

Mayor of Duvall's Monthly update to the community

November 1, 2016

Mayor's Office:

With the election seven days away, don't forget to vote.

WOW, we had a record turnout for the trick or treat event on Halloween. I want to thank Councilmember Ockerlander for helping to pass out candy to the many kids that stopped by. I was impressed with all of the great costumes that I saw.

City departments:

The City has five key departments, managed by the City Administrator. The departments are Police, Planning, Public Works, Finance and City Clerk. Each department works on key programs and projects. In addition, we utilize the services of the City of Snoqualmie for IT.

City Administrator, Matthew Morton:

No Report was submitted

Police Department: Chief Carey Hert,

- The past couple of months have been busy for our police department, preparing for our 2017 budget presentation, which was delivered to City Council on Tuesday, October 25, 2016. Additionally, we have been updating our police asset inventory in preparation for a citywide audit.
- Our department spent quality time preparing for and participating in establishing a joint operations center during the anticipated wind/rain storm this month. Working with Fire District 45, Duvall Public Works, City Administration, CERT'S and other volunteers, a Joint Operations Center was established for this event. Though the storm did not occur, thankfully, it was great to work in collaboration and know that we can be and are prepared for these types of situations.
- Our department has selected a new officer to be our D.A.R.E. Instructor. Congratulations to Officer Cory Clark! Officer Clark will be attending a (2) two week D.A.R.E. Instructor course in December, in Tennessee. Upon his return, he will be working with our school district to determine curriculum dates for our schools.
- Our department continues to partner with Riverview School District to provide a part-time (SRO) or school liaison officer to Cedarcrest High School. This officer, Sgt. Lori Batiot, is at Cedarcrest (4) four hours each day, most days, available for students and staff. Additionally, patrol officers have been spending time at Cherry Valley Elementary, as often as time allows. If you see any of our officers at the schools, please feel free to approach them with any questions you may have of them.
- You will soon notice that our department has a new patrol vehicle in our patrol fleet. This vehicle is much different than what you are used to seeing. It is all black, with subdued lettering, typically called "ghost lettering" and is designed to be less noticeable than a typical police vehicle. As our department begins to implement additional educational and enforcement programs, such as crosswalk safety in our downtown corridor, as well as distracted driving throughout our City, this vehicle will be essential in identifying (catching) habitual violators and increasing the safety of our community.



- Thanks to persistent efforts over the past year from our Records Manager, Shelley Rowe, our police department now has a Drug/Medication Kiosk available in our police department lobby. This kiosk is available to community members that have unused/unwanted prescriptions/medications, to dispose of them during normal operating hours, Monday-Friday. For complete details of what can and can't be deposited in the kiosk, please refer to our Police Facebook Page and Website.



- We are currently conducting a background investigation for a lateral police officer, and if all goes well, we hope to be fully-staffed by the end of November.
- During the months of September and October, officers have responded to over 450 calls for service, ranging from C.O.P. Activities, citizen assists, suicidal persons, fugitive arrests, car prowls, domestic violence, noise complaints, road rage, shoplifting, harassment, trespassing, alarms and traffic violations/collisions.
- Our Police Department would like to take this opportunity to wish you all a happy and safe Halloween, and a Happy Thanksgiving!

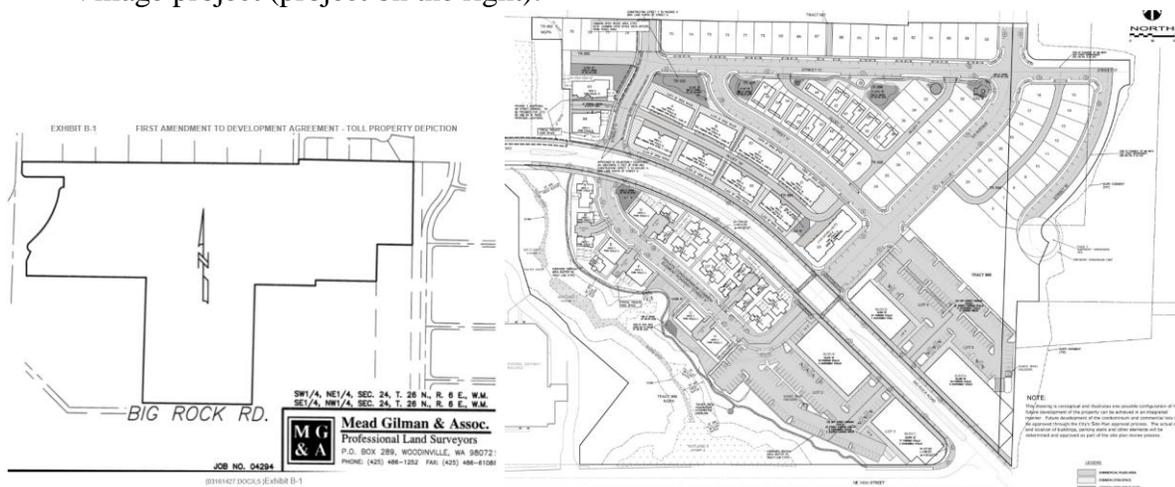
Planning Department: Lara Thomas, Planning Director

