Sheet 1: Three-Districts Ownership Map & Governance Sheet

Procurement authority, capital assets, tax voter baselines, and legal jurisdiction across Skagit County

Procurement Governance Rule: Public Hospital Districts (PHDs) in Washington are municipal corporations governed by elected commissioners. Work is subject to public works procurement, prevailing wage requirements, and Department of Health (DOH) Construction Review for clinical alterations ≥ $500,000.

1. PUBLIC HOSPITAL DISTRICT COMPARATIVE OPERATING REGISTER

District Entity	Hospital & Clinical Licenses	Operating Framework & Lease Terms	Voter Tax Levy / Capital Finance Status
District No. 1 (Skagit Regional Health) *The Operator*	**Skagit Valley Hospital:** 137 licensed beds (opened 1958, expanded 2007). FY24: 44,593 inpatient days / 50,142 bed-days (**89% occupancy**); 36,760 ED visits; ~500k clinic visits.	Direct public operator with 7-member board. Operates **Cascade Valley Hospital** (Arlington) via 30-year lease @ $10/year since 2016. Pediatric hospitalists 24/7 with UW Medicine / Seattle Children's. Camano Island clinic.	Audited revenue: **$690.5M operating revenue**. Funded Mount Vernon Surgery Center fit-out ($23.4M) from reserves. Funded Station Square ($26.4M) and Arlington Medical Plaza ($30k sq ft) from **$75.2M revenue bond issue**.
District No. 2 (Island Health) *The Levy Hospital*	**Island Health Hospital:** 43 licensed beds (6 ICU, 6 Labor & Delivery, 31 Med-Surg). Regional acute anchor for Fidalgo, Cypress, Guemes, Sinclair islands, and San Juan County.	Direct public operator with 5-member board. Runs primary care clinic on Orcas Island. Compresses SRH cardiology (M Ave) and PeaceHealth cardiology on island campus.	**Passed April 2025:** Prop 1 levy lift (34¢ to 75¢ statutory ceiling, ~$4M/yr; 4,975 to 4,129; 48% turnout). Taxpayers provide ~3% of revenue. Existing capital bond matures in **2028**.
District No. 304 (United General District) *The Landlord*	**PeaceHealth United General:** 25-bed Critical Access Hospital (35 beds facility-wide with 10-bed acute rehab unit). Avg daily census: 7; ED visits: 16,699/year.	Merged 1966; >2,000 sq mi. Owns campus; **leases clinical operations to PeaceHealth since 2014**. District operates public Fitness Center (2015 Hospital Drive; 50+ programs).	**Failed August 2026:** Prop 1 levy lift (9.42¢ to 50¢, ~$5.4M/yr for community health; failed 45.42% to 54.58%). District rule: zero tax money funds PeaceHealth hospital operations.

2. FIELD PROJECT SCOPING & CLIENT AUTHORITY CROSSCHECK FORM

Field Variable	Target Baseline / Standard	Auditor Field Verification
Target Campus & Owner	[ ] Skagit Valley (D1) [ ] Island Health (D2) [ ] United General (D304)	Contracting Entity: _____
Procurement Method	[ ] Public Works Formal Bid [ ] Small Works Roster [ ] GC/CM Developer	Solicitation / RFP No: _____
Capital Source Verified	[ ] Operating Reserves [ ] Revenue Bond ($75.2M) [ ] Tax Levy (75¢)	Funding Line: _____
Tertiary Care Transit Plan	Tertiary beds off-county: [ ] Harborview/UW (Seattle) [ ] St. Joseph (Bellingham)	Transport SLA / Route: _____
Clean Buildings Compliance	[ ] Tier 1 (>50k sq ft: June 1, 2028) [ ] Tier 2 (20–50k sq ft: July 1, 2027)	Building EUI Baseline: _____
Sign-Off & Field Lead	Audit Conducted By: _____	Date: _____ • Title: _____

Sheet 2: Mount Vernon Decant vs. Rebuild Checklist & Decision Gate

Engineering feasibility test: off-campus developer-built MOB decant vs $1,200/sq ft in-place hospital surgical rebuild

The Mount Vernon Decant Case Precedent: Skagit Valley Hospital's 6 mixed-use ORs operated above state capacity standards, causing bumping, procedure delays, and surgeon recruitment constraints. In-hospital replacement was priced at **>$1,200/sq ft** plus ICRA Class IV infection hazards inside an active 89% occupancy facility. SRH opted to decant outpatient surgery into an off-campus developer shell 250 yards away.

