



## CITY COUNCIL MEETING

### November 3, 2015 – Agenda

Mt. Si Senior Center, 411 Main Ave. S., North Bend, Washington

#### 7:00 P.M. – CALL TO ORDER, ROLL CALL, FLAG SALUTE

#### RECESS COUNCIL MEETING

- |  |                       | Pg.# |
|--|-----------------------|------|
| 1) Special Meeting of the North Bend Transportation Benefit District | Mr. Williamson, Chair | 1    |

#### RECONVENE COUNCIL MEETING

#### CONSENT AGENDA:

- |            |  | Pg.# |
|------------|--|------|
| 2) Minutes | Council Workstudy of August 25, 2015, Special Council Workstudy of September 15, 2015 & Regular Council Meeting of October 6, 2015 | 15   |
| 3) Payroll | October 20, 2015 – 27353 through 27376, in the amount of \$180,068.22  |      |
| 4) Checks  | November 3, 2015 – 61807 through 61855, in the amount of \$324,078.81  |      |

**CITIZEN’S COMMENTS:** (Please restrict comments to 3 minutes)

#### ANNOUNCEMENTS, PRESENTATIONS, APPOINTMENTS:

- |                 |                       |               |    |
|-----------------|-----------------------|---------------|----|
| 5) Proclamation | Flood Awareness Month | Mayor Hearing | 23 |
|-----------------|-----------------------|---------------|----|

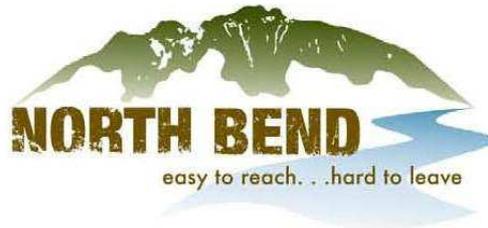
#### INTRODUCTIONS:

- |             |  |           |    |
|-------------|--|-----------|----|
| 6) AB15-114 | Public Hearing, Ordinance Setting 2016 Property Tax Levy | Ms. Masko | 25 |
|-------------|--|-----------|----|

**MAYOR, COUNCIL & ADMINISTRATOR CONCERNS AND INITIATIVES:** (Business and general information presented that may be deliberated upon by the Council. Formal action may be deferred until a subsequent meeting; immediate action may be taken upon a vote of a majority of all members of the Council.)

**Executive Session** – To Discuss a Collective Bargaining Agreement, pursuant to RCW 42.30.140(4)

#### ADJOURNMENT:



## **NOTICE OF SPECIAL TBD BOARD MEETING**

Notice is hereby given that the North Bend Transportation Benefit District No. 1 Board has scheduled a Special Meeting on Tuesday, November 3, 2015 at Mt Si Senior Center, 411 Main Ave. S, at approximately 7:05 p.m.

For additional information please contact the City Clerk at (425) 888-7627.

Posted October 29, 2015

### **TBD BOARD MEETING**

**November 3, 2015 – AGENDA**

**Mt Si Senior Center, 411 Main Ave. S., North Bend, Washington**

**7:05 p.m. (Approximate Time)**

- 1) **Call To Order, Roll Call** Mr. Williamson, Chair of the Board
- 2) **Minutes**
  - Approval of August 4, 2015 Board Meeting Minutes
- 3) **Public Hearing to Receive Comment on the Proposed 2016 Budget**
- 4) **AB15-02 – Resolution Adopting 2016 Budget**
- 5) **Adjournment**



**DRAFT**

CITY OF NORTH BEND  
TRANSPORTATION BENEFIT DISTRICT (TBD)  
SPECIAL MEETING MINUTES  
**August 4, 2015 – 7:00 p.m.**  
Mt Si Senior Center, 411 Main Ave. S., North Bend, WA

Board Chair Dee Williamson called the meeting to order at 7:01 p.m.

Board Members David Cook, Ryan Kolodejchuk, Ross Loudenback and Dee Williamson were present. Board Members Alan Gothelf, Jeanne Pettersen and Jonathan Rosen were excused.

**Staff Present:** Mayor Ken Hearing, City Administrator Londi Lindell, Assistant City Administrator/Finance Director Dawn Masko, Public Works Director Mark Rigos, Community & Economic Development Director Gina Estep, City Engineer Don DeBerg, Senior Planner Mike McCarty and City Clerk Susie Oppedal.

Board Member Loudenback **MOVED**, seconded by Board Member Kolodejchuk to approve the minutes of the June 30, 2015 special meeting as presented. The motion **PASSED** 4-0.

**AB15-01 – Motion Approving 2016 Budget Calendar**

Assistant City Administrator/Finance Director Masko provided the staff report.

Board Member Cook **MOVED**, seconded by Board Member Kolodejchuk to approve AB15-01, approving the 2016 Budget Calendar and setting a Public Hearing date of November 3, 2015 for the proposed 2016 TBD Budget. The motion **PASSED** 4-0.

**Adjournment**

The meeting adjourned at 7:04 p.m.