General Information:

- The Planning Department is working on updating its land use permit applications, banner policies, and sign permit tri-folds.

Current Development:

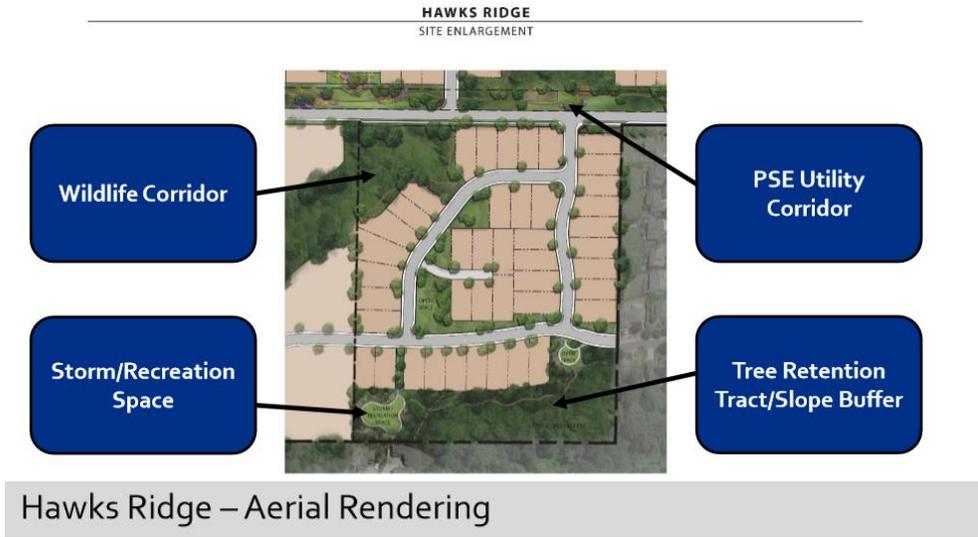
- **Toll Brothers Development Agreement Amendment (Big Rock Road and east of 3rd Avenue)** The City Council approved an amendment to the Toll Brothers Development agreement in September. This will allow Toll Brother to submit construction drawings for the Duvall Urban Village project (project on the right).



New Projects

- **North Urban Growth Area Annexation** Quadrant Homes held a joint meeting with the Planning Commission and City Council on October 19th at 7:00 PM in the Visitor Center. It was a very well attended meeting. Items that came up from the community included: lot size, tree retention, sensitive areas, road improvements, school capacity, and regional transportation issues (124th and Woodinville-Duvall Road). The next step is for the City to provide direction (development standards) on the annexation area and the submittal of the second phase of the annexation (50% petition). The presentation and the audio can be found on the city website. www.duvallwa.gov/DocumentCenter/View/3226





Comprehensive Plan and Code Amendments Zoning Map Update:

- **Critical Area Update** Staff has completed the scope of work for the update and will seek professional services to provide technical expertise with the development of new polices. The City will create an advisory committee to review materials. If you are interested in the committee, please contact Lara.thomas@duvallwa.gov.
- **Tree Protection Standards Update** Staff has completed the scope of work for the update and will seek professional services to provide technical expertise with the development of new polices. The City will create an advisory committee to review materials. If you are interested in the committee, please contact Lara.thomas@duvallwa.gov.
- **2015 Comprehensive Plan Certification:** Staff met with Puget Sound Regional Council (PSRC) staff. The PSRC Executive Board will review and approve the plan this fall.
- **Transportation Plan Update:** The City submitted a transportation and capacity analysis for review and comment to PSRC.

Finance Department: Dean Rohla, Finance Director

On behalf of the Finance Department, I am pleased to provide the following community update on behalf of the team that efficiently pays the bills, pays 41 employees, administers the budget, bills for Water/Sewer/Storm Utilities, accounts for the assets, debts, and provides financial reporting for the City of Duvall.

