



**Financial Assistance Award**

**DENALI COMMISSION**  
 510 "L" Street, Suite 410  
 Anchorage, Alaska 99501  
 (907) 271-1414

Project Number - 0031-DC-2001-113

**Denali Commission Accounting Code**

95670000	\$ 1,995,000
<b>Total Commission Funding</b>	\$ 1,995,000
<b>Funds Available &amp; Apportioned by OMB</b>	<i>unpo for CSE</i>

**Recipient Name & Address**

City of Galena  
 PO Box 149  
 Galena, AK 99741-0149  
  
 Phone (907) 656-1301  
 Fax (907) 656-1769

**Cost Share Distribution**

	Denali Commission	Other contributors	Totals
<b>Totals</b>	\$ 1,995,000	\$1,800,000	\$ 3,795,000

**Authority**  
 112 Stat 1854

**Project Title**  
 Galena Health Center

**Award Performance Period**  
 From: April 1, 2001  
 To: March 31, 2005

This Financial Assistance Award approved by the Federal Co-Chair of the Denali Commission is issued in triplicate and constitutes an obligation of federal funding. By signing the three documents, the Recipient agrees to comply with the Award provisions indicated below and attached. Upon acceptance by the Recipient, two signed Award documents shall be returned to the Federal Co-Chair of the Denali Commission and the Recipient shall retain the third document. If not signed and returned without modification by the Recipient within 30 days of receipt, the Federal Co-Chair may unilaterally terminate this Award.

- EDA Standard Terms and Conditions Public Works and Implementations Construction Components, dated 3/99
- Special Award Conditions and Attachments
- Line Item Budget
- 15 CFR 24, Uniform Admin Requirements for Grants/Cooperative Agreements to State and Local Governments ([www.access.gpo.gov/nara/cfr/waisidx\\_99/15cfr24\\_99.html](http://www.access.gpo.gov/nara/cfr/waisidx_99/15cfr24_99.html))
- OMB Circular A-87, Cost Principles for State and Local Governments and Indian Tribal Governments ([www.whitehouse.gov/OMB/circulars/a087/a087-all.html](http://www.whitehouse.gov/OMB/circulars/a087/a087-all.html))
- OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations ([www.whitehouse.gov/OMB/circulars/a133/a133.html](http://www.whitehouse.gov/OMB/circulars/a133/a133.html))
- 15 CFR, Part 14, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, Other Nonprofit, and Commercial Organizations ([www.access.gpo.gov/nara/cfr/waisidx\\_99/15cfr14\\_99.html](http://www.access.gpo.gov/nara/cfr/waisidx_99/15cfr14_99.html))
- OMB Circular A-122, Cost Principles for Nonprofit Organizations ([www.whitehouse.gov/OMB/circulars/a122/a122.html](http://www.whitehouse.gov/OMB/circulars/a122/a122.html))
- OMB Circular A-21, Cost Principles for Educational Institutions ([www.whitehouse.gov/OMB/circulars/a021/a021.html](http://www.whitehouse.gov/OMB/circulars/a021/a021.html))
- EDA Standard Terms and Conditions Capacity Building Programs
- Department of Commerce Financial Assistance Standard Terms and Conditions, dated 10/98

Signature of Authorized Official - Denali Commission

*Jeff Staser*

Typed Name and Title

Jeffrey B. Staser, Federal Co-Chair

Date

*8/14/01*

Signature of Authorized Official - City of Galena

*Marvin L Yoder*

Typed Name and Title

Marvin L. Yoder, City Manager

Date

*8/17/01*

**Conditions to the Financial Assistance Award**  
**Project No. 0031-DC-2001-I13**  
**Project Title: Galena Health Center**  
**Project Recipient: City of Galena**

1. The scope of work for this Financial Assistance Award is: the expansion of the existing Galena Health Clinic. The new addition will house both a primary care program and mental health program. The existing clinic will be remodeled and continue to function for dental services and staff offices. The entire facility will be connected to a City-power plant waste heat system to reduce operating costs.