ATTEST:

\_\_\_\_\_  
Dee Williamson  
Chair

\_\_\_\_\_  
Susie Oppedal  
City Clerk





**Transportation Benefit District No. 1**

<b>SUBJECT:</b>		<b>Agenda Date: November 3, 2015</b>		<b>TBD AB15-02</b>	
<p><b>Public Hearing and Resolution of the North Bend Transportation Benefit District Adopting 2016 Budget</b></p> <p>Cost Impact: N/A</p> <p>Fund Source: N/A</p> <p>Timeline: Immediate</p>		Department/Committee/Individual			
		Mayor Ken Hearing			
		City Administrator – Londi Lindell			
		City Attorney - Mike Kenyon			
		City Clerk – Susie Oppedal			
		Finance – Dawn Masko		X	
		Community & Economic Development – Gina Estep			
		Public Works – Mark Rigos			
<p><b>Attachments:</b> Resolution with Exhibit A (Budget), 2016 Proposed Budget, Public Hearing Notice</p>					
<p>SUMMARY STATEMENT:</p> <p>The North Bend Transportation Benefit District (TBD) is required by law to adopt an annual budget. The attached preliminary budget has been reviewed by both the North Bend Transportation Benefit District Board and City of North Bend staff and is being recommended for adoption by resolution.</p> <p>The TBD’s primary revenues are from sales &amp; use tax collections. Proposition 1, passed by voters on November 8, 2011, authorizes the TBD to collect a two-tenths of one percent sales and use tax for the purpose of paying part of the cost of specific transportation improvements and is dedicated for the repayment of indebtedness incurred in compliance with the requirements of RCW Chapter 36.73 to finance those improvements.</p> <p>Exhibit A of the 2016 Budget Resolution (attached) represents the proposed 2016 budget. TBD funds will be used for debt payments for 2012 LTGO bonds issued for transportation improvements, AWC-Risk Management insurance coverage, WA State Auditor fees, and any other key transportation projects selected by the TBD Board.</p> <p>A public hearing on the TBD 2016 budget was noticed for tonight’s meeting.</p>					
<p><b>RECOMMENDED ACTION: MOTION to approve AB15-02, a resolution of the North Bend Transportation Benefit District adopting the 2016 Budget.</b></p>					
<p><b>RECORD OF TBD ACTION</b></p>					
<i>Meeting Date</i>		<i>Action</i>		<i>Vote</i>	
November 3, 2015					



**NORTH BEND TRANSPORTATION BENEFIT DISTRICT**

**RESOLUTION 01-2015**

**A RESOLUTION OF THE NORTH BEND TRANSPORTATION BENEFIT DISTRICT NO. 1, ADOPTING THE BUDGET FOR THE YEAR ENDING DECEMBER 31, 2016**

**WHEREAS**, in order to perform the duties and functions of the North Bend Transportation Benefit District No. 1 (TBD) pursuant to RCW Chapter 36.73, the North Bend Transportation Benefit District is required to adopt an annual budget; and

**WHEREAS**, a preliminary budget for the fiscal year 2016 has been prepared and filed, a public hearing was held on November 3, 2015 for the purposes of fixing the final budget, and the TBD Board has deliberated and has made adjustments and changes deemed necessary and proper; and

**WHEREAS**, all accounting will be done by the City of North Bend in a separate fund, that will be audited by the Washington State Auditor's Office;

**NOW, THEREFORE, THE BOARD OF THE NORTH BEND TRANSPORTATION BENEFIT DISTRICT NO. 1, DOES HEREBY RESOLVE AS FOLLOWS:**

**Section 1. Adoption of Budget.** The annual budget of the North Bend Transportation Benefit District No. 1 for the year ending December 31, 2016 in the aggregate amount of \$1,304,132 is hereby adopted at the fund level in its final form and content as set forth in Exhibit A (attached). Exhibit A is a summary of the totals of estimated revenues and expenditures.

**Section 2. Submittal.** The Secretary of the Board is directed to transmit a certified copy of the 2016 budget, hereby adopted, to the Division of Municipal Corporations of the Office of the State Auditor and to the Association of Washington Cities.

**Section 3. Severability.** If any provision of this Resolution shall be declared by any court of competent jurisdiction to be invalid, then such provision shall be null and void and shall be separable from the remaining provisions and shall in no way affect the validity of the other provisions, or of the imposition or collection of the tax authorized herein.

**Section 4. Effective Date.** This Resolution shall become effective immediately upon its adoption.

**PASSED BY THE BOARD OF NORTH BEND TRANSPORTATION DISTRICT NO. 1 AT A SPECIAL MEETING THEREOF, THIS 3<sup>RD</sup> DAY OF NOVEMBER, 2015.**

BOARD OF NORTH BEND  
TRANSPORTATION BENEFIT  
DISTRICT NO. 1:

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Dee Williamson, Chair of the Board

**ATTEST:**

Approved by a vote of Directors:

xAyes; x Nays

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Dawn Masko, Secretary of Board

**NORTH BEND TRANSPORTATION BENEFIT DISTRICT NO 1  
2016 BUDGET  
RESOLUTION 01-2015  
EXHIBIT A**

<b>NORTH BEND TRANSPORTATION BENEFIT DISTRICT (TBD)</b>	
<b>2016 BUDGET</b>	
<b>RESOURCES</b>	
Beginning Fund Balance	\$853,132
Sales & Use Tax	450,000
Investment Interest	1,000
<b>TOTAL RESOURCES</b>	<b>\$1,304,132</b>
<b>EXPENDITURES</b>	
Project(s): To Be Determined (from TIP)	\$250,000
2012 LTGO Bond Payment	145,900
AWC-RMSA Risk Management Charges	1,300
State Audit Fees	5,500
<b>TOTAL EXPENDITURES</b>	<b>\$402,700</b>
<b>BEGINNING FUND BALANCE</b>	
Total Revenues	\$451,000
Total Expenditures	\$402,700
<b>ENDING FUND BALANCE</b>	<b>\$901,432</b>

