

Whatcom County Council Finance and Administrative Services Committee

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



Committee Minutes - Draft Minutes

Tuesday, June 10, 2025

10:30 AM

Hybrid Meeting - Council Chambers

**HYBRID MEETING - ADJOURNS BY 11:40 A.M. (PARTICIPATE IN-PERSON,
SEE REMOTE JOIN INSTRUCTIONS AT www.whatcomcounty.us/joinvirtualcouncil,
OR CALL 360.778.5010), AGENDA REVISED 6.9.2025**

COUNCILMEMBERS

Barry Buchanan
Tyler Byrd
Todd Donovan

CLERK OF THE COUNCIL

Cathy Halka, AICP, CMC

Call To Order

Committee Chair Todd Donovan called the meeting to order at 10:30 a.m. in a hybrid meeting.

Roll Call

Present: 3 - Tyler Byrd, Todd Donovan, and Barry Buchanan

Also Present: Ben Elenbaas, Kaylee Galloway, Jon Scanlon, and Mark Stremmler

Announcements

Council "Consent Agenda" Items

Buchanan moved to recommend approval of Consent Agenda items one through ten. Councilmembers voted on the Consent items (see votes on individual items below).

1. [AB2025-416](#) Request authorization for the County Executive to enter into an interlocal agreement between Whatcom County and Northwest ESD 189 to provide substance use prevention services, in the amount of \$121,000

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

Aye: 3 - Byrd, Donovan, and Buchanan

Nay: 0

2. [AB2025-423](#) Request authorization for the County Executive to enter into a contract between Whatcom County and Cascade Connections to provide services to eligible individuals with developmental disabilities, in an estimated amount not to exceed \$1,661,673

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

Aye: 3 - Byrd, Donovan, and Buchanan

Nay: 0

3. [AB2025-424](#) Request authorization for the County Executive to enter into a contract between Whatcom County and Kulshan Supported Employment to provide services to eligible individuals with developmental disabilities, in an estimated amount not to exceed \$1,588,773

Buchanan moved that the Contract be RECOMMENDED FOR

AUTHORIZATION BY CONSENT. The motion carried by the following vote:

Aye: 3 - Byrd, Donovan, and Buchanan

Nay: 0

4. [AB2025-426](#) Request authorization for the County Executive to enter into a contract between Whatcom County and Washington Vocational Services to provide services to eligible individuals with developmental disabilities, in an estimated amount not to exceed \$255,333

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

Aye: 3 - Byrd, Donovan, and Buchanan

Nay: 0

5. [AB2025-427](#) Request authorization for the County Executive to enter into a contract between Whatcom County and Work Opportunities to provide services to eligible individuals with developmental disabilities, in an estimated amount not to exceed \$1,166,120

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

Aye: 3 - Byrd, Donovan, and Buchanan

Nay: 0

6. [AB2025-429](#) Request authorization for the County Executive to enter into a contract amendment between Whatcom County and Cascadia Law Group, PLLC to provide investigation and legal defense of County and District water rights, in the amount of \$300,000 for a total amended amount of \$325,000 (Council acting as the Whatcom County Flood Control Zone District Board of Supervisors)

Buchanan moved that the Contract (FCZDBS) be RECOMMENDED FOR AUTHORIZATION BY CONSENT. The motion carried by the following vote:

Aye: 3 - Byrd, Donovan, and Buchanan

Nay: 0

7. [AB2025-430](#) Request authorization for the County Executive to award construction project Bid # 19088003 and enter into a contract between Whatcom County and Northwest Brush Busters, LLC for the Subzone Levee Vegetation Maintenance 2025 project, in the amount of \$62,286.97

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

Aye: 3 - Byrd, Donovan, and Buchanan

Nay: 0

8. [AB2025-431](#) Request authorization for the County Executive to enter into a contract between Whatcom County and Clean Earth Environmental Solutions, Inc. to provide transportation and disposal of moderate risk waste from the Disposal of Toxics Facility, in an estimated amount of \$350,000

