

Everson & Nooksack, Consolidation Study Report-DRAFT

To: Everson and Nooksack City Councils
Nooksack & Everson Communities

From: Committee to Study Feasibility of Consolidating Everson and Nooksack Into New City
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In February 2009, a group comprising of Nooksack and Everson's two Mayors, some Council members from Everson and Nooksack, and citizens met to discuss whether the communities of Everson and Nooksack should consider consolidating into one new City. To answer that question, the study group indicated to both the Nooksack and Everson City Councils that it would put together a report addressing general issues and facts regarding consolidation, including:

- Financial, Public Safety, Legal and Services issues
- Solicit citizen input on the idea
- Formulate a plan to move forward, if consolidation is recommended

Attached is that report, which includes an Overview section and is followed by additional detailed information.

Whether the citizens of our two Cities choose to remain separate but amicable neighbors or consolidate into one new City, we hope this report serves the community as a tool for discussion of this issue.

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Overview

Nooksack and Everson are both successful managed and financially viable Cities. They both offer minimal, essential City services to their citizens. Both could continue operating separately. However, there may be significant advantages from changing the current set up of two separate Cities. Or, the community may conclude continuing to operate separately is best. Based upon the information gathered to date and to more fully answer the question of whether a consolidation makes sense, broad citizen input will be critical.

Citizens of both Nooksack and Everson have very strong and important ties to their respective communities. Some value greatly being a Nooksack resident or an Everson resident, and are not interested in changing the current City governments or risking diluting their ties to their neighborhood and neighbors. Generally, these citizens represent longer term residents who are also deeply involved in their community. It is important to acknowledge those deep community ties, and the impacts simply raising this question has.

It is also important to not consider consolidating simply to save money. If consolidation is pursued, the outcome must be based upon the assumption that a consolidation would strengthen the entire community, and not weaken either community.

Summary of Report:

Legal: Consolidation requires:

- A resolution by both City Councils
- Citizen vote, with a 50% approval vote in both Cities

Services: To a large degree, each City creates and delivers services that the other City also creates and delivers. By combining, potential financial savings in virtually all areas of City government may be realized, including:

Mayor's Office	Fire Contract Admin	Parks
City Council	Drinking Water Services	Building Inspector
Police Services	Sewer Services	Legal Services
Municipal Court Services	Public Works	Financial & Administration

By delivering services more efficiently, those savings can be returned to the citizens by:

- **Enhanced services** Examples include Community & economic development efforts, better maintained roads and parks, additional walking trails, sidewalks, community-wide planning efforts, etc.
- **Lower costs** Examples include sharing equipment such as dump trucks, back hoes, snow removal equipment, computers, office supplies, building space, etc.

Financial: Taxes and fees are generally similar between the two Cities.

- Nooksack property tax revenue from a \$250,000 home is \$467 per year
- Everson property tax revenue from a \$250,000 home is \$487 per year
- Utility bills:
 - Water and Sewer bills in Everson average \$65 per month
 - Water and Sewer bills in Nooksack average \$70 per month
- On average, Nooksack has more funds per citizen while Everson has more Parks space (1.315 acres in Nooksack vs 13.3 acres in Everson) on a per citizen basis
- If consolidated, the debts owing by the two current Cities could either be consolidated or kept separately until paid off. Most debt is for sewer or drinking water system enhancements.

With consolidation, specific expenses and savings can be identified. Conservatively, the community could expect the following:

ONE TIME Consolidation Estimated Costs:

Tasks:	Initial Cost:
Street Name Changes	\$5,000
Relocate Staff, including reconfiguring existing buildings	\$35,000
Address and Letterhead Changes	\$3,000
Legal Expenses	\$30,000
Election	\$5,750
25% factor for unexpected expenses	\$12,200
<u>TOTAL ONE TIME COSTS:</u>	\$98,450

Ongoing, Annual Estimated Savings:

Department:	Savings per year:
Mayor’s Office	\$10,000
Council	\$9,000
Planning	\$10,000
Building Inspection	\$10,000
Police Headquarters Replacement	\$35,000 per year for 10 years
Legal	\$35,000
PW and Parks Equipment (less redundant equip needed)	\$15,000
<u>TOTAL ANNUAL SAVINGS:</u>	\$124,000

However, every change has risk. If unexpected events occur, estimated savings or expenses may not appear or could be greater than expected. Examples could be new businesses opening or closing in either current City.