CERTIFICATION

I, the undersigned, Secretary to the Board of the North Bend Transportation Benefit District No. 1 (“TBD No. 1”), hereby certify as follows:

1. The foregoing Resolution No. 01-2015 (“Resolution”) is a full, true and correct copy of the Resolution duly adopted at a special meeting of the Board of TBD No. 1 (the “Board”) held at the regular meeting place thereof on November 3, 2015, as that Resolution appears in the minutes of TBD No. 1, and the Resolution is now in full force and effect; and

2. A quorum of the members of the Board was present throughout the meeting and a sufficient number of members of the Board present voted in the proper manner for the adoption of the Resolution.

IN WITNESS WHEREOF, I have hereunto set my hand this 3rd day of, November 2015.

NORTH BEND TRANSPORTATION  
DISTRICT NO. 1

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Dawn Masko, Secretary of the Board

**NORTH BEND TRANSPORTATION BENEFIT DISTRICT  
2016 Proposed Budget**

<b>NORTH BEND TRANSPORTATION BENEFIT DISTRICT (TBD)</b>	
<b>2016 BUDGET</b>	
<b>RESOURCES</b>	
Beginning Fund Balance	\$853,132
Sales & Use Tax	450,000
Investment Interest	1,000
<b>TOTAL RESOURCES</b>	<b>\$1,304,132</b>
<b>EXPENDITURES</b>	
Project(s): To Be Determined (from TIP)	\$250,000
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State Audit Fees	5,500
<b>TOTAL EXPENDITURES</b>	<b>\$402,700</b>
<b>BEGINNING FUND BALANCE</b>	
	<b>\$853,132</b>
Total Revenues	\$451,000
Total Expenditures	\$402,700
<b>ENDING FUND BALANCE</b>	<b>\$901,432</b>





**LEGAL NOTICE**  
**NORTH BEND TRANSPORTATION BENEFIT DISTRICT NO 1**  
**North Bend, Washington**

**NOTICE OF PUBLIC HEARING**

Notice is hereby given that the North Bend Transportation Benefit District No 1 (TBD) will hold a public hearing to receive comments on the 2016 Preliminary Budget. The hearing will take place during a Special Transportation Benefit District No 1 Meeting on Tuesday, November 3, 2015, at approximately 7:05 P.M., at the Mt Si Senior Center, 411 Main Avenue South, North Bend, WA.

Comments may be submitted in writing to the TBD Board of Directors, c/o City of North Bend, 211 Main Avenue N. (P.O. Box 896) North Bend, WA 98045, up to the close of business, (4:30 P.M.) Monday, November 2, 2015 or verbally during the public hearing.

The Preliminary Budget is available for review at the North Bend City Hall, 211 Main Ave. N., and on the City's website at <http://northbendwa.gov>.

Further information is available by contacting City Hall at (425) 888-1211.

Published: October 14 and October 21, 2015

Posted: October 14, 2015



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CITY OF NORTH BEND  
CITY COUNCIL  
WORKSTUDY NOTES  
**August 25, 2015 – 7:00 p.m.**  
City Hall Conference Room, 211 Main Ave. N., North Bend, WA

Mayor Pro Tem Williamson called the meeting to order at 7:00 p.m.

Councilmembers David Cook, Alan Gothelf, Ryan Kolodejchuk, Ross Loudenback, Jeanne Pettersen, Jonathan Rosen and Dee Williamson.

**Staff Present:** Mayor Ken Hearing, City Administrator Londi Lindell, Community & Economic Development Director Gina Estep, Senior Planner Mike McCarty, Associate Planner Lynn Fredenburg, and City Clerk Susie Oppedal.

**Guests Present:** Si View MPD Director Travis Stombaugh, Si View Operations Manager Dave Dembeck, and North Bend Parks Commissioner John Lockie

**Use of Park Impact Fees**

City Administrator Lindell explained staff was interested in Council’s opinion on larger policy related questions regarding park impact fee investments. She requested Council consider the following items and rate them in order of priority:

1. Active Recreation
2. Promote Economic Development through Park Investments
3. Eliminate Blight through Property Acquisition for a new Park
4. Promote Recreation/Tourism through Park Investment
5. Geographic Equity
6. Number of Park Users
7. Replace Capital
8. Public Safety

After discussion, the following three items received the highest priority: 1. Active Recreation, 2. Replace Capital, and 3. Promote Economic Development through Park Investment. Ms. Lindell reviewed the anticipated park impact fee revenue and total anticipated park project revenue for 2016 – 2018 and noted staff would utilize the input received to prioritize parks projects during the upcoming 2015-2016 budget modification process.

**ILA with Si View Metropolitan Park District Regarding Torguson Park**

City Administrator Lindell reported the City was pursuing a proposed partnership opportunity with Si View Metropolitan Park District (MPD) for the development, maintenance, scheduling and operation of Torguson Park. Ms. Lindell explained the goal

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of the partnership was to provide the best parks and recreation facilities to the citizens at the lowest sustainable cost. She reviewed key elements of the proposed ILA which included a January 1, 2016 start date for Si View MPD to assume maintenance and operations of Torguson Park and scheduling of all park events and elaborated on how park impact fees, ownership and development of the park were addressed in the agreement.

