

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

4 June 9, 2009  
5

6 Committee Chair Sam Crawford called the meeting to order at 10:30 a.m. in the  
7 Council Chambers, 311 Grand Avenue, Bellingham, Washington.  
8

9 Present:

10 L. Ward Nelson  
11 Bob Kelly  
12

Absent:

None

13 Also Present:

14 Seth Fleetwood  
15 Laurie Caskey-Schreiber  
16 Carl Weimer  
17 Barbara Brenner  
18  
19

20 **SPECIAL PRESENTATION**  
21

22 **1. PRESENTATION BY BRUCE CLAWSON, SENIOR VICE PRESIDENT AND**  
23 **DIVISION MANAGER OF BANNER BANK, ON THE STATUS AND OUTLOOK FOR**  
24 **WASHINGTON BANKS (AB2009-017)**  
25

26 Bruce Clawson, Banner Bank, submitted and read from a presentation (*on file*).  
27

28 Discussion included an estimated time frame for economic recovery; whether there  
29 will continue to be revenue from new construction, and; funding speculative construction  
30 with private capital.  
31

32 (*Clerk's Note: End of tape one, side A.*)  
33

34 Discussion continued and included whether they are over-inflated in the amount of  
35 land speculators and if they will see a decrease in the housing market and land values;  
36 generating bank revenue from real estate refinancing; how to trust the banks from not  
37 issuing subprime loans in the future; banks buying Fannie Mae and Freddie Mac securities;  
38 the source of federal bailout funds, and; areas further out from Bellingham that will suffer  
39 more when housing becomes affordable in Bellingham.  
40

41 The following person spoke:

- 42 • David Moody, 1211 - 14<sup>th</sup> Street, Bellingham, stated he disagrees that the  
43 community was flooded with vacant lots. As soon as the market comes back,  
44 the market will go from a supply of nine years to two years. There are only  
45 six houses for sale in the price range of \$240,000 in Bellingham. Seattle  
46 funding has increased its lending the last two years. Some lenders are  
47 expanding.  
48

49 (*Clerk's Note: The Committee took a break at 11:30 a.m.*)  
50

51 **COMMITTEE DISCUSSION**  
52

1 **1. DISCUSSION WITH THE ADMINISTRATION REGARDING WHATCOM**  
2 **COUNTY'S BUDGET STABILIZATION ACTION PLAN (AB2009-268)**  
3

4 Dewey Desler, Deputy Administrator, gave a presentation of graphs illustrating the  
5 County's financial status and read the budget stabilizing action plan, beginning on Council  
6 packet page two.  
7

8 Discussion included the general fund cash balance and its purpose, source, and  
9 history; issuing register warrants; options to manage the general fund cash balance until  
10 2011; how they make sure their most basic services will continue if critical staff positions  
11 aren't filled, and; whether money transferred from the road fund to the general fund would  
12 have been used for new projects or maintenance.  
13

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

16 Desler continued to read the stabilizing budget action plan.  
17

18 Discussion continued and included the mill rate for the Veteran's Relief Fund;  
19 alternatives to the furlough split of 40 hours in 2009 and 40 hours in 2010; why the County  
20 was motivated to pay for basic life support (BLS) compensation costs to the Emergency  
21 Medical Services (EMS) Fund; Humane Society standards for operation; the total budget gap  
22 they're trying to close; whether the County has ordered the antiviral medication; putting a  
23 freeze on equipment purchases through the equipment rent and revolve (ER&R) fund, and;  
24 how the County funds depreciation and assumes an inflation rate.  
25

26 The following people spoke:

- 27 • Brad Bennett, Administrative Services Department.
- 28 • Faith Bult, Whatcom Humane Society Board of Directors Vice-President,  
29 stated the Humane Society wasn't informed that its budget would be cut by  
30 \$100,000. There is a difference between animal control, a County  
31 responsibility, and the care and welfare of the animals, which is the charge of  
32 the Humane Society. Any lowering of standards may require the Humane  
33 Society to cancel the contract. Humane Society standards won't be reduced.  
34

35 *(Clerk's Note: End of tape two, side A.)*  
36

37 Discussion continued and included how they use other, healthier funds such as the  
38 ER&R fund and administrative services fund, and; policies to offset the desire to use  
39 consultants when they diminish the size of government.  
40

41 **2. DISCUSSION OF THE SOLID WASTE EXECUTIVE COMMITTEE'S**  
42 **RECOMMENDATION FOR THE 2010 SOLID WASTE DIVISION BUDGET**  
43 **(AB2009-269)**  
44

45 Jon Hutchings, Public Works Department, gave a staff report and answered  
46 questions. He submitted and read additional information *(on file)*.  
47

48 Discussion included the reason for the decline in revenue being the reduced  
49 construction activity and related level of construction waste; how the surcharge is passed  
50 through to the consumer, and; whether illegal dumping will increase due to higher rates.  
51

52 Weimer stated the Solid Waste Advisory Committee (SWAC) is interested in looking  
53 at these recommendations and making its own recommendation.

