

**KETTLE FALLS CITY COUNCIL MEETING**  
**JANUARY 20, 2015**

**CALL TO ORDER**

Mayor Dorothy Slagle called the meeting to order at 7:00 p.m.

**ROLL CALL**

Jeanie Thompson, Bonnie Bradley, Dorothy Slagle, Jesse Garrett and Debbie Gaskin. Cris Haynes was absent.

**STAFF/GUESTS**

Staff - Charlie Schuerman, John Ridlington, Joel Gassaway, Dave Keeley, Teah Chadderdon and Raena Hallam.

Guests - Amanda Six, Dick Leshner, Glen Thompson, Herb Hawkins, M. Smith, Larry Loew, Catherine Whitby, Charles Zandbergen and Melinda Schauer.

**ANNOUNCEMENTS AND MAIL RECEIVED**

As there were no Announcements and Mail Received, City Council moved on to Public Comment.

**PUBLIC COMMENT**

**STEVENS COUNTY LIBRARY DISTRICT**

Ms. Amanda Six, Library Director of the Stevens County Library District discussed with City Council the future budgeting needs of the Kettle Falls Library. The current contract between the Stevens County Library and the City needs to be updated including the City needing to pay for our fair share for library services in comparison to other towns and cities.

Ms. Six explained the City will need to address more funding for the library in 2016, including additional expenses needed to upkeep the library expansion. The City could find funding sources such as property taxes or the City could choose to put the option of annexing the City library into the Stevens County Library District to the people.

Ms. Six handed information regarding the election process and what it means to annex into the Stevens County Library District.

## Election Calendar, 2015

3/13/15

Last day to file for the April 28, 2015 Special Election.

4/28/15

Special Election Day

5/8/15

Last day to file for the August Primary

8/4/2015

PRIMARY Election Day

8/4/2015

Last day to file a resolution for the November General Election

10/16/2015

November General Election ballots mailed

11/3/2015

GENERAL ELECTION

12/25/2015

Last day to file a resolution for February 9, 2016 Special Election

### Washington Secretary of State · Elections Division

520 Union Ave SE

PO Box 40229, Olympia WA 98504-0229

(360) 902-4180

Read more at: [https://www.sos.wa.gov/elections/calendar\\_full.aspx](https://www.sos.wa.gov/elections/calendar_full.aspx)

Doing the math....

The current levy rate for the library district is \$.39 per \$1,000 of assessed valuation.

The County Assessor's office currently lists the accumulative assessed value of the City of Kettle Falls as:

\$81,121,844.00

To factor the tax revenue to be collected, if annexation were to pass, divide the assessed value of Kettle Falls by \$1000:

\$81,122.00

Then, multiply by the levy rate:

$\$81,122 \times \$ .39 = \$31,637.58$

Therefore, if the City were to annex into the Library District, the District would get approximately \$31,637 of tax revenue for the Kettle Falls Public Library.

The City currently budgets \$23,500 per year for the library. The Kettle Falls Library would see a net gain of about \$8,137 a year in funding. (This is equivalent to a rate of .29/\$1,000 of assessed valuation; compared to a rate of .39 in the rest of the Library District).

The current levy rate is .39 per \$1,000 of assessed valuation. The maximum levy rate in the state of Washington is \$.50 per \$1,000 of assessed valuation.

#### What would a typical property owner pay?

Translating these rates into payment by actual property owners:

Property Value	Library tax at the rate of \$.39	Library tax at the rate of \$.50
\$100,000	\$39 per year	\$50 per year
\$200,000	\$78 per year	\$100 per year
\$300,000	\$117 per year	\$150 per year
\$500,000	\$195 per year	\$250 per year

### Frequently Asked Questions

#### What is annexation?

Cities inside Stevens County can choose to annex into (be part of) the Rural Library District (Springdale, Marcus, Chewelah and Northport have already annexed). If a City does annex, this means that the City no longer budgets for their library out of their general fund, and that the property owners pay the same library tax as their neighbors in the county.

