

# Multi-Use Facility Program Evaluation

Contract Number: DE-AC36-04GO24009, Task Order 6

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**Denali Commission/Department of Energy**  
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## EXECUTIVE SUMMARY

The Multi-Use (M-U) Facility Program is a small component of an extensive system of programs dedicated to improving Alaskan infrastructure, and managed by the Denali Commission (Commission). Since 2003, the M-U Facility Program has funded the conceptual planning, design and construction of 29 projects, primarily in rural parts of Alaska, to help small communities improve their local infrastructure. The program was designed to encourage consolidation of compatible essential community services, eliminating duplication of services and increasing the efficiency with which services are delivered.

In May 2007, the M-U Facility Program was placed on “pause” until the Commission receives the results of a third-party review to be conducted on the program. In November 2007, the Commission contracted with NANA Pacific, LLC to complete this independent, third-party review of the M-U Facility Program. This is our review and analysis report.

The review and analysis team assembled quantitative data from the Division of Community and Regional Affairs and the Denali Commission on the nature and funding of the projects that were awarded funds under the M-U program since its inception. Approximately 60 interviews were conducted with grantees and senior officials. The team visited four completed M-U facilities to learn first-hand about the way these facilities were planned, constructed and used. This information has lead to the following 15 recommendations:

1. Resume the operation of the multi-use facility program at the earliest opportunity.
2. Renegotiate a modified administrative agreement with DCRA for program management.
3. Improve the quality and utility of applicant Business Plans.
4. Provide applicants with a “tool-box” for working with regional entities to increase sustainability of M-U Facilities through the development of long-

- term and medium-term facility leases.
5. Encourage involvement of Housing Authorities, Village Corporations, Regional Corporations, and regional non-profit entities in the development, design, and construction of M-U Facilities.
  6. Continue funding for conceptual planning and design projects.
  7. Explore the value of obtaining the opinions of regional economic development entities in assessing the fiscal integrity of the applicant.
  8. Develop a cost and financial accounting and monitoring system that provides sufficient detail and the ability to isolate costs.
  9. Identify and consider renovation options and assure that it can be done at a reasonable cost, in comparison with alternatives.
  10. Provide additional administrative and financial oversight and support to small units of local government, including distressed communities.
  11. Assure the applicant's ability to manage a capital project.
  12. Require that a competent and bonded construction and project management company be a team member for construction activities.
  13. Retain a team of seasoned professional rural construction project managers which can quickly assist programs who appear to be experiencing difficulties in completing their programs.
  14. Construct to the highest energy efficient rating possible for both retrofits and new construction.
  15. Develop a monitoring and evaluation system that can track and assess progress made on the M-U Program.

The following report presents the data that lead the review and analysis team to these recommendations. It begins with a description of the M-U Program within the context of the overall Denali Commission structure. Next, it describes the program and the characteristics of the projects. Our impressions of the common themes from extensive interviews with stakeholders are summarized. Last, the

recommendations summarized above are presented in detail.

NANA Pacific would like to thank the Denali Commission, its staff and the program managers and administrators for their input and support during this project. We also thank the M-U Facility grantees for their time and candor as we tried to learn about how the program operated in the field.

## FOREWORD

This report presents the results of NANA Pacific's review and analysis of current Multi-Use Facility infrastructure developments in rural Alaska. A Multi-Use Facility can simply be defined as a rural facility that serves more than one purpose. The Commission has identified sustainability as a prerequisite for funding of infrastructure development capital investments in rural Alaska.

NANA Pacific appreciates the assistance and contributions of these individuals and agencies in the development of this report:

- Tessa Rinner, Director of Programs, Denali Commission
- Mike Black, Deputy Commissioner, Department of Commerce, Community and Economic Development and former Director of the Division of Community Advocacy (DCRA)
- Athena Logan, Special Project Manager, DCRA
- Mike Marsh, Inspector General, Denali Commission
- Mark Allred, Program Manager, Denali Commission

NANA Pacific also thanks the Communities of Tuluksak, Wrangell, Eyak, and Katchemak for hosting the project researchers and the Multi-Use Facility grantees who agreed to be interviewed for this review and analysis.

The following NANA Pacific employees developed this review and analysis, designed interview instruments, conducted interviews, researched Commission databases and conducted site visits:

- Project Manager: Jay Hermanson, MBA
- Principal Investigator: Brian Saylor, PhD, MPH
- Project Researcher: Melodie Fair, MEd
- Project Researcher: Brian Yanity, MS

## **LIST OF ACRONYMS**

- DCCED – Department of Commerce, Community and Economic Development
- DCRA – Division of Community and Regional Affairs
- EMT – Emergency Medical Technician
- USPO – United States Post Office
- NSEDC – Norton Sound Economic Development Council
- M-U – Multi-Use
- RFP- Request for Proposal
- VPO/VPSO – Village Public Safety Officer
- WIC – Women, Infants, and Children
- YK – Yukon Kuskokwim
- YKHC – Yukon Kuskokwim Health Corporation

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## **1. Introduction**

The Multi-Use (M-U) Facility Program is a small component of an extensive system of programs dedicated to improving Alaskan infrastructure managed by the Denali Commission (Commission). Since 2003, the M-U Facility Program has funded the conceptual planning, design and construction of 29 projects, primarily in rural parts of Alaska, to help improve the local infrastructure of small communities. The program was designed to help consolidate compatible essential community services, eliminate duplication of services, and improve the efficiency of service delivery. At the May 31, 2007 quarterly meeting, the M-U Facility Program was placed on “pause;” this pause will continue until the Commission receives the results of a third-party review of the program. In November 2007, the Commission contracted with NANA Pacific, LLC, to complete this independent, third-party review.

## **2. The Multi-Use Facility Program Review and Analysis**

### ***2.1. Purpose***

This detailed review and analysis will help the Commission strengthen the systems for soliciting and reviewing proposals, awarding grants, and managing funds on projects within the Multiple-Use Facility program. The review and analysis process and outputs could provide decision makers with key insights and appropriate leverage points for either restarting the program or reprogramming the resources for a more effective delivery of program services.

### ***2.2. Review and Analysis Questions<sup>1</sup>***

Together, NANA Pacific and the Commission developed these questions as a foundation and frame for this review and analysis:

- 2.1.1. To what extent is the M-U Facility Program consistent with the principles and purposes of the Commission?
- 2.1.2. How are completed projects addressing articulated local

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<sup>1</sup> Developed and discussed with Tessa Rinner, Denali Commission Director of Programs, on 12/7/07, wording changed slightly as study progressed

infrastructure needs?

2.1.3. How can the M-U Facility Program improve its processes for soliciting, awarding and managing its activities?

2.1.4. To what extent are funded facilities meeting their intended objectives?

2.1.5. What are the factors that distinguish between completed and cancelled projects?

2.1.6. How are the M-U Facility Program co-management partnerships with the State and Federal agencies working? How can they be strengthened?

2.1.7. How can local project administration of construction activities be improved?

### **2.3. Stakeholders**

Part of this project was to find out how the stakeholders felt about this program. The stakeholders interviewed consisted of senior administrative officials of DCRA and the Denali Commission, M-U facility project administrators, developers, contractor/builders, and facility users.

