

Respondent Name

Newcastle Watchdogs

Complainant Name

Allen Dauterman

Complaint Description

[Allen Dauterman](#) (Fri, 18 Sep 2020 at 2:51 PM)

To whom it may Concern,

It has come to my attention that a politically oriented group of Newcastle WA residents named **Newcastle Watchdog (NWD)** or **Newcastle Watchdogs (NWD)** appears to have been in violation of Washington State's campaign finance laws (**RCW 42.17A**) since mid-2019 with the following violations of **RCW 42.17A.205**, **RCW 42.17A.225**, and **RCW 42.17A.235**:

Failure to register a Political Committee with the PDC in 2019

The NWD group, whose founder and chairperson Nola Coston, chose to flout and ignore the law with the failure to file a statement of organization with the commission within two weeks after the date the NWD first had the expectation of receiving contributions or making expenditures in any election campaign. NWD violations commenced when NWD either used contributions and/or expenditures to directly support 2019 Newcastle City Council Candidate Tom Griffin.

In preparation to support Candidate Tom Griffin, NWD appears to have procured the services of the Glen Morgan political committee **We The Governed (WTG)** to professionally produce video content (exhibit C) for NWD specific use to support Candidate Tom Griffin. Evidence of this direct support for Candidate Tom Griffin took form in two known instances;

- NWD provided the WTG video YouTube URL link exclusively to the Tom Griffin Campaign when printed on the October 2019 Friends of Tom Griffin campaign mailer (Exhibit A).
- NWD provided Candidate Tom Griffin with printed material to be packaged with Tom Griffin Campaign material for distribution. The printed NWD flier (exhibit B-1) with the WTG video YouTube URL link was bound with a rubber band to the Tom Griffin Campaign flier (exhibit B-2). When combined, both fliers became Tom Griffin Campaign material. Tom Griffin personally hand delivered the NWD flier bound with the Tom Griffin Campaign flier as a single package to businesses, individuals, and thousands of homes in Newcastle.

2. Failure to report contributions and/or expenses with the PDC in 2019

NWD failed to disclose contributions and/or expenditures associated with their support to Candidate Tom Griffin, and associated with additional NWD campaign material. At a minimum, NWD contributions and/or expenditures consisted of the following:

- NWD compensation to WTG who professionally produced the video for specific use by NWD. If the WTG video was procured at no cost to NWD, then NWD was obligated to report the video as an in-kind contribution at its fair market value, which could range from \$1,500 to \$15,000 per minute, or \$16,500 to \$165,000 for an eleven minute professionally produced video. The professional grade video was clearly produced at a cost to WTG, and the video was clearly procured by NWD with the intent to specifically support Candidate Tom Griffin. Exhibits A & B clearly demonstrate a specific intent to support a Candidate.
- Exhibit B-1 NWD paper flier is an unreported NWD publishing expense intended to support Candidate Tom Griffin.
- NWD engaged WTG to professionally produce a digital publication (Exhibit D). While this digital publication was not directly used to support Candidate Tom Griffin, it is NWD committee material. NWD failed to disclose compensation or in-kind contribution details associated with procuring the digital publication.

Failure to register a Continuing Political Committee with the PDC in 2020

NWD continued to flout and ignore the law by electing to hide spending and ignore Continuing Political Committee requirements of filing a statement of organization with the commission within two weeks after the date the NWD first has the expectation of receiving contributions or making expenditures in any ballot proposition.

NWD violations resumed in 2020 when NWD continued acting as a Continuing Political Committee with the following actions;

- Initiated a campaign to collect petition signatures to place Newcastle Referendum No. 2 on the 2020 General Election ballot.
- Solicited in-kind contributions from Newcastle residents for printing costs and USPS postage to mail a signed referendum petition.
- Made multiple expenditures in support of a referendum proposition and ballot proposition.
- Continued exclusive use of the 2019 WTG video, providing additional value to NWD as a continuing political committee through their use in 2020 to answer questions for the NWD, to promote the NWD group, and to promote referendum lobbying efforts (Exhibit I)

4. Failure to report contributions and/or expenses with the PDC in 2020

NWD failed to disclose contributions and/or expenditures associated with their support of a referendum proposition and ballot proposition. At a minimum, NWD contributions and/or expenditures consisted of the following:

- Expenses associated with publishing a referendum petition flier requesting signatures (Exhibit G).
- Expenses associated with the newcastlewatchdogs.com domain name registration and URL address (Exhibit G).
- Expenses associated with website hosing (Exhibit E & F).
- Expenses associated with referendum campaign buttons (Exhibit H).

Please note there are two NWD mailing addresses identified in the attached exhibits, and three email addresses used by Nola Coston.

What impact does the alleged violation(s) have on the public?

To quote the very first statement in the Declaration of Policy for the Campaign Disclosure and Contribution public policy; “That political campaign and lobbying contributions and expenditures be fully disclosed to the public and that secrecy is to be avoided.”

Newcastle residents have a right to know when fellow residents and neighbors purporting to be government watchdogs are secretly avoiding the same law they expect others to follow. Newcastle residents have the right to know what funds are being used (in-kind or otherwise) to support a Candidate for Newcastle City Council and a City of Newcastle referendum and ballot proposition. It is particularly problematic when these Newcastle residents who know the law are so willing to overtly and maliciously break that same law in a secretive and covert manner to avoid transparency while demanding transparency from the City and politically active Newcastle residents.

List of attached evidence or contact information where evidence may be found

Exhibit A: Tom Griffin Campaign mailer printed with a YouTube URL link to the WTG video, a link exclusively provided by NWD. This mailer demonstrates NDW’s specific support to Candidate Tom Griffin.

Exhibit B: B-1 printed flier published by NWD to specifically support Candidate Tom Griffin, and B-2 printed flier published by Tom Griffin Campaign. Both fliers were bound together with a rubber band, and when combined, both fliers became Tom Griffin Campaign material. Tom Griffin personally hand delivered both fliers to the majority of Newcastle homes and business. The NDW flier contained within the Tom Griffin Campaign packet includes a printed YouTube URL link to the WTG video procured by NWD.

Exhibit C: “City of Newcastle – an unsustainable financial path” information about the WTG professionally produced video, a video procured exclusively by the NWD to directly support Candidate Tom Griffin.

Exhibit D: “Is the City of Newcastle on an Unsustainable Financial Path?” WTG professionally prepared digital publication procured by the NWD for their own campaign purposes.

Exhibit E: June 2020 “Newcastle Utility Tax - Let the People Vote” Email from NWD Nola soliciting Newcastle residents to make in-kind printing and USPS postage donations by printing and mailing a referendum petition. The email includes potential evidence of website hosting expenses.

Exhibit F: June 2020 “Your Help is Really Needed!” Email from NWD Nola Coston soliciting Newcastle residents to make in-kind printing and USPS postage donations by printing and mailing a referendum petition. The email includes potential evidence of website hosting expenses.

Exhibit G: June 2020 “Newcastle City Residents Are Fired Up!” flier from NWD Nola Coston soliciting Newcastle residents to make in-kind printing and USPS postage donations by printing and mailing a referendum petition. Printed flier was published by NWD and distributed to Newcastle residents and businesses. The flier also contains evidence of domain name registration and URL address expenses.

Exhibit H: September 2020 Facebook post offering campaign pins to the public, evidence of expenses associated with manufacturing campaign pins.

Exhibit I: January 2020 emails from NWD Nola Coston demonstrating NWD support of a proposed referendum proposition prior to circulation of signatures and continued exclusive use of the 2019 WTG video demonstrating value to NWD.