Responsible Stewards of Public Funds:

Nooksack and Everson’s City governments have a responsibility to be good stewards of citizen’s tax investments. Money from the public is used to purchase essential services for our communities, as well as amenities that improve the quality of life of all our citizens. Periodically asking the citizens of our respective communities whether there is a more efficient way to deliver essential services is appropriate and important.

Also, when planning for the future, each City must ask itself what size community they are planning for. For example, to replace the existing Police Department building in Everson, should the new building be sized to serve a community of approximately 2,100 citizens or 3,100+ citizens? By having certainty about the community size our respective City’s infrastructure is serving, that infrastructure can be built and maintained in the most cost effective manner.

Input From Citizens & Moving Forward:

We believe this report is a good starting point for additional community discussion. In fact, to fully investigate this idea, community discussion is the critical next step. Regardless of whether a consolidation would save or cost money, or whether additional services could be delivered to the community, citizens will ultimately settle this issue. Therefore citizen concerns, questions and comments are exactly what is needed to help the Cities either move this idea forward, or not move it forward.

Some questions for citizens may include:

- What do individual citizens feel they would gain or lose from consolidation?
- What do citizens feel other members of the community could gain or lose from consolidation?
- Is money the most important motivating factor for remaining apart, or consolidating?
- Is the autonomy of having two different Cities the most important factor in remaining apart, or consolidating?
- Are citizens comfortable with the current level of services from their Cities, and don't want to see that level of service increase or decrease?
- Do citizens feel the current arrangement of two separate City governments serves them and their neighbors as well as possible, and will continue to serve the communities well for the next several decades?

After that citizen input, our communities will need to decide whether to pursue the idea of consolidation, or not.

Consolidation-Possible Framework:

To better discuss the idea of consolidating Nooksack and Everson into one City, a possible framework for consolidation is helpful. This framework is only a first draft, and would likely be modified extensively by community input.

Issue: Consider consolidating Nooksack and Everson into new City with a new name

Possible City Name: City of Nooksack Valley

Governance: Mayor/Council form of government

- Mayor elected from any area of new City
- 2 Council members from existing Everson City limits
- 2 Council members from existing Nooksack City limits
- 1 at larger City Council member
- Citizens would vote on all Council and Mayoral candidates
- Retain a Nooksack District and an Everson District, to reflect the two Cities heritage (similar to Fairhaven District within the City of Bellingham). Each district would also be a “ward”, for voting purposes.

Capital Facilities: Study existing buildings for best use. Consider:

- New City Hall: Located at current Everson City Hall location
- Police Dept headquarters: Located in existing Nooksack City Hall
- Public Works: Strandell Shop, with secondary location in Nooksack

Staff: City employees would be merged together to staff the new City. Staff reassignments could be possible.

Finances: Future revenues, expenses and debt incurred would be the responsibility of the new City. Debt existing at consolidation could be addressed by two methods:

- The residents of each current City could be responsible for their debt until paid off, or
- With a 60% yes vote of the citizens of both Nooksack and Everson, the current debts of both Cities could be shared going forward

Most of the debt owed by Everson and Nooksack are from sewer treatment plant enhancements or for drinking water treatment. Perhaps an equitable method for handling existing debt would be to:

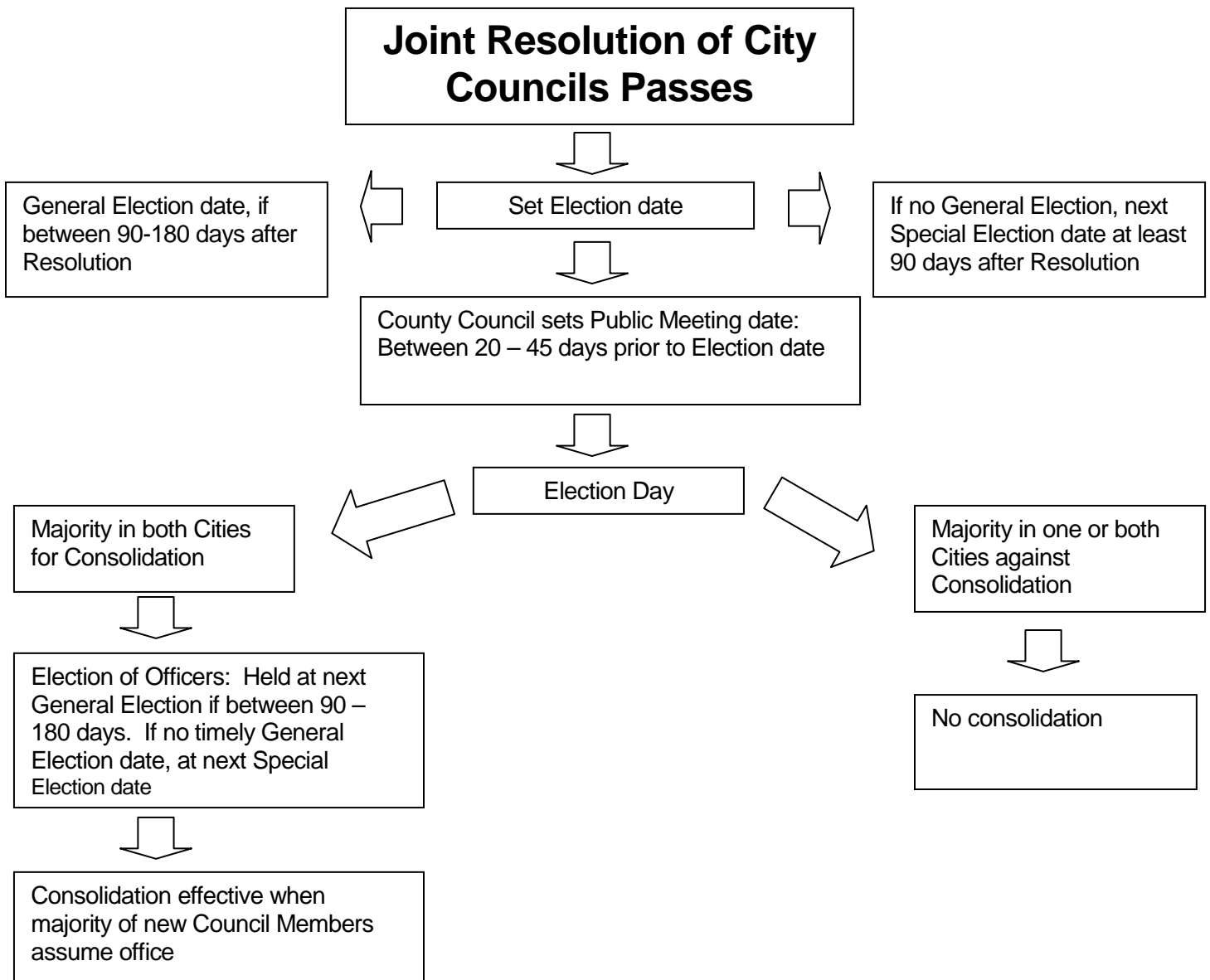
- Share debt for the sewer treatment plant among all residents of the new City, considering the facility is currently jointly owned by Nooksack and Everson
- Keep drinking water treatment debt separate (with existing Everson and existing Nooksack citizens responsible for this debt), considering each city currently has a separate drinking water treatment and delivery system

Legal

Overview:

Washington State law mandates the process for consolidation of municipalities. The following flow chart, with the information provided by Chmelik, Sitkin & Davis law firm, is an overview of that process. Consolidation requires:

- A joint resolution to consolidate, passed by both Nooksack's and Everson's City Councils
- A Public Meeting
- Vote by citizens of both Cities
- The proposal must pass by a majority vote in each City



Details:

RCW 35.10.¹ outlines the steps necessary to consolidate two existing Cities into a new City. The Municipal Research and Services Center of Washington (MRSC) web site links to the process and RCW's in detail.