#### Why would the City want to annex into the library district?

Cities that annex into a library district shift the responsibility for funding their library to the citizens themselves. Taxpayers within the city limits of Kettle Falls would begin paying a portion of their property taxes directly to the library district. The City could then re-assign funding they had previously used for their library to other city projects.

#### Why would the Library District want the City of Kettle Falls to annex?

At this time, the City of Kettle Falls is not paying the same level of funding as the rest of the Library District, nor at the same level as the City of Colville (the only other non-annexed city). The current contract between the City of Kettle Falls and the Library District states that neither party shall use the partnership to decrease their level of funding. In recent years, the level of funding from Kettle Falls has dropped to about .29/\$1,000 of assessed valuation (compared to .39/\$1,000 for residents of the Library District). Annexation would also increase efficiency by streamlining processes. If the City were to annex, Kettle Falls residents could vote in future levy-lid lift ballot measures. City residents could also serve on the District Library Board.

#### What would change for city residents regarding their library service if annexation is successful?

Due to current interlocal agreements and contracts in place, all residents of Stevens County (including cities that are not annexed) enjoy access to the same collections and library services. A streamlined administrative process would allow the library district to allocate more funds directly to library services, such as books, technology, and programs. With the prospect of an expanded facility, the additional funds would be used to provide more materials and services.

#### What would residents of the City pay for their library service if Kettle Falls annexes?

Property owners in the City of Kettle Falls would currently pay .39 per \$1,000 of assessed valuation for the library:

- For \$100,000 property value the annual payment would be \$39 per year or \$3.25 per mo.
- For \$200,000 property value the annual payment would be \$78 per year or \$6.5 per mo.
- However, the residents of the Library District have the ability (via a vote) to increase the levy rate up to .50 per \$1,000 (the maximum allowed in the State of Washington).

#### What happens if a vote for annexation is unsuccessful?

The Kettle Falls Library would continue to be funded under its current model.

### Issues to Consider

#### 1. Facility:

- a. The City currently has a CDBG grant to expand the existing library building. By laws that govern the grant, the building would need to be owned by the City for at least the next 20 years.
- b. Currently, the City of Kettle Falls carries insurance for the Kettle Falls Library facility, as well as paying for its ongoing maintenance. If the City were to annex, the Kettle Falls library would ideally remain in its current building. There are several options (collected from examples of what other cities did, but we could come up with our own solution) for what could happen to the library building:
  - i. The City would keep the asset of the building and allow the District to run the library out of that building. The City would continue to insure and maintain the library, and would also maintain it as an asset. The District would pay for all other expenses.

Annexing a city into a rural library district is a complicated undertaking. The goal of the Library District is to find the best way to make the Kettle Falls Public Library sustainable over many years. Libraries of Stevens County Library Director, Amanda Six, is available to meet with you to discuss the process and details of potential annexation more fully. She can be reached at (509)675-5102 or amanda@scrd.org.

### City Library annexing into a Rural Library District

#### RCW 27.12.360

#### Annexation of city or town into rural county library district, island library district, or intercounty rural library district — Initiation procedure.

Any city or town with a population of three hundred thousand or less at the time of annexation may become a part of any rural county library district, island library district, or intercounty rural library district lying contiguous thereto by annexation in the following manner: The inclusion of such a city or town may be initiated by the adoption of an ordinance by the legislative authority thereof stating its intent to join the library district and finding that the public interest will be served thereby. Before adoption, the ordinance shall be submitted to the library board of the city or town for its review and recommendations. If no library board exists in the city or town, the state librarian shall be notified of the proposed ordinance. If the board of trustees of the library district concurs in the annexation, notification thereof shall be transmitted to the legislative authority or authorities of the counties in which the city or town is situated.

[2009 c 40 § 1; 1982 c 123 § 13; 1981 c 26 § 3; 1977 ex.s. c 353 § 1.]

