

PROPOSED BY: Executive
INTRODUCTION DATE: May 12, 2026

ORDINANCE NO. _____

**AMENDING THE PROJECT BUDGET FOR THE
NEW PUBLIC HEALTH, SAFETY AND JUSTICE FACILITY, REQUEST NO. 11**

WHEREAS, Ordinance 2013-003 established the project budget for a new public health, safety and justice facility construction project; and

WHEREAS, voters approved the referendum necessary to fund a new facility proposed in Ordinance 2023-039; and

WHEREAS, funds expended to date were used for site acquisition, permitting, community collaboration, wetland mitigation, validation phase, and related consulting contracts; and

WHEREAS, additional expenditure authority is needed to purchase land identified at the Hannegan site that has been evaluated as a cost-effective alternative to the LaBounty site; and

WHEREAS, additional expenditure authority is needed to progress the project to the design phase which will include contract amendments with the design-build and owner's representative teams; and

WHEREAS, additional expenditure authority is needed for land use and permitting costs; and

WHEREAS, fund balance is available to pay for additional project expenses through proceeds from the criminal justice sales tax and small cities interlocal agreement revenues.

NOW, THEREFORE, BE IT ORDAINED by the Whatcom County Council that Ordinance 2013-003 is hereby amended by adding \$2,200,000 of expenditure authority to the current amended project expenditure budget of \$21,158,524, for a total amended project expenditure budget of \$23,358,524, as described in Exhibit A.

ADOPTED this ____ day of _____, 2026.

ATTEST:

WHATCOM COUNTY COUNCIL
WHATCOM COUNTY, WASHINGTON

Cathy Halka, Council Clerk

Kaylee Galloway, Chair of the Council

APPROVED AS TO FORM:

() Approved () Denied

Approved by email/B Waldron/A Tan
Civil Deputy Prosecutor

Satpal Sidhu, County Executive

Date: _____

EXHIBIT A

NEW HEALTH, SAFETY AND JUSTICE FACILITY FUND 3502

Account	Description	Current Amended Project Budget	Amendment #11 to Ord. 2013-003	Total Amended Project Budget
Expenditures				
6190	Direct Billing Rate	\$900,000	\$0	\$900,000
6630	Professional Services	\$9,305,789	\$1,000,000	\$10,305,789
7210	Intergov Professional Services	\$10,000	\$0	\$10,000
7320	Land	\$7,493,491	\$2,670,000	\$10,163,491
7350	Buildings and Structures	\$0	\$30,000	\$30,000
7380	Other Improvements	\$1,500,000	-\$1,500,000	\$0
8597	Operating Transfer Out	\$1,949,244	\$0	\$1,949,244
		\$21,158,524	\$2,200,000	\$23,358,524
Revenues				
4313	Special purpose tax	\$7,596,000	\$0	\$7,596,000
4337	City of Bellingham tax revenue	\$2,574,000	\$0	\$2,574,000
4337	City of Blaine tax revenue	\$169,000	\$0	\$169,000
4337	City of Everson tax revenue	\$84,000	\$0	\$84,000
4337	City of Ferndale tax revenue	\$438,000	\$0	\$438,000
4337	City of Lynden tax revenue	\$443,000	\$0	\$443,000
4337	City of Nooksack tax revenue	\$42,000	\$0	\$42,000
4337	City of Sumas tax revenue	\$49,000	\$0	\$49,000
8397	Operating Transfer In - Gen Fund	\$2,093,491	\$0	\$2,093,491
8397	Op Trf In - Gen Fund (Not Budgeted)	\$3,000,000	\$0	\$3,000,000
8397	Operating Transfer In - Jail Fund	\$2,700,000	\$0	\$2,700,000
8397	Operating Transfer In - REET I	\$2,300,000	\$0	\$2,300,000
		\$21,488,491	\$0	\$21,488,491

Supplemental Budget Request

Administrative Services

Facilities Management

Suppl ID # 5454 **Fund** 3502 **Cost Center** 35021000 **Originator:** Chris Erb

Year 2 2026

Add'l FTE

Priority 1

Name of Request: Justice Project Amendment - Design/Land/Permitting

X

Department Head Signature (Required on Hard Copy Submission)

Date

Costs:	Object	Object Description	Amount Requested
	6630	Professional services	\$1,000,000
	7320	Land	\$2,670,000
	7350	Buildings and structures	\$30,000
	7380	Other improvements	(\$1,500,000)
	Request Total		\$2,200,000

1a. Description of request:

This request is for additional budget authority of \$2,200,000 to allow the Justice Facility project to complete the Hannegan property acquisition, and provide enough funding to bridge/seed the Design Phase of the project, through the end of the Validation Phase, anticipated to conclude in July of 2026. The County has previously approved budget authority to support early planning, due diligence, site evaluation, consultant services, and design-builder validation work. As the Design phase is approaching, additional authority is now required to support this work without interruption and to carry the project team through scope contract completion.