There web site is at: <http://www.mrsc.org/Subjects/Legal/annex/statannx.aspx>

Below are highlighted legal questions regarding consolidation:

- **Boundary Review Board Oversight²:** Any potential consolidation may be subject to the Whatcom County Boundary Review Board.
- **Methods of Annexation³:**
 - The City Councils of the two towns may pass a resolution putting the question to the voters
 - Citizens of the two Cities may file a petition with the Cities respective City Councils, signed by at least 10% of the citizens. The question will then be put to the voters⁴.
- **Citizen Vote⁵:**
 - If the majority of citizens in each of the two Cities vote for consolidation, the proposal passes
 - In order for citizens of one City to become responsible for debt incurred in the other City, 60% must approve
 - If not approved, each consolidating Cities remain responsible for their existing debt⁶
 - The ballot will list the proposed name of the consolidated City. If two names are proposed, a majority vote decides the issue⁷.
 - Wards⁸: Should election wards be proposed for the newly consolidated City, the boundaries of the wards will be voted upon. Wards should be approximately equal in population.
- **Taxes⁹:** The new City may levy property taxes and collect all state funds to which the prior two Cities were due during the year on consolidation
- **Continuation of Ordinances¹⁰:** All ordinances in force from the two prior Cities remain in force unless they are in conflict with the other City. If an ordinance is in conflict, the largest prior City's (by population) ordinance will remain in force until superseded or repealed.
 - For example, Everson has an ordinance dealing with the size of signs for businesses. If Nooksack does not have such an ordinance or if their allowed sign size is different, Everson's ordinance would be in effect until the ordinance is superseded or repealed because Everson is the larger of the two communities.

¹ Municipal Research and Services Center of Washington,

<http://www.mrsc.org/Subjects/Legal/annex/statannx.aspx>

² RCW 35.10.001

³ RCW 35.10.410

⁴ RCW 35.10.420

⁵ RCW 35.10.240

⁶ RCW 35.10.331

⁷ RCW 35.10.490

⁸ RCW 35.10.550

⁹ RCW 35.10.315 and 317

¹⁰ RCW 35.10.320

- **Form of Government¹¹**: During the citizen vote, the form or plan of government of the proposed consolidated City shall be listed on the ballot. Currently, both Everson and Nooksack have a Mayor/Council form of government. Choices are:
 - Mayor/Council
 - Council/City Manager
 - Commission
- **Election of Officials¹²**: If both Cities approve the consolidation, another election will be held to elect the Mayor and Council members (Mayor/Council form of government).
- **Effective Date of Consolidation¹³**: The effective date of the consolidation will be when a majority of the newly elected officials take office.
- **Cost of Election¹⁴**: The cost of the election shall be paid by the new City. Should the proposal not pass, both Cities shall be responsible for the election cost proportionally by population.

¹¹ RCW 35.10.430

¹² RCW 35.10.480

¹³ RCW 35.10.480

¹⁴ RCW 35.10.500

Financial

Overview: The current financial assets and liabilities of both Cities are a critical aspect of any consolidation decision. Below are statistics pertaining to both cities, as well as tables that summarize each cities assets and liabilities.