#### Basic Annexation Process

1. The City Council will need to pass an ordinance stating their intent to place on a ballot the question: "Shall the City of Kettle Falls be annexed to and be part of the Stevens County Rural Library District?"
  - a. Specifics of the ordinance will need to be submitted to the Kettle Falls Library Board for "review and recommendation" prior to a vote at City Council.
2. Both the City Council and the Library Board need to agree to have the annexation question on the ballot. The Stevens County Rural Library District Board of Trustees will need to pass a resolution stating that they concur that the question of annexation shall be passed on a ballot.
3. Only registered voters inside the city limits of Kettle Falls shall vote on the question of annexation.
4. The Library District then needs to present the language of the question to the County Prosecutor to be approved for the ballot.
5. The Board of County Commissioners will also need to approve the addition of this question to the ballot.
6. By State Law, any election that changes a taxing district's boundaries and happens after August 1 of that year, the change in taxation doesn't go into effect until the completion of a full taxing year. So, if the question of annexation was passed in the fall of 2015, the residents of Kettle Falls would not start paying taxes to the library district until January, 2017.
7. The question of annexation needs only a simple majority to pass.
8. By State Law, the City of Kettle Falls would pay for the question of annexation to be on the ballot.

After discussion, it was determined the City would need to budget \$31,500 instead of \$23,500 for 2016, City Council will need to decide where that funding will come from and City Council needs to also ensure the new expansion will be fiscally sustainable in the future.

#### **DE-ANNEXATION OF PROPERTY - LARRY LOEW**

City Planner Dave Keeley stated Mr. Varnell petitioned the City to annex in 2010. The property was annexed based on information from Stevens County. Since that time Mr. Larry Loew foreclosed on the property Mr. Varnell annexed and wishes the property be removed from the City limits.

Council Member Jeanie Thompson explained to Mr. Loew that property taxes in the City are usually cheaper and if he de-annexes, is not guaranteed his property taxes will go down.

City Planner Dave Keeley stated Ordinance No. 1741 will de-annex the property in question and is ready to be introduced under New Business.

#### **WOLFE ARCHITECTURAL GROUP**

Mr. Charles Zandbergen introduced himself to the City Council as the architect for the new library expansion project. Mayor Dorothy Slagle commended Mr. Zandbergen for their excellent presentation and is looking forward to working with Wolfe Architectural Group.

#### **CONSENT AGENDA**

#### **CITY COUNCIL SECOND HALF OF DECEMBER, 2014 VOUCHERS, DECEMBER PAYROLL, CITY COUNCIL MINUTES FOR NOVEMBER 18<sup>th</sup>, DECEMBER 2<sup>nd</sup> AND DECEMBER 16, 2014.**

City Superintendent Joel Gassaway suggested a correction to the December 16, 2014 City Council minutes. Page 2, Staff Reports, second paragraph should read as follows:

*City Superintendent Joel Gassaway reported the ~~Boise-Tank Town~~ Tank Reservoir is leaking. The water has been diverted, but the tank will need to be inspected.*

Council Member Jesse Garrett made a motion to approve the Consent Agenda with the correction to the December 16, 2014 minutes as presented by City Superintendent Joel Gassaway. Council Member Jeanie Thompson seconded the motion. Motion carried by all. Council Member Jeanie Thompson - yes, Council

Member Jesse Garrett - yes, Council Member Bonnie Bradley - yes and Council Member Debbie Gaskin - yes.

### COMMITTEE REPORTS

#### FIRE COMMITTEE

Council Member Debbie Gaskin reported she attended the fire department meeting and discussion included physicals for volunteers and online training.

#### CITY COUNCIL COMMITTEES AND MAYOR PRO-TEMP

Mayor Dorothy Slagle distributed the 2015 City Council assignments for 2015 the 2015 Audit Schedule and Cash Audit Schedule.