1. OPERATIONAL & PHYSICAL FEASIBILITY CRITERIA (CHECK ALL THAT APPLY)

Decision Parameter	In-Place Acute Rebuild Threshold	Off-Campus Decant Model (MV Precedent)
OR Utilization & Schedule	[ ] Hospital ORs <70% utilization; open block time available without bumping urgent cases.	[ ] **Trigger:** 6 mixed-use ORs over capacity; severe bumping, delays, surgeon recruitment loss.
Direct Construction Cost	[ ] Structural alterations >**$1,200 / sq ft** in active inpatient acute surgery department.	[ ] **Trigger:** Developer-built MOB shell + public equipment fit-out (**$23,367,584 approved capital**).
Infection Control & ICRA	[ ] Manageable ICRA Class II/III dust barrier containment without airflow disruption to OR suites.	[ ] **Trigger:** Extreme ICRA Class IV hazard; vibration, airborne dust risk in contiguous operational ORs.
Site Proximity & Zoning	[ ] Hospital footprint has zero adjacent unencumbered land for horizontal expansion.	[ ] **Trigger:** Land zoned for health care located **within 250 yards** of main hospital entrance.
Regulatory & CON Conditions	[ ] Internal department remodel under DOH review without new CON operating room license.	[ ] **Trigger:** State CON approval (April 1, 2022) with **regional charity-care compliance condition**.
Programmatic Capacity	[ ] Limited to incremental expansion within existing hospital footprint.	[ ] **Target Fit-Out:** 4 ORs, 3 endoscopy suites, 1 procedure room, imaging suite, 62 exam rooms (60k sq ft).

2. CAPITAL MODEL & DELIVERY PARTNER VERIFICATION FORM

Execution Item	Standard Specification	Project Field Value
Building Developer / Shell	3-story, 60,000 sq ft medical office building	Developer Entity: _____
General Contractor (Fit-Out)	BNBuilders (Precedent GC)	Selected GC: _____
Architectural Design Team	Zervas Group (Precedent A/E)	Lead Architect: _____
Capital Source Allocation	$23,367,584 from District 1 Cash Reserves	Allocated Budget: $ _____
Hospital OR Decant Relief	Inpatient ORs reserved for high-acuity/emergency	Freed Hospital OR Hours: _____
Charity Care Commitment	Must meet or exceed North Sound regional average	Target Charity Care %: _____

3. ENGINEERING DECANT EVALUATION VERDICT

Final Scored Recommendation: [ ] PROCEED WITH OFF-CAMPUS DECANT [ ] PROCEED WITH IN-PLACE REBUILD

Field Evaluation Comments: _____

Reviewed by Director of Facilities: _____ • Date: _____

Sheet 3: Surgery Center Tuning Log (2026 Solicitations & Conversions)

Technical work orders: 375 sq ft pain-room to 5th OR conversion and conference-room to 3rd X-ray room conversion

2026 Facility Tuning Background: Following the December 2023 opening of the 60,000 sq ft Mount Vernon Surgery Center, District 1 issued public competitive solicitations in 2026 for two acute clinical conversions to capture surge capacity: converting an existing 375 sq ft pain procedure room into a 5th full operating room, and converting a conference room into a 3rd X-ray imaging suite.

