

**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, May 12, 2026

8:45 AM

Hybrid Meeting - Council Chambers

HYBRID MEETING - ADJOURNS BY 10:45 A.M. (PARTICIPATE IN-PERSON,
SEE REMOTE JOIN INSTRUCTIONS AT www.whatcomcounty.us/joinvirtualcouncil,
OR CALL 360.778.5010)

COUNCILMEMBERS

Elizabeth Boyle
Barry Buchanan
Ben Elenbaas
Kaylee Galloway
Jessica Rienstra
Jon Scanlon
Mark Stremler

CLERK OF THE COUNCIL

Cathy Halka, AICP, CMC

Call To Order

Committee Chair Jon Scanlon called the meeting to order at 8:45 a.m. in a hybrid meeting.

Roll Call

Present: 7 - Elizabeth Boyle, Barry Buchanan, Ben Elenbaas, Kaylee Galloway, Jessica Rienstra, Jon Scanlon, and Mark Stremler

Announcements

Council "Consent Agenda" Items

Scanlon moved to recommend approval of Consent Agenda items one through three. The motion was seconded by Boyle.

Consent Agenda Item #1 (AB2026-347)

Mark Personius, Planning and Development Services Department Director, answered how it is decided what law group is used in a case like this, and spoke about this group's expertise in navigating Cherry point amendments. He stated those decisions are ultimately made out of the Prosecuting Attorney's Office when particular expertise is needed that they do not have.

Tom Seguire, Prosecuting Attorney's Office, spoke about the process for choosing a law group.

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

1. [AB2026-347](#) Request authorization for the County Executive to enter into a contract amendment between Whatcom County and Cascadia Law Group PLLC to increase the maximum consideration in the amount of \$50,000, for a total amended contract amount of \$200,000

Scanlon moved and Boyle seconded that the Contract be RECOMMENDED FOR AUTHORIZATION BY CONSENT. The motion carried by the following vote:

Aye: 7 - Boyle, Buchanan, Elenbaas, Galloway, Rienstra, Scanlon, and Stremler

Nay: 0

2. [AB2026-348](#) Request authorization for the County Executive to enter into a contract between Whatcom County and Ceterra Northwest, LLC to provide on-call construction materials testing and materials inspection for Whatcom County Public Works projects in the amount not to exceed \$200,000

Scanlon moved and Boyle seconded that the Contract be RECOMMENDED FOR AUTHORIZATION BY CONSENT. The motion carried by the following vote:

Aye: 7 - Boyle, Buchanan, Elenbaas, Galloway, Rienstra, Scanlon, and Stremler

Nay: 0

3. [AB2026-349](#) Request authorization for the County Executive to enter into a contract between Whatcom County and Sustainable Connections to conduct an innovative waste reduction program for large scale events, in the amount of \$83,588

Scanlon moved and Boyle seconded that the Contract be RECOMMENDED FOR AUTHORIZATION BY CONSENT. The motion carried by the following vote:

Aye: 7 - Boyle, Buchanan, Elenbaas, Galloway, Rienstra, Scanlon, and Stremler

Nay: 0

Special Presentation

1. [AB2026-332](#) Presentation by the Executive's Office and Finance Director on approach to 2027-2028 biennial budget

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

- Randy Rydel, Administrative Services Department Finance Director
- Kayla Schott-Bresler, Executive's Office

They and councilmembers discussed what the executive would do if a department does not have seven to ten percent to cut in the requested budget exercise, that the Administration is asking all the departments for an across-the-board exercise and not just instituting across-the-board cuts, that discretionary departments should maybe plan for the high side of the cut percentage, what balances would be needed in years 2026-2028 to reach an ending fund balance of 15 percent of prior-year revenues, what target they are trying to achieve with the near term austerity measures in 2026, if there are any other funds for which they are asking departments to seek reductions, getting clarity from legal on the statutory deadline for the Council to pass the budget before they start the budget process, and that the Executive's Office is also participating in the seven to ten percent reduction exercise.

Satpal Sidhu, County Executive, spoke about factors that led to this, that it likely started right after the COVID-19 pandemic and they saw this coming

in early 2024, and that revenue and the stagnant economy are part of the problem. He stated Council has not been looking at economic development in the Comprehensive Plan update process. This Council's job for the next four years is to increase the revenue and the administration can take care of cutting the spending.