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

Aye: 3 - Byrd, Donovan, and Buchanan

Nay: 0

9. [AB2025-433](#) Request authorization for the County Executive to enter into a contract amendment between Whatcom County and DVSAS to operate and maintain three safe shelters in the amount of \$131,052, for a total amended contract amount of \$287,922

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

Aye: 3 - Byrd, Donovan, and Buchanan

Nay: 0

10. [AB2025-435](#) Request authorization for the County Executive to enter into a contract amendment between Whatcom County and YWCA Bellingham for housing case management and other operational support services for shelter and permanent supportive housing units in the amount of \$910,503, for a total amended contract amount of \$1,335,515

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

Aye: 3 - Byrd, Donovan, and Buchanan

Nay: 0

Special Presentation

1. [AB2025-371](#) Report from the Human Resources Division of the Administrative Services Department

This item was withdrawn from the agenda.

This agenda item was WITHDRAWN.

Committee Discussion

1. [AB2025-441](#) Discussion of an ordinance amending 2025 Whatcom County Budget, request no. 6, in the amount of \$18,235,908

Randy Rydel, Administrative Services Department Finance Director, briefed the councilmembers on the proposed ordinance and stated the net of this request is only \$7 million. The \$10.5 million for the Consolidated Housing Grant will be money in and money out. The \$2,764,722 from the Healthy Children's Fund is for contracts that were let last year and were not continued forward into this year, so this is cleaning up what would have typically come through continuing appropriations. He stated "Public Utilities Improvement" is the Economic Development Investment (EDI) Fund and is funding the agricultural research station.

Byrd stated the \$1.5 million to fund substance use disorder contracts through the end of the year from the Behavioral Health Fund is marked as new funding that was not included in the budget plans from last year, and he asked why they are adding those expenses.

The following people discussed that request with councilmembers:

- Kayla Schott-Bresler, Executive's Office
- Randy Rydel, Administrative Services Department Finance Director
- Aly Pennucci, Executive's Office
- Kimberly Thulin, Prosecuting Attorney's Office
- Joe Fuller, Health and Community Services
- Ann Beck, Health and Community Services

Schott-Bresler gave a history of the request and stated that after talking to a consultant after the budget process last year, they feel comfortable moving forward with budgeting \$1.5 million of additional spending in the Behavioral Health Fund to cover invoices they have received from the schools for spending so far in 2025 and to cover expected expenses through the end of 2025. They plan to bring a presentation on June 24th that lays out the fund's status and their plan to get out of the deficit spending situation. They are planning on moving some of the behavioral health school expenses to the Mental Health Millage Fund balance to deal with the outstanding obligations and they have asked the department to renegotiate with the school superintendents without radically impacting services. They are

working toward a structurally balanced budget by the submission of the 2027 budget.

Schott Bresler, Rydel, and Pennucci answered questions and discussed with councilmembers the contracts with the schools, why the spending was flagged at budget time and why they are coming to Council now, that it is not a current fund balance issue for 2025 but that they have dipped into \$3 million dollars' worth of reserve this year, that they would not have put this forward if they were not comfortable with the picture they have of the fund, that the fund can tolerate the spending down of the fund balance in the short term but they are more concerned with the ongoing structural challenge over the long term, and how much they will know about sales tax revenue by the 24th.

Buchanan answered when the Behavioral Health Advisory Committee will do their prioritization exercise (July 10) and whether the advisory committee has had any concerns that relate to this contract. He stated he cannot answer that until the exercise is done.

Kimberly Thulin answered if the Council would have the ability to remove an item or amend an item in the budget supplemental after it is introduced if they hear new information in two weeks' time, and stated it comes down to whether the change is material or not. She answered what percent of a change constitutes a material change.

The previous speakers and Health Department staff discussed with councilmembers the contracts and how the labor costs are negotiated with the schools, that the contracts do not fully fund the positions so schools usually have to find alternative revenue sources to cover things like cost of living increases, that there are both long-standing ongoing contracts and these three-year expansion contracts which are more recent and will end, services they provide to children who are not in public schools, that they are not budgeting the full amount of the expected school district contracts but only what they think the fund can tolerate at this point, moving a portion of the expansion contracts to the Mental Health Millage Fund which has been building a fund balance, preparing separate ordinances for tonight that separate out the Behavioral Health Fund amount, what would happen if they do not budget the rest of the contracted amount and why they do not ask the schools to stop spending the money in the meantime, other funds that the schools have brought in to support this type of work, and learning more on June 24th how spending for this might impact other programs supported by the Behavioral Health Fund.

