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1 WHATCOM COUNTY COUNCIL
2 **Finance and Administrative Services Committee**
3

4 June 29, 2004
5

6 Committee Chair Sam Crawford called the meeting to order at 11:00 a.m. in
7 the Council Chambers, 311 Grand Avenue, Bellingham, Washington.
8

9 Present:

10 Dan McShane

11 Sharon Roy
12

Absent:

None

13 Also Present:

14 Laurie Caskey-Schreiber

15 Barbara Brenner
16
17

18 **COMMITTEE DISCUSSION AND RECOMMENDATION TO COUNCIL**
19

20 **1. ORDINANCE AMENDING THE 2004 WHATCOM COUNTY BUDGET,**
21 **EIGHTH REQUEST (AB2004-244)**
22

23 Crawford stated they would address this item and the first Consent Agenda
24 item concurrently.
25

26 Dewey Desler, Deputy Administrator, stated this involves a change to the
27 original purchase and sale agreement. The most recent version has \$296,000
28 added to the appropriation to purchase the property. The arrangement involves
29 the trade of other properties the County owns with the City property. He gave a
30 power point presentation (*on file*).
31

32 The administration wants to construct two buildings on this parcel. They
33 would be light industrial buildings, and designed to be converted back to a light
34 industrial use after the County's use is done. If the light industrial uses are
35 planned into the building, it's much less expensive to plan it in from the beginning.
36

37 The sale involves an additional 1.5 acres adjacent to the site. The City
38 proposes to trade the southern section of the Vactor waste site facility for the one-
39 third acre the County owns on Holly Street. The administration feels it is a good
40 solution. The County will use that second site for stormwater detention issues on
41 the six-acre site. The property on Holly Street that the County owns has been
42 incorporated into the City's Maritime Heritage Park. The appraisal value of the
43 property on Holly Street is \$281,000. The six acres on Division Street are
44 appraised at \$873,000.
45

46 Brenner asked the value of the 1.5-acre site. Desler stated it's probably
47 valued less than \$281,000. The City asked to trade these two properties.

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1 Attorneys said that there needs to be some value received in these arrangements,
2 but it doesn't necessarily need to be dollar for dollar. No one has done an appraisal
3 on that 1.5 acres. If they multiply the square foot value of the other property
4 they're purchasing by the size of the 1.5-acre site, a total value would be about
5 \$186,000. The administration was prepared that another property with limited
6 utility and value would also be transferred. The City decided to exclude it, even
7 though it would still like to have that property.

8
9 Crawford asked if the administrations discussed lowering the cost of the
10 Division Street property by the amount of the difference in values between Holly
11 Street parcel and 1.5 acre parcel. Desler stated they have not discussed it.

12
13 Caskey-Schreiber stated there are different ways to measure value. The
14 County will be able to fully use the six-acre site with the 1.5-acre site available for
15 stormwater. The County will have more use out of the six-acre site. The County
16 wasn't using the Holly Street property. There's a value other than the dollar value.
17 This is a good deal.

18
19 Crawford asked how the City would value the Division Street property.

20
21 Caskey-Schreiber stated that if both sides are happy, then they have
22 reached their goal.

23
24 Crawford stated the City is asking full market value. He asked if the County
25 asked for this extra 1.5-acre parcel, or the City said it was just part of the deal.
26 Desler stated until now, the County talked with the City about needing stormwater
27 retention at the six-acre site. They talked about jointly expanding the capacity of
28 the waste site and then giving the City a fee for the use and maintenance of the
29 area. However, it was too complicated. If the County were to ever sell this interim
30 property, it would be better to link the stormwater retention area with the six-acre
31 property.

32
33 Crawford asked if HDR said the six-acres is not enough for stormwater
34 retention requirements. Desler stated they have.

35
36 Crawford stated the drawing of the potential facilities doesn't show buildings
37 that take up six acres. Desler stated the back half of the six-acre property is steep.
38 They won't construct on that area. They will need a fair amount of parking. There
39 will be landscaping and fencing. There will also be parking and driveways going in
40 and around the front portion of the buildings as well. The preliminary drawings
41 show an intensive use of all flat areas on the property.

42
43 Desler continued his presentation. Jail construction costs shown are
44 estimated at \$5.8 million. Construction is estimated at \$3.6 million.

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1 Caskey-Schreiber asked if the feasibility study price is factored into the
2 architectural and engineering cost. Desler stated the feasibility study is on the soil
3 characteristics of the land. That is going on right now.
4

5 Brenner asked if the County is going to sell this property for light industrial
6 use when it doesn't need the interim jail anymore. Desler stated it is.
7

8 Desler continued the presentation about funding. The County will propose a
9 sales tax increase that will be devoted to the construction costs of the buildings.
10 The administration will work out in the next few weeks or months how to fund the
11 remaining amount, through either bonding or borrowing. They will also use future
12 sales tax revenue for operation and construction of a permanent jail.
13

14 The interim jail won't be full always. It will have 145 beds. The main jail
15 and work release will stay in place. There will not be a significant reduction in the
16 population at the main jail. Instead, they are going to add capacity to the justice
17 system as a result of this project.
18

19 Roy asked if the current status at the jail is overcrowded. She asked if the
20 main jail will be used to capacity, but not over capacity. Desler stated they will use
21 the main jail as it is used currently. The interim jail gives the jail staff and justice
22 system more flexibility to deal with difficult offenders. The main jail capacity will
23 stay at 220.
24

25 Wendy Jones, Chief of Corrections, stated she agreed with Mr. Desler. This
26 project will not address overcrowding, but will address their ability to bring people
27 in who they're not bringing in now. It's such a critical issue in the community. The
28 project won't reduce the population of the mail jail.
29

30 Crawford asked the population of the jail if they had their ideal capacity.
31 Jones stated an ideal population capacity would be 600 beds. Until a main jail
32 facility with 600 to 800 beds is built, the problem of overcrowding won't go away.
33

34 Brenner stated a jail in the City of Everett has extra jail space and is
35 interested in contracting out their bed space. Jones stated Everett doesn't have
36 capacity now. It will potentially have capacity in the future. The offenders those
37 jails want to take in are post-trial sentenced offenders that are low-risk, but
38 Whatcom County puts those offenders in its alternative programs. It's too difficult
39 to transport pre-trial offenders, even along Interstate 5.
40

41 McShane stated a concern in Snohomish County, and a concern Whatcom
42 County should have, is that cities are sending prisoners to Yakima. Snohomish
43 County's concern is that they've committed to building a large jail, but the
44 prisoners aren't coming in from the cities like they anticipated. Whatcom County
45 will have to decide the commitment it will get from the cities. Jones stated the
46 municipalities have had the option of using Yakima and Benton County jails, but

1 they can't get people into the system at this point, in the front end. They would
2 rather use prisoners locally in work crews.

