

Whatcom County Council Finance and Administrative Services Committee

**COUNTY COURTHOUSE
311 Grand Avenue, Ste #105
Bellingham, WA 98225-4038
(360) 778-5010**



Committee Minutes - Final

**Tuesday, July 23, 2024
9:35 AM
Hybrid Meeting**

**HYBRID MEETING - ADJOURNS BY 11:10 A.M. - MAY BEGIN EARLY
(PARTICIPATE IN-PERSON, SEE REMOTE JOIN INSTRUCTIONS AT
www.whatcomcounty.us/joinvirtualcouncil, OR CALL 360.778.5010)**

COUNCILMEMBERS

Tyler Byrd
Todd Donovan
Kaylee Galloway

CLERK OF THE COUNCIL

Cathy Halka, AICP, CMC

Announcement of extension of Executive Session

At 9:35 a.m., Council Staff announced that the executive session would extend to no later than 9:45 a.m.

Call To Order

Committee Chair Todd Donovan called the meeting to order at 9:47 a.m. in a hybrid meeting.

Roll Call

Present: 3 - Tyler Byrd, Kaylee Galloway, and Todd Donovan

Also Present: Barry Buchanan, Ben Elenbaas, Jon Scanlon, and Mark Stremmler

Announcements

Council "Consent Agenda" Items

Byrd moved to recommend approval of Consent Agenda items one through ten.

Councilmembers asked questions on the following Consent item:

AB2024-464 - Consent Agenda Item #1

Elizabeth Kosa, Public Works Department Director, answered what the services are that are defined as cultural and historical resource services, and stated this is an on-call contract for cultural resources and archaeologist type work that all their divisions can use for the bigger construction-type projects.

Councilmembers voted on the Consent items (see votes on individual items below).

1. [AB2024-464](#) Request authorization for the County Executive to enter into a contract between Whatcom County and ASM Affiliates to provide on-call professional cultural and historical resource services, in the amount not to exceed \$100,000

Byrd moved that the Contract be RECOMMENDED FOR AUTHORIZATION BY CONSENT. The motion carried by the following vote:

Aye: 3 - Byrd, Galloway, and Donovan

Nay: 0

2. [AB2024-471](#) Request authorization for the County Executive to enter into an interlocal contract

between Whatcom County and Washington State Health Care Authority for a Reentry Demonstration Initiative Project in the amount of \$2,500,000.00

Byrd moved that the Interlocal be RECOMMENDED FOR AUTHORIZATION BY CONSENT. The motion carried by the following vote:

Aye: 3 - Byrd, Galloway, and Donovan

Nay: 0

3. [AB2024-475](#) Request authorization for the County Executive to award Bid #24-63 and enter into a contract between Whatcom County and J Ritter Dirt and Asphalt LLC, for trailhead parking lot improvements at Stimpson Family Nature Reserve, in the amount of \$219,019.30

Byrd moved that the Bid Award be RECOMMENDED FOR AUTHORIZATION BY CONSENT. The motion carried by the following vote:

Aye: 3 - Byrd, Galloway, and Donovan

Nay: 0

4. [AB2024-477](#) Request authorization for the County Executive to enter into a contract amendment between Whatcom County and Astound Business Solutions, LLC (formerly Wave) for fiber optic connectivity from the Courthouse to State Street and a nearby parking lot in the amount of \$81,337.03 for a total amended amount over five years of \$364,657.26

Byrd moved that the Contract be RECOMMENDED FOR AUTHORIZATION BY CONSENT. The motion carried by the following vote:

Aye: 3 - Byrd, Galloway, and Donovan

Nay: 0

5. [AB2024-478](#) Request authorization for the County Executive to enter into an agreement between Whatcom County and the Lummi Island Heritage Trust to reimburse the Trust for development costs of the Aiston Preserve, in the amount of \$50,000

Byrd moved that the Agreement be RECOMMENDED FOR AUTHORIZATION BY CONSENT. The motion carried by the following vote:

Aye: 3 - Byrd, Galloway, and Donovan

Nay: 0

6. [AB2024-481](#) Request authorization for the County Executive to enter into an interlocal agreement between Whatcom County and Washington Association of Sheriffs and Police Chiefs (WASPC) for Registered Sex Offender Verification Program funding, in the amount of \$132,892.95

Byrd moved that the Interlocal be RECOMMENDED FOR AUTHORIZATION BY CONSENT. The motion carried by the following vote:

Aye: 3 - Byrd, Galloway, and Donovan

Nay: 0

7. [AB2024-482](#) Request authorization for the County Executive to enter into an interlocal agreement between Whatcom County and Blaine Police Department (PD), Everson PD, Ferndale PD, Lynden PD, Sumas PD, US Border Patrol, US Drug Enforcement Agency, and Washington State Patrol to establish a multi-jurisdictional drug task force, in the amount of \$0.00

Byrd moved that the Interlocal be RECOMMENDED FOR AUTHORIZATION BY CONSENT. The motion carried by the following vote:

Aye: 3 - Byrd, Galloway, and Donovan

Nay: 0

8. [AB2024-483](#) Request authorization for the County Executive to enter into an interlocal agreement amendment between Whatcom County and US Department of Agriculture, Forest Service for area patrols, in the amount of \$34,056.00 for a total amended amount of \$56,760.00

Byrd moved that the Interlocal be RECOMMENDED FOR AUTHORIZATION BY CONSENT. The motion carried by the following vote:

Aye: 3 - Byrd, Galloway, and Donovan

Nay: 0

9. [AB2024-487](#) Request authorization for the County Executive to enter into a contract between Whatcom County and Aquatic Insight, LLC to develop a Wiser Lake Cyanobacteria Management Plan, in the amount of \$62,500

Byrd moved that the Contract be RECOMMENDED FOR AUTHORIZATION BY CONSENT. The motion carried by the following vote:

Aye: 3 - Byrd, Galloway, and Donovan

Nay: 0

10. [AB2024-490](#) Request authorization for the County Executive to enter into a contract amendment between Whatcom County and Klemple Glass LLC to reconfigure the storefront doorway and frame in the Auditor's Office in the amount of \$5,684.80 for a total amended amount of \$42,676.80

Byrd moved that the Contract be RECOMMENDED FOR AUTHORIZATION BY CONSENT. The motion carried by the following vote:

Aye: 3 - Byrd, Galloway, and Donovan

Nay: 0

Special Presentation

1. [AB2024-416](#) Presentation from Bellingham Whatcom County Tourism President and CEO Dylan Deane-Boyle

Dylan Deane-Boyle, Bellingham Whatcom County Tourism President and CEO, read from a presentation (on file) and answered questions. He answered whether he has a sense of where people are coming from that drive the numbers, and stated the top two markets are Seattle and Vancouver. He answered how their finances are and where the lodging tax is at both now and looking forward, and stated they bounced back great after the pandemic in terms of lodging occupancy but those numbers have been down both last year and so far this year. The average daily rates are still up, however, so that revenue is actually somewhat maintained. He answered whether they are providing input into the Comprehensive Plan update process and stated they are getting a presentation tomorrow about that and about how they can weigh in. He answered whether there is data on signature events and what the investment and return look like so that the County can consider where it might want to make investments. He answered whether the total travel spending in 2023 of \$750 Million was influenced by Canadian spending, and stated it was. He spoke about the breakdown of the spending and where it came from, and that they have more to learn about the Canadian spend.

This agenda item was PRESENTED.

Committee Discussion and Recommendation to Council

1. [AB2024-432](#) County Executive requests approval of the Economic Development Investment (EDI) Board's recommendation for funding to support the City of Bellingham's Bear Creek Corridor Construction Project, the City of Lynden's Wastewater Treatment Plant Capacity and Nutrient Improvement Project, the City of Ferndale Water Treatment

Plant Upgrades and Douglas Deep Well Projects, and the Housing Affordability through the Workforce Program

Kayla Schott-Bresler, Executive's Office, introduced the presentations then each of the applicants presented and answered questions.

City of Lynden

- Scott Korthuis, City of Lynden Mayor, read from a presentation (on file) and answered a question about siting the project close to the river.

Donovan stated in the future, when they are looking at projects like this, he would want to know how much of this is benefiting existing rate payers.

Korthuis stated what they are doing currently is raising their sewer rates approximately seven percent per year, so all the citizens are paying for the upgrades that are necessary to keep the infrastructure in great shape. They also have fees coming from the new rate payers that will help pay down the loans for the project.

Donovan stated they just do not have a way for that to be communicated in the existing EDI application structure.

City of Ferndale

The following people read from a presentation (on file) and answered questions:

- Jori Burnett, Ferndale City Administrator
- Greg Hansen, City of Ferndale Mayor
- Kevin Renz, City of Ferndale Public Works Director

Renz answered what steps they took to fix the problems with the water in Ferndale associated with the transition to well water and spoke about current measures and future improvements. He answered whether this will help communities and water associations that had wells go dry. He stated there are currently two aquifers that they are drawing water from, and one in which they have seen declines. When they get the water treatment plant upgrades, they will be able to draw from the other (deep aquifer), and that should help.