Please note there are two NWD mailing addresses identified in the attached exhibits, and three email addresses used by Nola Coston.

List of potential witnesses with contact information to reach them

Tom and Patti Magers - email holeinuno@outlook.com

Allen Dauterman - email allendauterman@gmail.com

Certification (Complainant)

I certify (or declare) under penalty of perjury under the laws of the State of Washington that information provided with this complaint is true and correct to the best of my knowledge and belief.

EXHIBIT

A

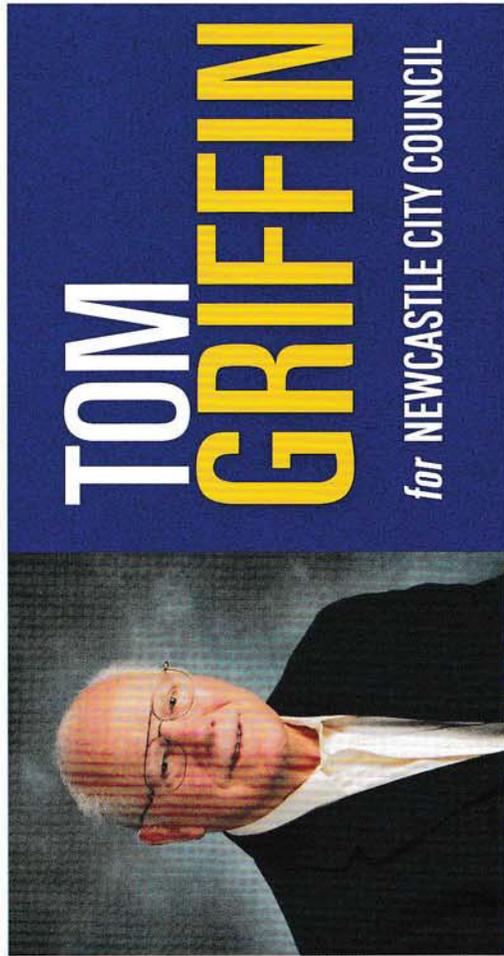
Tom Griffin Campaign Mailer Demonstrating Newcastle Watchdog(s) Support

Mailer printed with YouTube URL link to the We The Governed video.

A video;

procured by the Newcastle Watchdog(s)
provided exclusively to the Tom Griffin campaign
by the Newcastle Watchdog(s).

Printed mailer delivered to majority of
Newcastle homes and businesses in the October 2019
prior to 2019 general election.



TOM GRIFFIN

for NEWCASTLE CITY COUNCIL

TomJGriffin@msn.com
(425) 766-4744
tomgriffin4newcastle.com

Paid for by Friends of Tom Griffin
7422 125th Place SE
Newcastle WA 98056

Proven

- ▶ FINANCIAL EXPERTISE
- ▶ BUSINESS JUDGEMENT
- ▶ INTEGRITY

***** VIDEOS THAT THE CITY DOESN'T WANT YOU TO SEE *****

<https://youtu.be/L04FkHawDGM>

<https://www.wethelocalgoverned.com/the-city-of-seatac-restoring-citizen-control-of-local-government>

Youtube URL link to Newcastle Watchdog(s) Video, identical to Youtube link in Exhibit B Newcastle Watchdog(s) flier

exact statement in Exhibit B Newcastle Watchdog(s) flier



PRSR STD
US POSTAGE
PAID
CAPITOL CITY
PRESS



EXHIBIT

B

Two Printed Fliers;

B-1 Newcastle Watchdog(s) Flier

NWD flier includes a YouTube URL link to the We The Governed video.

A video;

procured by the Newcastle Watchdog(s)
provided exclusively to the Tom Griffin campaign
by the Newcastle Watchdog(s).

B-2 Tom Griffin Campaign Flier

Thousands of these two fliers were bound together with a rubber band and hand delivered by Tom Griffin to most of the Newcastle homes and businesses during the Summer & Fall 2019 prior to 2019 general election.

B-1 NEWCASTLE WATCHDOG(S) FLIER
bound with Tom Griffin flier

exact statement in Exhibit A Tom Griffin mailer

***** See links to videos that the city does not want you to see (reverse side)

note-hole punch for
rubberband binding to Tom
Griffin flier on page 6 & 7

What the City doesn't want you to know: Watchdog 2019 Newcastle Annual Meeting Fact Check

Originally proposed by former councilmember Bill Erxleben eight years ago as an opportunity for an open and transparent discussion between Newcastle residents and city hall regarding the next year's budget, this year's carefully orchestrated and controlled June Town Hall Meeting was anything but. The golf course event venue was rented, appetizers were served, and consultants were paid \$6,000 for a one-hour slide presentation. The meeting cost taxpayers well over \$15,000, \$80 per resident present, to learn that the city was facing large deficits and headed toward bankruptcy unless there were major tax increases. Unfortunately, the city's presentation was riddled with half-truths, a lack of transparency, and material misstatements that obscured the nature of the problem and the best solution.

1. Representation: The city is well-managed and financially conservative.

Fact check: False. *The city has spent well over \$10 million dollars in recent years on discretionary expenditures for real estate, consultants for unfunded projects, staff pay raises, and additional staff -- despite warnings from the state auditor and 3 out of the seven councilmembers that there would be large future financial deficits. After failing to heed the warnings, the city now faces a forecast of \$8M in operating deficits over the next 6 years.*

2. Representation: Other cities on the Eastside are facing the same financial difficulties as Newcastle.

Fact check: Half-truth. *While many other cities are facing the need to deal with future budget deficits, Newcastle is in much worse shape because it lacks vacant developable land and a significant commercial retail tax base to sustain it in the long run.*

3. Representation: The city should impose a broad-based 6% utility tax simply because many other cities have one and there is little opportunity to reduce city operating expenditures.

Fact check: False. *Newcastle already has a targeted 8.49% utility tax on waste collection enacted last year disguised as a city service fee collected by Waste Management, but in reality paid for by users. In 2009, a financially responsible council majority was elected to deal with a similar overspending problem that resulted in large forecasted deficits. In the first 60 days the new majority managed to cut operating expenses by nearly \$1 million and balance the budget without new taxes, showing that new taxes were really not needed.*

4. Bellevue has much higher taxes than Newcastle and faces the same economic difficulties.

Fact check: False. *A 2018 Watchdog survey comparing Bellevue and Newcastle showed that Bellevue had slightly lower overall city taxes and vastly more community services and facilities than Newcastle. Newcastle has much higher property taxes per household than Bellevue. Furthermore, Bellevue's economic outlook, unlike Newcastle's, is robust, given their vibrant and large commercial retail tax base. For these reasons, a Bellevue house is worth 15-20% more on average than a comparable Newcastle house.*

B-1 NEWCASTLE WATCHDOG(S) FLIER
bound with Tom Griffin flier

Videos that the City doesn't want you to see:
Newcastle Watchdog Recommended Videos

**If Excessive Spending Is The Problem, Million Dollar City Deficits
Don't Require New Taxes.**

See what the experts say

Video #1. <https://youtu.be/LO4FkHawDGM>

See how six years ago, Newcastle with new management and a new council majority, eliminated a budget shortfall by reducing the city's operating expenses by nearly \$1 million without higher taxes or a reduction in essential services and achieved financial sustainability over the next four years.