3
4 Desler stated this proposal doesn't involve mandatory commitment from the
5 local municipalities.

6
7 Roy asked if there are statistics about the percentage of jail beds needed for
8 a given population. Eight hundred beds sounds like about five percent of the
9 population. Desler stated he's seen an estimated capacity of 2.6 beds per 1,000
10 population. Because of their intensive use of alternative corrections, they have far
11 less use of jail space. The administration needs to move in that same direction.
12 Provide alternatives for people with mental health and substance abuse issues. The
13 public wants that same kind of service.

14
15 Roy agreed. Don't supplant alternatives with maximum capacity.

16
17 Desler continued his presentation about operating cost assumptions.

18
19 Brenner asked if offenders pay a fee for their jail stay. Jones stated
20 offenders going through the work release and jail alternative programs pay the full
21 cost of those programs. Staff looked at per diem rates for main jail offenders, but
22 to get that money from the offenders, most of whom are indigent, would exceed
23 the amount they'd recoup. There are booking fees. It is not cost effective to
24 charge offenders for their jail stay.

25
26 Desler continued his presentation about revenue sources.

27
28 Crawford asked how the City of Bellingham will pay for its increased use of
29 jail space through this new facility. Desler stated the City has other revenue
30 sources, including court revenue from fines and fees. Because the main jail has
31 been so full, the City of Bellingham is over-budgeted by about \$600,000 per year
32 that it doesn't spend on jail space that doesn't exist. There has been no room left
33 in the jail for City prisoners.

34
35 Brenner asked why the administration estimates less revenue from the
36 tribes. Desler stated the reduction is due to the per diem rate reduction. Tribes
37 won't use more space with the new interim jail. There will be a 12 percent drop in
38 per diem charges because of the increased volume. More people will go through
39 the system.

40
41 Desler continued his presentation.

42
43 Caskey-Schreiber asked if they anticipate that funds from the sales tax are
44 restricted to the jail use, which the voters will know about. Desler stated that is
45 correct.

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1 Caskey-Schreiber stated that's important. Voters need to know that long-
2 term, the money will go to this issue only. Desler stated the voters will know that.
3

4 Desler continued his presentation on the proposed funding for a new
5 permanent jail in 2010. In 2010, the County will have the capacity to build a new
6 main jail and pay it off over time with the increased sales tax amount.
7

8 Caskey-Schreiber asked if the interim facility could be used down the road as
9 the alternative corrections center. Desler stated they haven't thought about it.
10

11 Roy asked if the sales tax can be used for operations. Desler stated it can.
12

13 Fleetwood asked if all the planning scenarios rely on passage of the tax
14 increase. Desler stated they do.
15

16 Fleetwood asked if there is an alternative plan. Desler stated the alternative
17 would be a significant reprioritization of all the things the County does today.
18

19 Roy stated they could also increase another tax.
20

21 McShane stated it would be an interesting exercise to do. They could tap
22 into other revenues to build the building. Desler stated that for \$2.7 million, the
23 general fund contributes to the entire Parks and Recreation Department budget.
24 For that same amount, the general fund also funds the County's portion of the
25 Health Department.
26

27 McShane stated that's what the public needs to know. They need to know
28 what services would be eliminated, as the alternative to the sales tax.
29

30 Crawford stated they have to let the public know what elective services could
31 be cut.
32

33 Roy stated they need that information about what it will look like if this
34 doesn't pass, and that another option is to raise property taxes.
35

36 Brenner stated that if this fails, raising property taxes will not be a solution.
37 That would be a slap in the face of the voters who vote down the sales tax.
38

39 McShane asked if the administration is suggesting bonding. Desler stated
40 they haven't decided. If they do other bonding, it may be useful to wrap all the
41 bonds together when they review the debt policy to fit all this together.
42

43 *(Clerk's Note: End of tape one, side A.)*
44

45 Desler continued to state there is a possibility of borrowing money from
46 another fund and paying it back over time.
47

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1 Caskey-Schreiber stated she recalled a conversation with Washington State
2 Association of Counties (WSAC) representative Bill Vogler, who was lobbying the
3 legislature for more flexibility for using that second quarter-percent of the real
4 estate excise tax (REET). If they were to get that flexibility, they could easily bond
5 off the second quarter to pay for the construction of that. Contact local legislators
6 and ask them to support it. Counties need that flexibility.
7

8 Desler continued his presentation on total project budget estimate, including
9 the triage and election centers and the storage facility. Before signing contracts
10 with construction companies, the administration will talk with the Council about
11 more detailed plans and estimates. The timetable is very ambitious. Not included
12 is a timeframe on the City of Bellingham permitting time, which is normally about
13 12 weeks.
14

15 Crawford asked if there's anything that ties the County to the Division Street
16 property in the context of the bigger picture. First, the County's limitation for
17 staying in the City of Bellingham is for the courts, not incarceration. There's
18 nothing that constrains them from being in the City of Bellingham. Desler stated
19 counties have to provide a jail adjacent to the courts, and the courts have to be in
20 Bellingham. The administration proposes to use the main jail as a pre-trial
21 detention. Nothing constrains the County from committing to this location.
22