Continuing with the budget theme, October is the month Duvall presents its 2017 Preliminary Budget to the Council and Citizens. Budget-Related activity:

2016:

- As always, both the **2016 Budget** and the “**2016 Budget Summary**” or “**At a Glance**” brochure are available online at <http://www.duvallwa.gov/356/Budget-Documents> Hard copy may be viewed at Duvall City Hall or at the Duvall Library reference desk.
- 4th quarter budget amendments were compiled to bring to Council for their first touch in November.

2017:

- Preliminary Budget presented to Citizens and Council.
- Preliminary Budget can be viewed at <http://www.duvallwa.gov/356/Budget-Documents>.
- Departmental budget presentations made to Citizens and Council.
- Public Hearings on the budget and property taxes were held October 18th
- Revenue projections used in the 2017 budget process were presented to Citizens and Council.
- A second Public Hearing on the budget will take place November 1st at the regular Council meeting.

Finance Team:

- October 5th and 20th payroll preparation.
- October 4th and 18th vendor payment runs.
- Closed the month of September.

Monthly Reports:

- Prepared October Sales Tax report. Some highlights included:
 - Received \$68,208 in sales tax revenue in October 2016
 - \$16,530 more than October 2015
 - Highest receipts received in the month of October
 - Year-to-date sales tax revenues are up 15.3% or \$84,564 compared to last October
 - Construction and Services classifications lead the surge accounting for 68% of the \$84,564
 - Year-to-date sales tax revenues are at 95.67% of the 2016 budget of \$665,000 (10/12th = 83.33%)
 - October tax revenues represent sales for August 2016 as there is a two-month lag before we actually receive the sales tax revenue.
- Real Estate Excise Tax (REET) receipts continue to be strong.

Utility Billing Summary:

- During the final two weeks of October we read meters, issue past-due and shut-off notices, create and mail monthly utility bills, and perform shut offs for non-payment.

	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16
# DIRECT DEBITS	356	361	363	365	364	386
# OF NEW METERS INSTALLED	3	-	1	2	4	2
# OF ACCOUNTS BILLED	2,588	2,597	2,605	2,607	2,613	2,609
# OF UTILITY BILLS PRINTED	2,293	2,293	2,318	2,301	2,315	2,312
JR Mailings	2,250	2,253	2,253	2,254	2,259	
# OF E-BILL CUSTOMERS	427	429	431	432	433	433
# of disconnections	16	21	15	23	34	29
# of past due notices	351	301	336	392	396	271
# of shut off notices	74	93	69	65	88	71

Quarterly Reports:

- Prepared 2016 3rd quarter investment report for Council.
- Prepared 2016 3rd quarter financial report for Council. Highlights from that report are as follows:

GENERAL FUND

- General Fund operating revenue ended third quarter at 72.79% of budget and operating expenditures are 68.23%. In comparison, 2015 3rd quarter ended with operating revenue at 65.47% and operating expenses at 70.00%
- Approximately 29% of the General Fund revenue comes from Property Tax which is primarily received in April/May and Oct/Nov each year.
- Building permit revenue ended the third quarter at 111.09% of budget or a total of \$125,088.19. This is a significant increase compared to end of 3rd quarter 2015 which ended with \$98,447.37 in revenue or 60.49% of budget.
- Other development fees and engineering fees have brought in revenue of \$152,060.71 thru end of 3rd quarter 2016. This represents 104.87% of budget (\$145,000).
- Plan check fees were at 87.53% of budget or \$64,064.28 at the end of third quarter. Again, this is higher than 2015 third quarter which ended with \$47,980.56.
- Sales Tax revenue ended third quarter with 85.41% of the \$665,000 budget received (**Exhibit 3**).
- Utility Taxes are at 74.06% of budget or \$809,073. (**Exhibit 6**).

CAPITAL FUNDS

- Seventeen park and street impact fees have been received this year. Impact fees are receipted at the time building permits are issued (**Exhibit 5**).
- Real Estate Excise Tax (REET) ended the quarter at 81.54% of budget with homes and property continuing to sell at increased prices. (Exhibit 4).

UTILITY FUNDS

- The City has no General Obligation debt, only Revenue debt for the water and sewer utility.
 - The 2.2 M gallon water tank bonds were paid off in July 2016

- The sale of the vacant land next to the Valley Tech Center closed on 2/2/2016. The City received \$370,000 from the sale.

ALL FUNDS

- Interest on Investments revenue ended the third quarter at \$43,062.11. This is 214% of the 2016 budget, \$20,095.
- Reserve fund balances are being met.
- Overall City fund balances have increased through the end of third quarter 2016 by \$391,354.79.