Video # 2. <https://www.wethegoverned.com/the-city-of-seatac-restoring-citizen-control-of-local-government/>

See how the City of SeaTac, three years ago, with a new council majority and without a utility tax, eliminated a \$2.5 million dollar budget deficit and achieved fiscal sustainability.

The Best Solution: Exercise fiscal discipline to balance Newcastle's 2020 budget without increasing debt, hiring more employees, or implementing new taxes (like a regressive user utility tax), while we responsibly and carefully explore all options for the future.

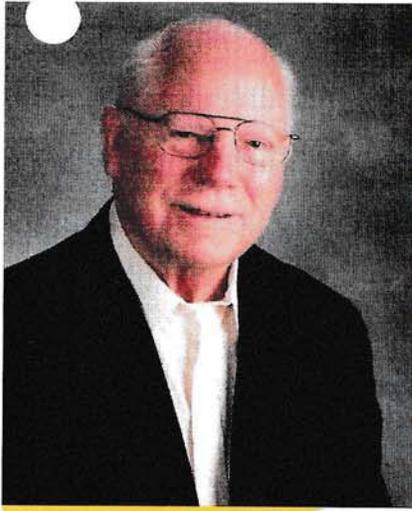


Newcastle Watchdog

"Dedicated to transparency and good government in Newcastle"

Join 170 of your neighbors.

email: NewcastleWatchdog@outlook.com



TOM GRIFFIN

for NEWCASTLE CITY COUNCIL

B-2 TOM GRIFFIN FLIER
bound with NWD flier

CPA
Former College Instructor
of Accounting & Taxes
& Retired CEO

The city is currently in a financial crisis caused by too much debt, too many high-priced consultants, over hiring employees, inflated city salaries and benefits, and unnecessary multi-million dollar capital expenditures. I can help. I'm running against the current mayor to steer the council in the direction of fiscal discipline.

The financial crisis was avoidable. In anticipation of a financial cliff following the build out of the city's vacant land, six years ago, the state auditor told the city to adopt a long-term financial sustainability plan. Instead, the council, in narrow majority votes, went on a wild spending spree.

- Purchased a city hall and annex building for \$7.2 million, incurring \$4 million in debt.
- Hired more non-essential employees.
- Spent millions on consultants to design unfunded projects.
- Increased city employee salaries by 45% in the last six years.

Experience Counts!

Paid for by Friends of Tom Griffin. 7422 125th Place SE, Newcastle WA 98056

Newcastle needs to implement a viable financial plan

My plan focuses heavily on expenditure reduction, not higher taxes for homeowners.

- No new taxes without substantial expenditure reductions. No utility tax!
- One year freeze on employee and city manager salaries.
- Reduce city head count by 10%.
- No hiring of consultants for unfunded projects.
- Prohibit further indebtedness. Pay as you go!
- Cut non-infrastructure discretionary spending.
- No hidden taxes or "cost-shifting." The city must be transparent!
- Restore ASAP the city's \$1.5 million emergency reserve fund that was used as a down payment to purchase the city hall.
- Rezone downtown shopping centers to ban high-rise apartments that will increase congestion, reduce retail parking, and increase the cost of police and fire.

B-2 TOM GRIFFIN FLIER
bound with NWD flier

I'll work for you to restore fiscal integrity to the city.

I'd appreciate your vote.

Thank you!

TomJGriffin@msn.com
(425) 766-4744

**TOM
GRIFFIN**

for NEWCASTLE CITY COUNCIL

EXHIBIT

C

Video:

City of Newcastle – an unsustainable financial path

URL links and video frame captures

A video accessed through We The Governed and YouTube URLs

procured by the Newcastle Watchdog(s),

professionally produced by We The Governed

specifically for the Newcastle Watchdog(s),

provided exclusively to the Tom Griffin campaign



WA GOVERNMENT ▾

WA COUNTIES ▾

WA CITIES ▾

WHISTLEBLOWER RESOURCES

CONTACT GLEN ▾



Home > Video > Is the City of Newcastle on an unsustainable financial path?

Video

Is the City of Newcastle on an unsustainable financial path?

By **Glen Morgan** · September 4, 2019 · 2437 views · 7 comments

Like 131



The City of Newcastle's City Hall



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- Live
- Fashion & Beauty
- Learning

- Settings
- Report history
- Help
- Send feedback

newcastle watchdog

FILTER



City of Newcastle - an unsustainable financial path
 We The Governed • 1.3K views • 11 months ago
 The City of Newcastle, in Washington State is located across Lake Washington from Seattle. Newcastle appears to be a ...



WatchDog Leak Detector: \$1,000's worth of floor protection for under \$15 bucks!
 Bulk Reef Supply • 3.9K views • 3 months ago
 Do you know what the worst feeling in the world for an aquarium owner is? Walking up to your tank and feeling water on the floor!



Amazing Images of Newcastle Step Back In Time From The Present To The Past
 Know Where You Walk • 2.5K views • 1 year ago
 Step back in time around old Newcastle and see the past & present in one video.



Jack Whitehall's Food Map | Episode 1: Newcastle | Parmos to Punks
 Jack Whitehall • 81K views • 8 months ago
 AD | From parmos to punks, it's the first episode of Jack Whitehall's Food Map - feat. Lloyd Griffith and we are in Newcastle.



Watchdog Series 34: Episode 6 - Rogue Traders Segment
 Mazing Mania • 331K views • 5 years ago
 I mirrored the video in an attempt to circumvent the Content ID system (needless to say it didn't work). In this episode Matt Allwright ...



20 Problems Only People From Newcastle Will Understand
 WhatCulture • 135K views • 3 years ago
 Gan canny now, lads and lasses. For more awesome content, check out: <http://whatculture.com/> Follow us on Facebook at: ...



NEWCASTLE UNITED 2-1 BARNSELEY | THE LAST WORD
 Newcastle Fans TV • 3.7K views • 3 days ago
 Newcastle United hosted a pre-season friendly at Darsley Park against Championship side Barnsley. Lee

Video link on YouTube



City of Newcastle - an unsustainable financial path

1,351 views • Sep 4, 2019

53 2 SHARE SAVE ...



We The Governed
4K subscribers

SUBSCRIBE

The City of Newcastle, in Washington State is located across Lake Washington from Seattle. Newcastle appears to be a prosperous and growing community, however, it is on an unsustainable financial path thanks to the inevitable bloat of bureaucracy. Their budget identifies a \$1.5 deficit this year, and more deficits in the future with the final commercial development in the city being completed now (Newcastle Commons).

An informal local citizen group - called "Newcastle Watchdog" has been formed to keep an eye on local government and help expose the truth about the budgetary problems in the city. Unfortunately a majority of the current city council want higher taxes and refuse to restrain the growth of government.

To learn more about the City of Newcastle, subscribe to NewcastleWatchdog@outlook.com



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Ad in 5

City of Newcastle - an unsustainable financial path

1,351 views · Sep 4, 2019

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To learn more about the City of Newcastle, subscribe to NewcastleWatchdog@outlook.com

EXHIBIT

D

Is the City of Newcastle on an Unsustainable Financial Path?

Professionally Prepared Digital Publication
procured by the Newcastle Watchdog(s),
professionally produced by We The Governed
specifically for the Newcastle Watchdogs(s)

Promoting the Newcastle Watchdog(s)
and includes a link to the video
procured by the Newcastle Watchdog(s)

Is the City of Newcastle on an unsustainable financial path?