### **2.4. Report Organization**

This review and analysis report begins with a description of the overall scope of operations of the Commission. The size of the M-U Program within the entire Denali Commission portfolio is described. Next, the projects awarded under the M-U Facility Program are described. Following this overall description, the review and analysis focuses on completed M-U facility construction projects.

Completed projects are then described on a variety of dimensions, including planned use, actual facility use, and project cost. Because the program relies heavily on the participation of administrative and community partners, much of the material in this review and analysis is taken from extensive interviews with administrative partners, local community representatives, planners, contractors, administrators and facility users. The report concludes with recommendations for program enhancements.

## **2.5. Review and Analysis Process**

The review and analysis process for this contract was described in the approved scope of work with the Commission.<sup>2</sup> It relies largely on an administrative data and extensive interviews with grantees, senior officials and program administrators. This section describes the review and analysis process and data collection protocols in detail.

A logic model that relates community inputs, activities, outputs and outcomes was developed. These basic data elements (inputs, outputs, outcomes) are the foundation for the rest of the review and analysis.

## **2.6. Logic Model Development**

Logic models efficiently link inputs, activities, outputs, and outcomes.<sup>3</sup> Table 1 includes a model that relates the situation of many rural Alaskan communities, activities required to obtain a M-U facility construction grant, and the anticipated program outputs and outcomes.

Conceptual planning activities support the nature and extent of need for additional infrastructure that could be collocated in a MU facility. Completion of the conceptual design brings a project to about 35% toward “construction ready.” The design funds support the architectural plans and allow for more detailed cost estimates.

Logic models can help identify the expected outcomes of a program or activity. Once the outcomes are identified and agreed to, program managers can assess the extent to which specific program activities and outputs contribute to program outcomes. Together, the activities, outputs and outcomes can be used to develop performance management systems for program managers.

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<sup>2</sup> Multi-Use Facility Program Review and Analysis, TO #6 Contract # DE-AC36-04GO24009

<sup>3</sup> McDavid, JC, and Hawthorn, RLL. (2006). *Performance evaluation and performance measurement*. Thousand Oaks, CA: Sage Publications, and Frechtling, JA (2007). *Logic modeling methods in program evaluation*. San Francisco: Jossey Bass.

Table 1. *Multi-Use Facility Logic Model*

Inputs	Activities	Outputs	Outcomes		
			Short-term	Intermediate	Long-term
Community Services in Different Locations	Multi-Use Facility Needs Assessed	Commission Funding Proposal Submitted	Funding Received	Facility Completed	Improved and Sustainable Infrastructure
High Operating and Maintenance Costs	Partnerships Developed Among Community Agencies	Facility Design Completed	Construction Bids Received	Services Collocated	Reduced Operating and Maintenance Costs
Insufficient Space for Community Activities	Commission Proposal Prepared		Local Workers Hired		Enhanced Program Collaboration and Integration

## 2.7. Data Sources

Both quantitative and qualitative data were used to complete this review and analysis. Quantitative data were obtained from detailed programmatic files maintained by project sponsors and administrators. Qualitative data were gathered during key informant interviews.

### 2.7.1. Quantitative Administrative Data

The Commission<sup>4</sup> and the Department of Commerce, Community and Economic Development, Division of Community and Regional Affairs<sup>5</sup> (DCRA) maintain detailed databases on the multi-use facility projects; these databases were used extensively in the description of the program in this document.

### 2.7.2. Qualitative Data

Qualitative data were obtained from senior program officials, project managers, and selected M-U facility project grantees.

## 2.8. Grantee Interviews

Telephone interviews were conducted with grantees, and included the project

<sup>4</sup> Permission was granted to access the Commission Project Database System on December 15, 2007.

<sup>5</sup> Multi-Use Projects - Data from the DCRA Capital Projects Database was made available by Athena Logan on January 7, 2007.

developer, the builder, the grant administrator, and a facility user. Participation was voluntary. On-site interviews with four communities were also conducted.<sup>6</sup>

## **2.9. Reviews**

Evaluation research questions and review and analysis progress were reviewed periodically by senior Commission and NANA Pacific staff. Routine reports to Commission senior staff also helped address logistics and content issues during as the review and analysis progressed.

A draft report of this review and analysis was submitted to the Commission on March 28, 2008. Following their review, copies of the revised draft report were circulated to project stakeholders, including DCCED. Site visit reports were also shared with community representatives. The review and analysis was modified in response to comments when possible.

## **3. Commission Description**

The Denali Commission is an independent federal agency designed to provide critical utilities, infrastructure and support for economic development in rural Alaska; it was created in 1998 with the passage of the *Denali Commission Act*.<sup>7</sup> Based on an innovative federal-state partnership, the Commission also trains the Alaska workforce by delivering federal services in the most cost-effective manner possible.

### **3.1. Commission Purpose and Values**

Commission purposes are:

- To deliver federal government services in the most cost-effective manner practicable by reducing administrative and overhead costs.
- To provide job training and other economic development services in rural communities, particularly distressed communities (many of which have unemployment rates higher than 50%).
- To promote rural development and provide power generation and transmission facilities, modern communications systems, bulk fuel storage

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<sup>6</sup> Refer to Appendix 1 for copy of ground rules.

<sup>7</sup> PL 105-277, 42 USC 3121.

tanks, and other infrastructure needs.<sup>8</sup>

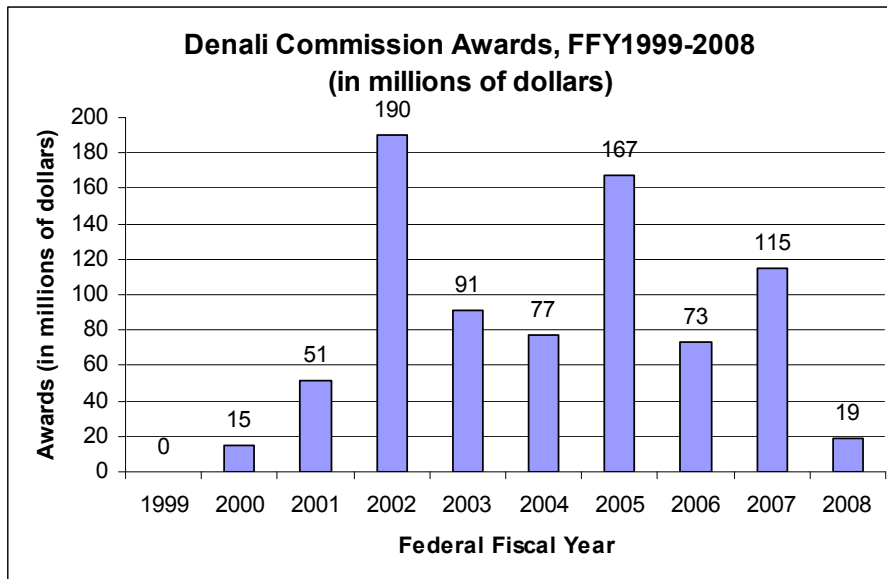
The Commission has also published its values in its annual report. These values include:

- being a catalyst for positive change
- having respect for people and cultures
- being inclusive
- encouraging sustainability of funded programs and projects
- encouraging accountability by using measurable effectiveness and efficiency standards

### 3.2. Commission Historical Funding Patterns.

The Commission receives several sources of federal appropriations which fund its various programs. Funding has varied over the years and is not necessarily correlated to the amount of project activity. Total funds awarded for project activities is a better measurement of Commission activity. Figure 1 shows the fluctuations in project awards from Federal Fiscal Year (FFY) 1999 to 2008.<sup>9</sup>

Figure 1 Commission Awards



<sup>8</sup> Funding Solutions to the Challenges of Alaska, Commission Annual Report, 2006, p.1. Note: 2007 Annual Report was released after this section was drafted.

