

Supplemental Budget Request

Public Works

Ferry & Docks

Suppl ID # 5393 Fund 3901 Cost Center 39011000 Originator: Julia Green

Expenditure Type: One-Time Year 2 2026 Add'l FTE Add'l Space Priority 1

Name of Request: Lummi Nation Uplands Lease Pmt #3 for Ferry Use

X		
Department Head Signature (Required on Hard Copy Submission)		Date

Costs:	Object	Object Description	Amount Requested
	7380 .59551	Other improvements	\$2,871,903
	8397.C.19008020	Transfers in	(\$2,871,903)
	Request Total		\$0

1a. Description of request:

On October 11, 2011, the County entered into a lease agreement (C#201111024) with the Lummi Nation for the Uplands they own on Gooseberry Point, for use by the Lummi Island Ferry. Under this agreement, in exchange use of the Uplands through 2046, the County agreed to a series of three installment payments, \$2 million in 2011, \$2 million in 2017, and a third installment of \$2 million adjusted for inflation using December 2025 CPI-U. The balance owed was calculated to be \$2,871,903.

These installment payments have been placed in the Lummi Nation Lease Fund-3901, for use by the Lummi Nation for qualifying projects agreed between the Nation and the County Engineer, which is reflected on the six-year Transportation Improvement Program.

In 2025, the Public Works budgeted \$2,950,000 on the 2026 Annual Road Program for this final installment payment under the Capital Program.

1b. Primary customers:

The Lummi Nation, in accordance with C#201111024.

2. Problem to be solved:

The Lummi Nation has submitted eligible invoices, which have been verified by the County Engineer, in excess of the \$1.7 million of cash currently available the Lummi Nation Lease Fund from the previous two installment payments.

In order for the County to be complaint under the Uplands Lease Agreement with the Lummi Nation, these 2026 local funds must be placed in the project budget.

3a. Options / Advantages:

There are no other options. The Executive or Council could elect to use non-Road Fund dollars to fulfill this contractual obligation.

3b. Cost savings:

There are none. If the County doesn't fulfill this obligation, the Lummi Nation could terminate the Ferry Lease agreement.

4a. Outcomes:

The funds will be transferred upon the approval of this amended ordinance, and Lummi Nation invoices will be paid.

4b. Measures:

Eligible Lummi Nation invoices will be paid per C#201111024.

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5a. Other Departments/Agencies:

The Lummi Planning Department

5b. Name the person in charge of implementation and what they are responsible for:

Tim Ellis, Public Works Director- Lummi Nation

6. Funding Source:

The Road Fund- 1900. See companion supplemental 5394.