

Respondent Name

Robert Clark

Complainant Name

Allen Dauterman

Complaint Description

[Allen Dauterman](#) (Sat, 10 Oct 2020 at 7:51 PM)

To whom it may concern,

It has come to my attention that an unknown individual or group appears to have violated Washington State's campaign finance laws (**RCW 42.17A**) in 2020 with the following violations of **RCW 42.17A.205** and **RCW 42.17A.320**:

Failure to register a Political Committee with the PDC

This individual or group appears to have deliberately ignored Political Committee requirements to file a statement of organization with the commission within two weeks after making expenditures for any ballot proposition.

The individual or group orchestrated the printing and hand delivery of fliers as written political advertising to the homes of thousands of Newcastle residents and many Newcastle businesses. The printed flier (Exhibit A) clearly supports rejection of the City of Newcastle Referendum 2 Ballot Measure.

Additionally it is not known when the expenditures occurred in relation to the two week requirement to file a statement of organization, however, the lack of sponsor identification could lead to a conclusion that the individual or group never intended to file a statement of organization.

Failure to include Identification of Sponsor in all written political advertising

The hand delivered written political advertising (Exhibit A) does not include any form of required sponsor identification.

Thank you

Allen Dauterman

[Allen Dauterman](#) (Mon, 12 Oct 2020 at 9:30 PM)

To: "PDC Support" pdcc@pdcc.wa.gov

Hello,

Regarding the complaint submitted on 10.10.2020, Its my understanding that witness Robert Clark admitted to writing and circulating the anonymous flier. Since I filed the report, I have learned that additional unidentified individuals were circulating the flier and a resident agreed to be a witness to a "woman, probably in her 50s, with an athletic build and longer curly light brown hair. Probably 5'6"ish" circulating the flier. I was told that Robert claimed to be the only individual circulating the flier, the witness I have will prove that claim to be false.

Please advise on procedure to amend the complaint from an anonymous Respondent to Rober Clark or the group known as citizens4newcastle.

Thank you

Allen Dauterman

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 are secretly avoiding public disclosure laws. Newcastle residents have the right to know who is sponsoring the support or rejection of a City of Newcastle ballot measure through written political advertising. The covert and secretive actions of this individual or group are causing distrust in the community. This flier makes it difficult for Newcastle residents to discern truth from fiction when anonymous individuals or groups purporting to be agents of truth cowardly act in secrecy to avoid transparency and maliciously break the law.

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

Exhibit A: Copy of printed flier distributed as written political advertising clearly supporting rejection of the City of Newcastle Referendum 2 Ballot Measure, and hand

List of potential witnesses with contact information to reach them

I have received information third hand of two individuals associated with a group known as citizens4newcastle (Exhibit B) who were identified as potential witnesses that may have personally hand delivered the flier to residents and businesses in Newcastle.

The first potential witness identified is Newcastle City Councilmember Tamra J. Kammin who apparently requested a Newcastle Business owner to display Exhibit A flier in their Newcastle business premises.

The second potential witness identified is Newcastle resident Robert Clark who was apparently observed attaching the Exhibit A flier to the doors of Newcastle homes.

I am not claiming that Tamra J. Kammin, Robert Clark, or citizens4newcastle are the party in violation of PDC laws. If the third hand information is accurate, Tamra J. Kammin and Robert Clark had to have acquired the flier for distribution from the party in violation of PDC laws, and would be witness to the party in violation.

The only known email address for Tamra J. Kammin is TJEKammin@gmail.com, and Robert Clark may be contacted through citizens4newcastle@gmail.com. I can provide Tamra's phone number separately if needed.

Unfortunately Newcastle has politically active individuals who may retaliate with public shaming of those that don't support their political views or political agenda. I have not included the identity of the first and second hand witnesses to protect those private individuals and business from any form of potential retaliation.

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

**VOTE NO on UNNECESSARY NEW TAXES!
REJECT NEWCASTLE REFERENDUM 2!**

Flier

Printed political advertising
Hand delivered to Newcastle Residents
and Newcastle businesses

VOTE NO on UNNECESSARY NEW TAXES!

REJECT NEWCASTLE REFERENDUM 2!



Soon you will receive your November ballot in the mail and as a Newcastle resident you will be asked to approve or reject Referendum 2.

The referendum **sounds harmless enough**. They state, "A simple 3% tax on 8 utilities will fund police and fire."

The city is hoping you will approve this without reading further or doing research. That is why they *cleverly worded* the measure this way.

You may even receive a slick flyer on your doorstep or view a fancy yard sign on our city streets from a group that claims to love Newcastle. They are in love alright....in love with your money!

