

RESOLUTION NO. _____

**ESTABLISHING AN INITIAL BUDGET LEVEL FOR THE WHATCOM
COUNTY FERRY DISTRICT**

WHEREAS, Whatcom County Code 101.01 - Whatcom County Ferry District was adopted by the Whatcom County Council on May 12, 2026, through Ordinance 2026-024; and

WHEREAS, RCW 36.54.110 provides that the District is a municipal corporation, an independent taxing authority within the meaning of Article VII, Section 1 of the Washington State Constitution, and a taxing district within the meaning of Article VII, Section 2 of the Washington State Constitution, possessing all powers conferred by Chapter 36.54 RCW necessary to construct, purchase, operate, and maintain ferries, terminals, and related facilities serving Lummi Island which is part of unincorporated Whatcom County; and

WHEREAS, establishing an initial levy budget level will fulfil the requirement to demonstrate to the Maritime Administration of the U.S. Department of Transportation (MARAD), that a funding source exists for the non-federal match for the 2022 RAISE grant award of \$25,000,000 for Lummi Island Ferry Replacement and System Modernization Project; and

WHEREAS, RCW 36.54.130 authorizes the Board of Supervisors to levy an annual ad valorem property tax on taxable property within the District, not to exceed the rate limits established under that section, to carry out the purposes for which the District was created, including the purchase, lease, or rental of ferry vessels and dock facilities; the operation, maintenance, and improvement of ferry vessels and dock facilities; providing shuttle services between the ferry terminal and passenger parking facilities, and other landside improvements directly related to the provision of ferry service; and related personnel costs; and

WHEREAS, RCW 36.54.130 states a county ferry district may incur general indebtedness, and issue general obligation bonds, to finance the construction, purchase, and preservation of ferries and associated terminals and retire the indebtedness in whole or in part from the revenues received from the tax levy authorized in RCW 36.54.130, of which will be necessary to finance the 2027 capital project; and

WHEREAS, when new sustained or one-time revenues, such as grants are received, the Public Works Department will reflect the new revenue through the annual budget process; and

WHEREAS, once the debt obligations for the new ferry and terminal improvements have been satisfied, the Ferry District Board of Supervisors may, through the annual budget process, evaluate the Ferry System's capital and operating needs and, as appropriate, reduce the levy revenue amount accordingly; and

WHEREAS, an annual levy net budget amount of \$5.7 Million is approximately 8.7 cents per thousand of assessed value.

NOW, THEREFORE, BE IT RESOLVED by the Whatcom County Ferry District Board of Supervisors that an initial Ferry District net budget levy in the amount of \$5.7 Million is established.

ADOPTED this ____ day of _____, 2026

ATTEST:

WHATCOM COUNTY FERRY DISTRICT
BOARD of SUPERVISORS
WHATCOM COUNTY, WASHINGTON

Cathy Halka, Clerk of the Council

Kaylee Galloway, District Chair

APPROVED AS TO FORM:

Christopher D Quinn 7/14/2026
Civil Deputy Prosecutor