EXHIBIT 1: Budget to Actual Revenues thru September 30, 2016 – all funds

Fund Types	2016	2016	2016	YTD 2016	%	Target
	Total Budget	Begin. Fund Balance	Total Budget Less Begin. Fund Bal.	Revenues	Received	
General Fund	5,246,735	1,064,236	4,182,499	3,044,568	72.79%	>75%
Contingency Fund	45,615	28,015	17,600	104	0.59%	>75%
Special Revenue Funds	700,823	187,313	513,510	327,943	63.86%	>75%
Debt Service	3,000,000	-	3,000,000	-	0.00%	>75%
Capital Project Funds	13,143,325	2,195,564	10,947,760	1,930,466	17.63%	>75%
Utility Funds	13,681,980	7,104,405	6,577,575	4,707,012	71.56%	>75%
Bond Redemption & Reserve	721,268	279,413	441,855	332,157	75.17%	>75%
Internal Service Funds	1,067,999	590,608	477,391	324,582	67.99%	>75%
Totals	\$ 37,607,743	\$ 11,449,553	\$ 26,158,190	\$ 10,666,832	40.78%	>75%

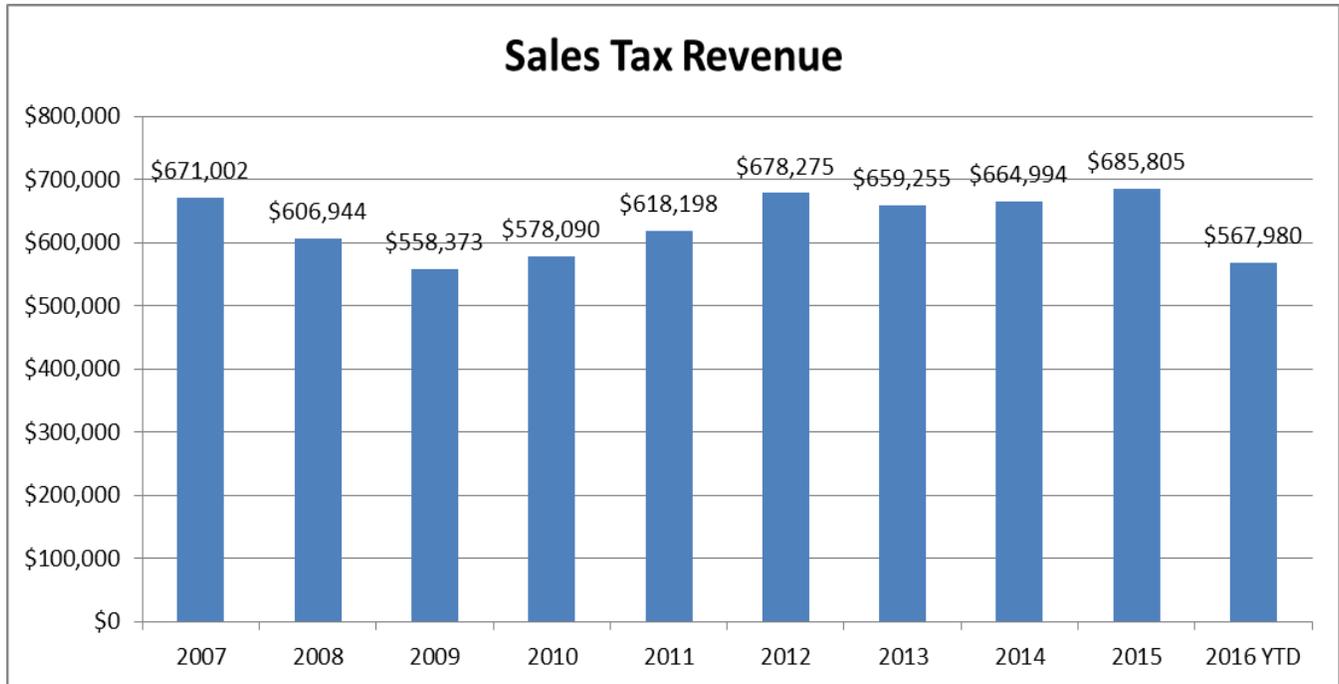
Total revenues are under the target of 75% or higher.

