

Ko Kwel Wellness Center Project Charter

Description: New Wellness Facility

Business Reasons for the Project

- There is currently an underserved need in our community for healthcare services. Our population is growing and costs are rising. Additional space is needed to maintain and improve access to current wellness and health-care services and add new services for the growing, underserved population.
- The Health and Human Services Department requires significant contributions from the Tribe's General Fund to maintain current services. Third party revenues that can offset contributions from the General Fund are projected to increase significantly beginning in the first full year of operations due to additional services and providers.
- Cost of capital to construct the facility can be significantly reduced using one-time funding sources (e.g., New Markets Tax Credits, grants), which makes the Tribe's own contribution from borrowing and the General Fund to build a similar facility the lowest it is likely to ever be. Further, depreciation and interest expenses related to the facility can be included in indirect costs with a significant portion passed on to IHS.

Project Objectives

- To build a new Wellness Facility on time and on budget
- To maintain services and add new ones.
 - To provide space for and enhance existing services including: Medical Clinical services, Community Health Services (Elder care, transportation, family support) and pharmacy:
 - To add new wellness and health-care services, including: dental care, same-day appointments, behavioral and mental health care, alternative care therapy (acupuncture, chiropractic, massage), and telemedicine; and
 - To reduce the Tribe's general fund contribution to support the Health and Human Services Department's operations, programs and services

Project Scope

- Design and construct a new Wellness Facility using Design Build Project Delivery Method that upon substantial completion is suitable for occupancy for intended purposes.

Project Location

- Kilkich Empire Reservation
- East of Existing Community Health Center
- On western end of 2 southern most cranberry bogs
 - Existing Health Center address—600 Miluk Drive, Coos Bay, OR 97420

Sponsor

- Executive Director

Authorization:

- On November 14, 2018, the Tribal Council unanimously passed a motion to move forward with the design build model for the new Health Center on the Kilkich southerly bog site and to begin construction and filling of the bogs.
- Tribal Resolutions approving budget for the project:
 - CY18005 Approval of Shakopee Community Foundation grant application, January 27, 2018
 - CY18100 Approval of United States Department of Agriculture Rural Development Loan Application, September 13, 2018
 - CY18115 Approval of Spirit Mountain Community Fund Coquille Indian Tribe Health and Wellness Construction Site Preparation Grant Application, October 27, 2018
 - CY18127 Approval of Indian Community Development Block Grant Application, December 13, 2018
 - CY18133 Adopt the Calendar Year 2019 Budget, December 18, 2018 – authorized \$1 million transfer from the general fund (HP sale proceeds) to support the project.
 - CY19036 Approval of Submission of Tribal Solar Accelerator Fund Grant Application, April 25, 2019
 - CY19054 Approval of Letter of Interest with Craft3, May 23, 2019 – approved an LOI with Craft3, a certified nonprofit community development financial institution, to loan up to \$7 million to the Tribe for the construction of the Kokwel Wellness Center using the U.S. Department of Agriculture, Rural Development, Community Facilities Relending Program
- Acceptance of grant awards that provide project funding:
 - Oregon Community Foundation, November 3, 2016: \$35,000
 - Meyer Memorial Trust, February 5, 2017: \$85,000
 - Wildhorse Foundation, February 20, 2018: \$20,000
 - Shakoppe Mdewakanton Sioux Community Foundation, February 7, 2018: \$50,000
 - Spirit Mountain Community Fund, February 22, 2019: \$84,000
 - Collins Foundation, June 12, 2019: \$75,000

Stakeholders

Stakeholder Group	Name and Role	Engagement Strategy
Decision Team	Mark Johnston, Executive Director Team Leader MarkJohnston@coquilletribe.org	<ul style="list-style-type: none"> ● Bi-Monthly Decision Team Meetings and Minutes from July 1, 2019 through December 31, 2019, including: <ul style="list-style-type: none"> ○ Work in Progress ○ 3-week Look Ahead ○ Action Items ○ Budget Update ○ Schedule Update ○ Hot Items (summary of risks and opportunities) ● Review/Approve Phase Deliverables <ul style="list-style-type: none"> ○ Pre-Design <ul style="list-style-type: none"> ▪ Preliminary Program ▪ Site Information ○ Schematic Design <ul style="list-style-type: none"> ▪ Functional Space Plan ▪ Schematic Site Plan ▪ Schematic Floor Plan ▪ Elevations ▪ General Building Type ○ Design Development <ul style="list-style-type: none"> ▪ 50% Design and Budget review ▪ 80% Design and Budget review ▪ Final DD Approval and Budget review ○ Construction Drawings <ul style="list-style-type: none"> ▪ Construction Drawings ▪ Guaranteed Maximum Price ● Review and approval of early Work Packages ● Key Policy Decisions (to be recommended to Tribal Council prior to 50% design and approved prior to 80% design) <ul style="list-style-type: none"> ○ Determine re-purposing of existing CHC building ○ Determine key operating principles including changes to Nasomah plan structure and PRC policies. ○ Determine access and security guidelines ● Staff recruitment plan <ul style="list-style-type: none"> ○ Developed during design development ○ Approved and implemented immediately following approval of guaranteed maximum price ● Internal Project Related Communications ● Communication with DB Contractor
	Eric Scott ericscott@coquilletribe.org Project Management/Owner Rep	
	Kelle Little, HHS Director - Funding and Design Coordinator Kellelittle@coquilletribe.org	
	Fauna Larkin, Operations Director Planning and Logistics Coordinator FaunaLarkin@coquilletribe.org	
	Mark Gagnon – Fiscal Manager markgagnon@coquilletribe.org	
Gary Leva – Programmatic Design and Business Plan Development garyl@imbris.com		