The current budget adjustments in the following areas: Land Acquisition, Professional Services, and Building and Structures

Land Acquisition, Professional Service Adjustments and redirecting previous budget authority for the Hannegan site acquisition

This request reflects the County's shift to the Hannegan site for the Justice Facility and realigns budget authority to match the current project approach.

The primary new cost is the \$4.07 million purchase of the Hannegan parcel. In addition, this request includes professional services already incurred or needed to support the Hannegan site approach. This includes consultant support tied to permitting strategy, appraisal, and related technical services.

The new costs are largely offset by budget authority and site-specific costs previously anticipated under the former LaBounty site approach and are no longer required as originally contemplated. This includes \$1.47 million previous budgeted for land purchase related to a mitigation property, \$1.5 million previously budgeted for wetland mitigation construction activities, and approximately \$200,000 in reduced professional services associated with wetland consultant work. In addition, Facilities estimates approximately \$1.5 million in avoided costs related to reduced topographic work, permitting, and schedule-related efficiencies under the Hannegan site approach. The Design-Builder also developed a rough order of magnitude estimate of approximately \$2.5 million for LaBounty-specific wetland mitigation, utility relocations, and soil condition impacts that would have been required under the former site approach. Collectively these changes help offset the cost of the Hannegan land purchase and other current

Supplemental Budget Request

Administrative Services

Facilities Management

Suppl ID # 5454

Fund 3502

Cost Center 35021000

Originator: Chris Erb

Validation needs and represent approximately \$5.67 million in avoided or redirect costs under the former site approach.

If the Council contemplates future sale of the LaBounty site, there is an opportunity to credit the sale toward this project budget, eventually offsetting this proposed supplemental request.

Other Professional Services Adjustments

This request also includes \$1,000,000 additional authority in Professional Services to bridge/seed the Design phase of the project.

Buildings & Structures Adjustments

Lastly, this supplemental request provides \$30,000 in budget authority for anticipated City of Bellingham land use and permitting costs related to the Justice Facility project. Planned 2026 activities include development agreement coordination, conceptual test fits, a City pre-application meeting, neighborhood meeting, land use application submittal, traffic study review, and the anticipated 180-day City review period. The requested amount is a planning-level allowance for City fees and review costs and does not include broader design or construction costs.

1b. Primary customers:

All Departments and residents that have a vested interest in the Justice Project.

2. Problem to be solved:

This request is intended to facilitate the project's relocation to a preferred site, expediting overall delivery timeline and reducing overall project costs as described above.

Having appropriate budget authority to continue work without disruption will allow the project to maintain schedule without cost impacts. This additional budget authority is intended to bridge Validation Phase work to the Design Phase contract execution, where the Validation phase is anticipated to conclude end of July 2026.

3a. Options / Advantages:

Facilities continues to view Hannegan as favorable when compared to the La Bounty site. With the elimination of wetland mitigation required on the LaBounty site, that permitting and design can commence much sooner and permitting does not have to wait until the Department of Ecology and Army Corps conclude wetland permitting on the site.

3b. Cost savings:

Cost savings include \$1.47 million previously budgeted for land purchase related to a mitigation property, \$1.5 million previously budgeted for wetland mitigation construction activities, and approximately \$200,000 in reduced professional services associated with wetland consultant work. In addition, Facilities estimates approximately \$1.5 million in avoided costs related to reduced topographic work, permitting, and schedule-related efficiencies under the Hannegan site approach. The Design-Builder also developed a rough order of magnitude estimate of approximately \$2.5 million for LaBounty-specific wetland mitigation, utility relocations, and soil condition impacts that would have been required under the former site approach. Collectively these changes help offset the cost of the Hannegan land purchase and other current Validation needs and represent approximately \$5.67 million in avoided or redirect costs under the former site approach.

4a. Outcomes:

The Executive has set the ambitious goal that the Justice Facility be operational in late 2028.

4b. Measures:

When the facility is delivered and occupied in late 2028-29.

Successful completion of the project, on time and on budget.

Supplemental Budget Request

Administrative Services

Facilities Management

Suppl ID # 5454

Fund 3502

Cost Center 35021000

Originator: Chris Erb

5a. Other Departments/Agencies:

This project is not near any other County departments. This new site location will provide a closer commute for downtown facilities.

5b. Name the person in charge of implementation and what they are responsible for:

Rob Ney

6. Funding Source:

New County Public Safety Sales Tax and Partner Contributions (Cities), Agreement 2