1. CONVERSION WORK ORDER A: 375 SQ FT PAIN ROOM TO 5TH OPERATING ROOM

Engineering System	Technical Specification & Code Mandate	Sign-Off / Inspection Status
Medical Gas Piping	Extend medical vacuum, oxygen, and nitrous oxide lines from existing surgical gas manifold. Pressure test per NFPA 99.	[ ] Tested [ ] Certified Tech: _____
Ceiling Equipment Boom	Install structural ceiling unistrut support grid and articulating surgical boom carrying power, video, and gas drops.	[ ] Structural Calcs Approved PE Stamp: _____
Fire Protection & Sprinklers	Relocate quick-response concealed sprinkler heads to clear boom swing radius and surgical light heads per NFPA 13.	[ ] Hydrostatic Test Passed Date: _____
Fire Alarm Revisions	Reconfigure duct smoke detectors and strobe synchronization to match updated NFPA 72 operating room audible/visual protocol.	[ ] Pre-Alarm Tested Inspector: _____
Continuous Disinfection	Extend **visible-light continuous disinfection system** specified in original 4 ORs (continuous 405nm antimicrobial lighting).	[ ] Luminaire Installed Lux Level: _____
Air Balancing & Pressure	Verify positive air pressure relative to semi-restricted corridor (≥ +0.01" w.g.) and minimum 20 total ACH (4 outdoor ACH).	[ ] TAB Certified Balance Tech: _____

2. CONVERSION WORK ORDER B: CONFERENCE ROOM TO 3RD X-RAY ROOM

Engineering System	Technical Specification & Code Mandate	Sign-Off / Inspection Status
Radiation Shielding	Install lead-lined drywall (sheet lead 1/16" min) and leaded glass observation window calculated by certified medical physicist.	[ ] Physicist Shielding Report Physicist: _____
Structural Floor Capacity	Verify floor dead load capacity for digital radiography equipment base and overhead tube crane support rails.	[ ] Deflection Verified (<L/600) Structural Eng: _____
Dedicated Power Circuitry	Install dedicated 480V/100A or 208V 3-phase high-impedance feeder disconnect for radiographic generator.	[ ] Electrical Permit Signed Journeyman: _____
Door Hardware & Interlocks	Install lead-lined doors with radiation warning indicator light interlocked with X-ray exposure switch.	[ ] Warning Light Verified Date: _____

3. PUBLIC SOLICITATIONS CLOSEOUT & CONTRACTOR AWARD RECORD

Solicitation Closing Date	Closed Summer 2026 (Both OR conversion and X-ray conversion)
Contractor Award Status	Awardee: _____ • Contract Value: $ _____
DOH Construction Review	Review Tracking Number: _____ • Status: [ ] Approved [ ] Conditional

Sheet 4: 1950s Kitchen Shutdown Worksheet (Phased BOH Replacement)

Operational continuity plan during June 1 – October 1, 2026 back-of-house closure at Skagit Valley Hospital

Infrastructure Age Reality: Much of the kitchen infrastructure at Skagit Valley Hospital dates back to the **1950s**. The facility executed a complete 4-month closure of the Skagit Bistro (June 1 – October 1, 2026) to replace ventilation hoods, exhaust fans, make-up air units, and ceilings while maintaining 100% patient meal delivery through temporary trailer units.

1. PATIENT INPATIENT DIETARY CONTINUITY LOG (TEMPORARY KITCHEN TRAILERS)

Log Parameter	Target Operational Requirement	Daily Shift Verification
Temporary Kitchen Units	Mobile kitchen trailers parked in designated logistics dock with utility umbilicals.	[ ] Potable Water Hookup Inspected [ ] Gray Water Discharge Sealed
Emergency Power Backup	Temporary trailers wired to essential electrical system (generator life safety branch).	[ ] ATS Transfer Verified Volts: _____ Amps: _____
Health Dept Permit	Skagit County Public Health temporary food service operating permit posted.	Permit No: _____
Tray Delivery Timing	Maintain insulated cart transit from trailers to patient units (<15 min per floor).	Breakfast: _____ Lunch: _____