City of Bellingham

Renee LaCroix, City of Bellingham Assistant Public Works Director, read

from a presentation (on file) and answered whether there are legal or regulatory challenges for doing something like this and referring to it as a mitigation bank, and she stated she is not aware of any legal concerns. Mitigation banking is actually the preferred option by the Army Corps of Engineers and the Department of Ecology.

Scott Havill, City of Bellingham Mitigation Coordinator, answered what the Lummi Nation's concerns were with the originally proposed service area, and stated it was related to some water adjudication issues farther up north and other issues he was not privy to, but it was mostly environmental.

Housing Affordability through the Workforce Program

Schott-Bresler spoke about the Housing Affordability through the Workforce Program request. She answered whether there is a certain definition for area median income (AMI) and eligibility for this fund, and she stated that historically they have used 80 percent of AMI as the threshold, but, because of recent changes to the statute, they would now be able to go up to 120 percent of AMI.

Galloway moved that the Special Executive Only Item be RECOMMENDED FOR APPROVAL OF REQUEST. The motion carried by the following vote:

Aye: 3 - Byrd, Galloway, and Donovan

Nay: 0

2. [AB2024-460](#) Ordinance amending the project budget for the Way Station Project Fund, request no. 4

Kayla Schott-Bresler, Executive's Office, briefed the Councilmembers and stated this is an amendment to the Way Station project-based budget to account for relocation of the Morgue and the Medical Examiner's autopsy suite. They have entered into a short-term lease agreement with a new funeral home for this temporary space until the Way Station is complete. They do not expect to expend the full amount, but needed to provide some cushion given the fluid nature of the lease space. She answered whether it is consistent with the Way Station project budget, and stated it is.

Galloway moved that the Ordinance be RECOMMENDED FOR ADOPTION. The motion carried by the following vote:

Aye: 3 - Byrd, Galloway, and Donovan

Nay: 0

3. [AB2024-463](#) Ordinance amending the 2024 Whatcom County Budget, request no. 9, in the amount of 873,134

Councilmembers discussed the request for \$150,000 to fund a Birch Bay incorporation feasibility study (#4678).

Galloway stated she is nervous about moving this forward because of receiving quite a few emails from community members who are not supporting it and who think the outcomes of the 2008 incorporation study are probably still relevant. She is also concerned with this being a General Fund request given how tight the budget is, and that there is some precedence for the State providing some resources.

Donovan stated he shares the concerns about the study. He stated the 2008 study was about the Urban Growth Area (UGA) as it was defined then. But this is a different UGA and the proposal includes areas that are not in the UGA and that were intentionally left out of the UGA at their last Comprehensive Plan update.

Stremmer stated the funding of the study is the issue for him because it is coming out of the General Fund.

Byrd stated he is not sure it can come from any other fund. Birch Bay is getting to a size for which it makes sense to allow them to at least look at incorporation.

Elenbaas stated he was surprised to see people asking *not* to fund this study. He gets all the complaints from the community and they are related to the fact that Birch Bay residents live in a “city” but the area does not have the infrastructure or the support of a city. He would say the people in the Birch Bay area pay more taxes than they receive in services, and his general impression is that more people are in favor of doing a study than are not.

Scanlon stated they have received some good data from the Incorporation Association about changes in residency and it would be helpful to go back and look at that. He asked whether they have looked at other funding sources to do the study.

Satpal Sidhu, County Executive, stated he met with those actively pursuing the study and that Birch Bay is one of the largest limited areas of more intensive rural development (LAMIRDs) in Whatcom County and has a large tax base. They deserve to do the study to see what becoming a city would entail. He spoke about funding and stated they could explore more on that.

Kayla Schott-Bresler, Executive's Office, spoke about finding other funding and stated the funding question is a timing question.

Councilmembers and Sidhu discussed what the boundaries would be, that determining those is a separate process, and whether they should move forward with this budget supplemental or have the Administration come with a new one for that request in September.

Galloway stated her thought would be to move forward with this supplemental today but with the understanding that Council would like the Executive's Office to be prudent in the time and allocation of these funds for this project, in recognition of the bigger budget picture.

Sidhu stated, if they approve the supplemental today, they can hold the study until there is a clear picture.

