



Council Communication

TO: Honorable Mayor and Councilmembers

FROM: Patrick Banger, Town Manager, 480-503-6863

MEETING DATE: June 21, 2018

SUBJECT: Resolution Ordering and Calling a Special Bond Election to be held on November 6, 2018 for Voter Consideration of Approval of Bonds to Fund the Joint Public Safety Training Facility

STRATEGIC INITIATIVE: Infrastructure & Community Livability

Critical training infrastructure supports the continued delivery of best-in-class public safety services for enhanced long-term community livability.

RECOMMENDED MOTION

A motion to adopt a resolution ordering and calling a special bond election to be held on November 6, 2018, for voter consideration of approval of bonds for funding of the joint public safety training facility.

BACKGROUND/DISCUSSION

In 2005, critical gaps in meeting academy and ongoing training needs for public safety were identified. The Town of Gilbert contracted with Interact Business Group to develop a business plan assessing the current and future training needs and outline existing and proposed resources necessary to closing these gaps. The 2005 business plan recommended construction of a dedicated public safety training facility; the proposed project (MF040) was added into the Town Capital Improvements Program (CIP) that same year. In light of the Great Recession starting in 2007 and continuing beyond 2009, the progress of the proposed public safety training facility project was delayed.

Between 2000 and 2015, Gilbert's growth in population increased by approximately 125,000 residents. In 2015, the discussion on the need for a joint public safety training facility resumed and the Gilbert Town Council requested additional information and data to better understand the training needs and demands. Over the course of the next year, in-depth analysis was conducted on the following:

- The totality of training needs for the Gilbert police and fire departments;

- The previously identified gaps in meeting these training needs;
- New additional gaps that emerged with the significant population growth in Gilbert and changing trends in threats to public safety and the delivery of fire, life and medical services;
- An inventory of existing local and regional training infrastructure;
- An analysis of any efficiencies, innovations and cost-savings that could be created by building a training facility that combines training opportunities for police and fire;
- An evaluation of the long-term viability of Gilbert attempting to meet its public safety training requirements through continued reliance on borrowing space and time in the training facilities of Valley cities.

This research culminated in the 2016 business and master plan which placed the above analysis into the context of Gilbert's trajectory of growth. According to ESRI Business Analyst, the Town of Gilbert is expected to grow by more than 80,000 additional residents over the course of the next decade; however, 85% of Gilbert police officers and fire fighters will be eligible to retire within the next seven years and the average years of public safety experience lost upon retirement is 25.75 years. Adequate training facilities are critical to provide not only training for new-hires but also to provide ongoing training to replace the loss of leadership and decades of hands on experience.

Based on the continuous growth of the community, the desire of the community to receive best-in-class public safety services, the projected retirement and attrition rates in Gilbert public safety, and the lack of options to meet long-term training needs, the recommendation of the 2016 business plan was consistent with the 2005 recommendation: for Gilbert to construct its own joint public safety training facility. The proposed joint public safety training facility would consist of multiple tactical, prop and classroom structures, a drive training track, and shooting range.

To develop the most accurate cost estimate possible for this project (MF040), Town staff undertook the following steps:

- 1) Engaged Kimley-Horn to develop a preliminary engineering report for the entire proposed facility including geotechnical investigation of the site, traffic data collection, Flood Control District facilities investigation, utility conflicts, driving track configuration, and other infrastructure needs;
- 2) Developed design for construction documents to identify and establish key parameters for the complex and highly technical components of the facility;
- 3) Conducted a three day efficiency workshop at the beginning of the design process to prioritize critical needs and eliminate any inefficient options and solutions;
- 4) Researched, reviewed and met with both staff and contractors from multiple training facilities in the region and in other states to understand best practices and lessons learned in the design and construction of this type of facility;
- 5) Performed extensive independent cost estimation to verify design for construction cost estimates.

The original site proposed for the public safety training facility was located on Town-owned land off of Germann Rd, between Gilbert and Lindsay Roads, adjacent to the San Tan 202 Freeway. However, this area now represents Gilbert's central business district and a key employment corridor for the Town. As such, Town staff has evaluated a higher use of this land that will yield greater benefit to the community and recommends sale of this commercial parcel. The location of the planned joint public safety training facility was

subsequently moved to a 50-acre parcel of land owned by the Town near the northwest corner of Power and Pecos Roads.

In accordance with Arizona state law, the question of whether to sell real property valued at more than \$1,500,000 must be referred to the voters. The original parcel located off of Germann Rd. south of the San Tan 202 Freeway exceeds the \$1,500,000 threshold in valuation and therefore will be included as a measure to be decided by the voters at the primary election to be held on August 28, 2018.

Bond Amount

The construction cost estimate for the joint public safety training facility is \$84.6 million. Staff recommends Council call a bond election for November 6, 2018 requesting voter approval of funding for the joint public safety training facility in the amount of \$65,350,000. The remaining cost of the project would be funded through other sources such as General Fund, internal borrowing, and the sale of the original land parcel off of Germann Road in between Gilbert and Lindsay Roads adjacent to the 202 San Tan Freeway.

Tax Rate

Staff recommends that the issuance and repayment of the new bonds occur within a total secondary property tax rate of \$1.00 per \$100 of assessed value.

Constitutional Debt Limits

At the present time, Gilbert has sufficient debt capacity according to the constitutional debt limits.

| <u>Category</u> | <u>Total Limitation</u> | <u>Outstanding Obligations</u> <u>(As of July 3, 2018)</u> | <u>Remaining</u> |
|-----------------|-------------------------|---|------------------|
| 20% | \$566,219,031 | \$127,090,000 | \$439,129,031 |
| 6% | \$169,865,709 | \$0 | \$169,865,709 |

The resolution was reviewed for form by Bond Counsel Time Stratton.

FINANCIAL IMPACT

If approved by voters in November 2018, the additional bonds would be structured so repayment could occur within a \$1.00 tax rate, given assumed growth in the community.

The financial impact was reviewed by Kelly Pfof, Budget Director.

STAFF RECOMMENDATION

Staff recommends approval of the Council directed ballot question requesting voter authorized funding in the amount of \$65,350,000 for a joint police and fire training facility.

Respectfully submitted,

Patrick Banger
Town Manager

Approved By

Chris Payne

Approval Date

6/13/2018 11:07:51 AM