23 Crawford stated his concern is about the ambitious timeline and working with
24 the City. His concern is the purchase price of the additional property, and there not
25 being equity. He asked if the County contacted someone like the Economic
26 Development Council (EDC), which keeps an inventory of the properties with water
27 and sewer in the urban growth areas UGA's, to see if there is property the County
28 could use if this Division Street property doesn't work out. There may be a private
29 party that is willing to sell their property. Desler stated the administration is
30 looking at other potential jail sites. It will present those sites to the Council soon.
31 They are looking at that information in the context of the long-term facility.
32

33 Crawford asked how tied in the County is to this property if they can't reach
34 an agreement on the costs. Desler stated they all need to move forward quickly. A
35 key factor is getting a site they can build on, including all the government
36 permitting requirements. The Division Street site is in place because the City of
37 Bellingham has actually zoned that location for the jail. It is the only location
38 properly zoned for a jail.
39

40 Crawford stated the City is asking full market value on one property and a
41 higher than market value trade of another property. That is a dilemma for the
42 County. If the administration assumes it has to take this site, it isn't making good
43 decisions for the public. Desler stated this is a good deal for the County. He has
44 worked on this for many months. If it seems not fair to the County, keep in mind
45 that the County is accepting all the conditions the City of Bellingham has given. It's
46 appropriate at this point. The County makes decisions all the time to help member

1 communities. This directly helps member communities in the county. That
2 strengthens all the people in the community of Whatcom County.
3

4 Caskey-Schreiber stated she's alarmed at the tact Councilmember Crawford
5 is taking. He's not taking into consideration the value and gain of having a larger
6 site. There is an intrinsic value in this property. At some point, they have to do
7 what is mutually agreeable to both parties. They have come to a mutual
8 agreement. Let it come before the full Council. If Councilmember Crawford is not
9 comfortable, then he can vote no. Every issue is another delay in solving the
10 community safety issue. There are other fiscal liabilities of having an overcrowded
11 jail. Councilmember Crawford seems to be looking for a reason to vote no, which
12 he should do rather than drag them all through this. Both parties have tried in
13 good faith to find a common ground. The County is mandated to have the courts in
14 the City. The City is in the County. This is the largest city in the county. Don't
15 take the attitude that the County can't work with the City.
16

17 **McShane moved** to recommend approval of the ordinance to the full
18 Council. He's happy with the deal. If this is going to be in the city, this is the spot.
19 If they don't do it now, they will have to be in the county. One reason to finish the
20 deal is because an upcoming harder decision is to locate the master facility.
21 Communicate to the City Council that it's as important in the decision on a
22 permanent facility site as the County is. A map he looked at indicated other
23 constraints the County has in the Comprehensive Plan regarding locating jail
24 facilities. It's a very difficult constraint they will need to review in the future. It
25 limits their potential locations to this facility in the short-term.
26

27 Fleetwood stated they're committing to a process before they know the
28 funding is available. Desler stated they have always planned to go through
29 planning and engineering during 2004. They hope to have construction done in
30 2005 to open in 2006. The tax measure will go to a vote in November 2004. By
31 early November, they will know if the tax is approved. They will not have made
32 any decision to advertise and award a bid for construction. If the Council decides
33 to take another approach before making commitments, it can.
34

35 Roy stated she is in favor of the motion. She agrees with Councilmember
36 Caskey-Schreiber about getting on with this project. It's a community project.
37 Bellingham is part of the county. It will benefit all. The administration has worked
38 hard at keeping the Council informed throughout this process. If the Council
39 objected to something, it had every opportunity to say no.
40

41 Crawford stated that if they engage in a property purchase, then pay a fair
42 value. The appraisal on the 1.5-acre parcel will be done, according to the
43 agreement. It's not an appropriate transaction when there is a disparity in cost of
44 \$100,000. He doesn't know why they need the additional acreage. He walked the
45 property. There is an existing stormwater facility that can be expanded. He's not
46 convinced that they need the extra land and to spend \$100,000 over the market
47 value for it. There's nothing remarkable about that extra property. Because it

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1 doesn't have Division Street frontage, it may have less square footage value than
2 the six-acre property.
3

4 He's not looking for reasons to kill this deal. He's been very supportive and
5 has spent time working on it with the administration. Resolve that issue. He would
6 be in favor of it if the Council chose not to pursue the full purchase price, and
7 lowers the \$873,000 by the disparity in appraised cost of Holly Street property
8 and appraised amount of the 1.5 acre property.
9

10 He asked if the City, when it zoned this lot, applied the zone only to the six
11 acre area. The City may have to change their ordinance if the lot line adjustment
12 includes this extra parcel. That infers a tremendous amount of flexibility. The City
13 is going to have to rezone for the lot line adjustment, anyway. He doesn't agree
14 there's no flexibility in delaying this. If the City wants to do things not based on
15 appraisals, it is a cause for pausing. There are some urban growth areas that have
16 water and sewer. Pursue those if the Division Street property doesn't work out.
17

18 McShane stated the biggest constraint to other locations is the distance to
19 schools, which is anything closer than one mile. That eliminates almost all the
20 UGA's as an option for another location.
21

22 Crawford stated he is against the motion. He would rather continue the
23 negotiation so they can work out the disparity once they know the value of the 1.5-
24 acre property.
25

26 Caskey-Schreiber stated they need to acknowledge that the City of
27 Bellingham is giving up tax revenue to the County for this use.
28

29 ***Motion carried 2-1 with Crawford opposed.***
30
31

32 **COUNCIL "CONSENT AGENDA" ITEM**

33 34 **1. REQUEST AUTHORIZATION FOR THE EXECUTIVE TO ENTER INTO A** 35 **PURCHASE AND SALE AGREEMENT BETWEEN WHATCOM COUNTY AND** 36 **THE CITY OF BELLINGHAM FOR PROPERTY LOCATED AT 2140** 37 **DIVISION STREET IN THE AMOUNT OF \$873,000 (AB2004-213B)** 38

39 Crawford submitted a version of the ordinance with recommended changes
40 (*on file*).
41

42 Dewey Desler, Deputy Administrator, stated the most recent agreement the
43 City and County administration's have preliminarily agreed to is in the Council
44 packet. It allows for the transfer of the properties on Holly Street and cost for the
45 7.5 acre parcel on Division Street. Conditions are outlined in section five that the
46 administration intends to meet.
47