EXHIBIT 2: Budget to Actual Expenditures thru September 30, 2016 – all funds

Fund Types	2016	2016	2016	YTD 2016	%	Target
	Total Budget	Budget Ending Fund Balance	Total Budget less End. Fund Bal.	Expenditures	Expended	
General Fund	5,246,735	935,954	4,310,781	2,941,346	68.23%	<75%
Contingency Fund	45,615	27,615	18,000	-	0.00%	<75%
Special Revenue Funds	700,823	45,111	655,712	405,122	61.78%	<75%
Debt Service	3,000,000	-	3,000,000	-	0.00%	<75%
Capital Project Funds	13,143,325	3,299,283	9,844,042	1,301,348	13.22%	<75%
Utility Funds	13,681,980	5,676,481	8,005,499	5,162,569	64.49%	<75%
Bond Redemption & Reserve	721,268	279,163	442,105	217,653	49.23%	<75%
Internal Service Funds	1,067,999	522,525	545,474	247,439	45.36%	<75%
Totals	\$ 37,607,743	\$ 10,786,131	\$ 26,821,612	\$ 10,275,477	38.31%	<75%

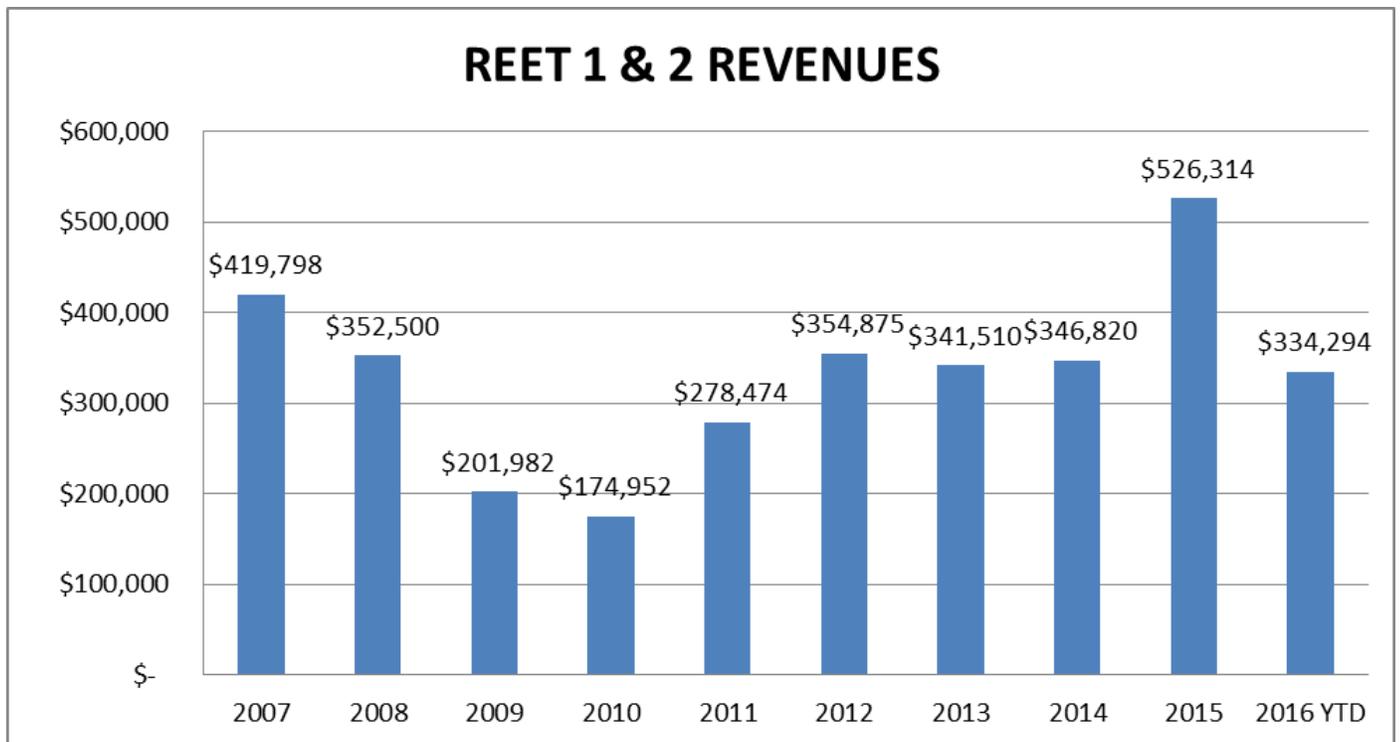
Expenditures are below the 75% target at the end of third quarter.