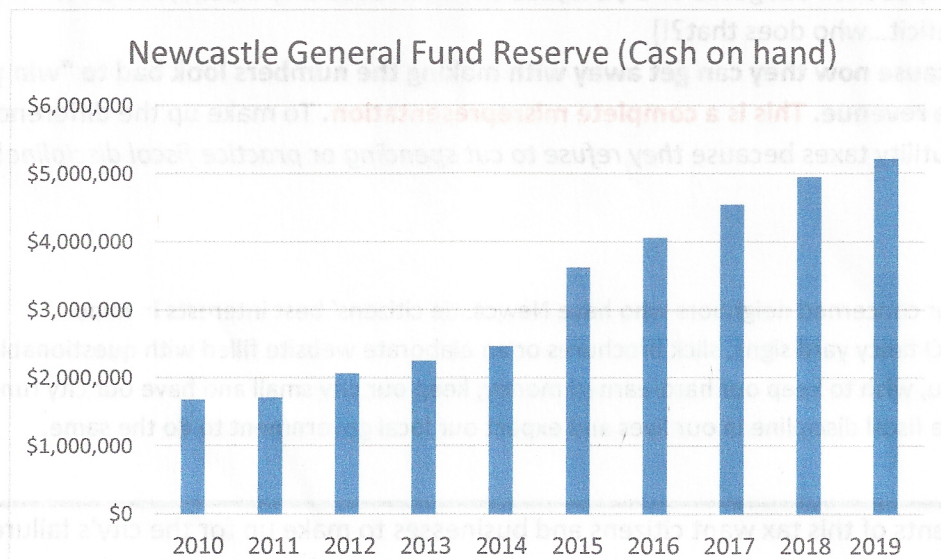
WHAT IS REALITY?

The utility tax goes into the **general** fund to be used on any number of expenses of which police and fire are only a portion.

Police and fire are the city's #1 responsibility and will NOT be cut. Public safety will always be allocated first in any budget and those services are already funded by existing taxes and fees.

The general fund reserve is the LARGEST in city history at over \$5.2 million dollars; **A 211% rise in 9 years.**

Since 2010, Newcastle's general fund reserve has increased every single year without a utility tax!



The tax is levied on all citizens AND businesses in Newcastle. Our businesses will understandably pass some of the costs on to you!

The COVID crisis has been financially difficult on members of our community and local businesses. Now is not the time to make it harder on all of us.

Any government with excess funds should put money away for a rainy day. However, the temptation to easily spend a tax revenue windfall (your money) will prove irresistible.

THINGS YOU WILL HEAR FROM THOSE IN FAVOR OF THE TAX:

The tax is 'only' 3%, about \$10 per month.

REALITY: The tax can go up to 6% by a simple council vote – and you KNOW it will. NO voter referendum is required. Some of the 9 taxes have no % ceiling and can exceed 6% **at any time**. A 9th utility (surface water) is included at 0% currently, to be increased once they figure out how to bill you. Can you name **any** tax that started small and stayed small?

A friendly 'tax calculator' is available to show you how 'harmless' the tax really is.

REALITY: The proponent's "tax calculator" is only an ESTIMATE and does not provide for a 6% or higher tax. It also does not calculate what businesses will charge you when they pass on their utility taxes to you.

Almost every other city in our state has a utility tax so we should have one too.

Everybody else is taxed so we should be too? Really? That is an actual argument in favor of this tax!

REALITY: Most other cities in our state cut staff or reduced hours due to the COVID crisis. Newcastle did not.

The city will 'fail' without this tax.

REALITY: Does a city with an annually increasing general fund sound like it is failing? The city council has control over the city's spending. Fiscal discipline should be our immediate focus **before** adding more tax.

The city has been responsible with your money.

REALITY: The city hired financial consultants who recommended fiscal responsibility and budget discipline before any thought of taxes. The city has not done this; instead, focusing on the "easy" answer of new taxes.

REALITY: The city council recently voted, in 2018, to eliminate the need for the city manager to provide a balanced budget for annual consideration. This was a long-standing requirement, but no longer.

The city manager submits unbalanced budget "wish lists" and the council majority has failed to push back.

The result? The city council budgeted to a \$142,000 deficit in 2019 and a \$896,000 deficit in 2020!

[Budgeted to a deficit...who does that?!]

Why do that? **Because now they can get away with making the numbers look bad to "win you over" when they ask for more revenue. This is a complete misrepresentation.** To make up the difference, they want YOU to pay for 9 new utility taxes because *they refuse to cut spending or practice fiscal discipline!*

WHO ARE WE?

- We are your concerned neighbors who have Newcastle citizens' best interests in mind.
- We have NO fancy yard signs, slick brochures or an elaborate website filled with questionable "facts."
- We, like you, wish to keep our hard-earned money, keep our city small and have our city run efficiently.
- We practice fiscal discipline in our lives and expect our local government to do the same.

Proponents of this tax want citizens and businesses to make up for the city's failure of fiscal discipline by misleading you with an emotional appeal about public safety concerns.

DO NOT BE FOOLED!

Between now and November 3rd, expect to see additional misleading information in favor of this tax.

VOTE NO on THESE UNNECESSARY NEW TAXES!

REJECT NEWCASTLE REFERENDUM 2!

EXHIBIT

B

Page 23 of November 3, 2020 King County Official Local Voters' Pamphlet

Includes contact information for potential witnesses
identified by Newcastle residents and business owners.

