPOUT COLLECTOR HEAD, REPAIR AND REPAINT TO MATCH EXISTING
MVP (E) EXISTING MECHANICAL EXHAUST/AIR INTAKE VENT PENETRATION
EF (E) EXISTING EXHAUST FAN PENETRATION
RD (E) EXISTING ROOF DRAIN TO REMAIN, REFER TO
VP (E) EXISTING VENT PIPE PENETRATION TO REMAIN, REFER TO
EP (E) EXISTING ELECTRICAL CONDUIT PENETRATION TO REMAIN, REFER TO
SP (E) (E) EQUIPMENT SUPPORT PIPE PENETRATION
X-X' APPROXIMATE ROOF ELEVATION RELATIVE TO LEVEL 5
HAZARDOUS MATERIAL SURVEY CORE SAMPLE IDENTIFICATION, SEE HAZMAT REPORT
NEW 34" TPO WALKWAY RUNNER

GENERAL NOTES

- DO NOT SCALE DRAWINGS. USE FIGURED AND FIELD VERIFIED DIMENSIONS. NOTIFY THE ARCHITECT OF ANY DISCREPANCIES BEFORE PROCEEDING WITH WORK.
- ALL MOUNT BAKER THEATRE ADMINISTRATIVE OPERATIONS ARE TO REMAIN ACTIVE AND UNINTERRUPTED DURING THE ENTIRE PERIOD OF CONSTRUCTION ACTIVITY. COORDINATE WORK WITH LIMITED SCHEDULED PUBLIC EVENTS.
- WITH THE EXCEPTION OF THE TOWER, CONTRACTOR WILL ACCESS THE ROOF FROM THE EXTERIOR OF THE BUILDING ONLY. NO ACCESS TO THE ROOF FROM THE INTERIOR OF THE BUILDING WILL BE ALLOWED.
- ALL EXISTING MECHANICAL AND ELECTRICAL ROOF-MOUNTED EQUIPMENT, CURBS AND PENETRATIONS TO REMAIN IN PLACE AND BE MAINTAINED IN OPERATION THROUGHOUT THE COURSE OF THE WORK UNLESS OTHERWISE NOTED.
- CAREFULLY SALVAGE AND STORE ALL (E) PARAPET COPINGS FOR INSTALLATION WITH NEW ROOF MEMBRANE. REPAIR AND REINSTALL THE EXISTING PARAPET COPINGS PER SMACNA RECOMMENDED EXPANSION JOINT DETAILING FOR A WEATHER-TIGHT INSTALLATION.
- PROTECT EXISTING PIPING, MECHANICAL AND ELECTRICAL EQUIPMENT DURING CONSTRUCTION. TEMPORARILY SUPPORT ANY ROOF GAS PIPING AS NECESSARY AND INSTALL APPROPRIATE CODE COMPLIANT BLOCKING/SUPPORT.
- UNLESS NOTED OTHERWISE EXISTING ROOF IS COMPRISED OF TPO ROOF MEMBRANE OVER COVERBOARD AND TAPERED RIGID INSULATION OVER A CONCRETE ROOF SLAB.
- REMOVE ALL DEBRIS FROM SITE PER SPECIFICATIONS.
- COORDINATE WITH LOCAL UTILITY COMPANIES, THE CITY OF BELLINGHAM AND THE TENANT PRIOR TO SHUT DOWN OR RECONNECTION OF ANY SERVICES.
- PROTECT ALL ADJACENT WALKWAYS AND PROPERTY DURING CONSTRUCTION. COORDINATE WITH THE CITY OF BELLINGHAM AND MOUNT BAKER THEATRE STAFF.
- WORK SEQUENCING AND SCHEDULE TO BE APPROVED BY THE CITY OF BELLINGHAM AND THE TENANT BEFORE WORK COMMENCES.
- PROTECT EXISTING DOWNSPOUTS AND COLLECTOR BOXES. CLEAN AND REPAIR AS REQUIRED FOR A WATER-TIGHT INSTALLATION. REPAIR ALL EXPOSED SURFACES.
- SPECIFICATION SECTION 02 82 13 NOTES THE LOCATIONS OF BUILT-UP ROOFING COMPONENTS WITH ASBESTOS CONTAINING MATERIAL. THE CONTRACTORS SHALL COMPLY WITH WASHINGTON STATE L&I LEAD REGULATIONS DURING WORK PRACTICES THAT AFFECT THE EXISTING PAINT ON THESE COMPONENTS.
- PERFORM ACTIVITIES IMPACTING PAINTED COMPONENTS IN ACCORDANCE WITH SPECIFICATION SECTIONS 01 11 10 AND 02 82 13.



1 Roof Plan
1" = 10'-0"

RMCArchitects

bassettibarchitects

6070 REGISTERED ARCHITECT
BRADLEY A. BASSETT
STATE OF WASHINGTON

2020 Renovation Projects
Mount Baker Theatre
104 North Commercial Street, Bellingham, WA 98225

Job No: 1942 Date: 04/07/2020
File No: 1942 MB Baker Theatre
Drawn By: JUF
Checked By: BPC
Issued for: BID

LEVEL 5 ROOF PLAN
A205