



2016 Budget Message

To the residents of DuPont and City Council:

I am proud to present my 2016 budget for the City of DuPont with approximately \$7.8M in General Fund investments and a total budget of \$14.2M. This fiscally responsible proposal reflects our city's core values, sustains current staffing and service levels, does not increase taxes, and adds operational capacity for public services without adding new employees. It establishes a new Operational Reserve or 'Rainy Day Fund,' and makes strategic investments for our city's future.

CELEBRATING ACCOMPLISHMENTS

Together we have restored fiscal health and provided financial stability through 2020. We have strengthened economic development, secured funding to fix traffic congestion along the I-5/JBLM corridor, and updated long-range plans to meet current and future needs. As we keep moving forward, my budget focuses on the five top priorities emphasized during last year's "Mondays with the Mayor" community outreach events:

- Public Safety
- Infrastructure
- Quality of Life
- Best Run Government
- Tourism & Economic Growth

While DuPont continues to be in a strong financial position, as shown by another credit rating increase to AA+, preparing a six-year balanced budget that achieves the goal of spending within our means has not been without challenges. For example, throughout this year we noticed sales tax revenues lagged from our six-year projection. A thorough review and analysis by our talented new Finance Director, Katie Henry, revealed industrial construction methods in the interior of structures were different than they had been in the past. This resulted in significantly fewer sales, generating less tax revenue than anticipated. Even though our city won't see as much revenue as we hoped, I count this experience as the perfect demonstration of how far we've come in the last four years. The long-term, forward-looking budgeting approach we established in 2013 and commitment to continuous improvement allowed us to see the shortfall and plan for it, instead of reacting to unforeseen problems and budget shortfalls down the road.

PUBLIC SAFETY

Public safety continues to be our highest priority and we are currently ranked as one of the top three safest cities in Washington State. This is a tremendous accomplishment by our dedicated public safety professionals who have helped us overcome many challenges, while continually keeping our city safe.

Over the last few years, we've been challenged by a loss in emergency medical response and transport services from West Pierce and AMR, combined with the defeat of a temporary property tax levy to sustain fire and emergency response services. Fortunately our new Fire Chief, Larry Creekmore, led the establishment

of a reserve firefighter program to help offset the loss of firefighter capacity. We strive to schedule four per shift, which allows us to have two firefighters to transport patients to the hospital and two to maintain initial emergency response services in the city.

This budget increases firefighter capacity to respond to emergencies without adding a new position. This is perhaps the best testament of how our team at City Hall embraces tight fiscal boundaries and continually finds creative ways to maintain services while keeping costs low. We are working with the union so that instead of hiring another firefighter to meet increasing overtime costs, we allow the Chief to respond to more calls. We will use the savings from reducing overtime costs to provide the Chief with extra administrative support for required reporting services. Doing so will save approximately \$90,000 in overtime expenses and much more when compared against the costs of adding another position.

Today, our Police Department consistently has at least two officers on-duty, with only a small window of single-officer coverage in a 24-hour time frame. Improving public safety even more, this budget includes \$50,000 to complete and implement our sustained effort to become an accredited department. Washington State accreditation requires certain standards to be developed and best practices followed, with external audits and verification. This is another monumental step to increase services, standards, and transparency in DuPont.

Additionally, my proposed budget dedicates resources to activate our much awaited Community Resource Officer to enhance the Community Policing efforts that began when I hired Police Chief Bob Sheehan. We also will be starting “Safe Streets” in 2016, bringing a well-established program of community involvement to DuPont. I applaud Chief Sheehan and our police union for continually finding better ways to increase coverage, improve response time, and proactively partner with residents to solve neighborhood issues.

INFRASTRUCTURE

A common request from residents during “Mondays with the Mayor” is that we take care of what we have before acquiring new infrastructure. This budget makes a sizable investment in that philosophy. Proposed projects for 2016 include a traffic signal study to help ease congestion and provide the Washington State Department of Transportation with options to mitigate the large backups experienced after they started the ramp metering system. Other maintenance projects include a pavement overlay on Wilmington Drive using \$363,500 of federal and state grant funds, compared to \$49,072 of City funds. We will also add reflective markings on Center Drive and provide crack sealing for our roadways.

QUALITY OF LIFE

Our city’s parks and programs are important, life-enhancing assets to our community. Our Public Works employees and many dedicated volunteers help keep our city healthy, strong, and vibrant. This budget continues to support their hard work and includes funding to retain two temporary positions to aid in the maintenance of parks and open spaces during the summer.

Among other things, our hard working volunteers do an incredible job adopting and caring for our greenways. Our initiative to plant native and drought-tolerant vegetation along Center Drive is almost complete. This new approach will allow us to use less water while maintaining the ascetic beauty we love.

We have significantly improved how parks and open spaces are maintained, but we have more work ahead. Focusing on our culture of Continuous Improvement, this budget funds the implementation of our new centrally controlled irrigation system to automatically water our parks, greenways, and open spaces at the right level while adjusting for weather conditions. As a result, we will have an even more beautiful city, while saving more water, money, and staff resources.

