

STATE REVIEW

State panel of industry professionals approves the plan

On September 24, 2026, the Washington State Project Review Committee voted unanimously to approve NHHS's plan to deliver the Expansion and Renovation project, after reviewing its scope, budget, schedule and team — an independent check, before the community decides the measure, that the project is set up to succeed.

WHAT THE PROJECT REVIEW COMMITTEE IS

An unbiased panel created by state law

Established under RCW 39.10, its members are appointed for their knowledge of design-build delivery — a balance of public owners and private industry: contractors, architects, engineers and construction trades, including a representative of small, minority-, women- and veteran-owned businesses. The Committee has no stake in the project and no role in the ballot measure; its only question is whether the project is ready.

WHAT IT DOES

Approves only projects it finds are ready

A hospital district cannot use design-build without its approval. The Committee must find that the method fits the project, that the owner has **an appropriate construction budget, an adequate funding source** and the time to complete the work, and the experience, advisors and written management plan to carry it through. Projects that fall short are denied or sent back; NHHS's was approved on first review.

What the Committee reviewed

1

A 20-page written application

- Scope and preliminary concepts
- **\$55,000,000 budget** by category
- Schedule, 2026 through 2029
- Team, Owner's Advisor and counsel
- Written management plan
- Subcontractor outreach program
- Past capital-project record

2

An in-person presentation

NHHS's Chief Financial Officer and Director of Plant Operations, with the District's Owner's Advisor and counsel, presented the project and answered questions on scope, budget, schedule, phasing inside an operating hospital, and readiness to manage the work.

3

A unanimous vote to approve

The Committee found the project met every criterion in RCW 39.10.280 and authorized NHHS to proceed. Written approval from the Committee Chair followed on September 25, 2026, and is on file with the District.

"...has met the criteria established in RCW 39.10.280 for public body project approval and is hereby authorized to utilize the Design-Build alternative contracting procedure."

Letter from the Chair, Project Review Committee, State of Washington, September 25, 2026, regarding the NHHS project.

WHY THIS IS A MILESTONE FOR SCOPE, SCHEDULE AND BUDGET

Scope

Found to meet the state's tests for design-build: specialized healthcare construction inside an operating hospital, where the method should deliver a better result than low-bid.

Schedule

The criteria require adequate time and a management team in place through completion. The 2026–2029 schedule was reviewed as submitted.

Budget

The criteria require an appropriate construction budget and an adequate funding source. The \$55,000,000 budget was reviewed by category; the builder's price will be set within it.

What approval does not mean. It does not provide state funding, does not guarantee the final cost, and is not a position on the ballot measure. Funding depends on the measure before District residents on November 3, 2026.

What comes next. Design-builder selection, Oct–Nov 2026 · Ballot measure, November 3 · If approved: validation period Dec 2026–Feb 2027, design 2027, completion anticipated early 2029. No construction contract is signed until after the community decides.

About this information. Newport Hospital & Health Services is a public hospital district. This material is provided as a factual summary of the proposed project and its budget. Figures reflect the concept and schematic design phase and are the best available estimate at that stage; individual category amounts may shift as design is completed, while the total project budget is the commitment.

Sources. NHHS application and presentation to the Washington State Project Review Committee, September 24, 2026; Committee approval letter, September 25, 2026; RCW 39.10.240, .280 and .300.