1  
2 Nelson stated send this to the SWAC, with a cap on a potential rate increase. He is  
3 worried about a rate increase.  
4

5 Crawford stated he would like to hear from Sanitary Service Company (SSC) and  
6 other large carriers in terms of what a rate increase would do to market demand.  
7

8 Nelson stated include a mechanism to get back to the current, reduced rate when  
9 the economy and activity rebound.  
10

11 Crawford stated they will wait to hear back from the SWAC.  
12

13 ***The committee concurred.***  
14  
15

16 **COMMITTEE DISCUSSION AND RECOMMENDATION TO COUNCIL**  
17

18 **1. ORDINANCE AUTHORIZING AN INTERFUND LOAN FOR THE PURCHASE OF**  
19 **THE ASSESSOR/TREASURER SYSTEM (AB2009-261)**  
20

21 ***Nelson moved*** to recommend approval to the full Council.  
22

23 Dewey Desler, Deputy Administrator, stated there is a typo in the paperwork. It  
24 should say it will be paid off within three years, not five years.  
25

26 ***Motion carried 3-0.***  
27

28 **2. ORDINANCE AUTHORIZING AN INTERFUND LOAN FOR THE PURCHASE OF**  
29 **THE CENTRAL PLAZA BUILDING AT 215 NORTH COMMERCIAL, BELLINGHAM**  
30 **(AB2009-262)**  
31

32 ***Crawford moved*** to recommend approval to the full Council.  
33

34 ***Motion carried 3-0.***  
35

36 **3. ORDINANCE AMENDING THE 2009 WHATCOM COUNTY BUDGET, SIXTH**  
37 **REQUEST, IN THE AMOUNT OF \$2,367,299 (AB2009-264)**  
38

39 Dewey Desler, Deputy Administrator, gave a staff report.  
40

41 ***Nelson moved*** to recommend approval to the full Council.  
42

43 ***Motion carried 3-0.***  
44

45 **4. ORDINANCE AMENDING THE 2010 WHATCOM COUNTY BUDGET, FIRST**  
46 **REQUEST AB2009-263)**  
47

48 Dewey Desler, Deputy Administrator, gave a staff report.  
49

50 ***Kelly moved*** to recommend approval to the full Council.  
51

52 ***Motion carried 3-0.***  
53

- 1 5. **REQUEST APPROVAL FOR THE COUNTY EXECUTIVE TO ENTER INTO A**  
2 **CONTRACT AMENDMENT BETWEEN WHATCOM COUNTY AND ESA ADOLFSON**  
3 **FOR THE BIRCH BAY CHARACTERIZATION AND PLANNING PILOT STUDY IN**  
4 **THE AMOUNT OF \$211,606 (AB2009-270)**

5  
6 *Nelson moved* to recommend approval to the full Council.

7  
8 *Motion carried 3-0.*

- 9  
10 6. **RESOLUTION AMENDING RESOLUTION NO. 2008-077, THE SALARY**  
11 **SCHEDULE AND POLICIES FOR UNREPRESENTED WHATCOM COUNTY**  
12 **EMPLOYEES, EFFECTIVE JANUARY 1, 2009 (AB2009-271)**

13  
14 Dewey Desler, Deputy Administrator, gave a staff report.

15  
16 The following person spoke:

- 17 • Wendy Wefer-Clinton, Administrative Services Department, answered  
18 questions.

19  
20 Discussion included the effects of approving this item without concluding negotiations  
21 with the unions; whether considering alternatives to the furlough split of 40 hours in 2009  
22 and 40 hours in 2010 would delay approval of the resolution; whether this reduction results  
23 in less pay over last year's income levels, and; employee response to the furlough.

24  
25 Kelly stated approve this with an understanding that the Council can revisit this later  
26 if something changes.

27  
28 *Nelson moved* to recommend approval to the full Council.