Additionally, this budget continues to expand opportunities for residents and community groups to utilize meeting rooms at the Civic Center. After being elected as your Mayor, city employees made City Hall and Public Safety buildings available for public use. You paid for the construction of these buildings and I, along with

several Council members, believe you should be able to use them. My budget advances these efforts by making city facilities even more available during the evening hours. We will be hiring part-time attendants, with costs recouped from rental fees, to manage the use of these facilities. Residents, groups, and community organizations will now be able to rent rooms at the Civic Center in the evening, while maintaining the necessary care and protection we all expect for our public facilities.

BEST RUN GOVERNMENT

Establishing a more efficient government that provides better service for less money, increases transparency, improves accountability, and enhances communication continues to be a priority for my administration. This budget builds on our success establishing Performance Government systems and enhances our commitment to continuous improvement. I propose purchasing a software program that tracks and displays information from the police and fire departments that will be publicly accessible to everyone. This technology complements our new online budget tool, OpenGov, by making the operational information of our two largest departments publicly available on our new and improved website. This investment will provide a more direct correlation between investments and results, and will be available online so there won't be any filter or translating between you and the information.

TOURISM & ECONOMIC GROWTH

I believe we must remain steadfast in our efforts to increase tourism and attract more businesses. Recent successes include:

- DuPont's first grocery store;
- 900 new jobs with the opening of Amazon's most innovative building in North America;
- Hosting the USGA Women's Amateur Public Links Golf Championship and the local qualifying round for the US Open; and
- Securing funding to fix I-5/JBLM traffic congestion and provide grade-separated crossing at exit 118 to mitigate the impacts of the high speed railway on the horizon.

This fall, we will open another high-tech company in the DuPont Corporate Campus where 500 Intel employees continue to operate. We will also open two new hotels in 2016.

DuPont has a tremendous opportunity to increase tourism; one of the fastest growing economic sectors. We have some of the best community-centered events, historical-cultural heritage, and recreational opportunities in the South Sound and my proposal aims to increase travelers with recommendations from the City of DuPont Lodging Tax Advisory Committee. Highlights include:

- Providing professional marketing services for DuPont to increase exposure to visitors and businesses;
- Developing a replica of an old town tarpaper shack at the original location behind the 1843 Ft. Nisqually site;
- Preserving and rejuvenating the Heirloom Orchard; and
- Continue enhancing historic and cultural interpretation signs throughout our parks and trail system.

We will continue investing in public facility improvements to create more opportunities for hosting tourism events. For example, a dedicated team of volunteers, businesses, and city employees recently built a restroom at Clock Tower Park. Another restroom will be built at the top of the Sequelitchew Creek trail leading down to Puget Sound to enhance our quality of life and protect the environment.

We are also working hard to update the long-range planning documents for our community. DuPont has been using an outdated Comprehensive Plan that was adopted in 2001 to guide future development. I am proud of our accomplishments updating the Parks Master Plan, Shoreline Master Plan, Comprehensive Plan, and first economic development plan. Our hard working staff and new City Planner, Nicole Floyd, have contributed tremendously to this important work in ways that provide opportunities for residents to have an active part in

deciding how the city looks, functions, and serves current and future needs. Looking forward, we need to stay vigilant by developing detailed implementation plans, sub-area plans, and update our city's tourism strategy with a tailor-made tourism assessment and action plan designed exclusively to promote the unique assets of our community.

ACKNOWLEDGMENTS

This is my final proposed budget as your Mayor and I am proud of our success providing financial stability for our city. Along the way, we've made difficult decisions that have resulted in spending within our means and avoiding the catastrophes that impacted other local governments throughout our region. Our City Administrator, Ted Danek, and the other employees of our great city have been exceptional. Without their knowledge, dedication, and hard work, we would not have been able to do the work necessary to stabilize and strengthen the future of DuPont these past four years. Although they are a relatively small team of public servants, they are as resourceful and creative as they come.

As always, I am grateful for our city's dedicated volunteers. From the Citizen's Financial Committee to the DuPont Youth Council, boards and commissions, and countless community events—our hard working volunteers continually roll up their sleeves to get the work done. Residents and businesses contribute so much to the success of our city; I hold your commitment in the highest regard. I've had the distinct honor of working with dedicated Council members—past and present—who are thoughtful, insightful, and diligent in their commitment to our community. Your involvement, support, and critique have been invaluable.

Most importantly, my wife Jenny has contributed so much to this effort. I'm grateful for her immeasurable support and sacrifice. Without her, none of this would be possible. From Council members, to staff, to volunteers, to residents, to business owners, to my family... this has been an incredible team effort. I'm proud of all we've accomplished these past four years and what we will continue to do moving forward. The state of our city is strong and we have a bright future ahead.

NEXT STEPS

The City Council will next review and consider changes to this proposed budget at public meetings and workshops. I encourage everyone to stay involved as Council members work to adopt a final budget for 2016 by the end of the end of this year.

If you have any questions or suggestions, please visit or contact me any time. My door is always open.

Respectfully,



Mayor Michael Grayum