Total Commission funding to the City of Galena (Galena) is \$1,995,000. Total project funding is \$3,795,000. Listed in the table below is the portion of the project to be funded by the Commission.

<b>Item No.</b>	<b>Description</b>	<b>Estimated Cost</b>	<b>Comments</b>
1	Foundation	\$195,000	Competitive Bid
2	Waste Heat Extension	\$130,000	Contract
3	Construct New Building & remodel existing building	\$2,800,000	Competitive Bid
4	Public Safety space	\$400,000	Multi-use component of the structure
5	Administration/Inspection	\$50,000	
6	Architect/Engineer fees	\$120,000	Contract
7	Contingencies/Equipment	\$100,000	
	<b>TOTAL</b>	\$3,795,000	Funding for this project includes the following sources: Denali Commission \$1,995,000 USDA-RD \$1,000,000 CDBG \$ 200,000 State Legislative Grant \$ 600,000

All Commission funding is intended for use for the scope of work specified above only. No interest will be accrued on these funds.

In the event there is a balance of funding after the full scope of work is completed, then the Commission (in consultation with Galena) will determine how the excess funds will be allocated. The final decision on how excess funds are used is a Commission decision, and may include withdrawing excess funds for reallocation to other Commission projects. Galena will return any unexpended project funds (based upon pro rata project contributions) to the Commission at the end of the one-year project warranty period. In the event the project cannot be initiated for any reason; the Commission reserves the right to cancel the project.

2. The Project Officer for Galena is Mr. Marvin L. Yoder, Galena City Manager and for the Denali Commission Mr. Joel Neimeyer.
3. Galena shall submit written progress reports to the Commission Project Officer quarterly (March/June/September/December). The reports are due within 30 calendar days of the end of the quarter. Galena (through the use of Interim Reports) will inform the Commission at the earliest possible date of any unanticipated project cost overrun, project schedule delays, or changes in the project scope or changed site conditions. This will allow both Galena and the Commission to pursue supplemental financing on a timely basis, or reduce the project scope to fall within the Commission project financing capabilities. Quarterly progress reports shall include a narrative summary of the project status and accomplishments to date, and address the following questions: is the project on schedule, is the project on budget, and what actions are planned to address any project problems.

Galena shall report annually the percentage of total funds (from the Commission and other sources) received used for planning, design and construction of rural primary care facilities. In addition, this annual report will include a breakdown on how these funds were used: force account construction (including local labor wages paid, rural Alaska wages paid, and total project wages paid), and construction contracting.

A Labor Type, Residence, and Wage Report shall be submitted to the Commission Project Officer at a minimum of two times annually. At a minimum, these two reports must be on or near August 1<sup>st</sup> and December 1<sup>st</sup> each year to correspond with the Alaska construction season. Reports may be submitted more often. A "Labor Type, Residence, and Wage Report" must include the following information by construction project for any person employed on the construction of that project: position, place of primary residence, first check date, last check date, rate of pay per hour, payroll earnings from inception of project to date. Personal or confidential information such as Social Security numbers, names of individuals, or other information that would identify an individual should not be included within this report.

In addition, Galena shall provide photo documentation of project development and construction. A minimum of three photos shall be taken for each quarterly report in which construction activity occurs. Photo documentation shall be supplied in the form of photo quality 3x5 prints and a negative for each picture submitted and/or print quality electronic photos (digital images). A short description of the activity and names of those in the photos shall also be provided.

These quarterly, bi-annual and annual progress reports shall be sent to:

Denali Commission  
510 "L" Street, Suite 410  
Anchorage, AK 99501

The Commission reserves the right, at a future date, to direct Galena to provide the progress reports in electronic format for posting on the Commission web page.