29  
30 *Motion carried 3-0.*

- 31  
32 7. **REQUEST APPROVAL FOR THE COUNTY EXECUTIVE TO ENTER INTO A COST-**  
33 **SHARING AGREEMENT BETWEEN THE WHATCOM COUNTY FLOOD CONTROL**  
34 **ZONE DISTRICT AND THE US ARMY CORPS OF ENGINEERS FOR LEVEE**  
35 **REHABILITATION WORK AT THE HOVANDER PARK LEVEE, IN THE AMOUNT**  
36 **OF \$429,000 (AB2009-272)**

37  
38 *Kelly moved* to recommend approval of the substitute version to the Flood Control  
39 Zone District Board of Supervisors.

40  
41 Paula Cooper, Public Works Department, gave a presentation and stated there is a  
42 substitute.

43  
44 *Motion carried 3-0.*

- 45  
46 8. **REQUEST APPROVAL FOR THE COUNTY EXECUTIVE TO ENTER INTO A COST-**  
47 **SHARING AGREEMENT BETWEEN THE WHATCOM COUNTY FLOOD CONTROL**  
48 **ZONE DISTRICT AND THE US ARMY CORPS OF ENGINEERS FOR REPAIR**  
49 **WORK TO THE RIVER ROAD LEVEE DAMAGED DURING THE 2009 FLOOD**  
50 **EVENT IN THE AMOUNT OF \$370,000 (AB2009-273)**

51  
52 *Nelson moved* to recommend approval to the Flood Control Zone District Board of  
53 Supervisors.

1  
2 **Motion carried 3-0.**

3  
4 The following person spoke:

- 5 • Jon Hutchings, Public Works Department, answered questions.  
6

7 Discussion included the total estimate of flood damages.  
8

- 9 **9. REQUEST APPROVAL FOR THE COUNTY EXECUTIVE TO ENTER INTO A**  
10 **CONTRACT BETWEEN THE WASHINGTON STATE MILITARY DEPARTMENT**  
11 **AND THE WHATCOM COUNTY SHERIFF'S OFFICE – DIVISION OF EMERGENCY**  
12 **MANAGEMENT (WCSO DEM) TO SUPPLEMENT THE WCSO DEM BUDGET TO**  
13 **ENHANCE THEIR EMERGENCY MANAGEMENT PROGRAM, IN THE AMOUNT OF**  
14 **\$63,128 (AB2009-274)**  
15

16 *Crawford moved* to recommend approval to the full Council.  
17

18 **Motion carried 3-0.**  
19

20  
21 **COUNCIL "CONSENT AGENDA" ITEMS**  
22

- 23 **1. REQUEST APPROVAL FOR THE COUNTY EXECUTIVE TO ENTER INTO AN**  
24 **AMENDMENT TO THE GRANT AGREEMENT BETWEEN WHATCOM COUNTY AND**  
25 **THE EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF NATIONAL DRUG**  
26 **CONTROL POLICY FOR NORTHWEST HIDTA BORDER TASK FORCE**  
27 **INITIATIVES IN THE AMENDED AMOUNT OF \$99,792, FOR A TOTAL AMOUNT**  
28 **OF \$175,076 (AB2009-275)**  
29

30 *Crawford moved* to recommend approval to the full Council.  
31

32 **Motion carried 3-0.**  
33

- 34 **2. RESOLUTION TO APPOINT THE DIRECTOR AND ALTERNATIVE DIRECTOR TO**  
35 **THE WASHINGTON COUNTIES RISK POOL BOARD (AB2009-276)**  
36

37 *Nelson moved* to recommend approval to the full Council.  
38

39 **Motion carried 3-0.**  
40

- 41 **3. REQUEST APPROVAL FOR THE COUNTY EXECUTIVE TO ENTER INTO A**  
42 **PROFESSIONAL SERVICES CONTRACT BETWEEN WHATCOM COUNTY AND**  
43 **WILSON ENGINEERING FOR DESIGN AND CONSTRUCTION DOCUMENT**  
44 **PRODUCTION FOR THE OLSEN NATURE RESERVE, IN THE AMOUNT OF**  
45 **\$38,000 (AB2009-277)**  
46

47 *Kelly moved* to recommend approval to the full Council.  
48

49 The following person spoke:

- 50 • Mike McFarland, Parks and Recreation Department Director, answered  
51 questions.  
52

1 Discussion included the purpose of the contract and whether this has to move  
2 forward at this time.

3  
4 Nelson stated hold this item because there isn't a dire need. Use those real estate  
5 excise tax (REET) II tax funds elsewhere if necessary during this difficult economic time.

6  
7 Crawford stated this area should have public access and attract people who are  
8 paying for it.

