



Financial Assistance Award

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

Project Number
 0029-DC-2001-I11

Denali Commission Accounting Code

95X1200 95670000	FY2001 DHHS funding	\$3,150,000
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Recipient Name & Address
 Norton Sound Health Corporation
 PO Box 966
 Nome, Alaska 99762

Phone (907) 443-3311
 Fax (907) 443-3139

Cost Share Distribution

	Denali Commission	Recipient & other contributors	Totals
	\$3,150,000	\$4,850,000	\$8,200,000

Authority
 112 Stat 1854

Project Title
 NSHC Unalakleet Sub Regional Clinic

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)
- OMB Circular A-87, Cost Principles for State and Local Governments and Indian Tribal Governments (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)
- 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)
- OMB Circular A-122, Cost Principles for Nonprofit Organizations (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)
- 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

Typed Name and Title

Jeffrey Staser, Federal Co-Chair

Date

6-5-01

Signature of Authorized Official - NSHC

Typed Name and Title

Joe Cladouhos, President / CEO

Date

6-5-01

**Conditions to the Financial Assistance Award
Project No. 0029-DC-2001-I11
Norton Sound Health Corporation (NSHC)
NSHC Unalakleet Sub Regional Clinic**

1. The scope of work for this Financial Assistance Award is:

This project will construct a Sub Regional Clinic (SRC) and supporting ambulance garage located in Unalakleet, Alaska. The Unalakleet SRC will be owned and operated by NSHC as an extension of the services routinely available from the Regional Hospital in Nome, and will provide primary care to the multiple communities within the Unalakleet area: Koyuk, Shaktoolik, Stebbins, St. Michael, and Unalakleet (reaching more than 2,300 year round residents). The NSHC is a non-profit Tribal organization providing comprehensive health services to the Bering Straits Region.

Total Commission funding to the Project Recipient is \$3,150,000. Total project funding is \$8,200,000. The estimated costs for this Award follow.

Item No.	Description	Estimated Cost	Comments
1	Planning and Design	\$300,000	65% complete
2	Land	\$75,000	Transaction complete
3	Site Work and Foundation	\$790,000	Ground Breaking in June
4	Building Shell and Rough-in	\$2,020,000	Winter 01 – Spring 02
5	Mechanical	\$1,040,000	Spring 02
6	Electrical	\$1,250,000	Spring 02
7	Interior Finish	\$1,170,000	Fall 02
8	Equipment	\$1,305,000	Planning Winter 01, Implementation Fall 02
7	Ambulance Garage	\$250,000	Will be used to support construction of main building, operational for winter 01 use
	TOTAL	\$8,200,000	

All Commission funding is intended for use for the scope of work specified above only.

In the event there is a balance of funding after the full scope of work is completed, then the Commission (in consultation with Project Recipient) 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. The Project Recipient 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 the Project Recipient is Mr. Stephen Christopher and for the Denali Commission Mr. Joel Neimeyer.
3. The Project Recipient 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. The Project Recipient (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 the Project Recipient 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.

The Project Recipient 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 1st and December 1st 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.

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 the Project Recipient 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 the Project Recipient, 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) 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, the Project Recipient 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, the Project Recipient must submit a “Request for Advance or Reimbursement”, Standard Form-270 (www.whitehouse.gov/OMB/grants/index.html#forms), to the Commission Project Officer. It is expected that the Project Recipient 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 the Project Recipient, 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, the Project Recipient 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. The Project Recipient 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 the Project Recipient 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 the Project Recipient and approved by other Federal agencies shall meet the intent of this paragraph. It is reported that the project has gone through the NEPA and NHPA approval process identified by the USDA-RD. The USDA-RD documentation shall be provided to the Commission by the NSHC.

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 the Project Recipient 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 the Project Recipient. 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.

The following is a description provided by NSHC on how they intend to manage the NSHC Unalakleet Sub-regional clinic.

Over the course of the past 3 decades, NSHC has supervised, managed, and directed numerous successful capital improvement projects for new construction, maintenance, repair and improvement including a major inpatient addition to the original hospital building, a long-term care wing, and a building to house the Regional Health Services division.

Through our participation with the IHS / Alaska Native Tribal Health Consortium Maintenance and Improvement program and Tribal Self Determination we have expanded our direct involvement with construction activities. NSHC is committed to the direct management of construction efforts ensuring a high level of quality control, ownership, local hire, and capacity building within the region.

To meet this commitment NSHC has organized a new Capital Projects division that will implement the capital project initiatives and priorities that will expand and enhance the reach of medical services within the Norton Sound to create strong, healthy families and communities through education, prevention, and the delivery of quality health services.

The Capital Projects division will direct NSHC force account and prime construction contracting efforts for the Unalakleet Sub Regional Clinic project to maximize local hire and develop regional capacity for construction activities.

Construction is expected to begin with soils and foundation work in June 2001, continuing with framing in of the building shell by early winter.

Engineering and administrative fees that will be attached to the project shall not exceed those presented by ANTHC for clinic construction.