<sup>9</sup> The Commission maintains an extensive downloadable dataset named index.cfn.

### **3.3. Funding Focus Areas**

The Commission funds a variety of programs. These funding themes include:

- Energy
- Health Facilities
- Economic Development
- Transportation
- Training
- Teacher Housing
- Other infrastructure

The Commission's energy program focuses on bulk fuel and rural power system upgrades and is the oldest, most visible program.

The Commission's health facilities program provides funding for the design and construction of primary care clinics, behavioral health facilities, domestic violence facilities, elder housing, primary care in hospitals and emergency medical services equipment.

The Commission's economic development program has supported and advanced a wide array of economic development program activities ranging from community profile mapping to supporting innovative models for lending an equity investment.

Transportation projects began being funded by the Commission in 2005. The Denali Access Systems Transportation Advisory Committee has now begun to focus attention on important needs for rural Alaska roads and boardwalks and barge landing and mooring systems.

The Commission also funds training programs to ensure that local rural Alaska residents have the skills and knowledge necessary to work on construction projects funded by the Commission. The Commission believes that these programs also help assure sustainability of developed infrastructure by providing training for long-term management, operations, and maintenance of the facilities the Commission helps to construct.

Finally, the Commission awards projects to help improve the infrastructure of rural Alaska communities. The M-U Facility funding is derived from “other infrastructure projects.”

These thematic finding patterns are shown below in Table 2.

*Table 2 Commission Awards by Thematic Area, FFY 1999–2008*

Thematic Area	Funding	Percent
Energy	\$ 386,922,033	48.49
Health Facilities	\$ 233,819,590	29.30
Economic Development	\$ 12,476,110	1.56
Transportation	\$ 38,863,039	4.87
Training	\$ 32,884,780	4.12
Other infrastructure	\$ 92,991,333	11.65
	<b>\$ 797,956,883</b>	<b>100.00</b>

### **3.4. “Other Infrastructure” Awards**

Approximately \$93 million of Commission funding is dedicated to the development of “Other Infrastructure” in rural Alaska. Projects funded include solid waste systems, airport improvements, teacher housing, equipment purchases, washeterias, domestic violence facilities, elder housing, technical assistance and M-U facilities.

The Other Infrastructure thematic area, where the M-U Facility funding resides is the 4<sup>th</sup> largest category of the overall Commission funding.



*Table 3 Amount and Distribution of Other Infrastructure Awards, FFY 1999–2006*

<b>Type of Award</b>	<b>Award</b>	<b>Percent</b>
Airport improvements	\$ 503,644	0.54
Domestic violence facilities	\$ 6,167,520	6.63
Elder housing	\$ 10,874,758	11.69
Equipment purchases	\$ 963,425	1.04
Miscellaneous	\$ 14,597,365	15.70
<b>Multi-Use facilities</b>	<b>\$ 13,205,767</b>	<b>14.20</b>
Solid waste	\$ 2,605,729	2.80
Teacher housing	\$ 24,654,120	26.51
Technical assistance	\$ 6,147,288	6.61
Washeterias	\$ 13,271,625	14.27
	<b>\$ 92,991,241</b>	<b>100.00</b>

The award data show that more than \$13 million has been awarded to M-U Facilities since FFY2003, comprising about 14% of all “Other Infrastructure” awards. However, it is less than 2% of total amount of funds awarded by the Commission.

Table 4 Other Infrastructure Awards,<sup>10</sup> FFY1999-FFY2006

Facility	FFY00	FFY01	FFY02	FFY03	FFY04	FFY05	FFY06	FFY07	FFY08	Total
Airport improvements	\$ 350,507	\$ 85,634	\$ -	\$ 67,502	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 503,644
Domestic violence facilities	\$ -	\$ -	\$ 335,520	\$ 200,000	\$ 882,000	\$ 4,750,000	\$ -	\$ -	\$ -	\$ 6,167,520
Elder housing	\$ -	\$ -	\$ -	\$ -	\$ 104,000	\$10,770,758	\$ -	\$ -	\$ -	\$10,874,758
Equipment purchases	\$ -	\$ -	\$ -	\$ 54,925	\$ -	\$ 908,500	\$ -	\$ -	\$ -	\$ 963,425
Misc	\$ -	\$ -	\$ 425,075	\$ 1,016,297	\$ 5,846,225	\$ 7,309,768	\$ -	\$ -	\$ -	\$14,597,365
Multi-Use facilities	\$ -	\$ -	\$ 900,000	\$ 7,393,767 <sup>11</sup>	\$ -	\$ 4,912,000	\$ -	\$ -	\$ -	\$13,205,767
Solid waste	\$ 728,900	\$ -	\$ -	\$ -	\$ -	\$ 869,933	\$ 630,721	\$ 306,791	\$ 69,384	\$ 2,605,729
Teacher housing	\$ -	\$ -	\$ 150,000	\$ 80,120	\$ 5,000,000	\$ 3,027,998	\$11,396,002	\$ -	\$5,000,000	\$24,654,120
Technical assistance	\$ 542,750	\$3,816,540	\$ 800,000	\$ 464,268	\$ 523,731	\$ -	\$ -	\$ -	\$ -	\$ 6,147,288
Washeterias	\$ -	\$ -	\$4,274,011	\$ 1,511,767	\$ -	\$ 2,120,196	\$ -	\$5,365,652	\$ -	\$13,271,625
	<b>\$ 1,622,157</b>	<b>\$3,902,174</b>	<b>\$6,884,605</b>	<b>\$10,788,646</b>	<b>\$12,355,956</b>	<b>\$34,669,153</b>	<b>\$12,026,723</b>	<b>\$5,672,443</b>	<b>\$5,069,384</b>	<b>\$92,991,241</b>

<sup>10</sup> Data source: Commission financial files, Index.cfm

<sup>11</sup> DCRA maintains that Multi-Use Facility funding shown in 2002 is an error and should properly be shown as 2003 awards.

## 4. Multiple-Use Facility Program

### 4.1. Description

An M-U Facility is one that provides two or more services in a specific, geographically defined community. Although many services may be consolidated into a single facility, this program's funding is prioritized for uses associated with life, health and safety. The Program is designed to encourage consolidation of compatible essential community services, reducing duplication of services, and increasing the efficiency with which services are delivered.<sup>12</sup>

### 4.2. Types of Grant Awards<sup>13</sup>

In 2003, Congress directed that the Commission have a program for M-U facilities and appropriated \$10 million toward that end. The legislation did not specify where the projects would be built. The original program was designed for only "construction-ready" projects or those for which all planning and design activities were complete and ready to solicit construction bids. The program was managed by the Commission staff and a competitive Request For Proposals (RFP) process was used. In 2003, there was no partner in place to whom program administration oversight was delegated. The program made a total of 13 awards. Three projects—Marshall, Tanacross, and Galena—were cancelled.<sup>14</sup>

In 2004, the M-U Facility program received up to \$5 million, again without specifying project location. A two-step letter of interest and competitive application process was used. Only "construction-ready" projects were eligible. Three projects were funded under this appropriation and all were completed<sup>15</sup>.