By **Glen Morgan** - September 4, 2019

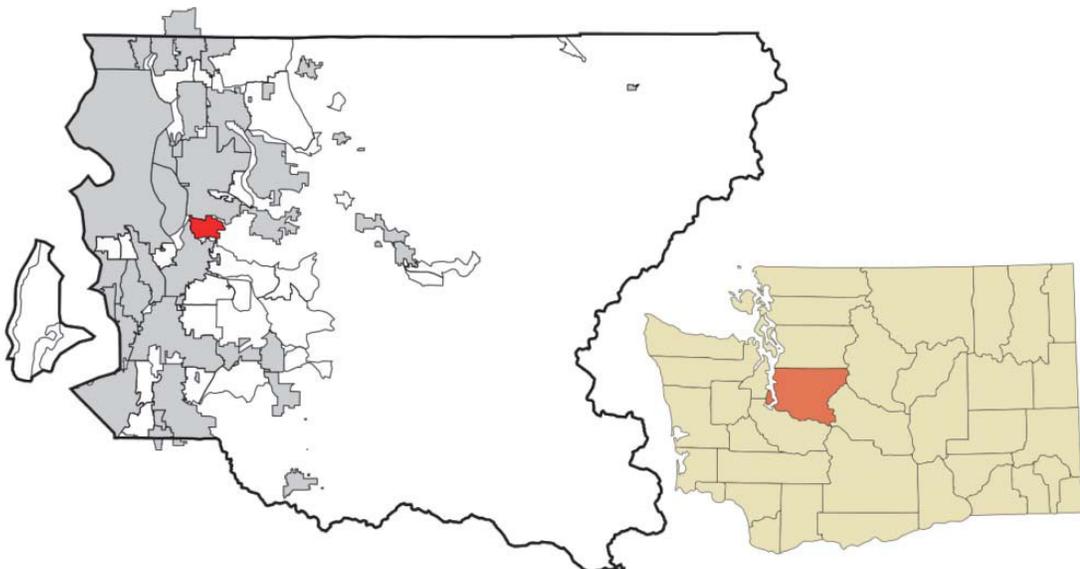


The City of Newcastle's City Hall

Newcastle Citizens are concerned about the City of Newcastle's tax increase proposals and unsustainable spending

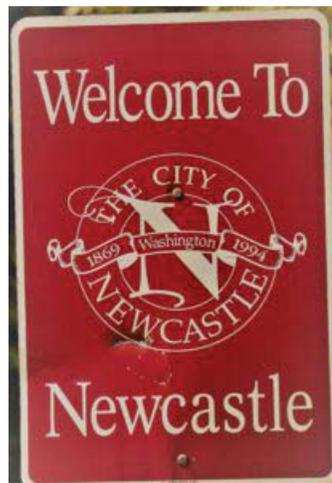
TO RECEIVE THE LATEST NEWS FROM WE THE GOVERNED DELIVERED STRAIGHT TO YOUR INBOX –[SUBSCRIBE HERE](#)

Support We the Governed – [MAKE A DONATION HERE](#)

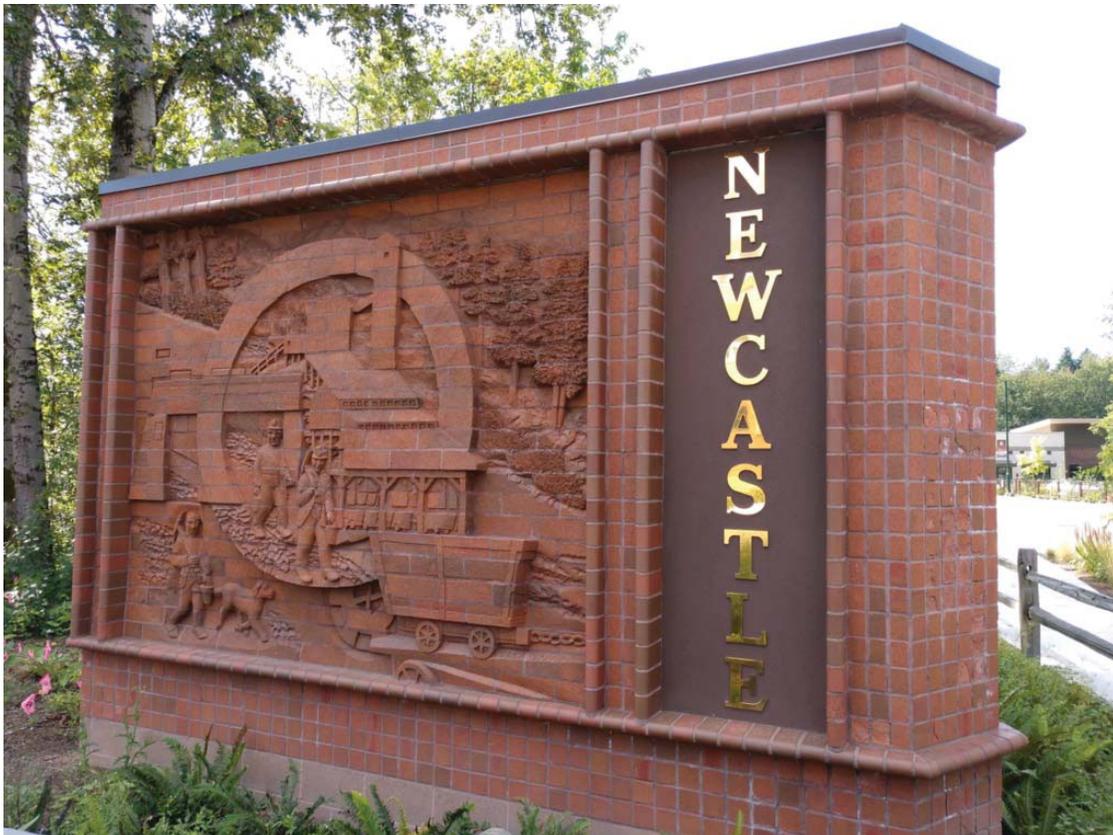


City of Newcastle, Washington State

Link to
Watchdog(s)
Video



We recently published a [video](#) where I interviewed some local residents of the [City of Newcastle](#). One was Bill Erxleben, a former Newcastle City Councilman and 15-year resident Nola Coston, who had been involved in **founding an informal group of locals called "Newcastle Watchdog" as a way to track and report on their concerns about the City of Newcastle's unsustainable financial decisions.**