2. IMPROVISED PUBLIC & STAFF AMENITY ECONOMY TRACKER

Amenity Element	Operational Setup & Service Model	Operating Status / Field Check
"San Juan Market"	Temporary grab-and-go and heat-and-eat meal station set up inside hospital conference room. Microwave bank, cold cases, and checkout station.	Location: Conf Room _____ Hours: 7:00 AM – 7:00 PM [ ] Sanitation Sweep Complete
Bistro Express Fridges	Refrigerated kiosks placed at **three strategic campus locations** stocked daily with packaged sandwiches, salads, beverages, and healthy snacks.	Location 1: Main Lobby Location 2: ED Waiting Location 3: Staff Lounge [ ] Daily Temp Log ≤41°F
Scheduled Food Trucks	Coordinated food truck days in hospital exterior turnaround / courtyard to supplement hot meal demand for staff and visitor families.	Days: Mon / Wed / Fri Vendor: _____ [ ] Fire Marshal Pad Clearance
Expanded Coffee Counter	Whidbey Coffee counter located by diagnostic imaging; expanded hours and breakfast pastry/oatmeal selection to support early shift workers.	Operating Hours: 6:00 AM – 4:00 PM [ ] Water Filtration Filter Changed [ ] Queue Managed Outside Imaging

3. PHYSICAL PLANT VENTILATION & CEILING REPLACEMENT CHECKLIST

Demolition & Install	Technical Scope Details	QC Inspection
Ceiling Removal	Demolish compromised 1950s plaster-and-tile ceiling down to structural deck under ICRA containment.	[ ] Negative Air Verified [ ] Waste Bins Covered
Ventilation Hood Replacement	Remove obsolete Type 1 kitchen hoods. Rig and hang commercial UL 710 hoods with Ansul wet-chemical fire suppression.	[ ] Ansul System Certified Permit: _____
Exhaust & Make-Up Air	Install dedicated grease exhaust ductwork (16-gauge carbon steel, welded liquid-tight) and dedicated 100% make-up air unit (MUA).	[ ] Light Test Passed [ ] Air Balance Certified

Sheet 5: MRI & Cooling Plant Quick-Reference Sheet

Procurement and mechanical rigging guidelines: Siemens 1.5T roof panel rigging and south plant R-22 chiller phase-out

Public Works Solicitations Context: Skagit Valley Hospital's plant capital upgrades execute one solicitation at a time without shutting down the 137-bed acute facility. The MRI project required removing an existing scanner and craning in an owner-furnished Siemens 1.5T magnet through a built-in removable roof panel; the south cooling plant solicitation (closed Oct 1, 2026) retired an obsolete R-22 chiller for a water-cooled plant.

1. MRI SCANNER RIGGING & RENOVATION PROTOCOL (ROOF ACCESS)

Rigging Phase	Engineering Requirement & Execution Specification	Verification Field Check
Crane Setup & Staging	Mobile hydraulic crane positioned on reinforced structural pad. Street/driveway closure permit coordinated with City of Mount Vernon.	Crane Model: _____ [ ] Outrigger Cribbing Verified [ ] Pedestrian Barricade Tape
Removable Roof Panel	Unbolt and crane-pick architectural removable precast concrete roof panel designed into building structure for magnet replacement.	[ ] Weather Window ≥8hr Clear [ ] Temporary Weather Tarp Ready Rigging Super: _____
Magnet Rigging (OFME)	Rig and hoist owner-furnished **Siemens 1.5T MRI magnet** through roof opening directly into RF-shielded MRI scan room.	Serial No: _____ [ ] Magnet Quench Pipe Attached [ ] Rigging Straps Inspected
Rooftop Chiller & Floors	Concurrently replace dedicated rooftop closed-loop MRI process chiller and replace MRI suite raised computer access flooring.	[ ] Chiller GPM Flow Tested [ ] Anti-Static Floor Grounded