- On average, Nooksack has more funds per citizen while Everson has more Parks space on a per citizen basis
- Property tax rates are very similar between the two cities, with Nooksack being \$20 less expensive for a \$250,000 home

General Information

Nooksack:

- 2007 population: 982 per US census bureau
 - (approx 1,075 for 2008)
- 4 full time regular employees, including:
 - 2 office staff
 - 2 Public Works staff (including Building Inspector)
- Non-unionized employer
- Average Utility Rates:
 - Water: \$29.25
 - Sewer: \$41.50
- Building Fees and Permits
 - Water and Sewer Connection Fee: \$10,000
 - Building Permit Fees: approximately \$1,775
 - 2008 Budgeted Building Fee revenues: \$48,555
 - Park Fee: \$0
- 2009 tax levy rate: \$1.8689 per thousand
 - City property tax for \$250,000 home: \$467
- Cash Assets: \$1,900,789 Cash Assets per citizen: \$1,936
- Indebtedness:
 - Total: \$802,320
 - Per citizen: \$817

Everson:

- 2007 population: 2,145 per US census bureau
- 15 full time employees, including:
 - 4 office staff
 - 3 Public Works staff
 - 1.5 Sewer Plan employees (serving Everson and Nooksack)
 - .5 Building Inspector
 - 5 full time police personnel (serving Everson and Nooksack) & 1 Municipal Court employee
- Unionized employer
- Average Utility Rates:
 - Water: \$25.56
 - Sewer: \$39
- Building Fees and Permits
 - Water and Sewer Connection Fee: \$7,000
 - Building Permit Fees: approximately \$1,775
 - Park Fee: \$600
 - 2008 Building Fee revenues: \$31,546
- 2009 tax levy rate: \$1.9497 per thousand
 - City property tax for \$250,000 home: \$487
- Cash Assets: \$1,986,896 Cash Assets per citizen: \$926
 - Indebtedness:
 - Total: \$1,318,746
 - Per citizen: \$615

- Note: Additional City services (Fire, Planning and Legal) are contracted out for both Everson and Nooksack

Real Assets

Nooksack

- City Hall (.21 acres)
- Public Works shop (.12 acres)
- Vacant lot (.14 acres)
- 2 properties by Nooksack slew, for future open space
- Shared property with 3 water storage tanks, total capacity 700,000 gallons
- Right to 1/3 capacity of Everson's sewer treatment plant
 - 4 sewer pump stations
- 8.7 miles of local and arterial roadways
 - most rated very good or good, some rated fair or poor (old data from the 1990's)
- Parks:
 - Total: 1.15 acres
 - Citizens per acre: 854
 - Nooksack Park (1.15 acres)

Everson

- City Hall (.16 acres)
- Police Department headquarters (.11 acres)
- Strandell Public Works Shop
- Harkness St parking lot (.19 acres)
- Lot by Johnson Creek (.29 acres)
- Water Treatment Plant
 - 3 wells
 - 3 storage tanks, totaling 480,000 gallons
 - Manganese treatment facility
- Sewer Treatment Plant, within Riverside Park
 - right to 2/3 of plant capacity
 - 9 sewer pump stations
- 8.06 miles of local and arterial roadways (2004 data)
 - 70% rated very good or good, 30% fair or poor
- Parks:
 - Total: 13.3 acres
 - Citizens per acre: 161
 - Riverside Park (8.5 acres)
 - Everson City Park (2.7 acres)
 - Aspen Park (.7 acres)
 - Sable Terrace Park (1.4 acres)
 - Bay to Baker trail (1 mile)

Cash Assets

	Nooksack-2009 Actual Beginning Fund Balance	Everson-2009 Actual Beginning Fund Balance
General/Current Expense	\$540,716	\$302,387
Street	\$179,704	\$90,859
Capital Facilities	\$35,065	\$0
Parks	\$0	\$2,303
Capital Improvements	\$160,919	\$72,797
Community Development	\$0	\$3,779
Equipment	\$0	\$42,852
Water	\$490,783	\$131,003
Water/Sewer Capital Reserve	\$200,437	\$405,028
Sewer	\$253,166	\$748,877
Public Wastewater Treatment	\$0	\$0
LID 97 Debt Service	\$0	\$42,677
Water/Sewer Bond Redemption	\$40,000	\$78,935
Water/Sewer Bond Reserve	\$0	\$65,397
Total:	\$1,900,791	\$1,986,896

