

WHATCOM COUNTY CONTRACT INFORMATION SHEET

Whatcom County Contract No.
202303013-1

Originating Department:	Executive Office																		
Division/Program: (i.e. Dept. Division and Program)	Non-Departmental																		
Contract or Grant Administrator:	Kayla Schott-Bresler/Karen Thomas																		
Contractor's / Agency Name:	PFM Financial Advisors, LLC																		
Is this a New Contract? If not, is this an Amendment or Renewal to an Existing Contract? Yes <input type="radio"/> No <input checked="" type="radio"/> Yes <input type="radio"/> No <input checked="" type="radio"/> If Amendment or Renewal, (per WCC 3.08.100 (a)) Original Contract #: 202303013																			
Does contract require Council Approval? Yes <input checked="" type="radio"/> No <input type="radio"/> If No, include WCC: _____ Already approved? Council Approved Date: _____ (Exclusions see: Whatcom County Codes 3.06.010, 3.08.090 and 3.08.100)																			
Is this a grant agreement? Yes <input type="radio"/> No <input checked="" type="radio"/> If yes, grantor agency contract number(s): _____ CFDA#: _____																			
Is this contract grant funded? Yes <input type="radio"/> No <input checked="" type="radio"/> If yes, Whatcom County grant contract number(s): _____																			
Is this contract the result of a RFP or Bid process? Yes <input type="radio"/> No <input checked="" type="radio"/> If yes, RFP and Bid number(s): _____ Contract Cost Center: 35021000																			
Is this agreement excluded from E-Verify? No <input checked="" type="radio"/> Yes <input type="radio"/> If no, include Attachment D Contractor Declaration form.																			
If YES, indicate exclusion(s) below: <input type="checkbox"/> Professional services agreement for certified/licensed professional. <input type="checkbox"/> Goods and services provided due to an emergency <input checked="" type="checkbox"/> Contract work is for less than \$100,000. <input type="checkbox"/> Contract for Commercial off the shelf items (COTS). <input type="checkbox"/> Contract work is for less than 120 days. <input type="checkbox"/> Work related subcontract less than \$25,000. <input type="checkbox"/> Interlocal Agreement (between Governments). <input type="checkbox"/> Public Works - Local Agency/Federally Funded FHWA.																			
Contract Amount:(sum of original contract amount and any prior amendments): \$ 39,000 This Amendment Amount: \$ 60,000 Total Amended Amount: \$ 99,000	Council approval required for; all property leases, contracts or bid awards exceeding \$40,000 , and professional service contract amendments that have an increase greater than \$10,000 or 10% of contract amount, whichever is greater, except when: 1. Exercising an option contained in a contract previously approved by the council. 2. Contract is for design, construction, r-o-w acquisition, prof. services, or other capital costs approved by council in a capital budget appropriation ordinance. 3. Bid or award is for supplies. 4. Equipment is included in Exhibit "B" of the Budget Ordinance. 5. Contract is for manufacturer's technical support and hardware maintenance of electronic systems and/or technical support and software maintenance from the developer of proprietary software currently used by Whatcom County.																		
Summary of Scope: To assist in the development of a financing plan that encompasses a) construction of new public health and safety justice facility project, b) construction of new Northwest Annex and c) ferry replacement project. Assistance includes financial projections, preparation of public materials, and reporting.																			
Term of Contract: Three Years	Expiration Date: March 14, 2026																		
Contract Routing: <table border="0"> <tr> <td>1. Prepared by: Tawni Helms</td> <td>Date: 12/10/2024</td> </tr> <tr> <td>2. Attorney signoff: C.Quinn</td> <td>Date: 12/26/2024</td> </tr> <tr> <td>3. AS Finance reviewed: Bbennett</td> <td>Date: 1/6/2025</td> </tr> <tr> <td>4. IT reviewed (if IT related):</td> <td>Date: _____</td> </tr> <tr> <td>5. Contractor signed: _____ 1/21/2025</td> <td>Date: _____</td> </tr> <tr> <td>6. Submitted to Exec.: Jlogan</td> <td>Date: 01/15/2024</td> </tr> <tr> <td>7. Council approved (if necessary): AB2025-021</td> <td>Date: 1/14/2025</td> </tr> <tr> <td>8. Executive signed: SSidhu</td> <td>Date: 1/29/2025</td> </tr> <tr> <td>9. Original to Council: _____</td> <td>Date: _____</td> </tr> </table>		1. Prepared by: Tawni Helms	Date: 12/10/2024	2. Attorney signoff: C.Quinn	Date: 12/26/2024	3. AS Finance reviewed: Bbennett	Date: 1/6/2025	4. IT reviewed (if IT related):	Date: _____	5. Contractor signed: _____ 1/21/2025	Date: _____	6. Submitted to Exec.: Jlogan	Date: 01/15/2024	7. Council approved (if necessary): AB2025-021	Date: 1/14/2025	8. Executive signed: SSidhu	Date: 1/29/2025	9. Original to Council: _____	Date: _____
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WHATCOM COUNTY
EXECUTIVE'S OFFICE
311 Grand Avenue, Suite 108
Bellingham, WA 98225



Satpal Singh Sidhu
County Executive

MEMORANDUM

TO: Whatcom County Council

THROUGH: Satpal S. Sidhu, County Executive

FROM: Kayla Schott-Bresler, Deputy Executive

CC: Steven Oliver, County Treasurer; Aly Pennucci, Deputy Executive; Randy Rydel, Finance Director

RE: Financing Capital Projects / Amendment to PFM Contract

DATE: January 6, 2025

Background

The Whatcom County Treasurer's Office has a \$39,000 contract with PFM Financial Services ([Contract # 22303013](#)) to provide advice and debt transaction services related to the construction of a new Public Safety facility (Jail and Sheriff's Office), the Northwest Annex project, and a ferry replacement. In addition, the scope of work provides for general advising services relative to financial planning including assistance on preparation of financial projections and public materials. This contract was approved by the County Council in [March 2023](#) and is funded by the respective project-based budgets of the various capital projects.