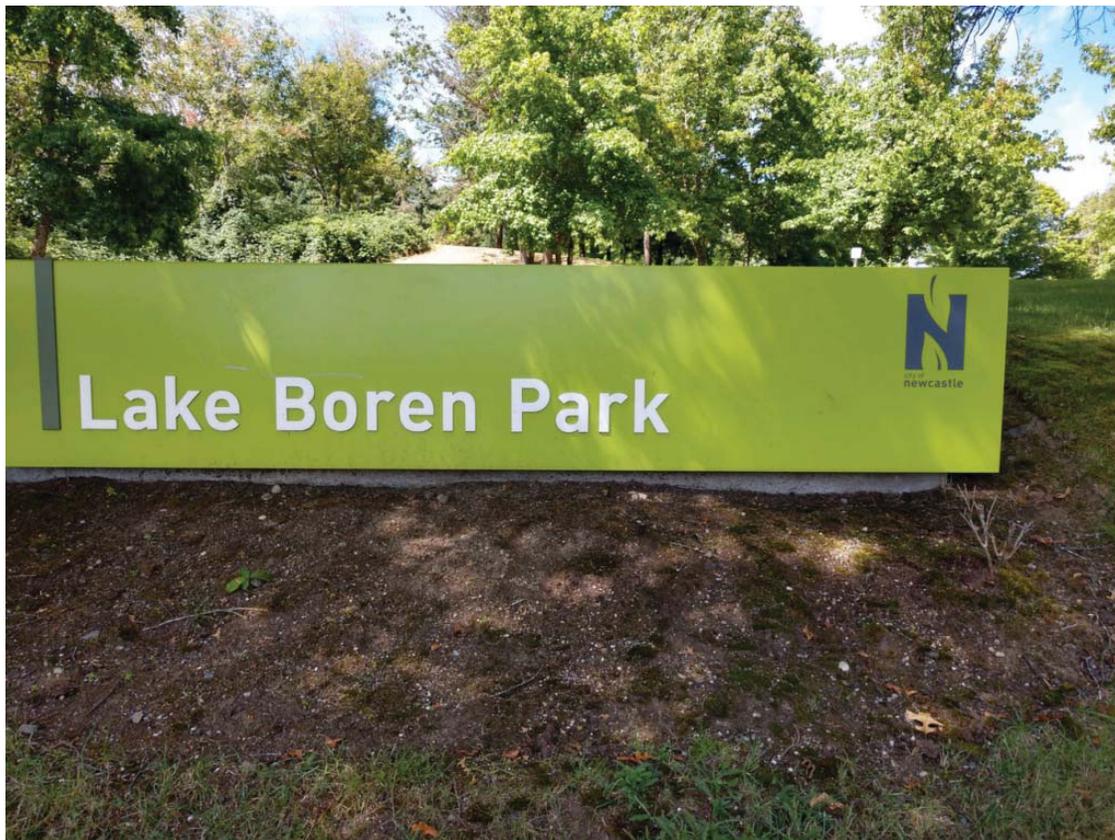


The City of Newcastle began as a coal mining community in the 1860s and some historical monuments commemorating this history can be found in Newcastle today.



*My Dad and I and our rural home
(which we lived in while he was
still building it), circa 1975*

I have a strong attachment to the City of Newcastle. This is where I was born and raised (long before it was a city). My father finally sold his 20acre farm and the house he built in the 1970s about 20 years ago. Our old family homestead is now a housing development, with only part of a fence and some trees we planted decades ago still standing as largely overlooked evidence of what once existed. My father was heavily involved in founding the City of Newcastle in 1994. He served on the City Council in the 1990s. He repeatedly warned about the inevitable conflict between the bureaucracy and it's natural tendency to expand and those who are must be strong enough to resist the bureaucratic bloat. **In Newcastle today, the bloat of bureaucracy is ascendant**, and (as always) they want to raise taxes to cover their unsustainable expansion. The current city council appears to only have a few elected councilmembers willing to question or confront bureaucratic bloat, so new taxes are on the agenda.



After the Newcastle Golf Course, Lake Boren Park is probably the next well known local attraction to locals and visitors



No longer rural, Newcastle is dominated by Coal Creek Parkway

Two issues seem to have inspired recent attention by locals in the City of Newcastle. The first was **the proposed Utility Tax** – which hits everyone who lives in Newcastle – home owner or apartment dweller alike. The second is **the \$1.5 million deficit projected for next year**. During a time of high growth and prosperity, neither topic is indicative of a healthy or sustainable financial path – regardless of how the bureaucrats try to spin it.



The Newcastle Golf Course is probably the best known feature of Newcastle. Located on the site of an old landfill, perched high on a hill with views of Seattle and Bellevue, this venue attracts more visitors to Newcastle than any other local business



Newcastle City Manager Rob Wyman

However, these recent developments are really a **continuation of the problems which local citizens like Nola and Bill have been uncovering and exposing for years** including the unsustainable growth of the administration and bureaucracy in this small city. It includes **the questionable \$7.5 million purchase (without an appraisal) of the current City Hall**. This includes the money squandered on endless plans, consultants and odd-ball efforts like \$50,000 to pick a color for the signs in the City of Newcastle. While **the bureaucrats may blunder through failures and avoidable mistakes, they are never held accountable**, and a majority of the council has tended to rubber stamp everything the [City Manager](#) proposes (see contract for city manager here).



No one decision is a disaster. Some mistakes are probably inevitable, but **the accumulation of waste, incompetence, poor planning, and a complete failure to manage costs** ensures that the city's future will be dominated by higher taxes and low services.

One reason the City of Newcastle will always have lower services than either neighbors Renton, Bellevue, or Issaquah is the fact that there is little commercial or retail businesses located in the city, and due to land constraints, there will be very few added in the future. Additionally, the expansion of high rise apartment complexes bring some initial one-time development dollars to the city, but due to the increased need for police and fire services (ladder trucks in particular), the costs to run the city are only escalating. With no effective effort to control the expansion of employees or their escalating pay/retirement plans, the city's taxpayers will be footing the bill.



From Newcastle, you can see the City of Seattle in the distance, but most locals prefer keeping Seattle distant and not imitating any Seattle tax or spending policies



A city like **Newcastle has only one viable sustainable option – keep taxes low by restraining the bloat of bureaucracy.** Don't hire more central planners, stop hiring consultants for every whim and fancy the City Manager cooks up, and reduce the paid staff to the bare minimum. **Find ways to run the city as leanly as possible** and spend some time focused on how to reduce the costs of mandated services – fire and police for example. The City contracts most services – fire and police with the City of Bellevue, district court with the City of Mercer Island, etc. There is no need for a large paid staff, yet the bureaucracy from the City Manager to the feeding frenzy of consultants are always pushing for more hires, more plans, and more escalating costs. Long after these employees have moved on to their next government job (very few live in the City of Newcastle), the local residents will be stuck paying the escalating bills and trying to manage the debt.

	2019 Budget Beginning Fund Balance	2019 Amended Revenue	2019 Amended Appropriation	2019 Budget Ending Fund Balance	Change in Fund Balance	Ref.
General Fund	\$4,953,970	\$10,879,490	\$11,021,935	\$4,811,525	(\$142,445)	(a)
Street Fund	205,300	689,900	644,910	250,290	44,990	(b)
Cumulative Reserve Fund	10,225	150	-	10,375	150	
Debt Service Fund	131,960	525,410	525,410	131,960	-	
Transportation Capital Fund	861,660	3,459,085	3,271,990	1,048,755	187,095	(c)
Parks Capital Fund	1,182,295	778,200	1,213,780	746,715	(435,580)	(c)
Real Estate Excise Tax Fund	2,485,485	1,111,810	2,204,320	1,392,975	(1,092,510)	(d)
Surface Water Fund	993,725	1,545,630	1,584,710	954,645	(39,080)	(e)
Equipment Rental Fund	378,415	181,700	282,600	277,515	(100,900)	(f)
Facilities Fund	185,255	713,250	713,250	185,255	-	
Total	\$ 11,388,290	\$ 19,884,625	\$ 21,462,905	\$ 9,810,010	\$ (1,578,280)	

Deficits are coming, and it starts like this – losing \$1.5 next year, and it only gets worse in the future

The residents of Newcastle are fortunate to have concerned and engaged citizens like Nola and Bill and others who are willing to dig, attend meetings, and expose the truth. **Local media is mostly non-existent**, and what little attention regional media might pay to Newcastle will likely be co-opted by the paid public affairs employees the City Manager uses to promote his plans. The citizens who don't profit from government grants or paid government employment must band together to be the watchdogs of their local government. Nobody else will do this for them – unfortunately, that includes a majority of the local elected officials. Over time, they can elect more assertive councilmembers, but even when they do, the local taxpayers have to stay engaged and vigilant to keep their city on a sustainable path.