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1 **Roy moved** to recommend approval to the full Council.
2

3 Fleetwood referenced section 5.7 of the agreement. He asked if there is
4 concern about including language that binds the County to keep this an interim
5 facility. There may be a scenario to continue to use the facility longer. He asked if
6 the County is bound to keep this interim as a condition of this agreement. Desler
7 stated the councils are binding themselves to follow the language contained in
8 section 5.7 of the agreement. The administration will pursue construction of a
9 permanent facility. Ultimately, the Council will make the decisions on taxes,
10 expenditures, and contracts. If different issues present themselves, the people in
11 authority can make decisions that best meet the needs of the community at that
12 time. The County intends to follow the language in the agreement.
13

14 Fleetwood stated the nature of a real estate purchase and sale agreement is
15 to bind the parties to perform by complying with conditions expressed before the
16 formal exchange deeds. He asked if this binds the County to pursue construction of
17 the facility before the County gets the deed, or if the County will be bound to
18 perform pursuit of a permanent facility into the future. He asked the remedy for a
19 breach of contract if the City feels the County isn't proceeding with pursuing a
20 permanent facility fast enough. Desler referenced section seven of the agreement.
21 The County will formally own the property, and will follow through with the
22 conditions in this agreement, but they are not connected to the ownership of the
23 property.
24

25 Crawford asked why the conditions are in the agreement. Desler stated the
26 City of Bellingham proposed the conditions.
27

28 Crawford referenced sections 5.5 through 5.7. There is no room in a
29 purchase and sale agreement for the kind of language about how the County would
30 use the property once it owns the property. However, in an attempt to make
31 people feel good and understand the County's intent, he would propose to strike
32 sections 5.5 through 5.7, and add language to a new section 5.5, "**County's use of**
33 **property. Whatcom County shall purchase the property with the intention of**
34 **constructing a multi-use facility which uses include, but are not limited to, a County**
35 **jail facility, a storage facility, a "community triage center," and other uses as**
36 **prescribed by the City zoning regulations as of June 1, 2004. The County shall**
37 **construct the jail portion of the facility with the flexibility for future conversion to**
38 **other uses. The County and the City shall continue to work cooperatively on site**
39 **criteria and zoning within the City or it's surrounding Urban Growth Area, as**
40 **prescribed by RCW 70.48, to develop another permanent location, other than this**
41 **property, for a long-term correctional facility with significantly increased capacity."**
42 They don't know what roadblocks will come up along the way in the next ten years.
43 It may end up that the existing language is unwise for the City of Bellingham. His
44 proposed language clearly conveys the county's intent.
45

46 Another issue is political will. This Council knows what it wants. They don't
47 know what the future leadership of Bellingham or Whatcom County will want to

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1 represent their constituents. **Crawford moved** to strike sections 5.5 through 5.7,
2 and add language to a new section, "County's use of property. Whatcom County
3 shall purchase the property with the intention of constructing a multi-use facility
4 which uses include, but are not limited to, a County jail facility, a storage facility, a
5 "community triage center," and other uses as prescribed by the City zoning
6 regulations as of June 1, 2004. The County shall construct the jail portion of the
7 facility with the flexibility for future conversion to other uses. The County and the
8 City shall continue to work cooperatively on site criteria and zoning within the City
9 or it's surrounding Urban Growth Area, as prescribed by RCW 70.48, to develop
10 another permanent location, other than this property, for a long-term correctional
11 facility with significantly increased capacity."

12
13 Caskey-Schreiber stated she is against the motion. They've had this
14 language for awhile. The City of Bellingham has given the County quite a bit of
15 leeway from what it originally wanted. This language probably won't hold up
16 legally. The County isn't bound by law to vacate the property in ten years, and
17 they've heard that it's not enforceable. The County attorneys have reviewed and
18 approved this language. None of these items will put the County in a bad position.
19 They know the current jail will not withstand use for more than ten years, so the
20 County is bound to come up with a new facility anyway.

21
22 **Motion failed 1-2 with Crawford in favor.**

23
24 Crawford referenced section 4.3. Make the conditions reciprocal. He asked
25 if there are encumbrances on the property. Desler stated there will be a title
26 search. The City of Bellingham acquired the property 3.5 years ago. He doesn't
27 foresee any encumbrances being on the property.

28
29 Crawford stated he heard about a stormwater easement. Desler stated
30 they're checking. If stormwater work is required, they will move the stormwater
31 piping to places that won't interfere with the building projects.

32
33 Crawford stated he's concerned that they would have to remove all
34 encumbrances on the Holly Street property, but the City won't have to remove
35 encumbrances on the Division Street property. He mirrored the language reversing
36 the roles of the City and County in each paragraph, that they both have ten days to
37 remove all encumbrances on all properties involved, and failure to do so gives the
38 other party cause to not agree. They haven't done a title search, so they don't
39 know of the encumbrances. Therefore, it's appropriate to do it this way. His
40 suggestion makes the City and County's responsibilities equal. **He so moved.**

41
42 Desler asked that legal counsel be given a chance to review that amendment
43 first.

44
45 **Crawford withdrew his motion.** He wants the County and City to have
46 equal responsibility as partners.