Loans

Everson Debt	As of Dec 2008		
	Original Loan Date	Original Loan Amount	Dec 2008
Water and Sewer Bonds	October, 17 1972	411,000	88,545
Water and Sewer Bonds	May 19,1990	264,000	207,018
Water and Sewer Bonds	May 19,1990	137,000	107,242
PWTF/Water Sewer	July 1,1993	1,256,400	254,044
PWTF/Water Sewer	October 1, 2008	637,568	637,568
Police Vehicle	April 14, 2008	28,526	24,328
Total:			\$1,318,746

Nooksack Debt	As of Dec 2008		
	Original Loan Date	Original Loan Amount	Dec 2008
Water and Sewer Bonds	1990	400,000	316,266
Water Line Replacement	1993	300,000	70,255
Pre-Construction Water Line Upgrade	2000	40,579	26,313
Water Line Upgrade	2002	550,000	389,487
Total:			\$802,320

Services

Overview:

Both Everson and Nooksack offer a variety of services to their respective citizens. Some services are offered independently, while other services are shared between the two Cities. In addition, both Cities hire contract staff for some functions. The following is a summary of services offered.

Services	Nooksack	Everson	Comments
Mayor's Office	<ul style="list-style-type: none"> Part-time Mayor Annual Salary: \$9,000 plus \$1,000 benefits 	<ul style="list-style-type: none"> Part-time Mayor Annual Salary: \$9,000 plus \$6,731 benefits 	<ul style="list-style-type: none"> One Mayor would represent 3,200 citizens, instead of two representing 2,145 and 1,075
City Council	<ul style="list-style-type: none"> 5 Council members Annual Salary: \$1,800 per member, \$9,000 total 	<ul style="list-style-type: none"> 5 Council members Annual Salary: \$1,800 per member, \$9,000 total 	<ul style="list-style-type: none"> 5 Council Members would represent 3,200 citizens. Larger candidate pool for City Council members
Planning Commission	<ul style="list-style-type: none"> No Planning Commission 	<ul style="list-style-type: none"> 5 member commission 	<ul style="list-style-type: none"> 5 Planning Commission Members would represent 3,200 citizens Larger candidate pool for Commission members
Police & Municipal Court Services	<ul style="list-style-type: none"> Contracted service from Everson Annual Contribution to Everson: \$110,780 (2009 budgeted) 	<ul style="list-style-type: none"> 5 full time police personnel 1 Municipal Court employee Annual Cost: \$604,328 (2008) Contracted services with judge To help offset costs, Everson receives all revenue from fines regardless of whether the infraction occurred in Everson or Nooksack Budgeted fine revenue in 2009: Adult Probation: \$19,000 Fines and Forfeitures: \$53,050 	<ul style="list-style-type: none"> Police services contract for Nooksack is negotiated every three years Negotiations are based in large part upon a formula, which considers call usage and population

Fire	<ul style="list-style-type: none"> Contracted service from Fire Dist 1 Annual Cost: \$47,939 	<ul style="list-style-type: none"> Contracted Service from Fire Dist 1 Annual Cost: \$95,339 	<ul style="list-style-type: none"> No change anticipated
Public Works	<ul style="list-style-type: none"> 2 employees (including Building Inspector) 	<ul style="list-style-type: none"> 5 employees This includes 1.5 FTE's who staff the sewer treatment plant, and .5 FTE for part-time Building Inspector 	<ul style="list-style-type: none"> A combined staff should be more efficient Or additional services could be delivered for the same cost Equipment could be shared, eliminating redundancies over time Snow removal duties could be shared among a larger staff, increasing the hours of coverage More staff would be available to cover work shifts at the Sewer Treatment plant, leading to less overtime Utility billing and payments could be combined
Sewer Services	<ul style="list-style-type: none"> Contracted service from Everson Owns 1/3 of Everson's plant's capacity 	<ul style="list-style-type: none"> Operates treatment plan, and owns 2/3's of the plant's capacity Staffed by 1.5 employees 	<ul style="list-style-type: none"> Currently, one City will likely reach its allotted capacity before the other City. This will cause the need to expand the plant (or renegotiate plant capacity) before the plant reaches actual capacity. Each City has different telemetry systems to monitor their respective sewer lift stations Significant staff time and legal expense goes into managing the contract between the two cities
Fresh Water Services	<ul style="list-style-type: none"> Contracted service from Sumas 3 water tanks with 700,000 gallon capacity 	<ul style="list-style-type: none"> Three wells Three storage tanks with 480,000 gallon capacity 	<ul style="list-style-type: none"> The two Cities fresh water systems do not inter-connect, except on an emergency basis Systems could physically remain separate or could be joined together. A shared system would increase "fire flow", should a large fire occur Costs for each water system could be shared, or remain separate