I would encourage the people who live in Newcastle and care about their community to join local citizens like Nola and Bill. They have an email list, which can be signed up at NewcastleWatchdog@outlook.com. They don't have a website at this time, but it seems likely they will organize something like this in the future. More people need to engage just like Nola and Bill and keep an eye on their local governments where they live. **The future belongs to those who show up**, and as Newcastle and other places repeatedly demonstrate the failure to show up will ensure the future won't be sustainable for those who want to live there.

Newcastle Watchdogs(s) promotional/marketing statement



Cities don't have to be run the Newcastle Way. They can control costs and avoid raising taxes, but it takes work and a willingness to push back against the bureaucrats.

OUR CONSTITUTION BEGINS WITH THE PHRASE "WE THE PEOPLE." IT WAS THE FOUNDER'S INTENT THAT GOVERNMENT BE CREATED BY THE PEOPLE, TO SERVE THE PEOPLE. IT WASN'T THEIR INTENTION FOR THE PEOPLE TO SERVE THE GOVERNMENT. IT WAS ALWAYS INTENDED THAT GOVERNMENT WHICH FAILED TO SERVE THE PEOPLE SHOULD BE "ALTERED OR ABOLISHED." UNTIL WE RETURN TO THE FOUNDER'S INTENT, WE REMAIN *WE THE GOVERNED*...

Background articles and documents:

[City of Newcastle – Propose 2019 Budget](#)

[Employment Contract with Newcastle City Manager Robert T. Wyman – 2019](#)

[Newcastle Watchdog – Editorial 9-2-16 – about the Purchase of City Hall](#)

[Newcastle Watchdog – Article 11-4-16 – Article about October Surprise Budget in the City of Newcastle](#)

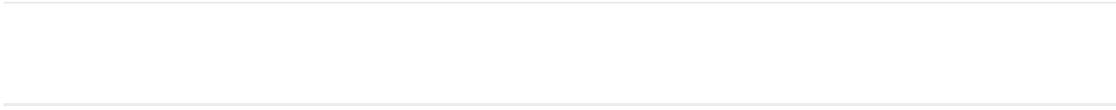
[Newcastle Watchdog – Editorial – the Future of Newcastle – 12-12-16](#)

[Newcastle Watchdog – Article – Newcastle Mayor bashes Newcastle Citizens – 1-7-17](#)

[Newcastle Watchdog – Tax rate comparison chart between Newcastle and Bellevue \(hint – Newcastle residents pay more\)](#)

Download

Share this:



Glen Morgan

<http://www.wethegoverned.com>

Executive Director and Founder of We the Governed

EXHIBIT

E

Newcastle Utility Tax Let the People Vote

Email from Newcastle Watchdog(s) Nola Coston
with a solicitation for Newcastle residents
to make an In-Kind USPS postage and printing donation
by printing and mailing a referendum petition.

The email contains

Newcastle Watchdog(s) mailing address #1
and possible website hosting expense.

From: [REDACTED]
To: [REDACTED]
Subject: RE: Newcastle Utility Tax - Let the People Vote

From: **Citizens of Newcastle** <knkcoston@gmail.com>
Date: Fri, Jun 12, 2020 at 3:09 PM
Subject: Newcastle Utility Tax - Let the People Vote

Fellow Newcastle City residents,

On June 2nd, 2020, Newcastle City Council passed Ordinance 2020-609 Levy of Utility Taxes with a Referendum clause. A full, true and correct copy of Newcastle City Ordinance 2020-609 is in the [LINK](#) below to the Petition for Referendum.

A Referendum is "*a measure that's referred to the people*" according to Merriam-Webster. As you examine the attached Petition for Referendum, you'll notice it's a request that Newcastle Ordinance 2020-609 be referred to a vote on November 3rd, 2020. This is specifically mentioned (on the signature sheet, 1st page) and located in **Initiative Petition For Submission To The People** portion. [CLICK HERE TO VIEW/PRINT THE PETITION and ORDINANCE.](#)

However, signature verification by King County Election officials, of not less than 15% of the registered voters of the City of Newcastle (as of the last City general election) have to be confirmed for this Referendum to reach the November ballot. This Petition of Referendum is designed to determine whether there's enough public interest to vote on this matter in November or whether it will automatically take effect 1/1/2021 should it not make the November ballot.

If you're interested in casting a vote on November 3rd, 2020, either in favor or against Ordinance 2020-609, feel free to print the 1st page of the attachment, fully complete the 6 areas requesting Signature As Registered Voter, Print Name, Birthdate, Address where you are registered, City and County, then mail original to:

 **Request for in-kind donation**

Referendum Petitioner
7404 117th Pl. SE
Newcastle, WA 98056

Tid Bits:

King County Elections will be verifying your signature with what they have on file. [CLICK HERE TO VERIFY YOUR NAME WITH KING COUNTY ELECTIONS](#)

You must be a current registered voter to sign. [CLICK HERE TO REGISTER](#)

Signed petitions have to be physically filed by 5:00PM, July 10, 2020, we suggest you mail your completed signature sheet no later than July 6th, 2020 to the Referendum Petitioner at the address listed above.

Grounds for rejection per RCW 29A.72.170: Insufficient number of signatures, petition filing time has expired or petition not properly formatted in accordance with RCW 29A.72.110m 29A.72.120 or 29A.72.130. If none of the grounds for refusal exists, acceptance of the petition is permitted.

Thank you for your support!
Concerned Citizens of Newcastle

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You are receiving this email because you opted in via our website.

Evidence of possible website hosting expenses

Our mailing address is:
Newcastle Watchdog
9122 122nd Pl SE
Newcastle, WA 98056-2068

Mailing address #1

[Add us to your address book](#)

Want to change how you receive these emails?
You can [update your preferences](#) or [unsubscribe from this list](#).

EXHIBIT

F

Your Help is Really Needed!

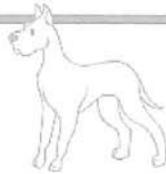
Email from Newcastle Watchdog(s) Nola Coston
with a solicitation for Newcastle residents
to make an In-Kind USPS postage and printing donation
by printing and mailing a referendum petition.

The email also contains
Newcastle Watchdog(s) mailing address #2
and possible website hosting expense.

From: Newcastle Watchdogs <NewcastleWatchdogs@gmail.com>
Sent: Monday, June 15, 2020 3:30 PM
To: [REDACTED]
Subject: Help! Your help is really needed!

Follow Up Flag: Follow up
Flag Status: Flagged

[View this email in your browser](#)



NEWCASTLE WATCHDOGS

STANDING FOR TRANSPARENCY
AND TRUTH IN CITY GOVERNMENT

Dear Newcastle Voter,

This is coming to you with a *greater sense of urgency* than ever before. The citizens of Newcastle really need you!

On June 2, 2020 the Newcastle city council passed a NEW Utility Tax on all Newcastle businesses and residents. ([watch it here](#)). There is no expiration date, and it will incrementally increase each year.

Citizens must collect 1500 signatures of registered Newcastle voters **by July 6th** to preserve our right to vote FOR or AGAINST the tax on the November ballot. If we fail to collect the required number of signatures, we lose our right to vote on this new tax.

CLICK HERE TO VIEW and PRINT THE PETITION

**** Print ONLY on 8 1/2 x 11 white paper ****

Petition is on page 1. Ordinance is pages 2-16.

