

# Quarterly Accountability Report

## Safe and Secure Bothell

January – March 2019

This report includes background on the levy and bond packages, implementation plans, financial updates, summaries of Quarter 1 2019 levy and bond milestones, and an overview of the communications plan.

### Background

In November 2018, Bothell voters passed two public safety ballot measures; a 12-year Levy “Lid Lift” for additional staff positions in police, fire, court, and supportive services, and a 20-year Capital Bond to rebuild two aging fire stations.

#### The Levy Lid Lift

This ballot measure increases the amount of property tax revenue the City can collect over the next 12 years. After 12 years, Bothell residents will have another opportunity to decide on the level of public safety service they desire.



The levy lid lift supports 27 additional public safety staff and other operational and program needs. Key features include: full-time emergency medical services at Station 45, additional patrol shift during peak hours, new Community Crime Reduction team for proactive policing, traffic enforcement, school safety, crime investigation, community engagement, and an embedded mental health professional.

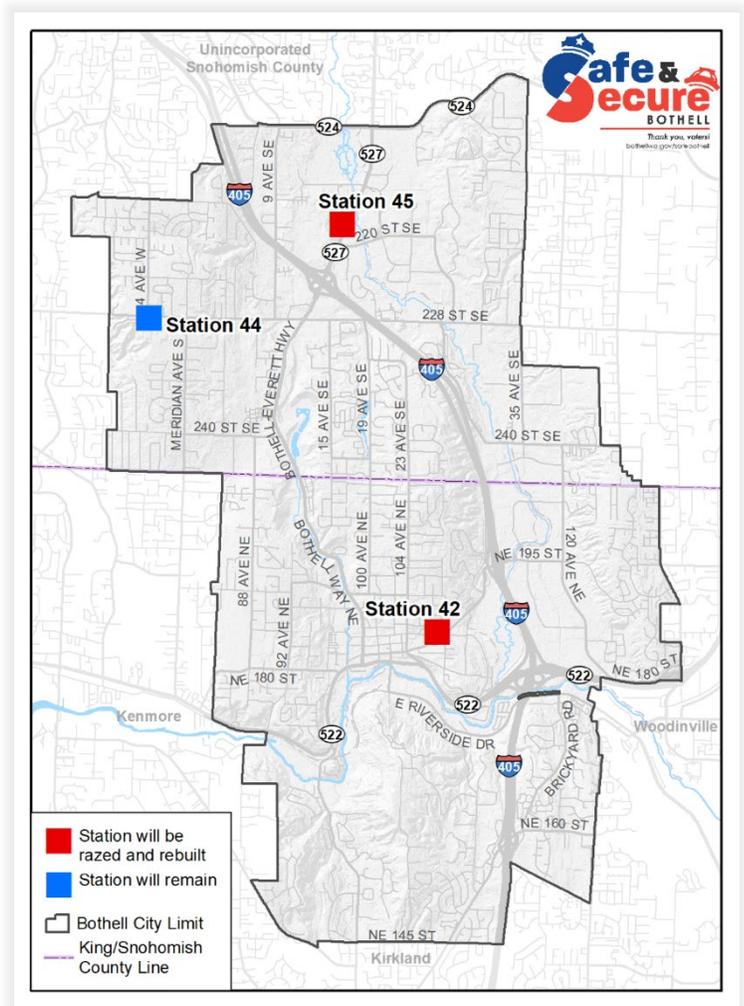
- 2019 tax rate is \$0.43/\$1,000 assessed value (AV)
- Totals approximately \$220/year on a \$500,000 home
- Generates an estimated \$4.85 million in 2019

## The Capital Bond

Approval of the Capital Bond allows the City to issue bonds worth up to \$35.5 million to demolish and rebuild Stations 42 (Downtown) and 45 (Canyon Park). Station 44 is a Snohomish County Fire District 10 station and will not be rebuilt. These projects are paid for entirely by the additional, voter-approved property tax revenue the City will collect over the next 20 years.

The station rebuilds include health and safety upgrades, technical modernization, energy efficiency, and more to accommodate current and future growth. Station 42 was built in 1980 and Station 45 was built in 1985.

The City plans to issue the first round of debt in late 2019, meaning Bothell residents will not be taxed for the bond until 2020. Since the two stations will not be under construction at the same time, the City will not issue the full \$35.5 million worth of bonds all at once. The bond tax rate for Bothell residents will fluctuate according to the timing of bond issuance.



## **Implementation Planning**

The implementation of both the Levy and the Bond involves careful planning, clear communication, and strong collaboration between multiple departments. Immediately after the passage of both measures, City staff formed a Levy Implementation Team and a Bond Implementation Team to begin designing implementation strategies.

### Implementing the Levy

The additional workload associated with hiring 27 new positions and purchasing all associated equipment, vehicles and work spaces, was such that the Levy Team decided to invest in additional resources to support a successful implementation. The implementation costs below represent the full cost, including salary and benefits, for the

remainder of the 2019-2020 biennium. In total, these additional implementation costs are less than 0.85% of the total 12-year levy projected revenue.