<p>Project Workgroup</p>	<p>Don Ivy Tribal Council Rep</p> <hr/> <p>Kyle ViskneHill Fiscal</p> <hr/> <p>Brady Metcalf Receiving and Commissioning Clerk</p> <hr/> <p>Anna Chavez Project Coordinator</p> <hr/> <p>*Clark Walworth Community Engagement</p> <hr/> <p>*Darin Jarnaghan and Helena Linnell Environmental</p> <hr/> <p>*Todd Martin and Kassie Rippee Cultural</p> <hr/> <p>*Anne Cook and Lyman Meade Housing</p> <hr/> <p>*Robert Goldrick and Alexander Fairchild Information Technology</p> <hr/> <p>*Arlea Grenade Procurement Specialist</p>	<ul style="list-style-type: none"> ● Bi-Monthly Decision Team minutes from July 1, 2019 through December 31, 2019, including: <ul style="list-style-type: none"> ○ Work in Progress ○ 3-week Look Ahead ○ Action Items ○ Budget Update ○ Schedule Update ○ Hot Items (summary of risks and opportunities) ● Meetings associated with significant project milestones, i.e. phased deliverables (see above) <p>* Attendance as needed</p>
<p>Tribal Council</p>	<p>Chairperson</p> <hr/> <p>Vice-Chair Person</p> <hr/> <p>Chief</p> <hr/> <p>Secretary</p> <hr/> <p>Representative 1</p> <hr/> <p>Representative 2</p> <hr/> <p>Representative 3</p>	<ul style="list-style-type: none"> ● Bi-Monthly Task Force minutes from July 1, 2019 through December 31, 2019, including: <ul style="list-style-type: none"> ○ Work in Progress ○ 3-week Look Ahead ○ Action Items ○ Budget Update ○ Schedule Update ○ Hot Items (summary of risks and opportunities) ● Approve contracts as required by the Tribe’s fiscal ordinance ● Approve funding/financing agreements and budget authority as required by the Tribe’s fiscal ordinance ● Approve environmental assessment ● Approve Guaranteed Maximum Price amendment to Design Build agreement ● Monthly hour-long workshops for updates ● Invite Council Members to attend key phase deliverable meetings i.e. Schematic Design, 50% Design Development

Functional Users: Health Center Staff	Clinical: Dr. Willis Dental: TBD Pharmacy: Scott Everly Behavioral Health: TBD PRC/Business Office: Trudy Simpson Community Health Services: Yvonne Livingstone IT: Robert Goldrick Administration: Kelle Little, Treena Stalcup, Liza Mielke	<ul style="list-style-type: none"> ● Review Phase Deliverables <ul style="list-style-type: none"> ○ Pre-Design <ul style="list-style-type: none"> ▪ Preliminary Program ○ Schematic Design <ul style="list-style-type: none"> ▪ Functional Space Plan ▪ Schematic Site Plan ▪ Schematic Floor Plan ▪ Elevations ▪ General Building Type ○ Design Development <ul style="list-style-type: none"> ▪ 50% Design ▪ 80% Design
Community	Tribal Members All Staff Kilkich Residents Current Health and Human Services Clients/Patients/Consumers	<ul style="list-style-type: none"> ● Project updates at significant phase milestones in Tribal newsletter, Tribal social media, and Tribal website via communications director ● Town hall meeting to review and comment on 80% draft ● Project updates at significant phase milestones via all staff emails from Mark J. ● Project updates at significant phase milestones in Sea-harrier and community flyer via communications director ● Town hall meeting to review and comment on 80% draft ● Monthly written project updates for CIHA Board meetings ● Significant phase milestones updates at CIHA Board meetings ● Project kiosk with informational posters and take-away collateral (such as brochures) at the existing health center via communications director. ● Project updates at significant phase milestones via electronic health record ● Town hall meeting to review and comment on 80% draft
	Coos County Local Government and Key Partners	<ul style="list-style-type: none"> ● Follow approval of 80% design, marketing and meetings with local government and key partners

Design-Build Contractor: S+B James Construction
8425 Agate Road
White City, OR 97503
541-826-5668