Whether you think this is a necessary tax or frivolous, the tax should be decided on by the citizens, not four councilmembers. People are angry that four city councilmembers refused to put the NEW Utility Tax directly on the November Ballot, forcing citizens to be required to collect 1500 signatures in the middle of the COVID pandemic.

**WE MUST COLLECT 1500 SIGNATURES QUICKLY IN ORDER
TO ALLOW NEWCASTLE VOTERS TO DECIDE IN NOVEMBER**

STEPS TO TAKE:

Request for in-kind
donation

1. **FORWARD** this email to your Newcastle friends!
2. **PRINT, SIGN and MAIL** the Petition to the address noted below. (Your name must match your registered voter name with King County Elections, or it will not count!)
 - ~ **REGISTER TO VOTE** [HERE](#)
 - ~ **CHECK YOUR REGISTERED VOTER NAME** [HERE](#)
3. Please email NewcastleWatchdogs@gmail.com ASAP if you are willing to gather signatures from fellow Newcastle Voters. (We need you!)
4. If you know a business owner in Newcastle that would be willing to be a signature-gathering location, email us! (This added tax would hit businesses very hard!)

MAIL PETITIONS BY JULY 6 TO:

**Referendum Petitioner
7404 117th Place SE
Newcastle, WA 98056**

Thank you,

Nola Coston, Chair

Newcastle Watchdogs

Standing for transparency and truth in city government

Hundreds of Citizens strong!

NewcastleWatchdogs@gmail.com

Important Links:

- **Register to Vote** ([click here](#))
- **Check Registered Voter Name** ([click here](#))
Name must be signed exactly as is written in the King County elections record.
- **Newcastle Watchdog's *NEW* Facebook page** ([click here](#))
- **VIEW and PRINT THE PETITION**
 - A) Print ONLY on 8 ½ x 11 white paper
 - B) Page 1 is the Petition. The City Ordinance is pages 2-16.

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You are receiving this email because you opted in via our website.

Our mailing address is:
Newcastle Watchdogs
11628 SE 80th St
Newcastle, WA 98056

[Add us to your address book](#)

Mailing address
#2

Evidence of
possible website
hosting expenses

Want to change how you receive these emails?

You can [update your preferences](#) or [unsubscribe from this list](#).



EXHIBIT

G

Newcastle City Residents Are Fired Up - Flier

Printed flier hand delivered to
Newcastle homes and businesses in June 2020
from Newcastle Watchdog(s) Nola Coston
with a solicitation for Newcastle residents
to make an In-Kind USPS postage and printing donation
by printing and mailing a referendum petition.
The flier also contains domain name registration
and URL address expense evidence.

NEWCASTLE CITY RESIDENTS ARE FIRED UP!

ON 6/2/20, NEWCASTLE CITY COUNCIL PASSED A **NEW** UTILITY TAX ON (9) UTILITIES.

THESE 9 UTILITY TAXES AFFECT ALL RESIDENTS AND BUSINESSES!

*Landline Phone—Cell Phone—Gas—Electric—Cable—Sewerage—
Solid Waste—Water—Storm and Surface Water*

Citizens must collect **1500** signatures of registered Newcastle voters by July 6th to allow us to vote FOR or AGAINST the tax on the November ballot. If we fail to collect the required number of signatures, we lose our right to vote on this new tax.

To View and Print Petition and Ordinance, go to **UTtax.NewcastleWatchdogs.com**

Page 1 is the Petition. Pages 2 - 16 is the Ordinance

**** MUST Print Petition on 8 ½ x 11 white paper ****

HOW YOU CAN HELP:

1. SHARE and Encourage your Newcastle friends to sign the petition! Must be Newcastle Voter to count.
2. SIGN the Petition EXACTLY as you Registered to Vote. **For your signature to count, ALL** information, including birthdate must match the King County Elections Voter database.
 - a. VERIFY YOUR NAME listed with the King County Elections database:
VoterNameCheck.NewcastleWatchdogs.com
 - b. NOT REGISTERED TO VOTE? Go here:
RegisterVoter.NewcastleWatchdogs.com
3. MAIL your completed Petition no later than July 6, 2020 to:
**REFERENDUM PETITIONER
7404 117TH PL. SE
NEWCASTLE, WA 98056**
4. If you are "Fired Up" and want to help collect signatures of your Newcastle friends and neighbors, please email us for details at NEWCASTLEWATCHDOGS@GMAIL.COM

FOR SIGNATURE COLLECTORS: YOU **MUST EMAIL US FIRST** OR PETITIONS MAY NOT BE COUNTED BY CITY OF NEWCASTLE!



Newcastle Watchdogs

Contact: Nola Coston, Chair
NEWCASTLEWATCHDOGS@GMAIL.COM

*Standing for transparency and truth in city government
Hundreds of Citizens strong!*

LEARN MORE AT WWW.NEWCASTLEWATCHDOGS.COM

Evidence of domain name registration and URL address expenses

EXHIBIT

H

**Newcastle Watchdog(s) Facebook Page
with offer to give away
free campaign pins**

Evidence of expense associated with a campaign pin.



Search Facebook



NW NEWCASTLE WATCHDOGS

Send Email

Like

Message



33 people follow this

<http://www.NewcastleWatchdogs.com/>

Send Message

newcastlewatchdogs@gmail.com

Always Open

Community Service

1. Comments must be courteous to others.
2. All posts and comments are monitored; however, please email us if you see a message that should be removed.... See More

3

Like

Comment

Share



Write a comment...



Photos

See All



Page Transparency

See All

Facebook is showing information to help you better understand the purpose of a Page. See actions taken by the people who manage and post content.

Page created - June 7, 2020

Related Pages



Like

Like

Like

OTHER POSTS

NW NEWCASTLE WATCHDOGS

September 6 at 11:09 PM

Here are [redacted] and [redacted] wearing their NO UUT (User Utility Tax) pins to inform Newcastle neighbors to REJECT Referendum 2. Don't get stuck paying for 9 NEW utility taxes! Do YOU have your FREE "NO UUT" pin yet? Email us at NewcastleWatchdogs@gmail.com and we'll get one to you!
#newcastlecit #referendum2 #budgetrestraint #yourvotematters #PeoplesVoice #PeoplesChoice #Eastside #nouut



1

1 Share

Like

Comment

Share



Write a comment...



EXHIBIT

I

Two Newcastle Watchdog(s) Emails to the Newcastle Watchdog(s) group from Nola Coston

January 27, 2020 email includes;

- Support of a proposed referendum proposition prior to circulation of signatures.
- YouTube link to We The Governed video procured by the Newcastle Watchdogs(s) for the purpose of supporting a proposed referendum proposition prior to circulation of signatures.

January 18, 2020 email includes;

- YouTube link to We The Governed video procured by the Newcastle Watchdogs(s)

From: Nola Coston <knkcoston@gmail.com>
Sent: Monday, January 27, 2020 7:49 PM
To: Nola Coston_CBC <knkcoston@gmail.com>
Subject: Proposed User Utility Tax (UUT) Chart_implementation Before July 1,2020

Newcastle Watchdogs,

Table 2 below charts the “best case” scenario of a proposed **User Utility Tax (UUT)** implementation and rate increase. The referendum was discussed. The City Manager said a successful referendum that puts the UUT on the November ballot would delay the city collecting the revenue. I repeatedly called for the city to codify the referendum, and grant citizens the power to stop the **UUT** from becoming law.