4. Two forms of project financial reports are required.
  - A. Project financial status reports shall be submitted to the Commission Project Officer quarterly (included as part of the quarterly progress reports). For each project that includes funding from the Denali Commission, the quarterly financial status report shall show the following:
    - i. the total project budget
    - ii. the total amount of Denali Commission funds committed to the project
    - iii. the total project expenditures as of the end of the most recent quarter
    - iv. the total expenditure of Denali Commission funds for the project as of the end of the most recent quarter
    - v. the percentage of expenditures to the total budget; and
    - vi. a project performance analysis on project line items, as defined by Galena, showing budget costs compared to actual expenditures and obligations to date versus work performed to date (for each line item).
  - B. A final Financial Status Report (Standard Form 269 – [www.whitehouse.gov/OMB/grants/index.html#forms](http://www.whitehouse.gov/OMB/grants/index.html#forms)) shall be submitted to the Commission Project Officer within 90 days after the end of the Award Performance Period. If the Period is longer than one year, or if the Agreement is revised to extend the Award Performance Period beyond one year, Galena must annually submit a completed Standard Form 269 within 90 days after the end of each anniversary of the award date.
5. To receive payment, Galena must submit a "Request for Advance or Reimbursement", Standard Form-270 ([www.whitehouse.gov/OMB/grants/index.html#forms](http://www.whitehouse.gov/OMB/grants/index.html#forms)), to the Commission Project Officer. It is expected that Galena will forecast by letter or spreadsheet format, Commission funds or working capital advances needed on a monthly (or as needed) basis for the project. This does not preclude more frequent Commission payments, then monthly, given project specific needs. The Commission reserves the right to prohibit further payments to Galena, at any time, if discrepancies, until such time that the discrepancies are resolved to the satisfaction of the Commission.

6. To the maximum extent feasible, considering applicable laws, Galena shall accomplish the work of this Agreement utilizing local labor and small, minority owned and disadvantaged businesses.
7. No portion of this award may be used for lobbying or propaganda purposes as prohibited by 18 U.S.C. Section 1913 or Section 607(a) of Public Law 96-74.
8. Based upon proposed Federal funding for this project, project level environmental reviews in accordance with the National Environmental Policy Act (NEPA) and the National Historic Preservation Act (NHPA) are required. Galena shall address all potential environmental concerns (specific and cumulative effects) associated with the projects, identified in this Agreement, in consultation with applicable Federal, State, and local authorities. If the scope of work is changed in the future, then Galena will revisit the project level environmental reviews to determine if potential environmental concerns must be further addressed. In the interest of streamlining the project level environmental reviews and avoid duplication of effort, any other Federal environmental review process carried out by Galena and approved by other Federal agencies shall meet the intent of this paragraph.
9. Changes to the Financial Assistance Award can take two forms.

Amendments shall be identified by sequential number followed by the Denali Commission project number (i.e. Amendment No. 2 – Project # 0001-DC-1999-I1). The Commission Federal Co-Chair and the designated representative for Galena shall execute these Amendments. These documents (in Financial Assistance Award format with attached Award Conditions) define the changes to the scope of work, project schedule and estimated costs for each specific project undertaken. In general, Amendments are used for changes in funding from the Commission and/or other sources to the total project amount.

Addendums to Financial Assistance Award are in letter format from the designated Project Officer for the Commission to the designated Project Officer for Galena. Addendums shall be identified by sequential letter followed by the Denali Commission project number (i.e. Addendum No. B – Project # 0001-DC-1999-I1). These Addendums shall be executed by the concurrence of the Commission Project Officer and approval by the Commission Chief of Staff. In general, Addendums are used for small changes in project scope. These addendums shall include a scope of work, negotiated cost reimbursement, a method to measure completion of work, and lastly payment method.

10. Project Management Plan: Galena will hire an on-site inspector, Mr. Michael Chapman, to provide day-to-day project oversight. Mr. Yoder will serve as the City's Project Officer. The project will be constructed by contract.