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1 **Crawford** stated section 5.4 addresses issue of non-suitability, but section
2 6.1 says the County will take the property as it is, no matter what. He **moved** to
3 add a sentence to section 6.1, "...unfit for use by the County. **Nothing in this**
4 **paragraph shall be construed as limiting the County to exercise its right to**
5 **terminate this agreement as prescribed in paragraph 5.4 above."**
6

7 Roy asked why they need to reference section 5.4 in section 6.1.
8

9 Crawford stated there are other issues going on with the agreement. There
10 is a verbal commitment from the City to remove huge piles of dirt at the location,
11 which isn't in the agreement. Desler stated the administration was working on a
12 deadline to get this to the City Council at the beginning of June.
13

14 *(Clerk's Note: End of tape one, side B.)*
15

16 Desler continued to state they were still trying to figure out about the dirt.
17 There have been three or four conversations with the City leadership who said they
18 will haul the dirt away. He feels confident that will happen. There is no evidence
19 from the testing firm that there is any contamination. The soil would be hauled
20 away before closing the transaction.
21

22 Roy stated she has respect for Councilmember Crawford's expertise, but she
23 also respects the attorneys and administration who have worked this through. It's
24 not an important change. She would only second guess the attorneys and
25 administration on a huge issue.
26

27 McShane stated he also appreciated Councilmember Crawford's work, but he
28 is concerned about the sensitivity of the City Council, which has approved this
29 agreement. That's the reality. The change isn't worth going there.
30

31 **Motion failed 1-2 with Crawford in favor.**
32

33 **Crawford moved** to amend section 6.3 to clarify use, "The City warrants
34 that the zoning for the property is and will remain appropriate for the anticipated
35 use by the County, particularly as a multi-use facility which uses include, but are
36 not limited to, a County jail facility, a storage facility, a "community triage center,"
37 and other uses as prescribed by City zoning regulations as of June 1, 2004."
38

39 **Motion failed 1-2 with Crawford in favor.**
40

41 McShane thanked Mr. Desler for working on this job, which wasn't easy.
42

43 Crawford stated he would not approve this item. His concerns have not been
44 addressed.
45

46 **Motion to recommend approval of the agreement to the full Council**
47 **carried 2-1 with Crawford opposed.**

1
2 **2. REQUEST AUTHORIZATION FOR THE EXECUTIVE TO ENTER INTO A**
3 **CONTRACT AGREEMENT BETWEEN WHATCOM COUNTY AND REGION 1**
4 **– SNOHOMISH HEALTH DISTRICT TO PURCHASE EMERGENCY**
5 **RESPONSE PLANNING EQUIPMENT AND SUPPLIES IN THE AMOUNT**
6 **OF \$29,980 (AB2004-247)**

7
8 **McShane moved** to recommend approval to the full Council.

9
10 Crawford stated this is a budgeted item. He asked if this is a new
11 agreement.

12
13 Terry Hinz, Assistant Director, stated it is an agreement to provide funding
14 to the County to buy this equipment. This is money coming into the County.

15
16 **Motion carried unanimously.**

17
18 **3. REQUEST AUTHORIZATION FOR THE EXECUTIVE TO ENTER INTO AN**
19 **ECONOMIC DEVELOPMENT INVESTMENT PROGRAM INTERLOCAL**
20 **LOAN AND GRANT AGREEMENT BETWEEN WHATCOM COUNTY AND**
21 **THE CITY OF BLAINE TO SUPPORT THE CONSTRUCTION OF THE**
22 **PEDESTRIAN BOARDWALK IN THE AMOUNT OF \$436,667 IN THE**
23 **FORM OF A GRANT, AND A LOAN AMOUNT OF \$873,333 (AB2004-**
24 **248)**

25
26 Dewey Desler, Deputy Administrator, stated the County, the City of Blaine,
27 and the Economic Development Investment (EDI) Board have been reviewing an
28 application made for this EDI funding through the rural sales tax public utility
29 improvement fund. It is a one-third/two-thirds loan in the total amount of \$1.31
30 million. There is a proposed appropriation that will be introduced to the Council at
31 its meeting tonight. The administration and the EDI Board recommend this project.
32 This is very important for Blaine.

33
34 Crawford asked the amount currently in the fund. Desler stated there will be
35 about \$6.9 million at the end of year.

36
37 Dieter Schugt, City of Blaine Mayor, stated the boardwalk project started
38 from a citizen committee in 1987. This is a key to revitalize downtown. There is
39 interest from people who own the property. The project draws people to the
40 community to spend dollars. The EDI Board is unanimously in favor of this project.
41 It is a good use of economic development monies. The project will produce jobs
42 and developing businesses.

43
44 Gary Tomsic, Blaine Manager, submitted handouts (*on file*). The boardwalk
45 is the focal point of the downtown economic revitalization project for Blaine. Funds
46 will be used for economic development purposes. It will improve the economies of
47 rural communities.

1
2 The boardwalk is mentioned in most planning plans for the City of Blaine,
3 Port of Bellingham, and the Chambers of Commerce. Terry Galvin is the project
4 manager. A few years ago, he and Mr. Galvin got together with Trillium, Port of
5 Bellingham, the City of White Rock in British Columbia to share their visions to
6 come up with a plan for their visions to come together. They are developing a
7 reason for people to visit the area and spend money to create business and jobs.
8 These entities came up with the concept of a "northwest necklace" where Drayton
9 Harbor is the neck, and around the neck are jewels. As they develop each of those
10 jewels, they are developing a reason for people to visit. The northwest necklace
11 focal point that is the revitalization of the downtown area, including the boardwalk.
12 It also includes Port facilities, improvements to Marine Park, Resort Semiahmoo,
13 White Rock, the Lummi Heritage Center, and a ferryboat between Blaine and White
14 Rock. When they make the northwest necklace happen, they will have a tourist
15 draw that brings people to and holds them in the area. One of the jewels on the
16 necklace is the Port property along Marine Drive. They came up with a master plan
17 for the downtown and Marine Park jewel on the northwest necklace. The goal is to
18 create a downtown redevelopment project filled with stores and different
19 businesses. The key feature is the boardwalk, which includes a performance
20 pavilion and community plaza. The second phase of the boardwalk is an extension
21 from the boardwalk at H Street, over the railroad tracks, and into the Port property
22 and the trail system around Marine Park. It will link downtown with Port/marine
23 areas. The handout includes a picture of their 20-year vision. For years, properties
24 in downtown Blaine have sat idle because they were owned by out-of-country
25 people. Now, downtown real estate is starting to move. Four new businesses in
26 downtown are opening this summer. There is an intense interest by small business
27 owners to be in Blaine because they anticipate the impacts from the boardwalk.
28 The loan will pay back the community many times over.

29
30 Roy asked about parking for people who will be drawn to the boardwalk.
31 Tomsic stated it's a challenge. They are in the process of negotiating a property in
32 the downtown area that will provide some parking. There is opportunity for
33 developing parking below the boardwalk. They're working on a solution for
34 parking. It is something they have to deal with.

