

**Craig Public Health Center Replacement**

**FY2009 Request: \$797,900**

**Reference No: 45182**

**AP/AL:** Appropriation

**Project Type:** Construction

**Category:** Health/Human Services

**Location:** Craig

**Contact:** Arnold Liebelt

**House District:** Cordova/Southeast Islands (HD

**Contact Phone:** (907)465-1870

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**Estimated Project Dates:** 07/01/2008 - 06/30/2013

**Brief Summary and Statement of Need:**

This request would serve as matching funds to replace the Craig Public Health Center, which has occupied the current space since 1976. The Denali Commission is contributing \$4.3 million to the project. The current facility does not meet ADA requirements or building codes and is not sufficient to meet the demand for Public Health Nurse services for the community. The Public Health Nurses provide a broad array of services from its base health center in Craig which also acts as a hub for itinerant services in several rural communities on Prince of Wales Island. Design is complete and construction would begin in summer of 2008.

<b>Funding:</b>	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	Total
G/F Match	\$797,900						\$797,900
<b>Total:</b>	\$797,900	\$0	\$0	\$0	\$0	\$0	\$797,900

<input checked="" type="checkbox"/> State Match Required	<input checked="" type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
12% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

**Operating & Maintenance Costs:**

	<u>Amount</u>	<u>Staff</u>
Project Development:	6,950,000	0
Ongoing Operating:	0	0
One-Time Startup:	0	
<b>Totals:</b>	<b>6,950,000</b>	<b>0</b>

**Additional Information / Prior Funding History:**

This is the first year of the project.

**Project Description/Justification:**

The City of Craig and several non-profit health care providers are working toward a shared health care facility. Craig Public Health Center has occupied the current space since 1976. The facility does not meet ADA requirements or building codes and is not sufficient to meet the demand for Public Health Nurse (PHN) services. The clinic is functionally obsolete and can not be renovated to comply with existing code requirements, state space requirements for a two-nurse public health center, or a backup power system to safeguard immunization vaccines. Design is complete and funding is needed now so that construction can be awarded in the summer. The Denali Commission is contributing \$4.3 million to the project. This funding will not be available after FY08 if construction does not begin in 2008.

The current design is approximately 11,500 square feet with Craig Public Health Center occupying 2,082 square feet, or 18%, of the facility.

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The total project cost is \$6.5 million with funding coming from the following entities:

Denali Commission:	\$4,350,000
DHSS:	\$797,900
City of Craig:	\$500,000
USDA Rural Development:	\$850,000 (up to \$1 million).
Total:	\$6,497,900

The City of Craig is also pursuing funding from the Rasmusson Foundation. If they are successful, the amount from the USDA would be decreased.

The State's contribution would offset the cost to the City of Craig. Major benefits of the new health clinic include ease of referral of high risk clients to Communities Organized for Health Options (COHO) and Craig Clinic, space for additional community level health and preparedness activities, and backup power for vaccine storage.

The estimated total cost of the project was determined by the project architect, based upon work completed by a professional cost estimating firm. Funding for the architectural work is provided by the Denali Commission with technical support from Alaska Native Tribal Health Consortium.

With a long-term view to required space, service delivery, and operational needs, COHO, Craig Clinic, and Alaska Public Health Nurse (PHN) programs propose the construction of a shared facility from which to provide core primary health care services to residents of Prince of Wales Island. Each of these agencies provides services that complement one another. COHO is a Prince of Wales Island based private non-profit that employs staff to meet the mental health and substance abuse treatment needs of the island's residents.

The PHN program provides a broad array of public health services from its base health center in Craig. The health center acts as a hub for itinerant services to Klawock, Hollis, Hydaburg, Thorne Bay, Coffman Cove, Kasaan, Naukati, and Whale Pass. Those services include direct client care, communicable disease investigations, maternal/child health, immunizations, preparedness, and health education.

The existing lease agreement will apply to the new building so there will be no additional operational cost to the State. The project will provide a new PHN clinic that complies with ADA and all health and safety codes.

The project may create five ongoing private sector jobs. The City of Craig is talking with a private sector health care organization to operate the Craig Clinic. If these discussions are successful, the staff hired by the private organization would become private sector jobs.

Estimated operating costs are based on current personnel, maintenance costs, supplies, and other non-salary expenses and projected for two years as required by the Denali Commission. There is no plan to change the Craig Public Health Center staffing of two full-time Public Health Nurses and an Administrative Clerk.

The new facility will be constructed on property donated by the City of Craig and will be owned and maintained by the City of Craig. Public Health and the City of Craig will continue the existing lease agreement in the new facility, the terms of which are that Public Health leases some office space in the clinic for \$1,118.18 per month, with the remaining health center space donated by the City of Craig.

This funding is needed now in order to keep the project on schedule and to leverage the Denali Commission funding. Delays would only increase the cost.

Department's Mission: To Promote and Protect the Health and Well Being of Alaskans.

This project directly supports the Department's mission by creating a safe and functional health center for the community of Craig.

The end result to which this project contributes is "Healthy people in healthy communities."