#### Levy Implementation Costs 2019-2020

Project Management Software	\$ 3,000
Limited Term Levy Coordinator	\$ 167,000
Police Background Investigator	\$ 126,281
Limited Term Accounting Specialist	\$ 40,000
Limited Term IS Technician	\$ 83,321
Purchasing Specialist (1/3 Levy funded)	\$ 38,065
Police Station Facility Improvements	\$ 50,000
Interest on interfund loan	<u>\$ 30,000</u>
<b>Total Estimated Implementation Costs</b>	<b>\$ 534,667</b>

The Levy Team began working on a 12-year financial plan so all revenues and expenses can be closely tracked and informed decisions can be made for the uses of all the funds. The completed financial plan and project plan was presented to the City Council on July 2, 2019.

#### Implementing the Bond

During the first quarter, bond implementation planning consisted of forming the project team and developing a Request for Proposals for a construction project manager. The Bond Team includes representatives from the Fire, Public Works, Finance, Legal, IS, and Police Departments.

## **Quarter 1 Updates**

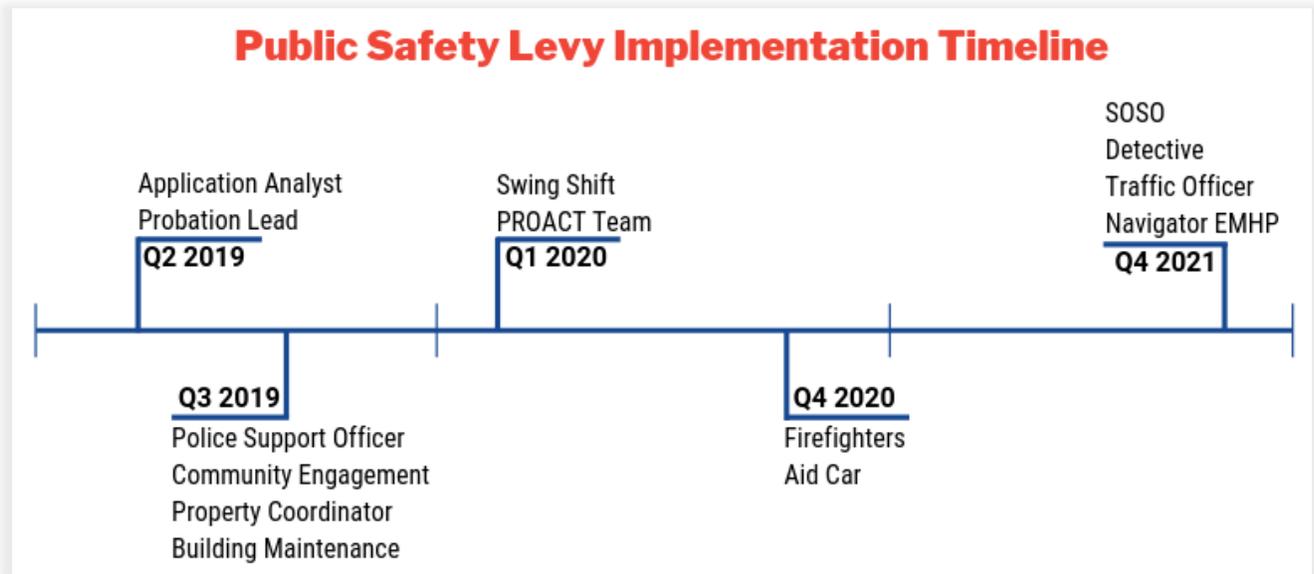
### Finance

To cover the associated levy and bond expenses until revenues are received from property taxes and bond issuances, the City Council approved a \$1 million loan from the Water Utility Fund and a \$1 million loan from the Sewer Utility Fund on March 5. The first property tax payment for the levy lid lift will be received in the second quarter and is anticipated to total around \$2.5 million. Residents will not be taxed for the capital bond until 2020 after the City issues the first round of debt.

### Levy

Hiring began in January with six firefighters, four of whom are expected to graduate from the Fire Academy on April 12, 2019. During the first quarter, the police department hired two officers who will begin field training in Quarter 2. The figure below shows the

implementation timeline generated by the Levy Team. It is anticipated that all of the new, voter-approved services will be provided by the fourth quarter of 2021.



### Capital Bond

In the first quarter, the bond project team developed a Request for Proposals for a construction project manager. Four proposals were reviewed by the Public Works and Fire Department staff. OAC Services, a project and construction management firm, was selected and an initial contract estimated to be \$85,000 was negotiated. OAC will focus on identifying the design/construction methods and construction schedules. The Fire Department has also begun planning to ensure continuity of service while the two stations are under construction.

### **Communications Plan**

Staff completed development of a communications plan focused on telling the Safe and Secure story on the City website and social media, and through community engagement opportunities. The goals of the communications plan are to:

- Humanize and celebrate the new, voter-approved services
- Provide accessible and easy to understand progress updates
- Enhance the City of Bothell’s reputation as a trusted steward of public funds

Staff also created a logo and designed two informational signs at Stations 42 and 45. See [www.bothellwa.gov/safebothell](http://www.bothellwa.gov/safebothell) for the latest progress updates and stories on new hires.