The 2005 appropriation of \$5 million contained specific earmarks for 26 communities; however, no specific projects were identified. The Commission staff included a project in Girdwood based on the language in the Congressional Record.<sup>16</sup>

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<sup>12</sup> From Commission website (11/30/07)

<sup>13</sup> Most of this material was taken from a summary program description "Multi-Use Facility Program: Background," issued by DCCED Division of Community Advocacy (no date).

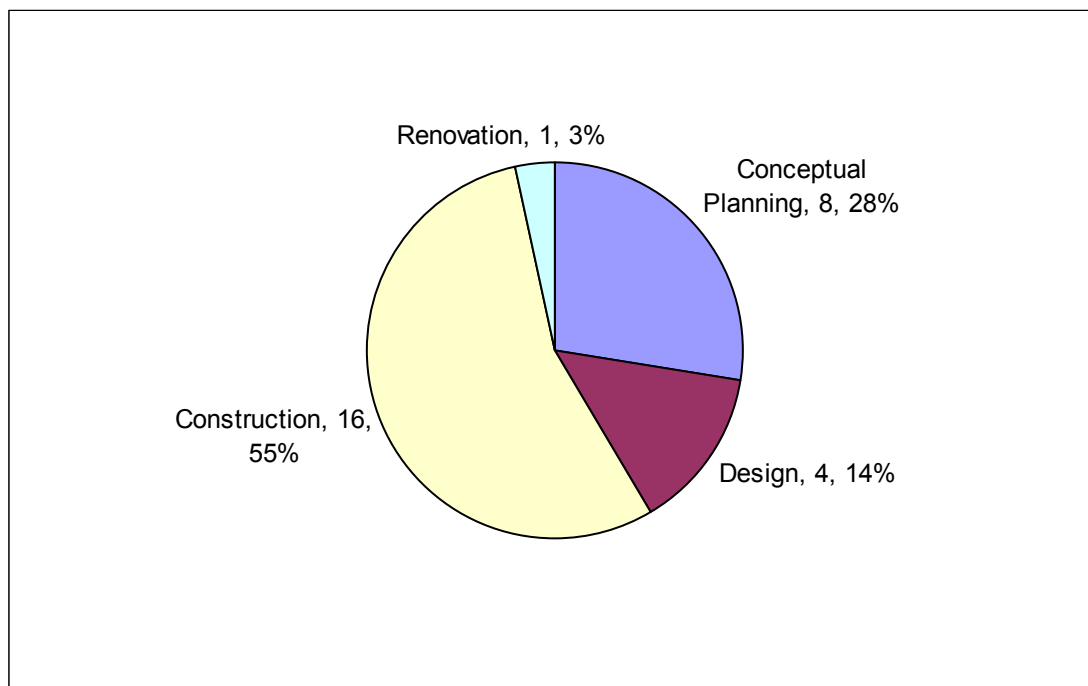
<sup>14</sup> Based on recent information from the project administrator, the Commission has recently reissued funds to Galena.

<sup>15</sup> The DCRA data set shows that projects in Delta Junction, Sleetmute and McGrath were awarded in FY2004 and have been completed.

<sup>16</sup> S12031, *Congressional Record-Senate*, (2004)

In January 2005, the Division of Community Advocacy, now the Division of Community and Regional Affairs, was asked to manage the program. The decision had been made to change the program from a construction-only program to a program that also funded conceptual planning, design, and construction and renovation projects.<sup>17</sup> Figure 2 shows that some facilities are now receiving funding for conceptual planning and design. According to DCRA, eighteen (18) projects were funded and two were cancelled due to the grantee not meeting grant stipulations.

*Figure 2 Types of Multi-Use Facility Projects-2003–2006*



### **4.3. Multi-Use Facility Awards**

Since the program began funding multi-use facility projects in FFY 2003, there have been 29 M-U project awards. Table 5 below shows the awards, type of project, and State of Alaska House and Senate districts. Figure 3 illustrates the geographic distribution of previously awarded projects.

<sup>17</sup> Multi-Use Facility Program Background (2005) Department of Commerce, Community and Economic Development, Division of Community Advocacy, Michael Black, Director

**Table 5 Program Awards**

<b>Community</b>	<b>Project Type</b>	<b>Senate District</b>	<b>House District</b>
Chistochina	Conceptual Planning	C – Al Kookesh	6 – Woodie Salmon
Eklutna	Conceptual planning	H – Charlie Huggins	16 - Bill Stoltze
Hydaburg	Conceptual planning	C – Al Kookesh	5 - William Thomas Jr.
Quinhagak	Conceptual planning	S – Lyman Hoffman	38- Mary Sattler Nelson
Yakutat	Conceptual planning	C – Al Kookesh	5 - William Thomas Jr.
Alakanuk	Conceptual planning	T – Donald Olson	39 - Richard Foster
Anderson	Conceptual planning	D – Joe Thomas	8 – David Guttenberg
Kongiganak	Conceptual planning	S – Lyman Hoffman	38- Mary Sattler Nelson
Girdwood	Construction	P - Con Bunde	32 - Mike Hawker
Nenana	Construction	C – Al Kookesh	5 - William Thomas Jr.
Brevig Mission	Construction	T - Donald Olson	39 - Richard Foster
Delta Junction	Construction	F - Gene Therriault	12 - John Harris
Eyak/Cordova	Construction	C – Al Kookesh	5 - William Thomas Jr.
Galena	Construction	C – Al Kookesh	6 – Woodie Salmon
Kachemak	Construction	R - Gary Stevens	35 - Paul Seaton
Marshall	Construction	C – Al Kookesh	6 – Woodie Salmon
Port Graham	Construction	R - Gary Stevens	35 - Paul Seaton
Quinhagak	Construction	S – Lyman Hoffman	38- Mary Sattler Nelson
Saint George	Construction	S - Lyman Hoffman	37 - Bryce Edgmon
Sleetmute	Construction	C – Al Kookesh	6 – Woodie Salmon
Tanacross	Construction	C – Al Kookesh	6 – Woodie Salmon
Togiak	Construction	S - Lyman Hoffman	37 - Bryce Edgmon
Tuluksak	Construction	S – Lyman Hoffman	38- Mary Sattler Nelson
Wrangell	Construction	A - Bert Stedman	2 - Peggy Wilson
Atka	Design	S - Lyman Hoffman	37 - Bryce Edgmon
Bear Creek	Design	R - Gary Stevens	35 - Paul Seaton
Dillingham	Design	S - Lyman Hoffman	37 - Bryce Edgmon
Sterling	Design	Q - Thomas Wagoner	34 - Mike Chenault
McGrath	Renovation	C – Al Kookesh	6 – Woodie Salmon

Figure 3- State Wide Multi-Use Facility Award Distribution



#### 4.4. Geographic Distribution

The largest concentrations of facilities are in unorganized Boroughs and in western Alaska. Table 6 shows that the majority of funded projects were in non-distressed communities, and Table 7 shows that the majority of projects were in unorganized boroughs. Table 8 highlights the distribution of projects on a regional basis.