President – Allen Purdy allenpurdyt@sbjames.com

Project Executive - Terry Mackey terrymackey@sbjames.com

Project Manager – Chris Edge chrisedge@sbjames.com

David Thurston - Design Director davidthurston@sbjames.com

Project Superintendent – Josh Geyer

Project Architect – Sam Uccello

DB Team

Interiors: Veronica Shean – Veronica Sheen Interior Design

Structural Engineering: Jason Prins – Structural Solutions

Civil Engineering: Tom Sisul - Sisul Engineering

Landscape: Alan Pardee - CoveyPardee

Mechanical Engineering: Tim Ely – BHE Group

Plumbing: Jason Rowan - Van Row Mechanical

Electrical: Greg Pride – Double E Electrical

Medical Equipment - TBD

Geotechnical – The Galli Group

Ko-Kwel Wellness Center
Project Charter - Preliminary Budget

Snapshot as of July 10, 2019 - Subject to change					
Phase 1	Phase 2	Phase 3	Other	Total	Notes
Planning & Design	Construction	Startup	Financing Costs		
Sources of Funds					
Tribal equity	245,000	255,000	-	-	500,000 A
NMTC net benefit at closing	544,000	1,481,000	675,000	650,000	3,350,000 B
USDA CFRP loan	-	6,930,000	-	70,000	7,000,000
BIA TTP road funds	-	300,000	-	-	300,000
Awarded grants	176,000	159,000	-	-	335,000 Spirit Mtn, Meyer, OCF, Shakopee, Wildhorse, Collins
Craft3 grant (pending)	175,000	-	-	-	175,000 With USDA CFRP loan
IHS SAP grant (applied)	-	-	-	-	- C
Indirect contract support-IHS	-	-	-	335,000	335,000 D
Total Sources	1,140,000	9,125,000	675,000	1,055,000	11,995,000
Project Costs					
NMTC CDE/professional fees and reserves	-	-	-	650,000	650,000 B
Interest and loan fees	-	-	-	405,000	405,000 D
Project manager	55,000	165,000	-	-	220,000 Contract engineer/Tribal project manager
Environmental & engineering	45,000	20,000	-	-	65,000 NEPA and civil engineering support
Architect & design	1,000,000	-	-	-	1,000,000
Site preparation & infrastructure	40,000	785,000	-	-	825,000 Includes civil engineering support
Construction	-	5,345,000	-	-	5,345,000
Furniture, fixtures & equipment	-	1,680,000	-	-	1,680,000 FF&E, computers, software, and temporary storage
Startup costs	-	-	675,000	-	675,000 E
Project contingency	-	1,130,000	-	-	1,130,000
Total Costs	1,140,000	9,125,000	675,000	1,055,000	11,995,000

Notes

A	Tribal equity is estimated based on budgeted costs and confirmed additional funding sources, both of which are subject to change as the project progresses. Estimate is expected to change once the final build contract is executed, and as new grants are identified. Also, the Tribal equity estimate would increase if less funds are borrowed. Regardless, total Tribal equity will not exceed \$1 million.
B	NMTC funds shown above are gross of compliance fees (fund management, audit, tax returns, etc.) of approximately \$650 thousand that are received by the Tribe at closing but reserved for payment of these costs over the seven year compliance period. Not shown in the budget above are costs to obtain the NMTC financing. Based on a \$12 million project and \$0.92 investment, total NMTC funds are \$4.3 million. Fees totaling \$950 thousand are paid to the CDE (Craft3), our NMTC consultant, and to cover legal and accounting expenses. These funds are paid at closing, resulting in the net amount received by the Tribe of \$3.35 million.
C	The SAP grant application is for \$2 million, but the award process is highly competitive and carries timing restrictions that may impact the ability to use other confirmed (though smaller) funding sources. Essentially, any ground disturbing activities prior to grant award (February 2020) would disqualify the project. Currently, SAP funds are not included in the budget.
D	All USDA loan funds will be received upon closing and monthly interest of approximately \$27 thousand will be incurred. Interest costs are an allowable cost to be included in the indirect cost rate agreement.
E	Startup costs have been included based on the first three months of expected operating costs (payroll, supplies, minor contracts, etc.) and recruitment costs (separate from incentives offered to staff; recruiting process to begin in 2019).

Preliminary Project Schedule

Phase	Duration	Start	Finish
Pre-Design			
Programming		Q2 2019	Q3 2019
Site Review		Q2 2019	Q3 2019
Environmental Analysis		Q2 2019	Q1 2020
Schematic Design		Q3 2019	Q4 2019
Design Development		Q4 2019	Q1 2020
Permitting		Q1 2020	Q2 2020
Construction Documents		Q1 2020	Q2 2020
Site Preparation		Q3 2019	Q3 2020
Construction		Q2 2020	Q2 2021
FFE Procurement		Q2 2020	Q1 2021
Occupancy / Commissioning		Q2 2021	Q2 2021
Move In		Q2 2021	Q2 2021
Operating		Q2 2021	Q3 2021

Project Communication

Internal Communication: Email, Team Briefings of Phase Deliverables

Communication with DB Contractor: ShareFile FTP site, email to CIT Decision Team

Signatures

Date:

Mark Johnston, Executive Director

Fauna Larkin, Operations Director

Kelle Little, HHS Director

Mark Gagnon, Chief Financial Officer

Eric Scott, Construction Project Manager

Gary Leva, Business Development

Revisions

The Executive Director is approved to make changes to the approved Project Charter with Decision Team concurrence documented in minutes.

Revision #	Description	Signature	Date
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