Would you sign the Referendum? Please let me know.

Other news...the Newcastle Golf Club is for sale. **PSE** is requesting a 7% increase on residential electricity rates and 8% increase on natural gas rates. Watchdogs report that **CCUD** water costs in Newcastle are already 8 times higher than in Woodinville.

More than 24 Save the De Leo Wall supporters packed the chambers on 1/21/20. Eight of 24 people to make public comment were Newcastle residents. The group needs \$35,000 for an appraisal of the property as a step toward the land purchase. To date, Newcastle taxpayers have spent \$95,000 for its involvement in saving the De Leo Wall.

The Utility Tax Discussion at the 1/21/20 city council meeting.

Table 2 *Best Case Scenario (once law, rates can go up to 6% without input from taxpayers).*

Proposed UT Implementation Timing and Tax Rates by Service					
Utility Service	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024 & thereafter
	Before				
	July 1				
Electric and Natural Gas	2.0%	3.0%	4.0%	5.0%	6.0%
Telephone and Cellular	2.0%	3.0%	4.0%	5.0%	6.0%

Cable TV	2.0%	3.0%	4.0%	5.0%	6.0%
Solid Waste	2.0%	3.0%	3.0%	3.0%	3.0%
Water	2.0%	3.0%	4.0%	5.0%	6.0%
Wastewater (Sewer)	2.0%	3.0%	4.0%	5.0%	6.0%

Note: Implementation of the tax rate for each year is proposed to be January 1, except for FY 2020 when the implementation date would be **before July 1**. Percentages in red indicate new or changed tax rates.

A successful referendum would include the UUT on the November 2020 ballot for all citizens to vote the new UUT IN or OUT. Will you sign the referendum?

Table 15 (not included in this email) compared the **UUT** in other cities. Some rates increased to 8-14%.

The article and video below was received from your Watchdog neighbors ...

Here's what can happen when residents get fed up with government because of uncontrolled spending and lack of transparency. (**New York Times**)

<https://www.nytimes.com/2019/11/26/us/amelia-ohio-dissolve.html?auth=login-email&login=email>

FOX News reported the same story with video

<https://www.foxnews.com/us/ohio-amelia-village-votes-dissolve-119-year-old-community>

Nola Coston

Use this information to educate your Newcastle neighbors on the City's wasteful spending.

Explain how our lovely city may survive for 20 years by cutting all non-essential spending.

Share the short video <https://youtu.be/LO4FkHawDGM> (wait 25 seconds for it to open)

Encourage registered voters in Newcastle to sign the referendum.

Encourage like-minded residents to run for city council in 2 years, 4 years, and beyond.

"The future belongs to those who show up." Glen Morgan

From: Nola Coston <knkcoston@gmail.com>
Sent: Saturday, January 18, 2020 8:15 PM
To: Nola Coston_CBC <knkcoston@gmail.com>
Subject: Heads Up: The City and Your Wallet

Newcastle Watchdogs,

Mayor Newing's committee appointments ...

City Finance (Budget)	<i>Tom Magers</i>	Tom Griffin, CPA	Ariana Sherlock
City Salary and Benefits	<i>Linda Newing</i>	Tony Ventrella	Dave Mitchell
Regional Eastside Transportation	Tamra Kammin	<i>Tom Magers</i>	
Sound Cities Association	<i>Linda Newing</i>	Tony Ventrella (Alternate)	
WRIA 8	<i>Linda Newing</i>		

The Jan. 21 Financial Sustainability discussion with the City's consultant, Management Partners, will likely bring up their original **User Utility Tax (UUT)** proposal along with Councilmember Tom Mager's Blended UUT proposal. (The meeting agenda is found on the City's website or [here](#) General Business #8 (may be ~8:30pm). Please come to observe, be informed, and make your voice heard.

In the *2020 Preliminary Operations and Capital Budget Manual* presented to the city council in 2019, City Manager Rob Wyman stated in his conclusion that *Newcastle is facing a revenue problem not an expenditure problem. This conclusion is NOT held by the council minority (named in **green** in the chart above. Wyman's opinion or anyone else's opinion should not be included in this manual.*

The following lists just a few of the City's **non-essential projects** that exemplify **wasteful spending**:

\$124,437 for new park signage installed in 2019.

\$ 23,960 for the 2019 customer survey by 2 consultants, HR2 and ETC, who obtained replies from 473 household replies. (*Attached are 2 files with invoices and checks for the 2019 surveys.*)

\$300,000 - 2020 budget for the May Creek Bridge Repainting Project.

\$650,000 - 2020 budget for **Lake Boren Master Plan Implementation (a \$10M Project)**. *Newcastle Watchdogs oppose to this plan, which is a pet project of Mayor Newing.*

\$450,000 - 2020 budget for the DeLeo Wall Conservation. *This is a matter for interested private parties, NOT taxpayers.*

\$750,000 - 2020 budget for a new traffic signal and crosswalk at Coal Creek Parkway and the Hansen Brothers private road by Tapatio Restaurant. The consultant deemed this project unnecessary at this time. The city will continue to monitor the 2% expected annual population growth, and would reconsider this project in 2030. The **bad news... over \$38,000** was spent for this determination by the consultant. This project is part of the **Downtown Strategic Plan**, which is a pet project of Councilmember Tom Magers. *Newcastle Watchdogs oppose the Downtown Strategic Plan that will increase high-rise apartments, increase traffic, increase crime, and increase the cost for police and fire safety.*

Similarly, **consulting fees** were paid for the determination that current traffic flow does not yet warrant a roundabout at Newcastle Way and 116th.

Also on the non-essential project list... acquisition of the Pam Lee property (a historic site), which involves new **ongoing maintenance expense** for the city and **purchase of nearby land** to widen the road, **\$100,000** for an entry monument, and **land purchase** of the Hansen Brothers private road by Tapatio Restaurant (we should save for this purchase).

Thus, **2019** ended with **nearly a \$1M operating budget deficit**. Final 2019 numbers should be available around March 2020. This insanity only makes sense after you **watch this 12-minute Video, [The City of Newcastle here](#)** (wait 25 seconds for it to open). This will answer many questions that I have received.

Management Partners recommended several financial sustainability options, which the council majority has thus far ignored or will ignore in the next couple of months:

1. The city should not increase employee's annual compensation by 6% annually.
2. The city should not offer citizens new services or projects unless a price tag is attached and citizens understand how this new offering will be paid.
3. The city should consider consolidation with Bellevue (especially if the council majority continues to refuse to make substantial cuts in non-essential spending).

Newcastle Watchdogs called on the city council to reinstate the prudent fiscal policy that requires the city manager to present to the council a balanced budget without new taxes. This should be the starting point for budget discussions as the city manager is most knowledgeable about where and what to cut. The city is a business and should be treated as such. The city council is the Board of Directors, and Newcastle residents are shareholders. The city manager's annual performance review is expected soon.

Thank you.
Nola Coston



Feel free to share this information with your Newcastle family, friends, neighbors, and businesses, who want to control city spending. *The bureaucracy is the enemy.*

Do you want a transparent, *fiscally responsible government*?
REPLY to this email to learn what's involved in running for city council.
3 of 3 candidates for good governance Won in the last 2 elections.

The future belongs to those who show up.

Please watch this 12-minute Video, ***The City of Newcastle here*** (wait 25 seconds for it to open). This will answer many questions that I have received.

Attachments:

2019 ETC survey report, checks, invoices.

2019 ELWAY survey report, checks, invoices.