*Table 6 Community Economic Status*

Distressed Community	Number of projects	Percent
No	18	62.1
Yes	11	37.9

*Table 7 Project Location by Borough*

Borough	Number of projects	Percent
Denali	1	3.4
Kenai Peninsula	4	13.8
Municipality of Anchorage	2	6.9
Yakutat	1	3.4
Unorganized	21	72.4

*Table 8 Project Location by Alaska Native Regional Corporation*

Alaska Native Regional Corporation	Number of projects	Percent
Ahtna	1	3.4
Aleut	2	6.9
Bering Straits	1	3.4
Bristol Bay	2	6.9
Calista	7	24.1
Chugach	3	10.3
Cook Inlet	4	13.8
Doyon	6	20.7
Sealaska	3	10.3

Table 9- Geographic distribution and Planned Uses

Community	Type of Project	Distressed	Borough	ANCSA Region	Planned Uses
Brevig Mission	Construction	no	unorganized	Bering Straits	Learning Center (Open Room) for Fisheries Vocational Training, Emergency Shelter, Behavioral Health Education Program, Youth & Elders, and Adult Education Programs, USPO, Resource Lab (Learning Center Classes), NSEDC/Learning Coordinators Office Space, Kitchen for Elders Nutrition Program/Senior. Meals and Community Events, Subsistence Walk-In Freezer.
Delta Junction	Construction	yes	unorganized	Doyon	Voc Ed Space, Smart Classroom, Computer Lab, Career Library, Interview Room
Eyak/Cordova	Construction	no	unorganized	Chugach	WIC, Diabetes program, Child Protection Services, Elders Services, Emergency Oil Response, Housing Program, Education Program, Roads Program, accounting and administration staff.
Galena	Construction	no	unorganized	Doyon	Assisted Living Center
Kachemak	Construction	no	Kenai Peninsula Borough	Cook Inlet	Fire Station and Community Hall
Marshall	Construction	yes	unorganized	Calista	Meeting hall, police station, offices, training and meeting rooms, kitchen, men's and women's restrooms, shower facility, & storage space.
Port Graham	Construction	no	Kenai Peninsula Borough	Chugach	Fire Hall, Medic/EMT Response Center, VPO/VPSO/State Trooper space, and response vehicle garage space.
Quinhagak	Construction	yes	unorganized	Calista	Youth Center, Health education and youth activity area, community resources room, and the YKHC/NVK Mental Health Office
Saint George	Construction	no	unorganized	Aleut	Community siren/alarm system, three bays for garaging community fire vehicles and the ambulance, a locker room, bathrooms, showers, a VPSO office, 2 holding cells, and a safety equipment protection area.
Sleetmute	Construction	yes	unorganized	Calista	Various office space, Detoxification Center, VPSO, office & detention Center
Tanacross	Construction	yes	unorganized	Doyon	Health, Safety, and Social Services
Togiak	Construction	yes	unorganized	Bristol Bay	Behavioral health and family services which are provided by 9 separate programs, child care center, itinerant lodging, and a conference and meeting space.
Tuluksak	Construction	yes	unorganized	Calista	Post office, youth-related program offices, multi-purpose area, YK Mental Health Program, Early Childhood Program, and Cook Inlet Tribal Council Youth Program.
Wrangell	Construction	no	unorganized	Sealaska	Museum, civic center, visitor center, meeting rooms, and classrooms.



McGrath	Renovation	no	unorganized	Doyon	Meeting, Training Health, Public Safety, H2O Treatment, Washeteria, City Offices
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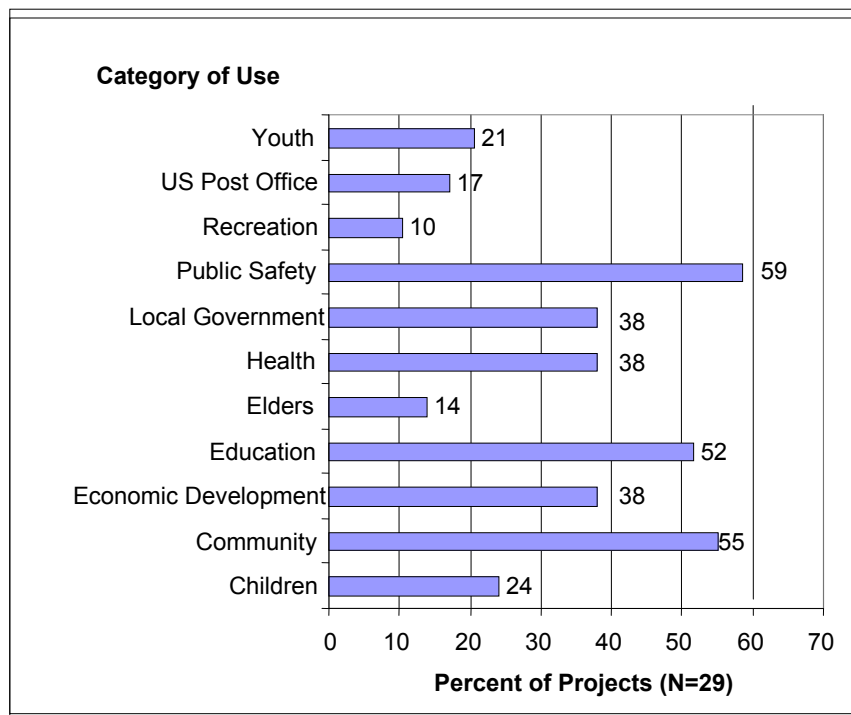
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#### 4.5. Services Provided in Multi-Use Facilities

One of the most important characteristics of the M-U Facility program is its flexibility to meet local community needs. Individual services in facilities are as varied and diverse as the communities they serve.<sup>18</sup> Detailed service descriptions included in funding applications prepared by grantees were condensed into 11 different categories of use, which were developed by the M-U Facility Program administration at the DCRA.<sup>19</sup> A thorough review of these categories, requested by the Commission, has shown them to be reasonable for the purposes of this review and analysis.

The most frequent use of M-U facilities was for the delivery of public safety services, and the second-most frequent was the inclusive category of community (social services).