#### **Parks & Recreation Committee**

1. Cris Haynes
2. Jeanie Thompson

#### **Finance Committee**

1. Cris Haynes
2. Bonnie Bradley

#### **Library/Goodwill Committee**

1. Bonnie Bradley
2. Jeanie Thompson

#### **Utilities Committee**

1. Debbie Gaskin
2. Jesse Garrett

#### **Police/Fire/Safety Committee**

1. Debbie Gaskin
2. Jesse Garrett

#### **Planning/Community Development**

1. Bonnie Bradley
2. Debbie Gaskin

#### **CITY COUNCIL 2015 CASH AUDIT SCHEDULE**

The following is a schedule for 2015 auditing City Hall Petty Cash, Police Petty Cash and the City Hall cash drawer.

March	Council Member Bonnie Bradley
April	Council Member Debbie Gaskin
May	Council Member Jeanie Thompson
June	Council Member Jesse Garrett
July	Council Member Cris Haynes
August	Council Member Jesse Garrett
September	Council Member Jeanie Thompson
October	Council Member Bonnie Bradley
November	Council Member Cris Haynes
December	Council Member Debbie Gaskin
January, 2015	Council Member Jeanie Thompson
February, 2015	Council Member Cris Haynes

**CITY COUNCIL 2015 VOUCHER AUDIT SCHEDULE**

Please arrive ½ hour before the first City Council meeting of the month to review vouchers.

March, 2015	Library/Goodwill Committee
April, 2015	Utilities Committee
May, 2015	Finance Committee
June, 2015	Police/Fire/Safety Committee
July, 2015	Planning/Community Develop
August, 2015	Library/Goodwill Committee
September, 2015	Planning/Community Develop
October, 2015	Parks & Recreation Committee
November, 2015	Police/Fire/Safety Committee
December, 2015	Utilities Committee
January, 2015	Finance Committee
February, 2015	Parks & Recreation Committee

Mayor Slagle stated she would like to appoint Council Member Jesse Garrett as Mayor Pro-Temp for 2015.

Council Member Debbie Gaskin moved to confirm Council Member Jesse Garrett's appointment as Mayor Pro-Temp for 2015. Council Member Jeanie Thompson seconded the motion. Motion carried by all. Council Member Jeanie Thompson - yes, Council Member Bonnie Bradley - yes, Council Member Jesse Garrett - yes and Council Member Debbie Gaskin - yes.

**STAFF REPORTS**

**POLICE DEPARTMENT VEHICLE**

Mayor Dorothy Slagle reported Police Chief Chris Courchene while picking up the new police vehicle from Coulee City noticed another Police vehicle they had for sale. On a whim Chief Courchene offered Coulee City \$1,000 for the vehicle. The Town of Coulee City contacted Chief Courchene last week and stated the City Council had accepted his \$1,000 offer. Mayor Slagle stated the car is fully equipped and has well over \$4,000 in equipment.

**PUBLIC WORKS - WATER**

City Superintendent Joel Gassaway stated the Public Works Department fixed the 12" main line to the Boise Plywood Plant. However, as they were leaving another leak was discovered in the same water line. It will need to be fixed in the near future.

City Superintendent Joel Gassaway stated Avista is planning to stay on the water system for part of their process, but the plan is to be off the water system soon.

#### **SEWER VACUUM TRAILER**

City Superintendent Joel Gassaway reported he has advertised for bids for a new Sewer Vacuum Trailer which is included in the 2015 budget.

#### **FIRE DEPARTMENT**

Fire Chief John Ridlington reported the Fire Department responded to 73 calls in 2014. Most of those calls were for lift assists.

#### **LIBRARY DONATION**

Library Manager Teah Chadderdon reported the family of Judge Buckley donated \$10,000 to the Friends of the Kettle Falls Library.