35
36 Roy asked if there are design standards built into this. Tomsic stated
37 ordinances require that buildings in the downtown area comply with their
38 architectural guidelines.

39
40 Roy stated the proposal for future development looks like Blaine used to look
41 in the 1940's and 1950's. Tomsic stated they are trying to improve the community
42 authentically. The turn of the century and nautical heritage architectural themes
43 are true to Blaine's identity.

44
45 Brenner asked if they've considered a park-n-ride location for parking.
46 Tomsic stated they haven't. They haven't invested the time to look at parking

1 options yet. Once they're assured this boardwalk will happen, they will do a
2 parking study for the downtown area.
3

4 **McShane moved** to recommend approval to the full Council. He serves on
5 the EDI Board. A lot of motivation is to stimulate economy and create jobs. The
6 other thing is that this will be great for those who live there also.
7

8 Roy stated this will also be good for people who dock their boats in the
9 harbor.
10

11 Tomsic stated the design is about 80 percent done. They're close to having
12 construction documents drawn up.
13

14 McShane stated this has been in the works for a long time. This is good
15 work.
16

17 Crawford asked if all the EDI Board recommendations come before the
18 Council, and if there are other projects that will come forward. This project is
19 great. Make sure the Council is doing this in a way that is appropriate for the
20 amount of money it has.
21

22 McShane stated this is only the second application that has come forward.
23 The EDI Board has taken a position of being a combination of a loan and grant
24 funding source. It may deviate from that. The Council can change and amend the
25 recommendation. There was one other application that came forward. The EDI
26 Board rejected it. It didn't seem to fit the criteria the Board was using.
27

28 Tomsic stated Lynden has a project.
29

30 Crawford asked if the rejected application will still come before the Council.
31

32 McShane stated the applicant will come back with more information, but has
33 a long way to go to get the project ready.
34

35 Crawford stated the EDI Board was not to be the final decision maker, but to
36 make recommendations to the Council.
37

38 ***Motion carried unanimously.***
39

40 **13. REQUEST AUTHORIZATION FOR THE EXECUTIVE TO AWARD BID #04-**
41 **41 TO THE LOWEST BIDDER, ENVIRO-CLEAN EQUIPMENT, FOR A**
42 **REGENERATIVE AIR SWEEPER, IN THE AMOUNT OF \$137,099.41**
43 **(AB2004-258)**
44

45 Brenner stated a private contractor does this. She asked if staff contacted
46 that contractor as an option instead of buying.
47

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1 Mike Roberts, Assistant County Road Engineer, stated staff put out a bid for
2 contract services, and that contractor submitted a bid and was the sole bidder. The
3 contractor's bid exceeded the engineer's estimate by a lot. He met with the
4 contractor to discuss the contractor's bid and the engineer's estimate. They
5 decided to re-bid the contract and change the specifications regarding disposal of
6 the waste product. A memo dated June 17 in the Council packet discusses the
7 issue. Staff will re-bid for the contract and bring forward a recommendation in
8 September. Staff still wants to purchase the equipment in addition to contracting
9 for certain services. There is a lot of work for this equipment to do in the County.

10
11 Brenner stated the contractor has several sweepers and people to operate
12 them. She asked if staff thinks the contractor can't do all the work there is.
13 Roberts stated he can't speak for the contractor. During the meeting, the
14 contractor said he would need to purchase a broom. He was willing to do that.

15
16 Brenner stated she is interested in contracting the work.

17
18 Joe Rutan, County Road Engineer, stated they anticipated needing two
19 sweepers. The County will hire a private contractor to work in the watershed areas.
20 They want a staff sweeper that can be flexible and responsible to respond to on-call
21 issues as they come up. It's a sweeping program that is a combination of staff and
22 a contractor. The type of sweeper in this contract is a regenerative broom
23 sweeper. The contractor does not own one and would have to purchase one.

24
25 Brenner stated the contractor is willing to buy one. Rutan stated the County
26 wants to be more responsive to issues as they come up, and not have to contact
27 the contractor to respond. The County will be more responsive to citizen requests.
28 That is the program the staff is developing.

29
30 Brenner stated the contractor said he can be responsive to immediate calls.
31 Rutan stated the County feels it can be more responsive, control the sweeper, and
32 decide where most appropriately to send it. The County has a larger staff and is
33 better able to respond on-call.

34
35 Crawford stated each vendor bid a different piece of machinery. He asked
36 for assurance that they're buying the right type of equipment.

37
38 Mary Green, Equipment Rental & Revolve (ER&R) Manager, stated that
39 before going out to bid, they demonstrated each machine. Staff was happy with
40 the low bid because it was the machine everyone wanted.

41
42 McShane asked if the intent of this sweeper is for the Lake Whatcom
43 watershed. Roberts stated it is primarily, until a contractor is hired.

44
45 McShane asked if the City of Bellingham has sweepers. Roberts stated it
46 does and sweeps their portion of the watershed.

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1 Crawford asked the City takes its waste to the Vactor waste facility. Roberts
2 stated the City built a separate facility for their street sweeping waste. Now, the
3 Vactor facility is just for vactor waste, not street sweeping.
4

5 Crawford asked where County street waste will go. Roberts stated he's
6 hoping to rent space from the City. Now, they're taking waste to Recomp.
7

8 Roy stated she is concerned about Councilmember Brenner's issues. She
9 asked if the bid included a requirement to be on-call 24 hours per day and other
10 things that the County can do. She asked if the administration would consider
11 making that part of the bid process so the Council can compare the two services. If
12 they can give someone in the community the business, it would be better. Roberts
13 stated the County is surplusng a grade-all, which is a ditching machine to purchase
14 the regenerative broom. They are shifting the service priorities at Maintenance and
15 Operations Division to be more environmentally friendly toward surface water
16 runoff. The grade-all was tied to the mower. Therefore, they are just changing
17 how they do their work and their priorities.
18

19 Roy stated that makes a lot more sense. Roberts stated the intent is to hold
20 the number of full-time equivalent (FTE) employees and rolling stock. They are
21 changing services to meet higher priorities.
22