Building Inspector	<ul style="list-style-type: none"> Part-time building inspector (included in Public Works employee count) 2008 costs: approximately \$20,000 	<ul style="list-style-type: none"> .5 employee, as part-time building inspector 2008 costs: \$49,437 	<ul style="list-style-type: none"> A combined staff should be more efficient, allowing time to be spent on other tasks Less training and equipment needs
Parks	<ul style="list-style-type: none"> One City park 	<ul style="list-style-type: none"> Four City parks 	<ul style="list-style-type: none"> A combined staff should be more efficient Or additional services could be delivered for the same cost Equipment could be shared, eliminating redundancies over time
Management and Financial	<ul style="list-style-type: none"> 2 employees 	<ul style="list-style-type: none"> 3 employees 	<ul style="list-style-type: none"> A combined staff should be more efficient Or additional services could be delivered for the same cost Combined financial software and payroll software should be more efficient
Planning	<ul style="list-style-type: none"> Contract for Planning services 2008 costs: \$25,675 	<ul style="list-style-type: none"> Contract for Planning services 2008 costs: \$50,158 	<ul style="list-style-type: none"> Both cities use the same contract planner Or could expand the “planning” function to include “community development” at same cost Redundant planning reports, on the same issues such as county planning initiatives, to both Cities One planner for a new combined City would plan for the entire community...not just one community or the other Consistent planning regulations More land from each planning zone (commercial, industrial, etc) available for community-wide planning
Legal	<ul style="list-style-type: none"> Nooksack Municipal Code Contract for Legal service 2008 costs: \$22,682 	<ul style="list-style-type: none"> Everson Municipal Code Contract for Legal service \$81,057 annually (excluding municipal court legal costs) 	<ul style="list-style-type: none"> Maintaining one municipal code is more efficient Using one contract for legal services is more efficient No redundant legal activities or reporting

Other Issues

Emergency 911 Services:

Police Department: Negotiating a contract for Police and Municipal Court services every three years between Everson and Nooksack causes significant uncertainty.

- Nooksack has uncertainty regarding what Everson will charge for the Police and Municipal Court service. Should the cost be too high, Nooksack would need to consider contracting with the Whatcom County Sheriff's Office for service.
- Everson has uncertainty about Nooksack's financial contribution. That uncertainty affects Police Department staffing and other long term planning. Should Nooksack not contract for police services, the Everson Police Department would be overstaffed.
- If Everson and Nooksack stopped pooling resources for Police services, 24 hour police coverage would be significantly impacted for the entire community.
- Everson will need to plan for a new Police Department facility soon, which will impact costs of this service to both Cities.

Street Name Changes: Immediately at merger, having streets with exactly the same name would be a serious issue for emergency dispatching. In order to dispatch correctly and quickly, having streets with the same name (although different house numbers) would cause confusion and delay. To solve this issue, they recommend that streets with the same names could be differentiated by adding a designation to the end. For example, Lincoln Street in Nooksack could change to "Lincoln Street East". Lincoln Street in Everson could be "Lincoln Street West". Or, one could be "Lincoln St", and the other "Lincoln Way". Any street name changes would then be routinely put into the 911 dispatching center database.

