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ROB NEY
Facilities Director

MEMORANDUM

TO: Satpal Singh Sidhu, County Executive

FROM: Rob Ney, Facilities Director

DATE: May 5, 2026

RE: Justice Facility Supplemental Budget Request #5454 / Ordinance Amendment #11

After careful consideration of the financial benefits, I am pleased to submit a budget supplemental to move forward with the Hannegan property acquisition. Attached for your review is Supplemental Budget Request #5454 and the related ordinance amendment for the Justice Facility project. The request is for \$2,200,000 in additional expenditure authority.

▪ **Background and Purpose**

This request is needed to complete the Hannegan property acquisition, provide funding to bridge the project from Validation into Design, and cover anticipated land use and permitting costs. The request includes \$2,670,000 for Land, \$1,000,000 for Professional Services, \$30,000 for Buildings and Structures, and offsets those increases with a (\$1,500,000) reduction to Other Improvements previously associated with the former LaBounty site approach.

The revised budget approach reflects the County's shift from the former LaBounty site approach to the Hannegan site. The new costs are partially offset by avoided or redirected costs under the former site strategy, including mitigation-related work, prior land assumptions, and other site-specific costs that are no longer required as originally contemplated. The request is intended to maintain schedule continuity and avoid disruption as the project moves toward design phase contract execution.

▪ **Funding Amount and Source**

Funding requested is \$2,200,000. Per the ordinance and Exhibit A, fund balance is available through proceeds from the criminal justice sales tax and small cities interlocal agreement revenues.

▪ **Timeframe and Next Steps**

If approved, this supplemental will allow the County to complete the Hannegan land acquisition, continue Validation Phase work through the anticipated end of July 2026, and maintain momentum into the Design Phase. Near-term activities include finalizing Validation deliverables, advancing permitting and land use coordination, and preparing the necessary contract amendments to support transition into design.

Please contact Rob Ney at extension x5365, if you have any questions or concerns regarding the terms of this agreement.

Enclosures