EXHIBIT 3: Sales Tax



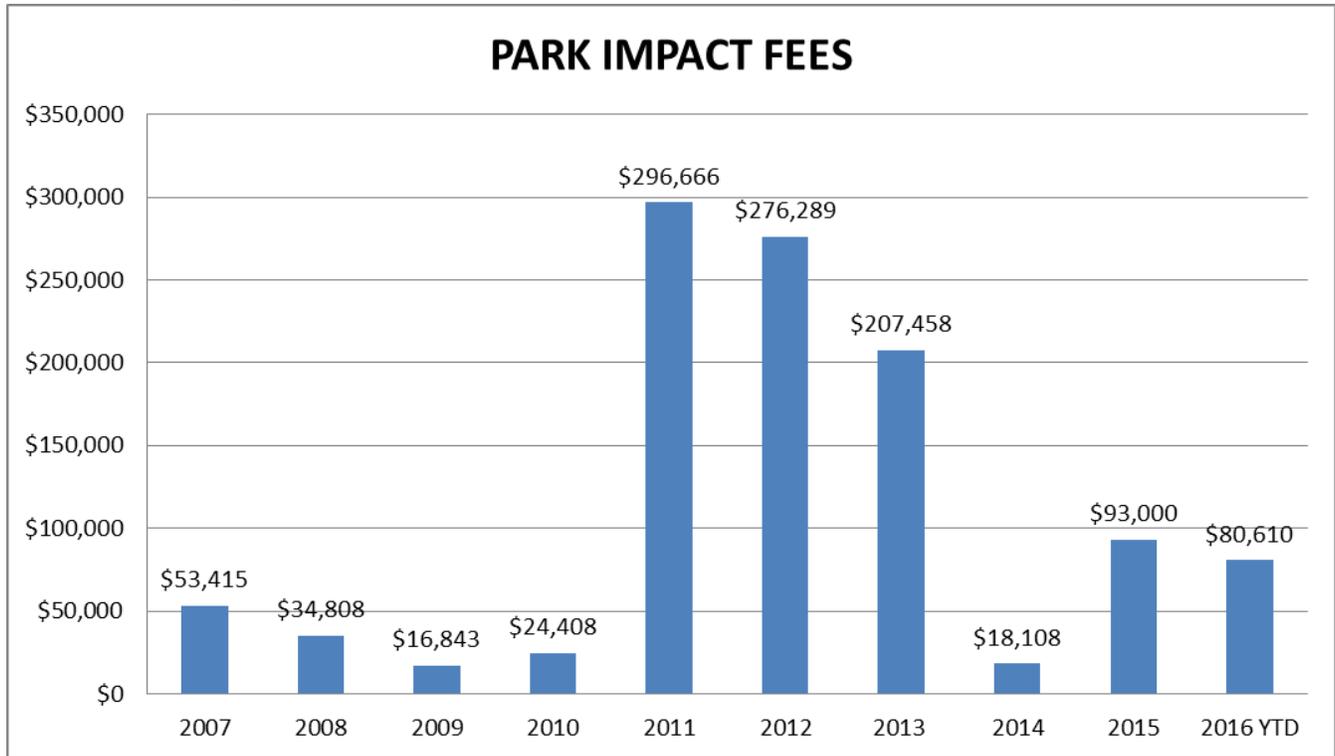
At the end of third quarter, sales tax is at 85.41% of our \$665,000 budget and is 13.6% higher than third quarter 2015 sales tax revenues.

EXHIBIT 4: REET



Real Estate Excise Tax Revenues (REET) are at 81.54% of the 2016 budget (\$410,000). These funds are primarily for capital improvements