Referendum No. 2 Levy of Utility Taxes

The Newcastle City Council passed Ordinance 2020-609, which levies 3% utility taxes on the total gross income of utility businesses providing telephone, cellular phone, gas distribution, light and power, cable television, sewer, solid waste, and water in the City to fund public safety services (police, fire). Under the ordinance, the utility taxes would take effect January 1, 2021.

Should this ordinance be:

Approved

Rejected

The complete text of this measure is available at the Elections Office or online at kingcounty.gov/elections.

Statement in favor

Why raise taxes now of all times?

Because it's the only way we can maintain the police, fire, park and street services that make living in Newcastle so special.

For 26 years, the city has budgeted carefully and avoided collecting taxes, such as utility and B&O, that are levied by nearly every other city in King County. It was able to do this because it relied on fees from new development. But vacant land is nearly gone, and with it has gone the city's income from new development. Meanwhile, expenses have risen at the rate of inflation, while property taxes can increase only 1% each year. City staff headcount, excluding police, is the same as it was in 2009, even though population has grown 25%.

Residents say that public safety and traffic control are high priorities. Without new tax revenue, city services you desire cannot be maintained. The proposed utility tax is 3%, with no provision for increases. It will cost an average residence \$10 per month. Isn't that a reasonable price for our continued safety, a quick response to a 911 call, decent streets, and good parks?

Get the facts and estimate your utility tax at FriendsforNewcastle.org.

Submitted by: Charlie Gadzik,
Diane Elaine Lewis, Nathan Stix,
friendsfornewcastle@gmail.com

Rebuttal of statement in opposition

Good management and cost controls are what produced Newcastle's reserve. Salary increases over the past 10 years have simply matched the local economy. Newcastle has already reduced staff and is drawing on the reserve to pay regular operating expenses.

State auditors warn that a long-term solution is required. Our choice is to either raise taxes or face certain cuts. You can preserve services for about \$10 a month. If you love Newcastle, vote "yes."

Explanatory statement

The Newcastle City Council passed Ordinance 2020-609, which levies a 3% utility tax on the total gross income of utility businesses providing telephone, cellular phone, gas distribution, light and power, cable television, sewer, solid waste, and water in the City to fund public safety services (police, fire). Under the ordinance, the utility taxes would take effect January 1, 2021.

Referendum No. 2 is presented to the voters pursuant to state law, which provides a process for the voters to approve or reject the City's utility tax ordinance. If the measure is approved it will uphold the 3% utility tax. If the measure is rejected it will overturn the 3% utility tax.

If approved, it is estimated that the 3% utility tax will generate approximately \$880,000 in revenue per year based on both residential and commercial utility customers. Based on a total of approximately 5,500 residential dwelling units in the City, the average residential household would pay just over \$10 a month on utility taxes. A smaller home or apartment may pay less and a larger home may pay more. The City anticipates using the projected utility tax revenue to pay for public safety (fire and police) services, as the City's 2020 budget identified increased costs relating to police and fire contracts in the future.

For questions about this measure, contact:
Paul White, City Clerk,
(425) 649-4143 ext. 102,
cityclerk@newcastlewa.gov

Potential Witness Information

Statement in opposition

Newcastle does *not* need 9 new utility taxes (cable, telephone, cellular, gas, electricity, water, surface water, sewer, solid waste) impacting every resident and business. Timing could not be worse given the COVID-19 economic challenge. With over \$5.2 million in cash reserves—the most in history—our city refuses to focus on reducing expenses and controlling costs *before* adding new taxes. Newcastle has consistently overestimated an imminent need for additional revenue. In 2019, Newcastle staff's deficit estimation was incorrect by over \$700,000. Council shows *repeated lack of restraint* in spending your money wisely. Historically, Council has *excessively* increased salaries, benefits, and headcount – the *worst* possible area to escalate.

This Utility Tax begins at 3% and can easily increase to 6%+. Your Newcastle fee on garbage is already at 8.49%, just implemented in 2019, and jumps to 11.49%. This tax will negatively impact Newcastle businesses who will understandably pass much of it on to customers.

Newcastle government was intended to be small and efficient, keeping expansion and taxation minimal. Proponents *falsely* claim that police and fire services will be reduced without this tax. Voting no will *not* reduce existing services. Force your city to practice fiscal discipline. *Reject this new tax.*

Submitted by: Tamra J. Kammin,
Kandy K. Schendel, Robert Clark,
citizens4newcastle@gmail.com

Rebuttal of statement in favor

Making voters think emergency services would be cut is *terribly misleading*. Property tax alone covers Police and Fire (Newcastle's top priorities). Our *highest-ever reserves*, \$5,215,340, exceed policy requirement by \$2,500,000. Development and re-development fees also provide continuing revenue.

In 2012, through fiscal discipline, City headcount was 21, but has now ballooned to 27. *Businesses and residents will be hurt* by these 9 taxes, *easily increased* by Council vote. Vote no, stating loudly, "practice fiscal discipline."