23 Roy asked if contracting the second sweeper is an additional cost. Roberts
24 stated it is.
25

26 McShane asked if they are negotiating with the City to use their facility.
27 Roberts stated he hopes to. He's only had one conversation so far with their
28 superintendent. If they start looking at efficiency, their Irongate facility is much
29 closer than the Recomp facility at Evergreen.
30

31 Crawford asked if staff will drive the equipment from an on-call location to
32 Recomp. Roberts stated they will drive it to Recomp.
33

34 McShane stated he is interested in how the negotiation goes. He is willing,
35 through his political position, to apply some pressure if need be. The
36 councilmembers should be willing to do that .
37

38 ***McShane moved*** to recommend approval to the full Council.
39

40 ***Motion carried unanimously.***
41

- 42 **4. REQUEST AUTHORIZATION FOR THE EXECUTIVE TO ENTER INTO AN**
43 **INTERLOCAL AGREEMENT BETWEEN WHATCOM COUNTY AND THE**
44 **CITY OF FERNDALE TO PROVIDE \$50,000 TOWARDS A NEW TRAFFIC**
45 **SIGNAL BEING CONSTRUCTED BY THE CITY AT THE INTERSECTION**
46 **OF RURAL AND SLATER ROADS (AB2004-249)**
47

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1 Joe Rutan, County Road Engineer, stated in 1999, his predecessor Bruce
2 Mills wrote a letter to the Rural Economic Vitality Program supporting this City of
3 Ferndale project. At that time, it was placed on the six-year transportation
4 improvement program (TIP). Mr. Mills took it off the 2003-2009 TIP because of
5 inaction and budgeting issues. Recently, the new City of Ferndale Public Works
6 Director found a \$50,000 contribution to the project.

7
8 *(Clerk's Note: End of tape two, side A.)*
9

10 Rutan continued to state that there was no formal interlocal request for the
11 County to act upon. This is the formal request for the action. The County has
12 about \$250,000 in the unanticipated site improvement budget. They have not
13 spent any of that yet this year.

14
15 Crawford stated they are not taking any money from any other project
16 they've budgeted for this year. Rutan stated that's correct.

17
18 **McShane moved** to recommend approval to the full Council.

19
20 Crawford stated he supports this strongly. It's a beautiful road
21 improvement.

22
23 **Motion carried unanimously.**
24

25 **5. REQUEST AUTHORIZATION FOR THE EXECUTIVE TO ENTER INTO A**
26 **COOPERATIVE AGREEMENT BETWEEN WHATCOM COUNTY AND THE**
27 **ARMY CORPS OF ENGINEERS FOR LEVEE REHABILITATION WORK ON**
28 **THE RITTER ROAD LEVEE LOCATED ON THE LEFT BANK OF THE**
29 **NOOKSACK RIVER EAST OF RITTER ROAD IN THE AMOUNT OF**
30 **\$60,066, FOR A COUNTY COST SHARE IN THE AMOUNT OF \$12,013**
31 **(AB2004-250)**
32

33 **McShane moved** to recommend approval to the full Council of Consent
34 Agenda items five through eight.

35
36 Paula Cooper, River and Flood Division Manager, stated a memo dated June
37 15, 2004 from Jeff Monsen summarizes the total project costs. Of the \$81,000
38 County cost, the County will get about \$16,000 back from local sponsors.

39
40 **Motion carried unanimously.**
41

42 **6. REQUEST AUTHORIZATION FOR THE EXECUTIVE TO ENTER INTO A**
43 **COOPERATIVE AGREEMENT BETWEEN WHATCOM COUNTY AND THE**
44 **ARMY CORPS OF ENGINEERS FOR LEVEE REHABILITATION WORK ON**
45 **THE SANDE-WILLIAMS LEVEE LOCATED ON THE RIGHT BANK OF THE**
46 **NOOKSACK RIVER IN THE AMOUNT OF \$128,020, FOR A COUNTY**
47 **COST SHARE IN THE AMOUNT OF \$25,604 (AB2004-251)**

1
2 See Consent Agenda item five.
3

- 4 **7. REQUEST AUTHORIZATION FOR THE EXECUTIVE TO ENTER INTO A**
5 **COOPERATIVE AGREEMENT BETWEEN WHATCOM COUNTY AND THE**
6 **ARMY CORPS OF ENGINEERS FOR LEVEE REHABILITATION WORK ON**
7 **THE RIGHT BANK BERTRAND CREEK LEVEE IN THE AMOUNT OF**
8 **\$176,715, FOR A COUNTY COST SHARE IN THE AMOUNT OF \$35,343**
9 **(AB2004-252)**

10
11 See Consent Agenda item five.
12

- 13 **8. REQUEST AUTHORIZATION FOR THE EXECUTIVE TO ENTER INTO A**
14 **COOPERATIVE AGREEMENT BETWEEN WHATCOM COUNTY AND THE**
15 **ARMY CORPS OF ENGINEERS FOR LEVEE REHABILITATION WORK ON**
16 **THE LEFT BANK BERTRAND CREEK LEVEE IN THE AMOUNT OF**
17 **\$40,821, FOR A COUNTY COST SHARE IN THE AMOUNT OF \$8,164**
18 **(AB2004-253)**

19
20 See Consent Agenda item five.
21

- 22 **9. REQUEST AUTHORIZATION FOR THE EXECUTIVE TO ENTER INTO A**
23 **GRANT AGREEMENT WITH THE NATIONAL FISH AND WILDLIFE**
24 **FOUNDATION TO MANAGE KNOTWEED IN THE UPPER NOOKSACK**
25 **RIVER CORRIDOR IN THE AMOUNT OF \$30,000 (AB2004-254)**

26
27 *Roy moved* to recommend approval to the full Council.
28

29 *Motion carried unanimously.*
30

31 Laurel Shiner, Weed Control Coordinator, stated they have funding from the
32 Salmon Recovery Funding (SRF) Board and National Fish and Wildlife Foundation
33 for this project this year, to take place on the south fork of the Nooksack River to
34 survey and control knotweed. There are three species there now, and they are
35 hybridizing.
36

37 Roy asked how they get rid of the knotweed. Shiner stated there are three
38 techniques using a version of the herbicide Round Up. There is a foliar treatment, a
39 cut and wipe stem treatment, and an injection to each and every stem. Each
40 treatment has their place in different locations according to proximity to the water.
41

- 42 **10. REQUEST AUTHORIZATION FOR THE EXECUTIVE TO ENTER INTO A**
43 **THREE YEAR SUBSCRIBER AGREEMENT BETWEEN WHATCOM COUNTY**
44 **AND WEST PUBLISHING TO PROVIDE ONLINE AND HARDBOUND**
45 **LEGAL RESEARCH TOOLS TO THE WHATCOM COUNTY PROSECUTOR**
46 **IN THE AMOUNT OF \$33,979 (AB2004-255)**
47

1 **McShane moved** to recommend approval to the full Council.