EXHIBIT 5: Impact Fees

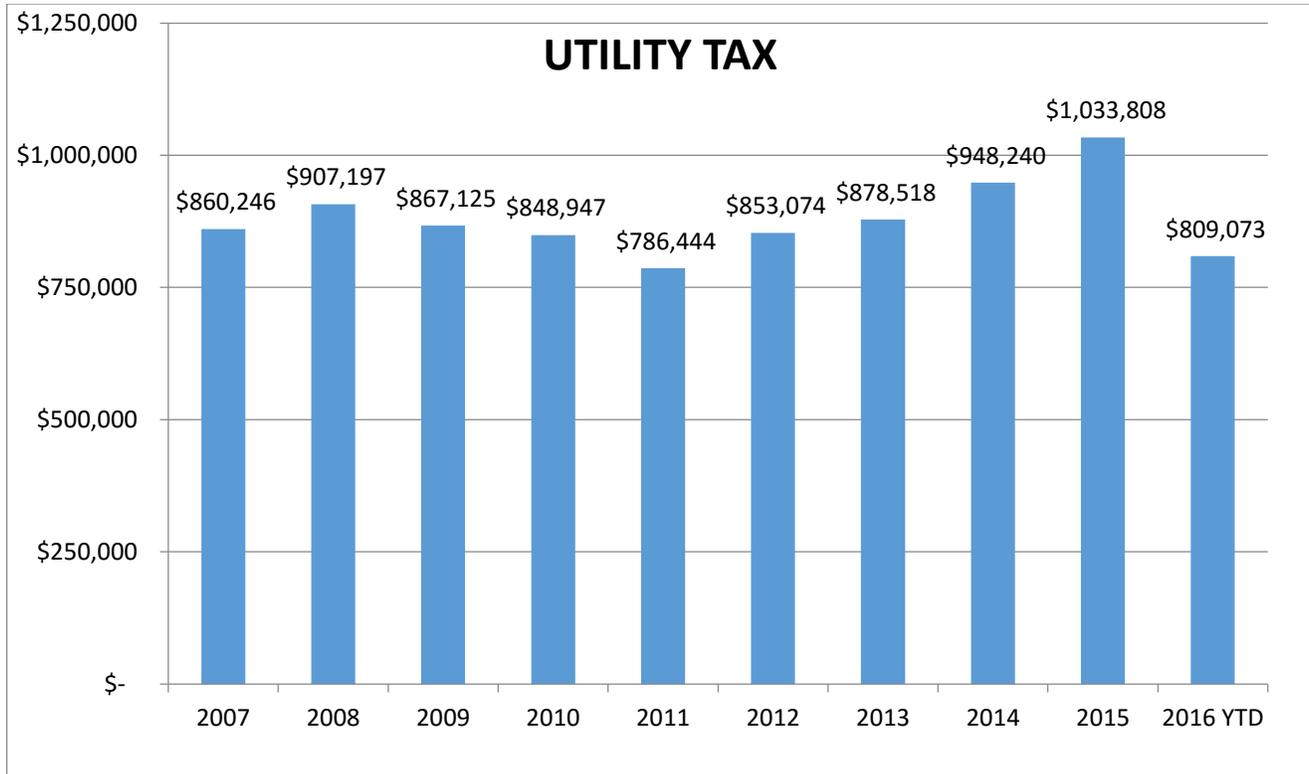


The City has collected 17 park impact fees, or 52.53% of budget, thru September 30, 2016. Park impact fees are restricted for park capital improvements.



The City has collected 17 street impact fees, or 48.09% of budget, thru September 30, 2016. Street impact fees are restricted for transportation capital improvements.

EXHIBIT 6: Utility Taxes



At the end of the third quarter, utility taxes are at 74.06% of budget (\$1,092,500). Utility tax revenues are from electric, gas, telephone, garbage, cable, and the city’s water, sewer, and storm drain utilities.

EXHIBIT 7: Debt

Utility Revenue Debt	Principal
Water Main Pump PWTF	15,525
2.2 M Gal Water Tank Bonds	-
Sewer Bonds	810,000
SRF WWTP Loan	2,940,590
Total	\$ 3,766,115

The City has no outstanding general obligation debt at this time. The utilities have outstanding loans and revenue bonds as shown above. In December 2014, Standard & Poor’s rated our water and sewer bonds “AA/Stable.” Duvall has bond reserves set aside which are in compliance with bond **cove**

NOTES:

- The City has a total of \$11,452,697.84 in cash and investments across all funds.
 - Additional information may be found in the third quarter investment report.
- Third quarter Budget amendments were approved by Council Tuesday, September 20, 2016

Clerk's Department: Jodi Wycoff, City Clerk

The Clerk's Department consists of Jodi Wycoff, City Clerk and Cheri James, Administrative Assistant. In addition to regular duties which include filing, business licenses, Council packets, Council Meeting minutes, website updates, cash receipting, etc. Below are a few items of note:

In General:

- Ms. Wycoff is working with the Snoqualmie Valley Government Association (SVGA) President, Councilmember Walker, to organize and notice the upcoming SVGA meeting which is Monday, November 21st. The business dinner meeting will be hosted by the Snoqualmie Tribe.
- Ms. Wycoff continues to receive and respond to an increasing number of public records requests.
- Ms. Wycoff assisted the Finance Department with notices required for the budget process.
- Ms. James continues cross-training with the Utility Billing Clerk so as to serve as back-up during vacations and other absences.

