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, May 26, 2026
11 AM
Hybrid Meeting - Council Chambers

HYBRID MEETING - ADJOURNS BY 12:30 P.M. (PARTICIPATE IN-PERSON, SEE REMOTE JOIN INSTRUCTIONS AT www.whatcomcounty.us/joinvirtualcouncil, OR CALL 360.778.5010); AGENDA REVISED 5.22.2026

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 11 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

Galloway moved to recommend approval of Consent Agenda items one through 13. The motion was seconded by Boyle.

Galloway flagged items on the Consent Agenda that represent ways the County is working with others to achieve the priorities of the Justice Project implementation Plan and broader work around services using revenues other than the public safety sales tax.

Consent Agenda item number 7 (**AB2026-391**)
Galloway asked if two actions need to be taken on this item since staff (in the memo on file) is requesting a separate motion authorizing the Executive to execute agreements with the property owners that outline the terms of reimbursement for the elevation of their structures.

Gary Stoyka, Public Works Department, stated he believes it should be two separate motions and Cathy Halka, Clerk of the Council, concurred. Stoyka answered what the next steps would be if Council goes forward with that motion, and stated it allows them to execute the elevations more quickly.

Scanlon stated they could take that motion up under Other Business. He spoke, in agreement with Galloway's initial comments, about investments represented on this agenda within our behavioral health systems, criminal justice systems, public safety, housing, homelessness, flood mitigation, and our courts. He stated there is a lot of State and Federal money in these items, as well as partnerships between the County and the cities.

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

1. AB2026-368 Request authorization for the County Executive to enter into a contract between Whatcom County and EKS Evaluation Consulting to develop a comprehensive evaluation plan for the five key Response Systems Division programs within Whatcom

County Health and Community Services, in the amount of $83,150

Galloway 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. AB2026-381 Request authorization for the County Executive to enter into an interlocal agreement between Whatcom County and Bellingham Police Department for a commitment of funding from the Bellingham Police Department to maintain operations of the Alternative Response Team Program, in the amount of $688,760

Galloway moved and Boyle seconded that the Interlocal 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. AB2026-382 Request authorization for the County Executive to enter into an interlocal agreement amendment between Whatcom County and Washington State Department of Commerce to increase funding for the Consolidated Homeless Grant, which supports the priorities outlined in the Whatcom County Plan to End Homelessness, in the amount of $1,546,981 for a total amended agreement amount of $20,366,072

Galloway moved and Boyle seconded that the Interlocal 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

4. AB2026-385 Request authorization for the County Executive to enter into a contract amendment between Whatcom County and Washington State Department of Health to provide funding for various public health programs, in the amount of $57,008 for a total amended contract amount of $11,286,805

Galloway moved and Boyle seconded that the Interlocal 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

5. AB2026-386 Request authorization for the County Executive to enter into a contract between Whatcom County and Kulshan Community Land Trust to provide eighteen units of permanently affordable homeownership units for households earning less than 80% Area Median Income, in the amount of $394,012.06

Galloway 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

6. AB2026-387 Request authorization for the County Executive to enter into a contract between Whatcom County and Shea, Carr & Jewell, Inc. dba SCJ Alliance to provide flood mitigation planning for the City of Sumas, in the amount of $274,981.33 (Council acting as the Whatcom County Flood Control Zone District Board of Supervisors)

Galloway moved and Boyle seconded that the Contract (FCZDBS) 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

7. AB2026-391 Request authorization for the County Executive to enter into a grant agreement between Whatcom County and the Washington State Military Department for the elevation of sixteen structures in flood-prone areas, in the amount of $4,156,725 (Council acting as the Flood Control Zone District Board of Supervisors)

Galloway moved and Boyle seconded that the Contract (FCZDBS) 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

A SECOND MOTION WAS MADE ON THIS ITEM UNDER OTHER BUSINESS.

8. AB2026-392 Request authorization for the County Executive to enter into a contract amendment between Whatcom County and Herrera Environmental Consultants to support the next phase of Lower Nooksack River Floodplain Integrated Planning, in the amount of $1,250,229 for a total contract amount of $4,248,598 (Council acting as the Whatcom County Flood Control Zone District Board of Supervisors)

Galloway moved and Boyle seconded that the Contract (FCZDBS) 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

9. AB2026-393 Request authorization for the County Executive to enter into a contract between Whatcom County and Lake Whatcom Residential Treatment Center to support the development of 37 units of affordable rentals for adults with behavioral health needs, including 11 units dedicated to Trueblood Class Members, in the amount of $3,087,940