2
3 **Motion carried unanimously.**

- 4
5 **11. RESOLUTION ESTABLISHING CRP NO. 998023 AND AWARDING THE**
6 **BID FOR THE SUNRISE ROAD WETLAND MITIGATION AT UPPER**
7 **CLARK PIT TO THE LOW BIDDER, COLACURCIO BROTHERS**
8 **CONSTRUCTION IN THE AMOUNT OF \$129,980 (AB2004-256)**

9
10 **McShane moved** to recommend approval to the full Council.

11
12 **Motion carried unanimously.**

- 13
14 **12. RESOLUTION ESTABLISHING CRP NO. 903009 AND AWARDING THE**
15 **BID FOR THE LAKE WHATCOM BOULEVARD AUSTIN CREEK BRIDGE**
16 **#116 REPLACEMENT TO THE LOW BIDDER, ONE WAY**
17 **CONSTRUCTION, INC. IN THE AMOUNT OF \$1,197,268.87 (AB2004-**
18 **257)**

19
20 **McShane moved** to recommend approval to the full Council.

21
22 **Motion carried unanimously.**

- 23
24 **14. REQUEST AUTHORIZATION FOR THE EXECUTIVE TO AWARD BID #04-**
25 **52 TO THE LOWEST BIDDER, FOSS MARITIME, FOR ANNUAL**
26 **DRYDOCK OF THE WHATCOM CHIEF, IN THE AMOUNT OF \$147,197**
27 **(AB2004-259)**

28
29 Crawford asked the cost compared to last year.

30
31 Mary Green, Equipment Rental and Revolve (ER&R) Manager, stated it
32 always depends on what they need to do. The cost is a little more this year. Every
33 year for the past four years, they have come in under bid by about \$10,000. They
34 have to estimate some unknown costs until the boat comes out of the water. She
35 was disappointed that a local contractor didn't bid this year.

36
37 McShane stated the local contractor has been very busy lately.

38
39 **McShane moved** to recommend approval to the full Council.

40
41 **Motion carried unanimously.**

- 42
43 **15. REQUEST AUTHORIZATION FOR THE EXECUTIVE TO ENTER INTO A**
44 **RENTAL AGREEMENT BETWEEN WHATCOM COUNTY PARKS &**
45 **RECREATION AND CHRIS FULTON FOR REAL PROPERTY SITUATED ON**
46 **THE MAPLE FALLS TO GLACIER TRAIL, GLACIER, WASHINGTON FOR A**

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1 **TERM OF FIVE YEARS COMMENCING ON JANUARY 1, 2003 AND**
2 **ENDING ON DECEMBER 31, 2007 (AB2004-180)**
3

4 Crawford stated the Executive's Office has a desire to move away from these
5 types of agreements in the future.

6
7 Roy asked who is on the Property Management Committee

8
9 Brad Bennett, Finance Division Manager, stated the Executive, Treasurer,
10 Auditor, and Parks Director are the Property Management Committee.

11
12 Mike McFarlane, Parks and Recreation Director, stated this is at the end of
13 the seven mile corridor that terminates in Glacier. The homes were owned by the
14 residents, but the property was not. Subsequently, the County had an annual lease
15 agreement. A few years ago, there was a desire to get into a longer-term lease
16 with the residents, but that locks up the property. This is an opportunity to get into
17 a shorter-term agreement. It is to the County's benefit to phase out those
18 agreements to open the property up to the public.

19
20 **Roy moved** to recommend approval to the full Council.

21
22 **Motion carried unanimously.**
23

24
25 **OTHER BUSINESS**
26

27 McShane stated they received a letter from the Conservation District to the
28 Executive. Conservation District Manager George Boggs was asked to participate in
29 the shoreline management program and critical areas ordinance technical advisory
30 committee. Mr. Boggs indicated he isn't available to participate because he doesn't
31 want to participate for free. The County received a substantial amount of money
32 from the Department of Ecology for both of these updates. He doesn't know if they
33 can send money to the Conservation District for it's participation, particularly on the
34 critical areas ordinance. The shoreline master program isn't as big a deal because
35 agriculture is usually exempt. Mr. Boggs' expertise on wetlands and streams in the
36 agricultural environment would be useful for a variety of reasons. Keep it in mind
37 during the budget process.

38
39 Roy asked if others with other agencies would want reimbursement for
40 participation.

41
42 McShane stated there is always the issue of money. Other agencies have a
43 vested interest, which is why they will be at the table anyway. In this case,
44 because of that relationship between the County and the Conservation District, this
45 is something the Council might want to consider putting money toward.
46

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1 Roy stated she may support it, but wants to know how it fits in the big
2 picture.

3
4 McShane stated the downside if the Conservation District doesn't participate
5 is that there would be agricultural issues that aren't addressed. Agricultural issues
6 would also not be understood.

7
8
9 **ADJOURN**

10
11 The meeting adjourned at 1:40 p.m.

12
13
14
15 _____
16 Jill Nixon, Minutes Transcription

17
18 ATTEST:

WHATCOM COUNTY COUNCIL
WHATCOM COUNTY, WASHINGTON

19
20
21
22
23
24 _____
Dana Brown-Davis, Council Clerk

Sam Crawford, Committee Chair