Special Events:

- Ms. James continues to plan the Annual Tree Lighting Event which will be on Friday, December 2nd this year. We are once again working with the Light Up Duvall event scheduled for the same night to make these two events one larger seamless event. Ms. James is also working with other community groups, city staff, the Fire Department and of course the North Pole to make sure this is another wonderful community event!
- Ms. James is also working on the Hopelink Giving Tree Campaign. This is a great way for community members to donate gifts to those less fortunate. More information is included in the special *Holiday Happenings* utility insert in November, which Ms. James also put together.
- Ms. Wycoff and Kass Holdeman, Community Coordinator, continue work on the re-vamp of the Special Event Policy and processes. The goal is to make the policy and application more thorough and yet make the entire process easier to work through.

Wellness:

- City Staff are participating in Association of Washington Cities (AWC) Fall Campaign called Walktober. The campaign is aimed at encouraging people to walk more...not just from their desk to the copier kind of walking, but intentional exercise-type walking.
- Fall is probably the Wellness Team's favorite time of year! We get to host the Annual Pumpkin Carving Contest, potlucks, Movember and much more!

Recycling:

- Ms. James is wrapping up the grant reporting processes for the Special Recycle Collection Event and applying for 2017 grants from King County that will pay for recycling efforts next year. This has been a great learning experience for both the trainer and the trainee!

Public Works Department: Boyd E. Benson, City Engineer/Interim Public Works Director
Mayor, on behalf of the Public Works (PW) department, I am pleased to inform you of current PW related activities and projects:

MAINTENANCE:

- The City has completed Public Works Maintenance 1 worker interviews to replace a worker hired in August was released during his probationary period. Eight candidates were interviewed and the city plans to hire the most qualified candidate within the next few weeks.
- The maintenance crew has been busy with storm work including facility inspection, maintenance and leaf removal from streets and storm drains.
- Hydrant maintenance has commenced along with some water flushing.

CAPITAL PROJECTS:

- Main Street South: Work continues to progress around the site with multiple crews working on various activities. A large 36" storm run near Valley will be completed by the first couple days in November. The rest of the month will see additional water and storm line installation as well as Joint Utility Trench. Kennedy Drive will be closed at some point which will allow the contractor to completely regrade and pave the roadway. Currently the schedule is also showing some placement of curb and gutter and even sidewalk in a few places between Copper Hill Square and Valley Street.



We continue to do outreach and update the public primarily using social media, but also the City website and a weekly progress update.

- Big Rock Sports Park: SEPA and other permitting documents have been submitted. Construction drawing and bid work has been halted pending results of the 2016 Levy.



DEVELOPMENT ENGINEERING ACTIVITIES:

- Construction, North Hill Subdivision, Pulte Homes, 112 lot plat north of Legacy Ridge: Paving activities, previously delayed because of adverse weather, are planned to commence on October 29. Final Plat is anticipated near the end of the year.
- Construction Drawing Review, Duvall Village, Westcott Homes, 99 attached units west of SR-203 and NE 143rd Place: Staff is working with developer on final revisions to the construction drawings.
- Construction, Cherry Valley Village, 23 units, north of Allen Street on First Avenue: Pavement and sidewalk installation is planned in November (weather permitting) with final plat anticipated within the next few months.
- Construction, Willows Ridge Lot 21, 14 units, north of Virginia Street on First Avenue: 11 Permits have been picked up and construction start is anticipated within the month.

BUILDING:

- New Residential Permits:
 - New SFR/MFR home construction permits year to date (October 29): 29.
 - New SFR/MFR home construction permits to be picked up: 4.
 - Total of all permits year to date (October 29): 338

UTILITIES

- Storm and Surface Water Plan: Background technical work continues with a draft of the background (technical summary) chapter anticipated within the next few weeks. This chapter, along with on-going mapping by City Staff and the consultant, will be used to develop a better understanding of storm system prior to formation of a Technical Review Committee and development of draft goal and policy approaches.
- Transportation Plan Update: Transportation model work has been completed. Updates have commenced on plan text and the Capital improvement Project (CIP) project list. A draft CIP and cost estimate will be presented to City Council for comment and discussion within the next month.
- Dougherty Farmstead: Grant funded Milk Shed restoration is substantially complete.



If you have any questions about these items, please contact our office at any time for additional information.

IT Department: PJ Rodriguez, IT Director

No report submitted.

Mayor's office-Future Items:

The largest remaining project before Council and the administration is the City's budget. We have presented the budget as well as each department has met with council to answer questions on it. This week we will focus on answering any remaining questions on the budget and present it for a vote on November 15th.