Beck briefed the councilmembers on the request for funding continuation of contracts executed in 2024 that continue into 2025 from the Healthy Children's Fund.

The speakers answered more questions about how the \$1.5 million of Behavioral Health funds will be used, and Beck stated the request makes sure they have the spending authority to be able to pay everything they need to for the schools and other programs for the remainder of the year. Rydel stated they will pay upcoming bills and there will be some amount remaining because they need budget authority to get the annual contracts in place as well.

Beck read from a presentation (on file) regarding the funding process for the housing program and the Consolidated Housing Grant, and answered questions. She spoke about how decisions are made about how they fund things. She stated they are planning for a July 8 work session with Council to discuss the totality of the homeless and housing funds.

This agenda item was DISCUSSED.

Committee Discussion and Recommendation to Council

1. [AB2025-379](#) Resolution amending the 2025 Flood Control Zone District and Subzones Budget, request no. 2, in the amount of \$445,550 (Council acting as the Whatcom County Flood Control Zone District Board of Supervisors)

Gary Stoyka, Public Works Department, answered whether Council has seen the \$300,000 request regarding county water rights legal services before, and stated they discussed and introduced it two weeks ago (see **AB2025-384**). He spoke about the net effect on fund balance as noted in the table in the proposed resolution, and stated there is revenue coming in to cover part of the first request. For the second one, the Flood Fund is just fronting the funds for this, but as they find out more about which water rights are associated with which properties and which funds, they will initiate a follow-up supplemental request to bill those costs to the appropriate fund. He answered how Conservation Futures would have an impact in terms of adjudication, and stated he put that fund down as a possibility to cover the cost associated with water rights but it is not clear yet whether that fund would be charged.

Buchanan moved that the Resolution (FCZDBS) be RECOMMENDED FOR APPROVAL. The motion carried by the following vote:

Aye: 3 - Byrd, Donovan, and Buchanan

Nay: 0

2. [AB2025-437](#) Resolution to update position titles for the Washington Counties Risk Pool (WCRP) Board

Donovan asked what changes are being made with this resolution. He stated they are working on some amendments to the tort claims code which mentions the Risk Pool and maybe some titles of people on the Risk Pool Board and is wondering if this resolution overlaps with that.

Melissa Keeley, Administrative Services Department Human Resources, stated she does not think they overlap, and that this resolution is really a housekeeping item to reflect the current County position titles of the designated positions.

Donovan stated the 1988 resolution (Res 1988-045) lists the County Executive or his or her designee as the County's representative, and the Chair of the Council Finance Committee as the County's alternate representative to the Board of Directors of the Pool. He asked if they are talking about the same positions on the board.

Keeley stated this is not changing anything from what they appointed in their last resolution (she thinks in 2015); it is just updating the position titles. She answered whether there is an appointment term, and stated she believes the resolution is written to say that it is in effect until superseded.

Keeley and Aly Pennucci, Executive's Office, answered questions about the HR Director position and how it is appointed.

Scanlon and Donovan spoke about work that is being done on Whatcom County Code 3.05 ("Tort and Damage Claims").

Kimberly Thulin, Prosecuting Attorney's Office, stated this resolution is not going to change what they do going forward. This is just an adjustment based on titles.

Buchanan moved that the Resolution be RECOMMENDED FOR APPROVAL. The motion carried by the following vote:

Aye: 3 - Byrd, Donovan, and Buchanan

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 11:41 a.m.

ATTEST:

WHATCOM COUNTY COUNCIL
WHATCOM COUNTY, WA

Cathy Halka, Council Clerk

Todd Donovan, Committee Chair

Meeting Minutes prepared by Kristi Felbinger