



**MEMORANDUM**

**TO:** Finance and Facility Advisory Board  
**THROUGH:** Satpal Sidhu, County Executive  
**FROM:** Kayla Schott-Bresler, Deputy Executive  
**CC:** Whatcom County Council  
Rob Ney, Facilities Director  
Jed Holmes, Executive's Office  
Chris Erb, Special Projects Manager (Facilities)  
Hannah Fisk, Special Projects Manager (WCHCS)  
Ashley McClaran & Adam Johnson, STV  
**RE:** Validation Scenarios for the New Jail  
**DATE:** February 10, 2026

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**Background**

Over the last several months, STV, Whatcom County Facilities, and the Whatcom County Sheriff's Office "Project Operations Team" have been working to develop jail scope and budget scenarios to present to the Finance and Facilities Advisory Board and Whatcom County Council. Previous policy direction from the County Council (Ordinance 2023-039) and Whatcom County Cities (Interlocal No. 202404018) set the framework for the development of these scenarios. Underlying this framework are several competing but equally important community and jurisdictional priorities:

- A Capital Budget that allows for preservation of sales tax revenue for municipal and community purposes
- An adequately sized jail to eliminate booking restrictions
- A modern therapeutic jail environment, operationally efficient and complete with enhanced healthcare delivery and programming space

With the delivery of the scenarios, the Council, FFAB and IPRTF will clearly see the underlying competition for financial resources among these three priorities for the new jail, and how that impacts other aspects of the Justice Project.

**Budget**

Interlocal No. 202404018 was predicated on a \$155M preliminary budget and 4% sales tax escalation in order to meet the goal that half of countywide revenue would be preserved for community-based activities following construction of the jail and behavioral care center. This agreement further included a commitment by the cities to contribute 75% of their sales tax proceeds for the initial period, and then retain 100% in the post construction period.

Unfortunately, trends beyond our control have rendered these assumptions invalid. Capital construction costs have increased significantly while sales tax revenues have stagnated. More specifically, gross tax

receipts in 2025 were down \$1 million or 9% from 2023 projections, which has both short-term and long-term implications for accommodating the balance of priorities imbedded in the initial framework. These priorities, which were initially conceived as complementary, are now directly competing for these limited resources and require prioritization.

### **Jail Size**

Prior to the adoption of Ordinance 2023-039, there was significant community discussion regarding the size of the jail without any consensus around a specific number of beds. Conversations ahead of the Council's adoption of the ordinance used a potential capacity of 440 beds for purposes of comparing construction costs at various locations. Since that time, Sheriff Tanksley made a recommendation on jail size of around 600 beds to accommodate future needs.

Two studies commissioned by STV on "Jail Capacity" provide a range of future needs, from "opening day" to 2050. Based on known cost constraints, direction was provided to the design-build team to initially scope at projected "opening day" capacity of 480 beds, based on the Jail Capacity Analysis presented in summer 2025. This is a starting place for scenario refinement, not a final recommended number of beds.

Ultimately, eliminating booking restrictions – a primary policy goal connected to jail size – is a factor of more than the number of beds. The need for booking restrictions can also be related to capacity configuration, criminal justice decision-making, crime and arrest rates, diversion opportunities and much more.

It should be noted the cost of additional bed construction is much lower per unit now than to add them later, with future expansion funding unidentified and uncertain. At the same time, the number of general population beds is a significant driver of the jail cost in absolute dollar amounts. Further, jail sizing and choices around housing configuration will affect operational costs of running the facility, including municipal per diems and the County's jail operating budget.

### **Jail Scenarios**

STV and the Design-Build team have provided rough order of magnitude cost estimates for four scenarios with a 480-bed capacity. The intent of these scenarios is to provide a reference point for further refinement of scope and budget. Stakeholders will use these scenarios to discuss which "levers" – bed count, budget, programming space, etc. – to pull in order to arrive at an affordable project scope.

The scenarios are meant to aid policy, budget and prioritization discussions. Even as presented, these scenarios need refinement and are subject to change; they are not design concepts. STV recommends using this information to weigh the financial tradeoffs and arrive at a budget target. From there, the goal is to prioritize other features and capacity considerations to arrive at scope. As we become more certain on budget, the scope prioritization will move toward certainty.

For the purposes of this memo and validation scenarios, these figures do not include the Behavioral Care Center, which is being planned and progressing in parallel to the new jail project.

**Scenario 1:** Jail Capital Cost of \$170M with 480 beds. This limits the extent of a modern therapeutic environment envisioned in the Implementation Plan. Further it will impact operational efficiency.

**Scenario 2:** Jail Capital Cost of \$200M with 480 beds. This would require revisiting the Interlocal Agreement and does not meet sales tax allocation targets for community-based activities as envisioned in the Implementation Plan. This capital budget still may not meet stakeholder expectations regarding the interior of the facility and programming space.

The team also presented two additional scenarios to the Executive at \$260M and \$320M. The Executive's Office considers the third and fourth scenarios not financially viable. They do not fit into even the most optimistic revenue/cost scenarios envisioned earlier, the Interlocal Agreement, or into the broader revenue options available to the County. All scenarios will be presented to the Joint Action Workgroup (JAW) and FFAB on February 11 and 12, respectively.

### **Environment Within the Facility**

The Justice Project Implementation Plan, developed through a collaborative process in the Incarceration Prevention and Reduction Task Force (IPRTF), sets a bold vision for a therapeutic and operationally efficient jail facility. Based on initial work from STV and the Design-Build team, it's apparent that the design considerations listed in the Implementation Plan are outside the scope of our current budget realities. This situation is leading to competing priorities among the overarching goals defined in the Implementation Plan.

With all that said, the Executive's Office sees project delivery of the three primary facilities envisioned in the Implementation Plan (jail, behavioral care center, 23-hour center) as well within reach.<sup>1</sup>

In the coming couple of months, this is going to be a challenging exercise for all the FFAB Board Members, Sheriff's Office, cities, community stakeholders and ultimately the County Council to carefully define and choose the options leading to the best outcomes for these facilities and the Justice Project as a whole.

The Executive is requesting all stakeholders work toward a practical budget and scope for the Justice Facility project by the end of April 2026. The reality of combined weakness of sales tax collections in the near term along with high construction costs jeopardizing our shared vision is difficult to confront. A healthy policy debate and further review of the Interlocal Agreement will be necessary to agree on a new path forward.

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<sup>1</sup> The current staff recommendation combines a community-based behavioral care center and 23-hour center into one facility to increase diversion, community-based treatment, and a financial sustainable operating and capital model.