Galloway 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

10. AB2026-394 Request authorization for the County Executive to enter into an amended agreement between Whatcom County and the Administrative Office of the Courts for reimbursement of costs related to water adjudication, in the amended amount of $2,538,200

Galloway moved and Boyle seconded that the Interlocal 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

11. AB2026-397 Request authorization for the County Executive to enter into an interlocal agreement between Whatcom County and the Washington State Military Department to enhance security and preparedness for the 2026 International Federation of Association Football (FIFA) World Cup events, in the amount of $62,963

Galloway moved and Boyle seconded that the Interlocal 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

12. AB2026-398 Request authorization for the County Executive to enter into a contract between Whatcom County and the SeattleFWC26 to enhance security and preparedness for the 2026 International Federation of Association Football (FIFA) World Cup events, in the amount of $97,556

Galloway 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

13. AB2026-401 Request authorization for the County Executive to enter into a contract amendment between Whatcom County and the City of Bellingham to clarify eligible construction reimbursement methods for the Bear Creek Corridor Mitigation Bank Project in the amount of $0, for a total amended contract amount of $1,000,000

Galloway moved and Boyle seconded that the Interlocal 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. AB2026-399 Presentation from the Western Washington University Small Business Development Center regarding its services and economic impacts in Whatcom County

CJ Seitz, Western Washington University Small Business Development Center, presented about projects they are currently working on and what they do, demographics of the clients they serve, how they measure economic development when they are reporting to the Federal government, the broader work that they do in the community, what they do to build resilience in businesses and the community (such as business recovery after the 2021 and 2025 floods), and their vision that Whatcom County can be known nationally as the place to come if you want to innovate and try new products or expand.

Scanlon thanked the team for everything they do in the community and for helping people affected by the floods.

Seitz and the following additional Small Business Development Center team members answered questions:

- Sherri Daymon
- Liliana Deck

Councilmembers and the speakers discussed how they report on the number of new clients advised each year, ideas on ways the county can partner with the center so that the county does not get negative feedback about Whatcom County not being a good place to do business, how someone thinking of starting a new business can discover what services the center can provide, at what stage of starting a business they interact with a client, and how they might help someone who is not sure of the business type they would like to start.

This agenda item was PRESENTED.

2. AB2026-400 Presentation by the Executive Office on the Economic Development Investment Fund and Program

Jake Logan, Executive's Office read from a presentation (on file) on the Economic Development Investment Program. He stated the EDI program is under the umbrella of the EDI fund and has an annual allocable amount of about $4 million in a normal (non-spend-down year). This fund changed to include housing in 2024-2025 and so affordable housing is now competing with traditional infrastructure projects and economic development priorities within the same fund. Last year there was a large fund balance, and Council and the Administration discussed allocations for infrastructure and housing, but they were also including Whatcom County's percentage in the talk of percentages. What was decided was 30 percent going to the County, 30 percent to housing, and 40 percent to other municipalities for infrastructure or economic development purposes (referred to as "30/30/40" - See **AB2025-303**). For 2027, there is $3.9 million after the County's share and after the amount for recurring obligations and established programs, and that portion is allocable to the two tracks of affordable housing and infrastructure. He read from the presentation about the EDI board's recommendations. The dollar split the EDI Board recommended was $2.3 million for infrastructure and $1.7 million for housing. That 57.5 percent and 42.5 percent allocation (as a base of 100) matches the allocation percentage that was approved last year. He stated the Executive's Office is planning to continue forward with a 75/25 percent split, which would mean approximately $3 million each year for infrastructure and economic development purposes and $1 million for direct subsidy for affordable housing, though the infrastructure allocation can be used to support housing.

Councilmembers discussed the presentation with Logan and the following additional speakers:

- Steve Oliver, County Treasurer

- Satpal Sidhu, County Executive
- Kayla Schott-Bresler, Executive's Office

Councilmembers and the speakers discussed giving clarity to the allocation amounts, why the fund balance grew to the size that it did, that a project like Old Town Urban Village to support housing development would be making housing possible instead of directly subsidizing it so it could be counted as part of the 75 percent for infrastructure, that EDI plays a relatively small roll in the whole housing capital stack and the impact of a higher housing percentage will cause more harm to the infrastructural side than the help it would provide, how the $700,000 difference for infrastructure between the two recommendations will help out our county, that the executive's proposal could potentially include banking successive years of the infrastructure side of the fund to be able to make more strategic investments in major economic development infrastructure projects (such as the Bell Road overpass in Blaine), that the executive's recommendation was developed subsequent to the EDI Board's meeting though a 75/25 split was a motion that was made and not passed, that they could come back to the discussion in tonight's Council meeting and maybe find a compromise that would uphold the Council's values toward affordable housing while also investing in critical infrastructure, and that maybe the board's recommendation might have been different if they would have seen this presentation.