2. SOUTH-CAMPUS COOLING PLANT MODERNIZATION (R-22 PHASE-OUT)

Component	Modernization Scope & Environmental Transition	Sign-Off / Commissioning
Refrigerant Phase-Out	Retire obsolete air-cooled chiller running on **R-22 refrigerant** (production ended). Evacuate and recover R-22 per EPA Section 608.	R-22 Recovered: _____ lbs EPA Reclaimer Cert: _____
Water-Cooled Machine	Install high-efficiency water-cooled centrifugal/screw chiller connected to existing/new cooling tower hydronic loop.	Chiller Capacity: _____ Tons Refrigerant: [ ] R-134a [ ] R-513A
Hydronic Pumps	Install new variable-frequency drive (VFD) chilled water and condenser water pumps with N+1 redundancy.	[ ] Pump Alignment Laser-Verified [ ] VFD Speed Ramp Calibrated
Mechanical Room Safety	Install dedicated refrigerant leak vapor detection sensor and high-volume emergency exhaust fans compliant with ASHRAE 15.	[ ] Vapor Sensor Alarm Tripped [ ] Fan CFM Certified (>15 ACH)
Building Automation (BAS)	Direct Digital Control (DDC) upgrade integrating chiller plant staging and temperature setback into hospital-wide BAS.	[ ] BACnet IP Points Mapped Controls Tech: _____

3. PROCUREMENT MILESTONE RECORD (SOLICITATION CLOSED OCT 1, 2026)

Public Bid Identification	Skagit Regional Health South Campus Cooling Plant Solicitation
Awardee & Mechanical Sub	Prime Contractor: _____ • Mechanical Lead: _____

Sheet 6: Island Health Levy & Capital Tracker

Tracking the $4M/year voter-approved levy lift, Birth Center OR, Endoscopy, and 25th St ortho consolidation

Island Health Levy Mandate: In April 2025, voters approved Proposition No. 1 (4,975 to 4,129; ~48% turnout), lifting District 2's maintenance-and-operations levy from 34¢ to the 75¢ statutory ceiling (~$4M/yr). The hospital published exact capital designations: a $1.6M dedicated C-section OR, a $4M endoscopy renovation, and a $9.8M orthopedics floor consolidation. Existing bond debt matures in 2028.

1. VOTER LEVY CAPITAL EXPENDITURE REGISTER ($4 MILLION / YEAR ALLOCATION)

Project Component	Capital Budget	Clinical Justification & Engineering Scope	Milestone Schedule
Dedicated Cesarean Operating Room	**$1,600,000**	Built directly into an existing interior courtyard inside the Island Birth Center. Dedicated OR eliminates displacement of main hospital surgical schedule. **Caseload:** In 2024, hospital performed **119 C-sections (44 urgent/unscheduled)**.	Courtyard Infill Design: 2025–2026 Occupancy: _____
Endoscopy Suite Renovation	**$4,000,000**	Full expansion and equipment modernization tied to the recruitment of a full-time gastroenterologist. Increases regional colon cancer screening throughput and procedure room turnover.	Clinical Modernization Procurement: 2026 Completion: _____
25th Street Building Floor Consolidation	**$9,800,000**	Consolidates previously dispersed services onto a single unified clinical floor: gathering orthopedics, sports medicine, physiatry, physical therapy, and diagnostic imaging into one specialized center.	Multi-Phase Fit-Out Target Finish: 2027 Floors: 25th St Bldg

2. ISLAND LOGISTICS & CONSTRUCTION CONSTRAINTS CHECKLIST

Logistical Factor	Island Physical Constraint	Contractor Mitigation Plan
Ferry-Dependent Labor	Workforce commuting from Guemes Island, San Juan Islands, or Whidbey Island subject to ferry schedules and weather cancellations.	[ ] Shift Start Adjusted (7:30 AM) [ ] Overnight Staging Allowed
Material Freight Bottlenecks	SR-20 / Spur access over Swinomish Channel bridge; concrete batch plants and heavy steel staging off-island.	[ ] Early Morning Pours Scheduled [ ] On-Site Buffer Storage Area
Bond Sunset (2028)	Existing capital improvement bond ends in **2028**; debt service retirement opens balance sheet capacity for next cycle.	[ ] Phased Invoicing Mapped [ ] Retainage Release Schedule