**City Website**

City Administrator Lindell noted staff would be coming forward with a decision card for Council consideration during the 2015-2016 mid-biennial budget modification process detailing ways to be more proactive about website updates and social media communications without adding additional full time staff.

**Adjournment**

The workstudy closed at 8:12 p.m.

ATTEST:

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Dee Williamson, Mayor Pro Tem

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Susie Oppedal, City Clerk

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CITY OF NORTH BEND  
CITY COUNCIL  
SPECIAL WORKSTUDY NOTES  
**September 15, 2015 – 7:00 p.m.**  
Meadowbrook Farm Interpretive Center, 1711 Boalch Avenue NW, North Bend, WA

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

Councilmembers David Cook, Alan Gothelf, Ryan Kolodejchuk, Ross Loudonback, Jeanne Pettersen, Jonathan Rosen and Dee Williamson were present.

**North Bend City Staff Present:** Mayor Ken Hearing, City Administrator Londi Lindell, Community & Economic Development Director Gina Estep, Senior Planner Mike McCarty and City Clerk Susie Oppedal.

**City of Snoqualmie:** Mayor Matt Larson, Director of Community Development Mark Hofman and Councilmembers Bob Jeans, Chelley Patterson, Bryan Holloway, Charles Peterson and Kathi Prewitt.

**Meadowbrook Farm Preservation Association:** President Mary Norton, Secretary Dave Battey and Boardmember Tim Noonan.

**Si View Metropolitan Parks District:** Commissioner Brenden Elwood, Operation Manager David Dembeck and Recreation Coordinator Jessica Fischer.

**Meadowbrook Farm Business Plan**

Senior Planner Mike McCarty reviewed the history of Meadowbrook Farm including the acquisition of the land by North Bend and Snoqualmie between 1989 – 1996 and the subsequent interlocal agreement which created the Meadowbrook Farm Preservation Association to help guide the use and management of the facility. He noted the challenges currently facing the Association were the significant increase in use of Meadowbrook Farm, lack of funding and lack of time the all-volunteer board has to devote to the facility. As a result of these concerns, the Cities and the Association contracted with Tom Beckwith of Beckwith Consulting to create a business plan for the facility that would determine appropriate ways to increase revenue and develop a staffing and funding model that would optimize sustainable management of the facility and its resources.

Mr. Beckwith presented the Meadowbrook Farm Business Plan which highlighted the following concerning the facility:

- Revenue
- Revenue from Farm, Bookings & Classes
- Si View Revenue/Income

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- Expenses
- Expense for Facilities and Equipment
- Value of Volunteer Contributions
- Capital Investments
- Cash Revenue
- Annual Maintenance & Operations & Repair & Replacement Set-Aside Requirements
- Comparable Facilities
- Cash Flow Options and Implications Including Staff

Mr. Beckwith reviewed two scenarios which included the farm running with volunteer assistance and with or without City financial assistance and running the facility with a part time staff position, volunteer assistance, revenue generated improvements, corporate sponsorship, and with or without City financial assistance. He noted the plan that involved revenue generated improvements such as an outdoor garden and/or a commercial kitchen at the Interpretive Center would aid in marketing the facility as a wedding venue. He concluded this was most likely the best use for the facility.

After discussion, it was suggested that a subcommittee be created to explore all options regarding the facility and contain two Councilmembers and the Mayor from each City and representatives from Meadowbrook Farm Preservation Association and Si View Metropolitan Parks District.

**Adjournment**

The workstudy closed at 8:43 p.m.

ATTEST:

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Dee Williamson, Mayor Pro Tem

\_\_\_\_\_  
Susie Oppedal, City Clerk

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**NORTH BEND CITY COUNCIL MINUTES**

**October 6, 2015**

Senior Center, 411 Main Ave. S., North Bend, Washington

**CALL TO ORDER, ROLL CALL:**

Mayor Hearing called the regular meeting to order at 7:00 p.m.

**Councilmembers Present:** Cook, Gothelf, Kolodejchuk, Loudenback, Pettersen and Rosen. Councilmember Williamson was excused.

Mayor Hearing announced the Public Hearing regarding the Ordinance Adopting Public Works Standards had been rescheduled to the November 3, 2015 City Council Meeting.

**CONSENT AGENDA:**

**Minutes** – Council Meeting of September 1, 2015

**Payroll** – **September 4, 2015** – **27327** through **27335**, in the amount of **\$146,340.65**

**September 18, 2015** – **27336** through **27344**, in the amount of **\$183,094.29**

**Checks** – **September 15, 2015** – **61583** through **61661**, in the amount of **\$343,750.58**

**October 6, 2015** – **61662** through **61730**, in the amount of **\$359,373.59**

**AB15-096** – Motion Authorizing Jail Contract with Yakima County

**AB15-097** – Motion Authorizing On-Call Contract & Work Order with Systems Interface for SCADA System

**AB15-098** – Motion Authorizing Contract & Supplement No. 1 with Fehr & Peers for Transportation Consulting Support

**AB15-099** – Motion Authorizing Payment to Owen Equipment for Vactor Truck Rental

**AB15-100** – Motion Authorizing CO #1 with Pacific Crest & Resolution 1694 Accepting WWTP Clarifier Project as Complete

**AB15-101** – Resolution 1695 Accepting WWTP Critical Improvement Project

**AB15-102** – Resolution 1696 Awarding Contract for EJ Roberts Park to Terra Dynamics

Councilmember Gothelf **MOVED**, seconded by Councilmember Pettersen to approve the consent agenda as presented. The motion **PASSED** 6-0.