This agenda item was PRESENTED.

Committee Discussion

1. AB2026-346 Discussion regarding Council Office budget items for the 2027-2028 Biennial Budget

Scanlon stated the small group they formed worked on this and he asked that the clerk give an update.

Cathy Halka, Clerk of the Council, stated materials she submitted from the last meeting on May 12th gave information regarding the 7-10 percent reduction exercise requested by the Executive's Office. Council appointed three councilmembers to meet and discuss a proposed list of Additional Service Requests (ASRs) to identify a percentage and confirm the list. There is a memo for today with a revised list of ASRs showing which ones the workgroup landed on for submission. She would like to get final direction from the Council body on the proposed reduction amount to submit to the Executive's Office for this exercise and any edits or feedback on the specific ASRs listed on the second page of the memo.

Galloway spoke about the sensitive nature of these conversations and that she sees the reductions as a necessary evil. She spoke about not meeting the targets without having to significantly impact the wages and benefits section of the budget, and that they are working on what that might look like, but it is probably best they reserve any personnel-related decisions until they see a bigger picture. She spoke about other items on the list and that she wants to make sure they are understanding the consequences as they make decisions.

Scanlon moved to request the clerk submit a low 7% and a high 10% reduction in the council budget for the 2027-2028 biennium.

The motion was seconded by Rienstra.

The motion carried by the following vote:
Aye: 6 - Buchanan, Galloway, Rienstra, Scanlon, Stremler, and Boyle
Nay: 1 - Elenbaas

Scanlon moved to request the clerk submit the ASR list on the “Staff Memo for 5.26.2026” (on file) for the phase one budget deadline.

The motion was seconded by Rienstra.

Elenbaas stated the dollar amount of our budget has grown substantially but our staffing levels have not. He spoke about growth in other departments while the Council Office has just been trying to maintain the status quo to meet the mandates given to our office. He stated a 7-10 percent cut across the board in the County is not going to be responsive to the basic function of what the County needs to accomplish and he would like to push back on the Executive’s Office when it comes to cuts that would pertain to our ability to serve the needs of the public.

Scanlon stated this is a difficult exercise to go through but he thinks it is one that they should go through (with their own budget), and then they can come back in the fall after all the offices and departments have gone through this process. At that time, they may have updated information regarding County revenue and expenditures and they can make decisions. The 7-10 percent exercise sets up that process, and then in the fall, they can have the discussion about their priorities and how they might approach cuts.

Scanlon amended the motion ***and moved*** to maintain the BOE per diem and to maintain the Sheriff’s deputy in the evening (account 6699).

Halka stated the BOE per diem was not proposed in this memo to be removed so the motion would be to remove the Sheriff deputy from the ASR list and include funding for that security at the evening meeting.

Scanlon amended his motion to amend ***and moved*** to maintain the Sheriff's deputy in the evening.

Councilmembers discussed the motion and Halka clarified that the current ASR list includes eliminating all of the $50,000 for total annual travel for councilmembers.

The motion carried by the following vote:
Aye: 7 - Elenbaas, Galloway, Rienstra, Scanlon, Stremler, Boyle, and Buchanan
Nay: 0

Halka stated she will submit the amended ASR list for the May 29th deadline, then they should hear back on phase 2 of this effort. That phase 2 submittal will then be due in early July.

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

MOTION 1:
Motion approved to request the clerk submit a low 7% and a high 10% reduction in the council budget for the 2027-2028 biennium.

MOTION 2
Motion approved to request the clerk submit the ASR list on the "Staff Memo for 5.26.2026" (on file) for the phase one budget deadline but to maintain the Sheriff's deputy in the evening (account 6699).

Committee Discussion and Recommendation to Council

1. AB2026-333 Ordinance increasing the Petty Cash Revolving Fund for the Parks and Recreation Department, in the amount of $500

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

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

Nay: 0

2. AB2026-351 Ordinance amending the project budget for the Austin Court Stormwater Improvement Project Fund, request no. 1

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

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

Nay: 0

3. AB2026-353 Ordinance amending the project budget for the North Commercial Street Acquisition, request no. 1

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

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

Nay: 0

4. AB2026-355 Ordinance amending the project budget for the New Public Health, Safety and Justice Facility, request no. 11