Figure 4 Categories of Use of Multi-Use Facilities



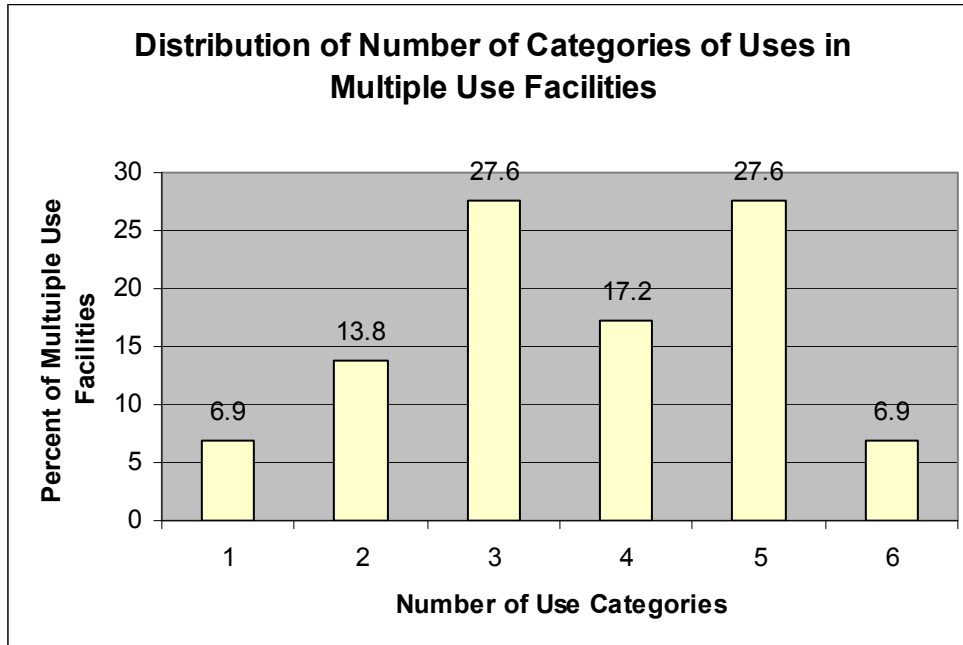
As illustrated in Figure 5, almost 80% of the facilities had three or more different

<sup>18</sup> A complete listing of those services described by M-U facility applicants is shown in Attachment 2.

<sup>19</sup> Information on the categories of use and specific uses was taken from the DCRA data set "Multi-Use Projects, provided by DCRA on January 7, 2008.

categories of use. Key informant interviews with facility users suggest that an increasing number of incompatible categories of use can disrupt overall service function.

Figure 5 Distribution of Number of Categories of Uses in M- U Facilities



#### 4.6. Current Status of the Multi-Use Facility Program

The M-U Facility Program is currently on hold. The Commission staff recommended creation of a sustainable funding stream. The program was initially funded via earmarks and has since evolved to solicit projects through a competitive process. The need for M-U facilities across the state is extensive, and various funding partners, including the Commission, have contributed to several successful projects. The Commission has been working to actively refine the M-U application and selection process including the development of an advisory committee. Furthermore, the Commission staff recommends that the previous fiscal year plan be focused on developing a more robust selection process and convening an advisory committee for recommendations for program funding in FFY2008.<sup>20</sup>

<sup>20</sup> "Commission Federal Fiscal Year 2007 Draft Work Plan," prepared for the April 9, 2007, Commission quarterly meeting; Juneau, Alaska. p 3.

## 5. Project Cost Review

The following section provides a reconnaissance analysis of project costs and cost per capita. It should be emphasized that the variable project scope around Alaska, coupled with differing foundation and logistics (mobilization and de-mobilization), make reliable comparisons difficult. Table 10 shows the historical project costs of 15 M-U facilities across the state.

*Table 10 Historical Project Costs*

Community	Award Amount (\$)	Total Est. Project Cost (\$)	Sq.Ft.	Cost/Sq. Ft. (\$)	Population	Cost Per Capita
Brevig Mission	992,083	1,492,746	4,954	301	319	4,679
Delta Junction	407,000	1,518,875	9,600	158	1039	1,462
Eyak/Cordova	1,000,000	1,195,958	4,800	249	2288	523
Galena*	1,000,000	4,670,000	11,255	415	636	7,343
Girdwood*	1,000,000	3,886,072	9,394	414,	2,336	1,664
Kachemak	993,000	1,440,939	5,632	256	458	3,146
Marshall*	500,000	2,555,192	7,000	365	387	6,603
Nenana*	1,000,000	2,071,670	7,200	288	359	5,771
Port Graham	765,000	858,958	3,600	239	136	6,316
Quinhagak	553,515	1,332,293	2,560	520	648	2,056
Saint George	864,646	1,389,587	3,520	395	120	11,580
Sleetmute	340,222	1,032,660	2,699	383	91	11,348
Tanacross*	349,817	1,689,798	9,278	182	146	11,574
Togiak	835,000	1,449,000	6,714	216	783	1,851
Tuluksak	898,055	998,055	2,492	401	493	2,024
Wrangell	675,000	8,838,244	20,000	442	1911	4,625
McGrath	50,375	67,166	10,647	6	321	209

Note: \* denotes projects that have not been completed, and therefore the true cost is not yet known.

The construction market has been exceedingly volatile since 2004. Increases of 60% in construction costs have been reported.<sup>21</sup> The total estimated project cost numbers do not reflect 2008 prices and have not been adjusted for inflation. Therefore, the validity of cost per sq ft comparisons is questionable. The benchmark costs found in Table 11 reflect 2008 market data.

One effective way to address the M-U program costs is to set realistic cost benchmarks

<sup>21</sup> More detailed data will be forth-coming in a report on Cost Benchmarks and Cost Containment.

and require partners to meet them.<sup>22</sup> These benchmarks could allow program managers to use cost benchmarks (\$/sq-ft) that allow for variations in regional cost and be able to compare these costs across projects.

The Commission could also work with partners to establish regional benchmark costs and to develop a comprehensive cost containment policy for the M-U Facility program.

After benchmark costs are set, program managers can encourage partners to adopt a best value approach at the project's conceptual planning and engineering/design phases. This approach considers practical alternative solutions using appropriate materials and methods to optimize the life cycle cost of projects while preserving basic value.

Table 11 includes regional benchmarks developed for the M-U Facility under TO #5.<sup>23</sup> These benchmarks represent the median benchmark cost in a given region. Under this benchmark, the M-U Facility closely parallels the design intent of the Commission health facilities program, but without the Furniture, Fixtures, and Equipment (FFE) package of the clinic and an additional multi-purpose room. The entire benchmarking tool is found in Attachment 7 of this document.

*Table 11 Regional Cost Benchmarks- M-U Facility (2768 sq ft)*

Region	Cost/Sq. Ft. (\$)	Index	Primary Cost Drivers:
Anchorage	317	1.00	
Aleutian/Pribilof Islands Association	395	1.25	Room & board, Freight
Arctic Slope Native Association	478	1.51	Pile foundations, Room & board, Freight
Bristol Bay Area Health Corporation	391	1.23	Room & board, Freight
Maniilaq Association	476	1.50	Pile foundations, Room & board, Freight
Metlakatla	371	1.17	Room & board, Freight
Norton Sound Health Corporation	466	1.47	Pile foundations, Room & board, Freight
Southeast Regional Health Corporation	370	1.17	Room & board, Freight
Tanana Chiefs Conference	379	1.19	Pile foundations, Room & board, Freight
Yukon-Kuskokwim Health Corporation	466	1.47	Pile foundations, Room & board, Freight

<sup>22</sup> A benchmark tool model was developed under Task Order [TO] #5; summary provided in this report.

<sup>23</sup> Refer to Task Order #5 Final Submittal for additional information on the M-U Facility Benchmark.