9  
10 ***Motion carried 2-1 with Nelson opposed.***

- 11  
12 **4. REQUEST APPROVAL FOR THE COUNTY EXECUTIVE TO ENTER INTO A**  
13 **CONTRACT AMENDMENT FOR SERVICES WITH WILSON ENGINEERING LLC,**  
14 **IN THE AMOUNT OF \$95,551 (FOR A TOTAL CONTRACT AMOUNT AMENDED**  
15 **TO \$127,401 FROM THE PREVIOUSLY AUTHORIZED \$31,850), FOR THE**  
16 **PURPOSES OF COMPLETING SURFACE MINING RECLAMATION PERMIT**  
17 **APPLICATIONS, PLANS, AND RECORD SURVEYS FOR THE WHATCOM COUNTY**  
18 **CLARK, CLARK 2, AND SIPER GRAVEL PITS (AB2009-278)**

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

21  
22 The following person spoke:

- 23 • Eric Schlehuber, Public Works Department, answered questions.

24  
25 Discussion included the reason for the cost increase and whether they can use the  
26 material in the future for road projects.

27  
28 ***Motion carried 2-1 with Kelly opposed.***

- 29  
30 **5. REQUEST APPROVAL FOR THE COUNTY EXECUTIVE TO USE THE**  
31 **WASHINGTON STATE CONTRACT TO PURCHASE THE ANNUAL SUPPLY OF**  
32 **AUTO PARTS FROM LOCAL DEALERS ON AN AS-NEEDED BASIS, IN AN**  
33 **AMOUNT THAT COULD EXCEED \$35,000 (AB2009-279)**

34  
35 ***Nelson moved*** to recommend approval to the full Council.

36  
37 Discussion included whether they can spread out the wealth, rather than giving the  
38 contract and business to just one contractor.

39  
40 ***Motion carried 3-0.***

- 41  
42 **6. REQUEST APPROVAL FOR THE COUNTY EXECUTIVE TO USE THE**  
43 **WASHINGTON STATE CONTRACT TO PURCHASE THE ANNUAL SUPPLY OF**  
44 **LUBRICANTS FROM LOCAL SUPPLIER CONOCO PHILLIPS 76 ON AN AS**  
45 **NEEDED BASIS, IN AN AMOUNT THAT COULD EXCEED \$35,000 (AB2009-**  
46 **280)**

47  
48 ***Nelson moved*** to recommend approval to the full Council.

49  
50 ***Motion carried 3-0.***

- 51  
52 **7. REQUEST APPROVAL FOR THE COUNTY EXECUTIVE TO ENTER INTO A GRANT**  
53 **AGREEMENT BETWEEN WHATCOM COUNTY AND WASHINGTON STATE**

1           **COMMUNITY TRADE AND ECONOMIC DEVELOPMENT FOR THE**  
2           **CONTINUATION OF FUNDING FOR NORTHWEST REGIONAL DRUG TASK**  
3           **FORCE EXPENSES AND WAGES, IN THE AMOUNT OF \$363,158 (AB2009-281)**

4  
5           **Crawford moved** to recommend approval to the full Council.  
6

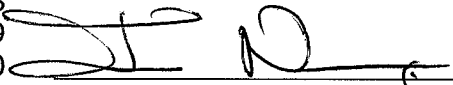
7           **Motion carried 3-0.**  
8

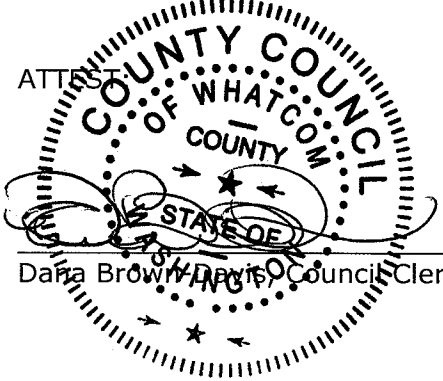
9  
10          **OTHER BUSINESS**

11  
12           There was no other business.  
13

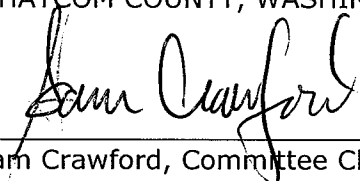
14  
15          **ADJOURN**

16  
17           The meeting adjourned at 1:57 p.m.  
18

19   
20 \_\_\_\_\_  
21          Jill Nixon, Minutes Transcription  
22

23  
24          ATTEST  
25            
26          Dana Brown, Deputy Council Clerk  
27  
28  
29  
30

WHATCOM COUNTY COUNCIL  
WHATCOM COUNTY, WASHINGTON

  
\_\_\_\_\_  
Sam Crawford, Committee Chair