Schott-Bresler answered if the budget scenarios they are going through for the 2027-2028 biennium will just get us through that biennium, and stated they are expecting them to get us through the biennium but, because they are interested in only entertaining structural solutions on the expense side, those reductions would carry over through the next biennium. This is a continuous exercise as long as our expenses continue to grow faster than our revenue.

Councilmembers and the presenters discussed that economic development is one of the council's stated top priorities, looking into the real estate excise tax (REET) 3 for conservation as a revenue option, how these fund balances tie in with the County's ability to borrow money, and that the state audit preliminary report came out and looks very good.

This agenda item was PRESENTED.

Committee Discussion

1. [AB2026-346](#) Discussion regarding Council Office budget items for the 2027-2028 Biennial Budget

Cathy Halka, Clerk of the Council, read from a memo (on file) and stated she is requesting high-level guidance (not specific detail) from the Council on their preference for what reduction amount to propose for the Council Office budget and the types of reductions to get there. She stated she is requesting detailed direction on the items listed on page two of the memo that show specific additional service requests (ASRs).

Scanlon stated the Council is the only body that has to have this conversation in public. He stated it makes sense, since the executive's team is going through the seven to ten percent reduction targets, for the Council Office to do that as well. What is represented on the memo is not enough to get there so additional measures would have to be taken to do that work.

Scanlon moved that they create a three-member council team to work with the clerk to identify reduction scenarios for the seven and ten percent reduction targets.

The motion was seconded by Rienstra.

Councilmembers discussed who would be interested in being on that team and five members said they would be interested (Scanlon, Galloway, Buchanan, Stremler, and Elenbaas).

Scanlon amended his motion to say that they will also vote on the three-member team. It will be a vote of three.

Halka asked if the motion is delegating decision-making authority to this group or asking the group to come back to Council with a proposal, and Scanlon stated they would come back to Council with a proposal.

Buchanan withdrew his name from consideration but stated he could provide suggestions about the task force after he meets with the IPRTF co-chairs tomorrow.

Councilmembers voted as follows:

Buchanan: Stremler, Galloway, and Scanlon

Elenbaas: Elenbaas, Stremler, and Scanlon

Galloway: Scanlon, Stremler, and Galloway

Rienstra: Stremler, Galloway, and Scanlon

Scanlon: Scanlon, Galloway, and Stremler

Stremler: Stremler, Elenbaas, and Scanlon

Boyle: Stremler, Galloway, and Scanlon

Scanlon (7 votes), Stremler (7 votes), and Galloway (5 votes) received the most votes and were selected as the three-person team.

Councilmembers discussed looking at appointed boards and advisory groups that use staff time, why both the Council Office and Executive's Office budgets have about doubled in the last seven years even though the Executive's Office has added more FTEs than the Council Office in that time period, looking for creative ideas to address the issue, how the work of the Board of Equalization and the Hearing Examiner (which are dictated by work done in the Assessor's Office and Planning and Development Services Department respectively) affects the Council Office budget, that the Council needs to discuss this again on May 26 so the clerk can meet the May 29 deadline, and that the Council can lead by example by looking at its discretionary spending.

This agenda item was DISCUSSED AND MOTION(S) APPROVED.

Motion approved that they create a three-member council team to work with the clerk to identify reduction scenarios for the seven and 10% reduction targets and appoint Stremmer, Scanlon, and Galloway

2. [AB2026-339](#) Ordinance establishing a Ferry District to fund and manage the Lummi Island ferry system

Elizabeth Kosa, Public Works Department Director, read from a presentation (on file) and reminded councilmembers of the discussion two weeks ago. She answered what it would look like if they formed a ferry district but did not yet set the levy rate.

She and councilmembers discussed that the first step is to establish a ferry district and they would then go through a process to set a levy rate, that the district (if formed) would just exist until such time that a taxing rate would be set, the timing for setting the rate and when an ordinance would need to be introduced, and that it would necessitate holding their work sessions in June.

This agenda item was DISCUSSED.

3. [AB2026-352](#) Discussion of an ordinance amending the project budget for the Austin Court Stormwater Improvement Project Fund, request no. 1

Loni Patterson, Public Works Department, answered if this is one that got held up as they were processing changes to the Charter, and stated it is.

This agenda item was DISCUSSED.

4. [AB2026-354](#) Discussion of an ordinance amending the project budget for the North Commercial Street Acquisition, request no. 1

Councilmembers discussed that this would enable them to have the fifth courtroom by moving the I.T. department.

This agenda item was DISCUSSED.