#### **NEW BUSINESS**

#### **ORDINANCE NO. 1741 - AN ORDINANCE REPEALING KETTLE FALLS ORDINANCE NO. 1700 AND ORDINANCE 1715, PROVIDING FOR THE AMENDMENT OF THE KETTLE FALLS COMPREHENSIVE PLAN AND OFFICIAL ZONING MAP, AND FOR THE DE-ANNEXATION OF CERTAIN REAL PROPERTY LYING CONTIGUOUS TO THE CITY OF KETTLE FALLS IN STEVENS COUNTY, STATE OF WASHINGTON.**

Council Member Jeanie Thompson moved to introduce Ordinance No. 1741. Council Member Jesse Garrett seconded the motion. Motion carried by all. Council Member Jeanie Thompson - yes, Council Member Jesse Garrett - yes, Council Member Bonnie Bradley - yes and Council Member Debbie Gaskin - yes.

#### **LIBRARY EXPANSION PROJECT**

City Planner Dave Keeley asked City Council to authorize the Mayor to sign contract with the following contractors as part of the Library Expansion Project.

Wolfe Artictural Group (Design) - \$80,500  
Belsby Engineering (Topographical Survey) - \$2,350  
Strata (Geotechnical Survey) - \$6,900

City Planner Dave Keeley stated the City would save 10% if the contractors worked directly with the City instead of going through Wolfe Architectural.

Council Member Jeanie Thompson moved to authorize contracts with Wolfe Architectural Group (Design), Belsby Engineering (Topographical Survey) and Strata (Geotechnical Survey). Council Member Debbie Gaskin seconded the motion. Motion carried by all. Council Member Jeanie Thompson - yes, Council Member Jesse Garrett - yes, Council Member Bonnie Bradley - yes and Council Member Debbie Gaskin - yes.

#### **HAPPY DELL PARK - TREE IN BBQ PARK AREA**

City Superintendent Joel Gassaway reported the big tree in the BBQ park area has rot in the middle of it. He stated he is not sure how much rot, but feels it is becoming a liability.

City Superintendent Joel Gassaway stated he received 2 bids to cut the tree, but the Public Works Department would do cleanup.

Northwest Tree Service - \$750

Keith Matlock - \$500

Council Member Jeanie Thompson moved to hire Keith Matlock to cut the tree down. Council Member Debbie Gaskin seconded the motion. Motion carried by all. Council Member Jeanie Thompson - yes, Council Member Jesse Garrett - yes, Council Member Bonnie Bradley - yes and Council Member Debbie Gaskin - yes.

#### **KNIFE RIVER - RELEASE OF RETAINAGE FOR EVERGREEN PROJECT**

City Planner Dave Keeley stated the Evergreen Project is completed and the retainage can be released to Knife River. City Superintendent Joel Gassaway stated Knife River still has some punch list items to perform before the retainage should be released. Clerk/Treasurer Raena Hallam stated the check for retainage is included in the vouchers and will not be mailed until the punch list items are completed.

Council Member Jesse Garrett moved to release the retainage to Knife River upon completion of the punch list items. Council Member Jeanie Thompson seconded the motion. Motion carried by all. Council Member Jeanie Thompson - yes, Council Member Jesse Garrett - yes, Council Member Bonnie Bradley - yes and Council Member Debbie Gaskin - yes.

#### **WATER SERVICE CONTRACT**

City Superintendent Joel Gassaway reviewed the new water service contract with City Council.

Council Member Jesse Garrett moved to adopt the use of the new water service contract. Council member Debbie Gaskin seconded the motion. Motion carried by all. Council Member Jeanie Thompson - yes, Council Member Jesse Garrett - yes, Council Member Bonnie Bradley - yes and Council Member Debbie Gaskin - yes.

**OLD BUSINESS**

As there was no Old Business, City Council moved on to Public Comment.

**PUBLIC COMMENT**

As there was no Public Comment, City Council moved on to Adjournment.

**ADJOURNMENT**

Mayor Dorothy Slagle adjourned the meeting at 8:32 p.m.

Approved:

\_\_\_\_\_  
Dorothy Slagle, Mayor

Attest: \_\_\_\_\_  
Raena Hallam, Clerk/Treasurer