### 5.1. Cost Sharing

The Commission encourages local participation (matching and in-kind contributions) in funding the M-U facility projects<sup>24</sup>. Table 12 below shows that between 30 and 54% of project costs were provided by the Commission. The remaining project funding was provided by the community or by another state or federal partner.

*Table 12 Cost Sharing for Multi Use Facility Awards, FFY 03-06*

Federal Fiscal Year	Number of Awards	Average Cost per Project (\$)	Average Cost per Project (\$)	Percent of Project Funded by Commission
03	10	743,403	2,522,207	29.5
04	3	265,266	872,900	30.4
05	8	284,010	524,927	54.1
06	8	276,350	922,926	29.9

### 5.2. Furnishings and Equipment

The uniqueness of each M-U facility project made it difficult to generalize a typical facility or specify the associated required furnishing and equipment. Many facilities housed services that were previously provided in other parts of the community, and most of these services brought their furnishings and equipment with them. DCRA Program Managers noted that the Commission policy prohibits Commission funding of furnishings and equipment under the MU grants. This section of the report is in response to a specific request of Commission staff for information on furnishings and equipment.

Each M-U facility is different and responds to the unique community needs; however, standard schedules could be developed for:

- Community halls
- Administrative offices
- Clinical offices
- Kitchens, and
- Washeterias

<sup>24</sup> See Investment Policies, Attachment 4.

Photographs of furnishings and equipment taken during on-site visits of completed M-U facilities may provide some guidance on typical furnishing requirements. Intensive review of available estimates<sup>25</sup> and practices suggest that the following generic FFE package is reasonable and practical, given the Program's diversity. The FFE basic package in the following bullet list was identified during analysis of estimates and found in the final submittal for the Multi-Use facility cost benchmark tool:

- Casework, window blinds, Foot grilles
- Stackable washer/dryer
- 30" Range; Model DF304LP
- Wolf range hood
- Wolf microwave oven
- Stainless steel refrigerator (21.7 cubic feet)
- Hobart dishwasher (H50SUDW)

## **6. Description of Award Process**

This section describes the process for soliciting proposals and awarding funds under the Multi-Use Facility funding title. As stated previously, the Commission used a competitive process to fund only construction ready projects from 2003 to 2005. After the administration functions were contracted to the Alaska Department of Commerce, Community and Economic Development (DCCED), DCRA, funding was allowed for conceptual planning and design projects.

The flowcharts in this section describe the conceptual planning and award process and the proposal review process. Flowcharts can be referenced to the following step-by-step descriptions for a more complete understanding.

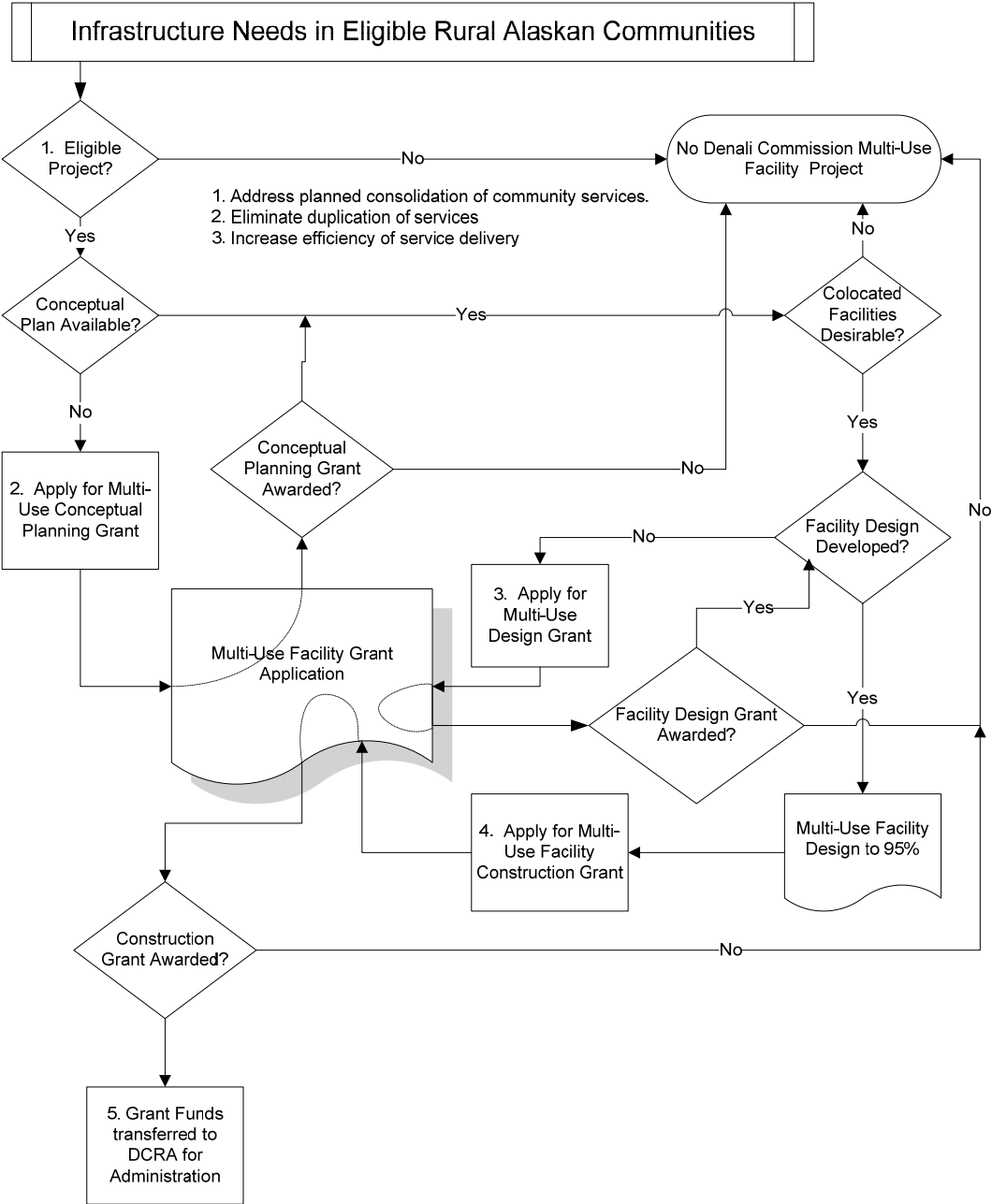
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<sup>25</sup> Under TO5 of this same contract, Mark Foster and Associates reviewed available estimates and projects and their respective FFE package. This list is a result of this analysis.

**6.1. The Conceptual Planning, Design, and Construction Award Process**

Figure 6 M-U Facility Award Process

The Multi-Use Facility Conceptual Planning, Design and Construction Award Process





### 1. Infrastructure Needs of Eligible Rural Alaskan Communities

The intent of the Denali Commission Multi-Use Program was to address consolidation of community services, eliminate duplication of services and increase service efficiency. Until 2005, construction-ready projects that met this standard were eligible for funding. After 2005, the program management was contracted to DCRA and conceptual planning and design grants were also considered eligible project activities.

### 2. Conceptual Planning

Conceptual planning grants support conceptual and program planning, especially the identification of services that could be collocated in a single facility. These grants were intended to address early project development issues and questions. The expected outcome was a conceptual plan, including a business plan and data that would allow grantees to complete the site plan checklist<sup>26</sup>.