Galloway moved that the SUBSTITUTE Ordinance be RECOMMENDED FOR ADOPTION. The motion carried by the following vote:

Aye: 3 - Byrd, Galloway, and Donovan

Nay: 0

4. [AB2024-476](#) Request authorization for the County Executive to enter into an interlocal agreement between Whatcom County and City of Bellingham Fire Department, City of Lynden Fire Department, South Whatcom Fire Authority, Whatcom Fire Protection District 1, Whatcom Fire Protection District 4, Whatcom Fire Protection District 7, Whatcom Fire Protection District 8, Whatcom Fire Protection District 11, Whatcom Fire Protection District 14, Whatcom Fire Protection District 16, Whatcom Fire Protection District 17, Whatcom Fire Protection District 18, Whatcom Fire Protection District 19, and Whatcom Fire Protection District 21 for First Response Emergency Medical Services, in the amount of \$7,500,000.00

Donovan stated he was trying to get some clarity on what they were actually voting on. The original memo added up to about \$4 million-something with a contract that said this is going to be for \$7.5 million, and the substitute version now has this as a \$25 million contract and an equitable funding mechanism across these districts, but the signatures and dates on the contract have not changed.

Mike Hilley, Emergency Medical Services (EMS) Manager, stated he made a math mistake on the original contract information sheet. It should have reflected \$9 million over the six-year life of the levy as related to the Basic Life Services (BLS) contract. So, today is presented to Council an interlocal agreement for first response EMS. He spoke about the amounts

in the agreement for the three service areas and stated they are paying two of them already, as per the ordinance, and those amounts are included in the total amount of \$25,035,000. The BLS allocation (\$9 million over a six-year period) is new to the long-term contract.

Donovan stated the contract refers to equitable funding across the districts, but Council would like to know how much each district is getting, though they may not know that yet until the previous year's call volumes are figured.

Hilley stated they have the 2023 call volume calculations and those will be reaffirmed by the fire chiefs and then the finance sub-committee in August, then the money will be allocated to each individual fire department. Council would be voting on the correct amount of \$9 million and not the \$7.5 million reflected on the original contract information sheet. The total contract would be \$25,035,000.

George Roche, Prosecuting Attorney's Office, answered whether the agenda item has to be re-noticed since the amount listed in the agenda title is not correct, and he stated they have the ability to make the amendments to get to the appropriate dollar value because they are not changing the subject matter of what they are discussing. The public has been properly noticed. Council just needs to make it really clear how they get from point A to point B.

Byrd moved that the Interlocal be RECOMMENDED TO HOLD IN COMMITTEE and that it be brought back as corrected for their next meeting.

Kayla Schott-Bresler, Executive's Office, stated the contract itself is not changing. It is just the contract information sheet and the memo that have changed. The discrepancy between the \$9 million for the BLS allocation and the full \$25 million amount is mostly related to the dispatch fees for Prospect which are also included in this agreement for BLS, but separate from the BLS allocation that they have been negotiating.

Hilley stated that is correct and spoke about the purpose of the contract.

Councilmembers and staff discussed whether the contract is time-sensitive, and that a two-week delay would not significantly impact things.

Galloway stated it would helpful to get some insight into the fund balance

and to lay the groundwork for understanding how we maintain the sustainability in our current EMS system, but also in the context of the growing needs of our EMS system, including programs such as the Community Paramedic program which has not been allowed to expand because of budget constraints.

Scott Korthuis, City of Lynden Mayor and speaking as the finance chair of the EMS Oversight Board (EOB), spoke about the funding shortages which all relate to the Ground Emergency Medical Transport (GEMT), and the amount of money the fund has in reserve (\$14 million). He stated he would encourage the contract to go forward. These are things that were included in the EMS levy plan, with money coming from the levy for this purpose.

Scanlon stated he reached out to Fire Chief Hank Maleng from Fire District 16 and the chair of the Fire Chief's Association and they confirmed their support for this proposal.

Hilley answered what it would be that they would approve if they were to approve something today.

Donovan spoke about the motion to hold and stated he does not think the public can go online and know what Council is voting on so he is uncomfortable proceeding.

Byrd's motion that the Interlocal be RECOMMENDED TO HOLD IN COMMITTEE and that it be brought back as corrected for their next meeting carried by the following vote:

Aye: 3 - Byrd, Galloway, and Donovan

Nay: 0

Items Added by Revision

There were no agenda items added by revision.

Other Business

There was no other business.

Adjournment

The meeting adjourned at 11:24 a.m.

ATTEST:

WHATCOM COUNTY COUNCIL
WHATCOM COUNTY, WA

Todd Donovan-via email 9/4/2024

Cathy Halka, Council Clerk

Todd Donovan, Committee Chair

Kristi Felbinger, Minutes Transcription

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