**CITIZEN'S COMMENTS:**

**Susan Graham**, 409 Pickett Avenue NE, explained she was speaking on behalf of certain residents in the Silver Creek area. She expressed the group's disapproval of the proposed extension of Pickett Avenue NE near the future River Glen Subdivision and elaborated on the lack of public notification and input and negative effects of the street extension.

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**ANNOUNCEMENTS, PRESENTATIONS, APPOINTMENTS:**

**Presentation – Police Services Update**

Police Chief McCulley provided an update on police services which outlined current staffing levels, calls for service, patrol statistics, jail costs, and Community Oriented Policing (COP) events.

**INTRODUCTIONS:**

**AB15-103 – Public Hearing Cont., Ordinance 1562 Adopting Transportation Impact Fees & Amending Taxes, Rates & Fees Schedule Audio: 13:42**

Public Works Director Rigos provided the staff report. Fehr & Peers Consultant Kendra Breiland elaborated on the formulas used to compute Transportation Impact Fees.

**Mayor Hearing announced the Public Hearing on an Ordinance Adopting Transportation Impact Fees was originally opened at the August 18, 2015 City Council meeting and continued to the September 1<sup>st</sup> Council meeting at which time it was again continued to tonight's meeting.**

The following individuals spoke regarding the Ordinance Adopting Transportation Impact Fees:

**Patricia Akiyama**, 335 116<sup>th</sup> Ave. SE, Bellevue, Master Builders Association Representative

**John Day**, PO Box 2930, John Day Homes

**Scott Borgeson**, 3535 Factoria Blvd NE, Pulte Homes Representative

**Mayor Hearing closed the Public Hearing at 7:31 p.m.**

Councilmember Loudenback **MOVED**, seconded by Councilmember Rosen to approve AB15-103, an ordinance adopting an updated Transportation Impact Fee in the amount of \$10,562.61, as a first and final reading. The motion **PASSED** 6-0.

**AB15-104 – Public Hearing, Ordinance 1563 Extending Interim Zoning Regulations RE Truck Centers & Parking Audio: 45:33**

City Administrator Lindell provided the staff report.

**Mayor Hearing opened the Public Hearing on an Ordinance Extending Interim Zoning Regulations RE Truck Centers & Parking at 7:50 p.m. There was no public comment and Mayor Hearing closed the Public Hearing at 7:50 p.m.**

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Councilmember Kolodejchuk **MOVED**, seconded by Councilmember Pettersen to approve AB15-104, an ordinance renewing interim zoning regulations prohibiting new commercial truck travel centers and parking, as a first and final reading. The motion **PASSED** 6-0.

**AB15-105** – Resolution 1697 Authorizing Developer Extension Agreement with John Day Homes for Ranger Station Cottages **Audio: 52:24**

Public Works Director Rigos provided the staff report.

Councilmember Rosen **MOVED**, seconded by Councilmember Loudenback to approve AB15-105, a resolution authorizing the Developer Extension Agreement with John Day Homes for the Ranger Station Cottages 55 Lot Plat. The motion **PASSED** 6-0.

**MAYOR, COUNCIL, AND ADMINISTRATOR CONCERNS AND INITIATIVES:**

Councilmember Gothelf announced Eastside Fire & Rescue Chief Lee Soptich would be retiring on November 30, 2015.

Councilmember Cook thanked Public Works Director Rigos for his timely response and subsequent action to recent citizen requests related to crosswalk repairs and culvert issues.

Councilmember Kolodejchuk expressed concern about events that use the trail held near Tanner Road, particularly those that end their event by crossing North Bend Way. He suggested ending events at Tanner Landing to avoid crossing over North Bend Way.

Mayor Hearing spoke regarding the following items:

- WFOA Award Recognition for Dawn Masko and Beth Waltz
- CDBG Grant Award of \$250,00 for Ballarat to Downing Sidewalk Project
- Senior Citizen Safety Seminar Series – November 4<sup>th</sup> – December 17<sup>th</sup>
- George’s Bakery King County Historic Preservation Award
- Rainier Asphalt Donation for Torguson Park Parking Lot Seal Coat Project
- October 17<sup>th</sup> Arbor Day Tree Planting Event at Tollgate Farm

**ADJOURNMENT:**

Councilmember Gothelf **MOVED** to adjourn, seconded by Councilmember Kolodejchuk. The motion **PASSED** 6-0.

The meeting adjourned at 8:09 p.m.