5. [AB2026-356](#) Discussion of an ordinance amending the project budget for the New Public Health, Safety and Justice Facility, request no. 11

Rob Ney, Administrative Services Department Facilities, briefed the councilmembers on the request which would allow them to complete the Hannegan property acquisition, provide funding to bridge the project from Validation into Design, and cover anticipated land use and permitting costs. He stated the requested amount is less than the purchase price of the property because they are offsetting the cost with other money Council gave them for wetland mitigation on the LaBounty site which they no longer need. He answered a question about potential cost savings by using the Hannegan site.

Elenbaas read from the exhibit to the ordinance which states, “If the Council contemplates future sale of the LaBounty site, there is an opportunity to credit the sale toward this project budget, eventually offsetting this proposed supplemental request.”

Ney stated they would not want to sell the LaBounty property until they have entitlements in place for the Hannegan site.

This agenda item was DISCUSSED.

6. [AB2026-370](#) Discussion of an ordinance amending the 2026 Whatcom County Budget, request no. 8, in the amount of \$8,914,924

Randy Rydel, Administrative Services Department Finance Director, briefed the councilmembers on the ordinance and stated it would only have a \$53,000 impact to the General Fund. He answered whether the cost of the elevators is only for those in the courthouse and stated it is.

Ann Beck, Health and Community Services, answered if the County has a longer-term agreement with the schools for youth mental health programs in light of cuts from the legislature. She spoke about the two sets of school contracts. There were temporary three-year extension contracts which end in June, and this item is for ongoing mental health services with the school districts to continue the programs that have been in place for quite a long time. She answered if this aligns with the process that the Behavioral Health Advisory Committee went through for the use of the Behavioral Health Fund, and stated supporting youth mental health was one of their tier-one priorities. She spoke about the use of mental health millage funds for the three-year contracts and that they do not anticipate doing that type of transfer for the ongoing contracts. She answered a question about the request to fund food security contracts and stated they were council-supported contracts early on to make sure they have market match dollars available at the various farmers markets.

Kayla Schott-Bresler, Executive’s Office, answered if all the funding to the food banks has already gone out or whether there is anything remaining for this fiscal year, and stated there are funds remaining on their 2026 contract but those have already been budgeted and contracted.

This agenda item was DISCUSSED.

7. [AB2026-371](#) Discussion of a resolution amending the 2026 Flood Control Zone District and Subzones Budget, request no. 3, in the amount of \$34,964 (Council acting as the Whatcom County Flood Control Zone District Board of Supervisors)

Gary Stoyka, Public Works Department, answered what the relationship is between the flood control zone district and eelgrass messaging at Larrabee Park. He stated Marine Resources is part of the Natural Resources division and falls under the Flood Fund but these are actually grant funds coming in and going out. He spoke about what ongoing funding for Floodplains by Design covers and this particular request which just moves budget authority from 2025 to 2026 to buy a property. The amount shown is a 20 percent match to a grant.

This agenda item was DISCUSSED.

8. [AB2026-372](#) Discussion of an ordinance amending the project based budget for the Lummi Nation Ferry Lease Fund-3901, request no. 1

Scanlon stated they heard about some of this earlier, but this is an additional item, and there were no questions.

This agenda item was DISCUSSED.

9. [AB2026-377](#) Discussion of an ordinance increasing the Petty Cash Revolving Fund for the Parks and Recreation Department, in the amount of \$500

Bennett Knox, Parks and Recreation Department Director, briefed the councilmembers and stated this is to give them more flexibility, given the increase in usage at Silver Lake Park, as they take care of cash payments and it is just a small adjustment.

This agenda item was DISCUSSED.

10. [AB2026-378](#) Discussion of an ordinance amending the project budget for the Central Shop National Pollutant Discharge Elimination System (NPDES) Stormwater Improvements Project Fund, request no. 2

Scanlon stated they have been having ongoing conversations about some of the work at the central shop. There were no questions by councilmembers.

This agenda item was DISCUSSED.

Items Added by Revision

There were no agenda items added by revision.

Other Business

Elenbaas stated he is hoping Council will get an update in an executive session from Legal and the executive team on a recent law suit that has been filed and what the thought process would be moving forward.

Kayla Schott-Bresler, Executive's Office, stated they are happy to participate in an executive session if the Council would like to call one but

would need some time to prepare.

Adjournment

The meeting adjourned at 10:25 a.m.

ATTEST:

WHATCOM COUNTY COUNCIL
WHATCOM COUNTY, WA

Cathy Halka, Council Clerk

Jon Scanlon, Committee Chair

Meeting Minutes prepared by Kristi Felbinger