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

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

Nay: 0

5. AB2026-369 Ordinance amending the 2026 Whatcom County Budget, request no. 8, in the amount of $8,914,924

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

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

Nay: 0

6. AB2026-373 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)

Scanlon moved and Galloway seconded that the Resolution (FCZDBS) be RECOMMENDED FOR APPROVAL. The motion carried by the following vote:

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

Nay: 0

7. AB2026-374 Ordinance amending the project based budget for the Lummi Nation Ferry Lease Fund-3901, request no. 1

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

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

Nay: 0

8. AB2026-379 Ordinance amending the project budget for the Central Shop National Pollutant Discharge Elimination System (NPDES) Stormwater Improvements Project Fund, request no. 2

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

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

Nay: 0

9. AB2026-402 Resolution appointing the County Treasurer and Finance Director as the county representatives authorized to designate certain expenditures for reimbursement from future tax-exempt obligations

Scanlon moved and Galloway seconded that the Resolution be RECOMMENDED FOR APPROVAL. The motion carried by the following vote:

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

Nay: 0

Items Added by Revision

1. AB2026-418 Request for motion to support modifying the Flood District Fund reserve policy to allow for levee repairs

Gary Stoyka, Public Works Department, read from the memo (on file). The Flood Control Zone District Advisory Committee recommended that Council take the cost share amount from the fund balance in order to stay in the PL 84-99 program so they are looking for Council direction today to see if they are in favor of at least proceeding with the repairs and paying for that out of County funds. They would then do a supplemental budget request and would present a resolution allowing the fund balance to drop.

He and councilmembers discussed that the U.S. Army Corps of Engineers is looking to do the repairs by October, that it makes sense (given that they do not have decisions yet on the widen-the-corridor project) to be able to protect people who would be impacted if they do not have the repairs, that the amount the fund balance would drop below the minimum would only be $220,000 by the end of the year so they would have slightly less cash to respond to flood emergencies but not that much less, that they plan on replenishing the balance in the 2027 budget and the possibility of permanently amending the 2010 resolution (**AB2010-392**) that set the minimum fund balance or just changing it temporarily.

Scanlon moved to support modifying the Flood District Fund reserve policy to allow for levee repairs.

Jed Holmes, Executive's Office, stated they are just looking for the level of comfort to give the Army Corps of Engineers the go-ahead so the motion works to give them confidence to move forward.

The motion was seconded by Rienstra.

Galloway stated she is worried the motion is far too broad and needs to be limited to these two projects. She also thinks it needs to be clear that this is a temporary spend-down. She would not be comfortable spending the entire reserve.

Holmes stated this does not provide budget authority but is signaling the Council’s willingness to use the reserves for this type of work. They would still have to come back and get the Council’s approval.

Scanlon amended his motion ***and moved*** to support modifying the Flood District Fund reserve policy to allow for the Ritter Road and Bylsma Levee repairs.

Kayla Schott-Bresler, Executive’s Office, stated the executive has not decided yet on the use of banked capacity for the flood fund.

Galloway stated she thinks they need to be thoughtful in the next biennium about how they are going to get back to the $5 million minimum fund balance, and she thinks Council needs to seriously consider the use of banked capacity for the next biennium for this particular budget.

The motion carried as amended by the following vote:
Aye: 7- Scanlon, Stremler, Boyle, Buchanan, Elenbaas, Galloway, and Rienstra
Nay: 0

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

Motion approved to support modifying the Flood District Fund reserve policy to allow for the Ritter Road and Bylsma Levee repairs.

Other Business

(Item from the Consent Agenda)

7. AB2026-391 Request authorization for the County Executive to enter into a grant agreement between Whatcom County and the Washington State Military Department for the elevation of sixteen structures in flood-prone areas, in the amount of $4,156,725 (Council acting as the Flood Control Zone District Board of Supervisors)

Councilmembers revisited Consent Agenda item number 7 to make staff's separate requested motion.

Scanlon moved to authorize the Executive to execute agreements with the property owners that outline the terms of reimbursement for the elevation of their structures.

The motion was seconded by Galloway.

The motion carried by the following vote:
Aye: Stremler, Boyle, Buchanan, Elenbaas, Galloway, Rienstra, Scanlon, and Stremler
Nay: 0

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

Motion approved to authorize the Executive to execute agreements with the property owners that outline the terms of reimbursement for the elevation of their structures.

Adjournment

The meeting adjourned at 12:34 p.m.

ATTEST:

WHATCOM COUNTY COUNCIL
WHATCOM COUNTY, WA

Jon Scanlon-via email 6/1/2026

Cathy Halka, Council Clerk

Jon Scanlon, Committee Chair

Meeting Minutes prepared by Kristi Felbinger

SIGNED COPY ON FILE