ATTEST:

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Kenneth G. Hearing, Mayor

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Susie Oppedal, City Clerk





## Office of Mayor PROCLAMATION

**WHEREAS,** major flooding from heavy rains and snow melt increases risk to human lives, disrupts public services, and significantly damages public and private property; and

**WHEREAS,** the City has had numerous flood events of different magnitudes; and

**WHEREAS,** North Bend Public Works Department oversees a nationally recognized floodplain management program that helps reduce damages and the cost of flood insurance policies for local citizens; and

**WHEREAS,** King County provides a state-of-the-art flood warning and emergency response system providing critical flood and emergency information each time the City experiences major flooding; and

**WHEREAS,** to reduce the risk, North Bend actively disseminates information that citizens and property owners need to prepare for the eventuality of a flood;

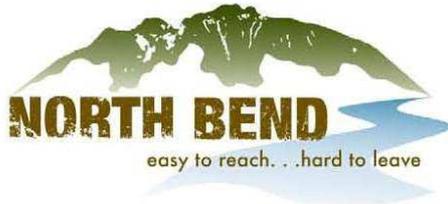
**NOW, THEREFORE,** I, Ken Hearing, Mayor, do hereby proclaim November 2015, as

### FLOOD AWARENESS MONTH

in North Bend and encourage all residents, especially those living in flood prone areas, to join me in learning the preventive steps and preparedness techniques that can preserve your home and the lives of those you love.

  
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**Kenneth G. Hearing**  
Mayor





## City Council Agenda Bill

<b>SUBJECT:</b>	<b>Agenda Date: November 3, 2015</b>			<b>AB15-114</b>
<b>Public Hearing, Ordinance Setting the Property Tax Regular Levy for 2016</b>	Department/Committee/Individual			
	Mayor Ken Hearing			
	City Administrator – Londi Lindell			
	City Attorney - Mike Kenyon			
	City Clerk – Susie Oppedal			
	Community & Economic Development – Gina Estep			
	Finance Director – Dawn Masko			X
	Public Works Director – Mark Rigos			
Cost Impact: N/A				
Fund Source: General Fund				
Timeline: by 11/30/15				
<b>Attachments:</b> Ordinance (Option 1), Preliminary 2016 Property Tax Levy Limit Worksheet from King County, Public Hearing Notice				
<b>SUMMARY STATEMENT:</b>				
The City of North Bend is required to annually adopt next year’s Property Tax Levy Increase Ordinance on or before November 30 <sup>th</sup> of the current year.				
Three options for Council consideration are presented as follows:				
<u>Option No. 1 – 0% Increase (0% increase over 2015’s actual regular levy)</u>				
Levy a regular property tax equal to the 2015 levy of \$1,470,306 plus ZERO-percent (0%) [\$0], new construction [\$35,765], annexations [\$4,144] and re-levy for prior year refunds [\$2,676] for a total <b>2016 Regular Property Tax Levy of \$1,512,891</b> ; or				
<u>Option No. 2 – 1% Increase (1% increase over 2015’s actual regular levy)</u>				
Levy a regular property tax equal to the 2015 levy of \$1,470,306 plus one-percent (1%) [\$14,703], new construction [\$35,765], annexations [\$4,144] and re-levy for prior year refunds [\$2,676] for a total <b>2016 Regular Property Tax Levy of \$1,527,594</b> ; or				
<u>Option No. 3 – Banked Capacity (Total 2016 Allowable Levy)</u>				
Levy a regular property tax equal to the 2015 levy of \$1,470,306 plus one-percent (1%) [\$14,703], new construction [\$35,765], annexations [\$4,144], re-levy for prior year refunds [\$2,676] and the entire City’s “banked capacity” available in the Allowable Levy [\$21,540] (which is in addition to the 1% increase of \$14,703) for a total <b>2016 Regular Property Tax Levy of \$1,549,134</b> .				
The 2015-2016 Adopted Biennial Budget includes \$1,535,225 for the 2016 property tax levy. While this levy amount assumed a zero percent increase, new construction and assessed valuation growth were slightly lower than projected in 2015. .				
<b>The 2016 Budget Modification assumes Option No. 1 - a regular property tax levy equal to \$1,512,891.</b>				
A chart outlining the impact to the average home owner for all options is listed below.				
<b>Impact to Average Home Owner (based on \$400,000 average home value)</b>				
	Levy Rate	Annual Amount	Monthly Amount	
Current - 2015	\$1.44064	\$576.26	\$48.02	
Option No. 1	\$1.40091	\$560.36	\$46.70	
Option No. 2	\$1.41452	\$565.81	\$47.15	
Option No. 3	\$1.43447	\$573.79	\$47.82	

## City Council Agenda Bill

Under Option #1, the 2016 property tax levy equates to a decrease from the current rate of \$1.44064 per \$1,000 assessed valuation to an expected rate of \$1.40091 per \$1,000 of assessed valuation. Accordingly, an average North Bend single-family home having a value of approximately \$400,000 would be assessed approximately \$47 per month in 2016 (as opposed to \$48 per month in 2015).

However, Council has the option of increasing by the 1% statutory limit above the regular 2015 levy and/or approving the use of banked property tax levy capacity. Council may wish to consider using such banked funds [\$21,540] for a dedicated purpose (e.g. pavement overlay projects, additional public safety resources and/or downtown development projects). Additionally, Council can choose to increase the regular levy rate at a percentage amount less than the 1% statutory limit.

COMMITTEE REVIEW AND RECOMMENDATION: This item will be reviewed at the November 3<sup>rd</sup> Finance & Administration Committee.