Everson has planned to re-do street numbering for some years in order to make the current configuration more workable. With a consolidation, this project would need to become more of a priority.

Postal Services:

New City Name: Per the postal service, if Nooksack and Everson consolidated into one new City, it would not pose an immediate issue for mail delivery. This includes addresses both within Everson and Nooksack, as well as the surrounding areas. Mail would continue to be sorted and delivered as it is now. Regardless of whether mail was addressed to Everson, Nooksack, or a new City name in the address, the postal service could sort and deliver it accurately. To accomplish this, the new City name would go into the postal database, allowing mail to be processed and routed

similar to now, based upon house, street and zip code. There would be no timeline for citizens to transition to the new City name. Per the post office, these transitions typically take years.

Public Buildings: There are several ways to consider using existing Public Buildings. One option is as follows:

New City Hall: Locate at current Everson City Hall location. To accommodate Nooksack City office staff, Everson Public Works staff and Police & Municipal Court support staff would move to other locations.

Police Dept Headquarters and Municipal Court: Relocate these services to existing Nooksack City Hall. Vacate the existing Everson Police Dept Headquarters, and use for other needs if necessary.

Public Works: Relocate office Public Works and Building Inspection staff from respective City Halls to the Strandell Shop, with a secondary location for Public Works at the Nooksack Public Works shop. By having access to two locations, this creates important redundancy of services in emergencies. At the Strandell Shop, staff would be located in a rental house currently located there. The house would be renovated to office space. This would cause a small loss of net income from the rental house.

Additional Information: Currently, Everson's public buildings (City Hall and Police Headquarters) are reaching the end of their useful life. They will require replacement soon. When replacing these buildings, it would be helpful to have clarity on whether new structures should be sized to serve a community of approximately 2,100 citizens currently, or 3,200 citizens.

Nooksack's City Hall is in better repair than Everson's public buildings. By relocating Police and Municipal Court services to Nooksack City Hall, both communities would avoid the expense of replacing the existing Everson Police Headquarters building. While an estimate for building replacement has not been obtained at this time, the expense could reasonable be estimated at \$350,000 or more. This would cause both Cities to incur more costs for Police services.

Staff:

Union or Non-Union: Nooksack's staff is currently non-unionized, while Everson's staff is unionized. Everson has two unions, with one union representing Police Officers while the other represents non-exempt office and Public Works staff. Upon consolidation, it is perhaps likely all non-exempt staff would become unionized. However, that decision would be the new City's non-exempt employees to make.

Salaries and Benefits: Employee salary and benefits are different for Nooksack and Everson employees. Generally on average, Everson employee salaries may exceed Nooksack employees average wages. However, Everson employee contribute to health care costs, while Nooksack's do not. Upon consolidation, salary and benefits would need to be implemented in a consistent way between existing staff members. Should the new City be unionized, this would involve employee negotiations.

Efficiencies and Cost Savings Over Time: Currently, each City has office staff necessary to run two separate Cities. Over time, additional efficiencies and cost savings above what has been estimated would likely be realized by consolidating duties. This could lead to additional savings or reassignment of existing staff to new duties.

For example, existing staff could be assigned Grant Writing and Economic Development responsibilities. These programs could have a direct, positive impact on the community by bringing in additional resources and enhancing services to citizens. A grants could bring additional resources to street maintenance, park enhancements, low cost loans for residents to fix their homes, etc. Economic Development could assist existing business, as well as attract new businesses and jobs to the area.

Election Expense:

The general election in November 2007 cost Everson \$532.17 for its 1,104 registered voters, and Nooksack \$274.34 for its 568 registered voters.

- Should this issue go on the ballot during a scheduled election, Everson and Nooksack could expect similar election charges.
 - If the issue goes on the ballot during a special election, the election should cost \$5,000 or less, with the cost being split between Everson and Nooksack based upon registered voters. Due to the small size of the communities, the Election Department at Whatcom County advises a special election would use hand counted ballots to keep down expenses.
-