Work to Date

On [June 6, 2023](#), PFM presented to the Council to provide a general overview of Whatcom County's borrowing capacity and bond outlook.

The majority of this contract authority has been utilized by the Executive's Office, in coordination with the Treasurer's Office, to prepare financial and debt service projections for the Public Health, Safety, and Justice project. These projections went through many iterations in negotiations with the Whatcom County cities and work product was attached to the [Interlocal Agreement](#) that was approved by Council on May 7, 2024.¹

¹ To date, we have billed \$32,112.50 against the \$39,000 contract. Approximately \$21,000 was spent on the negotiations and iterative financial projections for the Justice Project interlocal agreement. This included attending negotiation meetings with the cities, reviewing the interlocal agreement, and providing multiple scenarios and financial projections to meet the terms of the public safety tax ordinance and reach agreement with the cities regarding revenue sharing. Approximately \$7,000 has been spent orienting the Executives Office, Treasurer's Office and County Council on bonding and capital project planning and an additional \$3,000 has been spent on review of the County's debt policy. PFM has also provided financial projections for a ferry, NW Annex, and Sheriff's Office bond, though that work has not been time intensive; additionally, they have provided analysis on the timing for issuing bonds for each project separately or combining issuance for some projects.

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Satpal Singh Sidhu
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The above work was a necessary precursor to some of the tasks in the contract related to debt transaction services (Scope of Work #1) and more time-intensive than originally anticipated.

Financing Proposed Capital Projects

Our understanding after consultation with PFM and the Treasurer’s Office is that the County has significant borrowing capacity and the ability to finance multiple projects simultaneously is dependent on the various revenue streams to pay back the debt. Tradeoffs and constraints related to constructing multiple projects at once have more to do with the County’s institutional capacity to manage multiple projects and get to bond issuance than the County’s borrowing capacity. It is the project capital costs and revenue projections for the various sources of funds identified to date to pay the annual debt service that is most critical for us to examine prior to making final decisions on projects:

Proposed Project	Revenue Source(s) identified to date
Jail and Behavioral Care Center	Public Health Safety and Justice Tax, State
Ferry	RAISE, State, Capital Surcharge, TBD
Sheriff’s Office & Morgue	REET/EDI
Northwest Annex	REET/EDI

The two projects with the most complex interdependencies are the Sheriff’s Office and Northwest Annex because they are funded by the same revenue sources. The Executive’s Office is working with Finance and Facilities on an updated capital project schedule and REET revenue projections. This involves continued discussions with other departments about project timelines and alternative revenue sources. We plan to make a recommendation to the Council in the first quarter of 2025 regarding the options and tradeoffs between projects and how to proceed.

PFM is working on updated revenue and bond payment projections for the jail project based on current rates of sales tax collection and projected capital cost increases. Our plan is for PFM to present this work at the February 11th County Council meeting and attend the February 13th Finance and Facility Advisory Board meeting for an in-depth policy discussion.

Next Steps and Request

The Executive and Treasurer’s Office request a \$60,000 amendment to the PFM contract so they can provide updated projections as needed and assist the County in preparing for bond issuance for upcoming capital projects. Time will be billed according to the needs of the Executive and Treasurer’s Offices to various project-based budgets, and we do not necessarily anticipate using the full contract authority.

Whatcom County Contract No.

202303013-1

Amendment No. 1
Whatcom County Contract No. 202303013
**CONTRACT BETWEEN WHATCOM COUNTY AND
PFM Financial Advisors LLC**

THIS AMENDMENT is to the Contract between Whatcom County and PFM Financial Advisors LLC dated March 23, 2023 and designated "Whatcom County Contract No.202303013". In consideration of the mutual benefits to be derived, the parties agree to the following:

This Amendment increases the maximum consideration by \$ 60,000 to a total consideration of \$ 99,000.

Unless specifically amended by this agreement, all other terms and conditions of the original contract shall remain in full force and effect.

This Amendment takes effect January 1, 2025, regardless of the date of signature.

IN WITNESS WHEREOF, Whatcom County and PFM Financial Advisors LLC have executed this Amendment on the date and year below written.

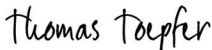
1/29/2025

DATED this _____ day of _____, 2025.

CONTRACTOR:

PFM Financial Advisors LLC

Signed by:



1/21/2025

Thomas Toepfer, Managing Director

Contractor Information:

PFM Financial Advisors LLC

107 Spring Street

Seattle, WA 98104

Attn: Thomas Toepfer, Managing Director toepfert@pfm.com

With copy to Duncan Brown, Director brownd@pfm.com

Mailing address: same

WHATCOM COUNTY:

Approved as to form:

Christopher Quinn per email 12/26/2024

Prosecuting Attorney

Date

Approved:

Accepted for Whatcom County:

By:  1/29/2025
Satpal Singh Sidhu, Whatcom County Executive