3. CAPITAL TRACKER SIGN-OFF & AUDIT REVIEW

Total Committed Levy Capital: **$15,400,000** ($1.6M C-Section + $4.0M Endo + $9.8M 25th St)

Audited By Island Health Capital Planning: _____ • Verified Date: _____

Sheet 7: SSB 5923 / Chapter 84 Eligibility Checker & Code Stack

Statutory analysis of Washington's single-hospital island payment law, bed reconciliation, and code benchmarks

Legislative Landmark: Chapter 84, Laws of 2026 (Substitute Senate Bill 5923) passed the Senate 49–0 and the House 96–0, was signed March 17, 2026, and took effect June 11, 2026. It establishes cost-based Medicaid reimbursement for a critical access hospital "*located on an island operating within a public hospital district in Skagit county*" — a geographic description fitting only Island Health in Anacortes.

1. SSB 5923 STATUTORY COMPATIBILITY & BED CAP RECONCILIATION AUDIT

Regulatory Standard	Statutory Language / Legal Benchmark	Island Health Status & Financial Risk
Geographic Clause (SSB 5923 / Ch. 84)	Hospital must be "*located on an island operating within a public hospital district in Skagit county.*"	**COMPLIANT:** Senate Bill Report expressly documents that Island Health is the sole hospital in Washington meeting this statutory definition.
Federal CAH Bed Cap (42 CFR § 485.620)	Federal Critical Access Hospital (CAH) designation strictly caps total acute inpatient beds at **25 beds**.	**RECONCILIATION GAP:** Island Health fact sheet lists **43 licensed beds** (6 ICU, 6 L&D, 31 med-surg) and has no federal CAH certification on record.
Medicaid Cost-Based Payment	Allows eligible facilities to receive 100% allowable cost reimbursement for Medicaid inpatient and outpatient services.	**FINANCIAL BENEFIT:** Stabilizes operating margins where Medicaid/Medicare reimbursements lagged 21% cost increases since 2020.
Capital Debt & Planning Risk	Facility capital plans must not assume CAH cost-settlement until bed licensing reconciliation is resolved with state and CMS.	**FACILITY AUDIT GATE:** If licensed bed count is downsized to 25 to capture CAH status, med-surg capacity drops by 18 beds.

2. SKAGIT MUNICIPAL CODE, ENERGY & FLOOD CONSTRUCTION BENCHMARK MATRIX

Code Authority	Mandatory Construction & Environmental Requirement	Project Compliance Check
Mount Vernon Flood Code	Classifies hospitals as critical facilities. Requires placement outside 100-year floodplain; if infeasible, lowest floor must be ≥ **3 feet above base flood elevation (BFE)** with elevated vehicular access routes.	[ ] Elevation Cert Filed BFE + Freeboard: _____ ft
WA Clean Buildings Standard	**Tier 1 (>50k sq ft):** Mount Vernon Surgery Center (60k sq ft) deadline **June 1, 2028**. **Tier 2 (20–50k sq ft):** Station Square (30k sq ft) deadline **July 1, 2027**.	[ ] Energy Star Benchmarked EUIn Target: _____
Building & Seismic Codes	Mount Vernon adopted 2021 Washington State Building and Energy Codes; designated **Seismic Design Category D1**.	[ ] Structural Calc Verified [ ] Non-Structural Braced
DOH Alterations Gate	Hospital alterations ≥ **$500,000** require Department of Health Construction Review, formal ICRA plan, and Interim Life Safety Measures (ILSM).	[ ] DOH Review Submitted [ ] ILSM Packet Active
Skagit Instream Flow Rule	State rule limits new water withdrawals impairing river flows. Excludes islands, but Anacortes treats municipal water at Mount Vernon river plant.	[ ] Water Availability Letter [ ] Fixture Calculations Complete