RECOMMENDED ACTION: **MOTION to continue the Public Hearing on the Ordinance Setting the 2016 Property Tax Levy until the November 17, 2015 City Council meeting.**

### RECORD OF COUNCIL ACTION

<i>Meeting Date</i>	<i>Action</i>	<i>Vote</i>
November 3, 2015	Public Hearing Only	

## ORDINANCE

### AN ORDINANCE OF THE CITY OF NORTH BEND, WASHINGTON, AUTHORIZING 2016 PROPERTY TAX LEVIES CONSISTING OF THE CITY’S REGULAR LEVY AND A VOTER-APPROVED EXCESS LEVY FOR UNLIMITED GENERAL OBLIGATION BONDS INTEREST AND REDEMPTION

**WHEREAS**, the City Council of the City of North Bend has properly given notice of the public hearing held on November 3, 2015 to consider the City’s revenue sources for the 2016 budget, including the consideration of possible increases in property tax revenues; and

**WHEREAS**, the City of North Bend’s actual levy amount from the previous year was \$1,470,306; and

**WHEREAS**, the King County Assessor has notified the City Council of the City of North Bend that the assessed valuation of property lying within the boundaries of said City for the assessment year 2015 is \$1,079,936,240; and

**WHEREAS**, the City Council of the City of North Bend, after hearing and duly considering all relevant testimony presented, has determined that the City of North Bend should adopt a regular property tax levy in the estimated amount of \$1,512,891, which includes a 0% increase [\$0] in regular property tax revenue over the 2015 actual regular property tax levy [\$1,470,306], plus revenue resulting from the addition of new construction & improvements to property [\$35,765], plus revenue resulting from the relevy for prior year refunds [\$2,676], plus revenue resulting from annexations [\$4,144] in order to discharge the expected expenses and obligations of the City; and

**WHEREAS**, voters approved an excess property tax levy for unlimited general obligation bonds, proceeds of which were used to pay for the construction of a new fire station; and

**WHEREAS**, the City is required to set and establish the property tax levy rate for voted excess levies for general obligation bond issues approved by the voters, including subsequent refunded bond issues, subject to the limitations imposed by law; and

**WHEREAS**, the City of North Bend needs a tax levied to raise revenue to provide for the interest and redemption of voter-approved unlimited general obligation bonds for the fiscal year of 2016 in the amount of \$181,600 which tax is applicable to all taxable property within the City of North Bend; and

**WHEREAS**, the below is a true and complete listing of property tax levies for the City of North Bend for tax year 2016 and they are within the maximums established by law:

Regular (Statutory) Levy	
Expense Fund	\$1,510,215
Refunds	<u>\$2,676</u>
Total Regular Levy	\$1,512,891
Excess (Voter Approved) Levy:	
G.O. Bonds Fund Levy	\$181,600
<b>Total Property Taxes Requested:</b>	<u><b>\$1,694,491</b></u>

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF NORTH BEND, WASHINGTON, DO ORDAIN AS FOLLOWS:**

**Section 1. Regular Property Tax Levy.** A regular property tax is hereby levied for year 2016 in the amount of \$1,512,891, which is a zero percent (0%) increase [\$0] to the amount of the 2015 actual regular property tax levy, and includes the addition of any new construction, annexations, and releveling for prior year refunds. This levy is exclusive of additional revenue resulting from the addition of new construction and improvements to property and any increase in the value of state-assessed property, and any additional amounts resulting from any annexations and refunds made.

**Section 2. Voter-Approved Excess Property Tax Levy for Unlimited General Obligation Bonds.** In addition to the above regular property tax levy for the ensuing fiscal year of 2016, a tax is hereby levied to raise revenue to provide for the interest and redemption of voter-approved unlimited general obligation bonds for the fiscal year of 2016 in the amount of \$181,600. This tax is applicable to all taxable property within the City of North Bend.

**Section 3. Severability.** Should any section, paragraph, sentence, clause or phrase of this ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this ordinance be pre-empted by state or federal law or regulation, such decision or pre-emption shall not affect the validity of the remaining portions of this ordinance or its application to other persons or circumstances.

**Section 4. Effective Date.** This ordinance shall be published in the official newspaper of the City, and shall take effect and be in full force on January 1, 2016.

**ADOPTED BY THE CITY COUNCIL OF THE CITY OF NORTH BEND, WASHINGTON, AT A REGULAR MEETING THEREOF, THIS 17<sup>TH</sup> DAY OF NOVEMBER, 2015.**

**CITY OF NORTH BEND:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**Kenneth G. Hearing, Mayor**

\_\_\_\_\_  
**Michael R. Kenyon, City Attorney**

**ATTEST/AUTHENTICATED:**

Published:  
Effective: January 1, 2016

\_\_\_\_\_  
**Susie Oppedal, City Clerk**

# PRELIMINARY

## LEVY LIMIT WORKSHEET – 2016 Tax Roll

**TAXING DISTRICT: City of North Bend**

*The following determination of your regular levy limit for 2016 property taxes is provided by the King County Assessor pursuant to RCW 84.55.100.*

Annexed to Library District (Note 1) Estimated Library rate: 0.42554

Using Limit Factor For District	Calculation of Limit Factor Levy	Using Implicit Price Deflator
1,491,633	Levy basis for calculation: (2015 Limit Factor) (Note 2)	1,491,633
<b>1.0100</b>	x Limit Factor	<b>1.0025</b>
1,506,549	= Levy	1,495,377
24,825,620	Local new construction	24,825,620
0	+ Increase in utility value (Note 3)	0
24,825,620	= Total new construction	24,825,620
1.44064	x Last year's regular levy rate	1.44064
35,765	= New construction levy	35,765
<b>1,542,314</b>	Total Limit Factor Levy	<b>1,531,142</b>
<b>Annexation Levy</b>		
<b>0</b>	Omitted assessment levy (Note 4)	<b>0</b>
1,542,314	Total Limit Factor Levy + new lid lifts	1,531,142
1,077,042,240	÷ Regular levy assessed value less annexations	1,077,042,240
1.43199	= Annexation rate (cannot exceed statutory maximum rate)	1.42162
2,894,000	x Annexation assessed value	2,894,000
<b>4,144</b>	= <b>Annexation Levy</b>	<b>4,114</b>
<b>Lid lifts, Refunds and Total</b>		
0	+ First year lid lifts	0
1,542,314	+ Limit Factor Levy	1,531,142
<b>1,546,458</b>	= Total RCW 84.55 levy	<b>1,535,256</b>
2,676	+ Relevy for prior year refunds (Note 5)	2,676
1,549,134	= Total RCW 84.55 levy + refunds	1,537,932
	Levy Correction: Year of Error _____ (+or-)	
<b>1,549,134</b>	<b>ALLOWABLE LEVY (Note 6)</b>	<b>1,537,932</b>
<b>Increase Information (Note 7)</b>		
1.43447	Levy rate based on allowable levy	1.42410
1,470,306	Last year's ACTUAL regular levy	1,470,306
36,243	Dollar increase over last year other than N/C – Annex	25,071
2.47%	Percent increase over last year other than N/C – Annex	1.71%
<b>Calculation of statutory levy</b>		
	Regular levy assessed value (Note 8)	1,079,936,240
	x Maximum statutory rate	3.17446
	= <b>Maximum statutory levy</b>	<b>3,428,214</b>
	+Omitted assessments levy	<b>0</b>
	=Maximum statutory levy	<b>3,428,214</b>
	Limit factor needed for statutory levy	Not usable

ALL YEARS SHOWN ON THIS FORM ARE THE YEARS IN WHICH THE TAX IS PAYABLE.  
Please read carefully the notes on the reverse side.

10/29/15 2:40 PM  
LevyLimitWS.doc

## Notes:

- 1) Rates for fire districts and the library district are estimated at the time this worksheet is produced. Fire district and library district rates affect the maximum allowable rate for cities annexed to them. These rates *will* change, mainly in response to the actual levy requests from the fire and library districts. Hence, affected cities may have a higher or lower allowable levy rate than is shown here when final levy rates are calculated.
- 2) This figure shows the maximum *allowable levy*, which may differ from any actual prior levy if a district has levied less than its maximum in prior years. The maximum allowable levy excludes any allowable refund levy if the maximum was based on a limit factor. The maximum allowable levy excludes omitted assessments if the maximum was determined by your district's statutory rate limit. If your district passed a limit factor ordinance in the year indicated, that limit factor would help determine the highest allowable levy. However, if the statutory rate limit was more restrictive than your stated limit factor, the statutory rate limit is controlling.
- 3) Any increase in value in state-assessed property is considered to be new construction value for purposes of calculating the respective limits. State-assessed property is property belonging to inter-county utility and transportation companies (telephone, railroad, airline companies and the like).
- 4) An omitted assessment is property value that should have been included on a prior year's roll but will be included on the tax roll for which this worksheet has been prepared. Omitted are assessed and taxed at the rate in effect for the year omitted (RCW 84.40.080-085). Omitted assessments tax is deducted from the levy maximum before calculating the levy rate for current assessments and added back in as a current year's receivable.
- 5) Administrative refunds under RCW 84.69.020 were removed from the levy lid by the 1981 legislature.
- 6) A district is entitled to the lesser of the maximum levies determined by application of the limit under RCW 84.55 and the statutory rate limit. Levies may be subject to further proration if aggregate rate limits set in Article VII of the state constitution and in RCW 84.52.043 are exceeded.
- 7) This section is provided for your information, and to assist in preparing any Increase Ordinance that may be required by RCW 84.55.120. The increase information compares the allowable levy for the next tax year with your ACTUAL levy being collected this year. The actual levy excludes any refund levy and expired temporary lid lifts, if applicable. New construction, annexation and refund levies, as well as temporary lid lifts in their initial year, are subtracted from this year's *allowable* levy before the comparison is made.
- 8) ***Assessed valuations shown are subject to change from error corrections and appeal board decisions recorded between the date of this worksheet and final levy rate determination.***



**LEGAL NOTICE  
CITY OF NORTH BEND  
King County, Washington**

**NOTICE OF PUBLIC HEARING**

Notice is hereby given that the North Bend City Council will hold a public hearing to receive comments on setting the Property Tax Levy for 2016. The hearing will take place during the Regular City Council Meeting on Tuesday November 3, 2015, 7:00 P.M., at the Mt Si Senior Center, 411 Main Avenue South, North Bend, WA.

Comments may be submitted in writing to the City Clerk's Office at City Hall, 211 Main Avenue N. (P.O. Box 896) North Bend, WA 98045, up to the close of business, (4:30 P.M.) Monday, November 2, 2015 or verbally during the public hearing.

Further information is available by contacting Assistant City Administrator/Finance Director Dawn Masko at (425) 888-7630.

Published: October 28 and November 4, 2015

Posted: October 20, 2015