### 3. Design Grants

Grantees were not required to complete a Conceptual Planning Grant in order to apply for design funds. However, if the outcomes of the conceptual planning process suggested that 1.) Additional infrastructure was needed in an eligible rural Alaskan community, and 2.) collocated facilities were desirable, an applicant could apply for a design grant to obtain design plans and specifications for a multi-use facility. Examples of tasks that could be included in preparing a design were listed in the RFP and are given here:

- Developing and building plans and specifications
- Securing the required permits
- Addressing construction management issues
- Completing site control
- Completing or updating the facilities business plan
- Refining project costs
- Outlining plans to finance the project

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<sup>26</sup> Request For Proposals For The Conceptual Planning, Design, Construction Or Repair And Renovation Of Multi-Use Facilities. May 10, 2006, Division of Community Advocacy Department of Commerce, Community and Economic Development.

4. Construction Grants

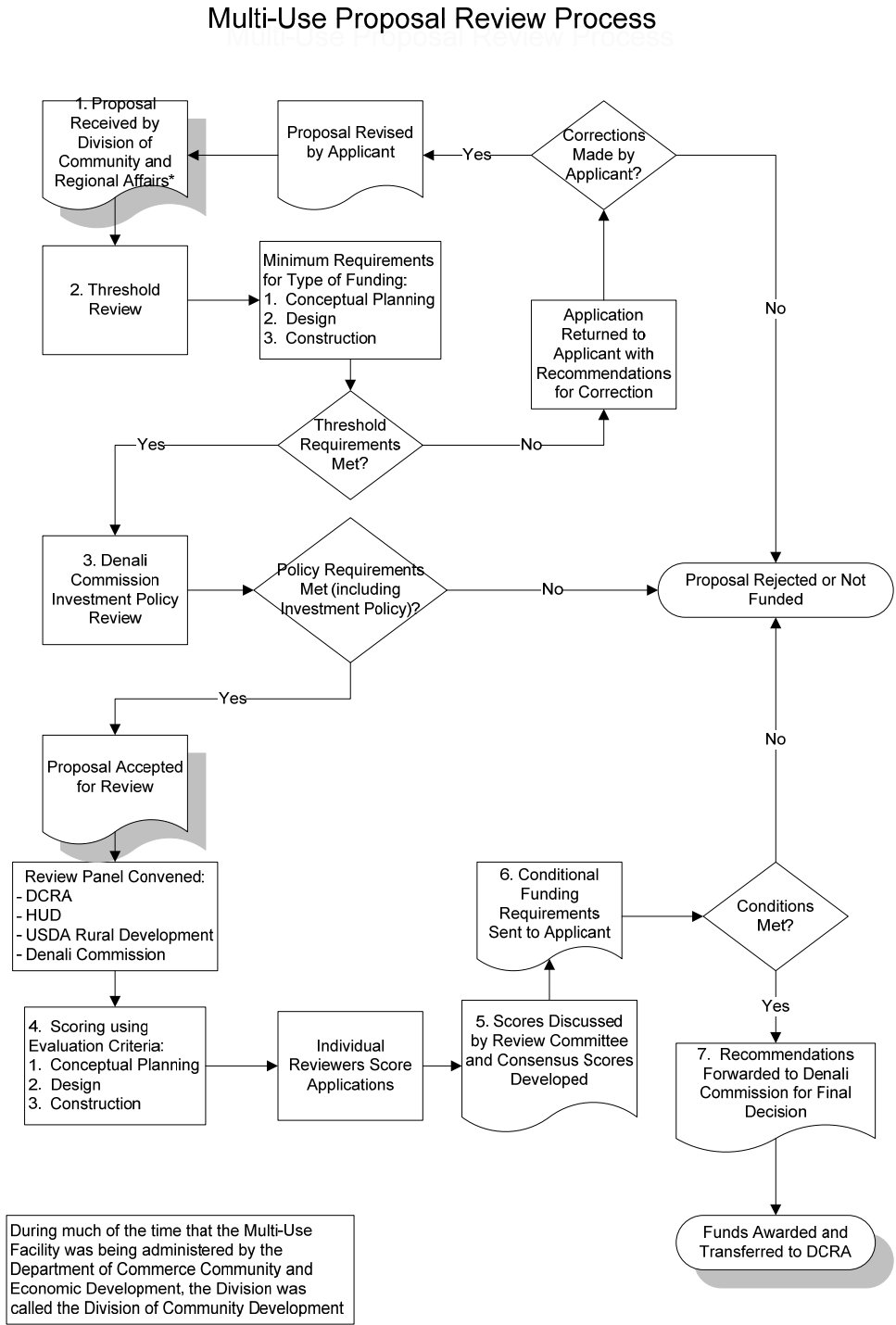
Until 2005, all grants were made for the construction of projects that had already completed designs. The construction proposal applications were intended to ensure a concise successful construction project and the long-term successful operation of the facility and the services offered in the facility proposals were in to include the completion of the design and permitting process from 95 to 100% if necessary.

5. Construction Grant Awards

The culmination of this process was the award of a multi-use facility construction grant by the Denali Commission. Funds for successful applicants were transferred to DCRA from the Commission. Grant funds were subsequently transferred by DCRA to the grantee, usually a unit of local government, to pay for construction expenses.

## 6.2 The Proposal Review Process<sup>27</sup>

Figure 7 M-U Proposal Review Process



<sup>27</sup> The information in the above flowchart was taken from the Evaluation Process and Schedule, (no date) a document prepared by the Division of Community and Regional Affairs to describe the processing of multi-use facility applications. Minimum threshold requirements are shown in Attachment 3.

### 1. Proposals received by DCRA

RFPs are sent to eligible community organizations. DCRA estimates that there are about 500 contacts who have previously received the RFP. The RFP is also available on the State of Alaska public notice site, the DCRA website, and the Denali Commission website. DCRA staff also contacted individuals directly who have previously requested information about the multi-use facility program.

### 2. Threshold Review

The DCRA program manager reviews and evaluates the proposals against the minimum requirements for each funding type. The task is considered an administrative “completeness review” as opposed to a technical/design review, and each proposal is assessed as meeting or not meeting the threshold standard. Minimum requirements are sent in the RFP and are different for each type of project award<sup>28</sup>.

### 3. Consistency with Denali Commission Policy, Particularly the Investment Policy<sup>29</sup>

If a proposal meets the minimum requirements, the Denali Commission Program Manager evaluates the proposal to ensure that it meets Commission investment policies. These are shown in Attachment 4 and are specifically listed in the RFP. The Commission adopted these policies to ensure the sustainability of local infrastructure projects. These policies address:

- Community planning
- Sustainability
- Private enterprise
- Competitive bid
- Open door
- The protection of infrastructure projects against environmental threats
- Responsiveness to local need

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<sup>29</sup> While the investment policy is the only policy that is specifically required to be met by grantees at this stage of the proposal review process, the Denali Commission also urges writers of grant proposals to meet all its policies.

- Demonstration of regional support and
- Equity with respect to population.

Applicants are directed in their proposals to describe their conformance with these policies, which are included in Attachment 4. If a proposal meets these policies, it is forwarded to the next step of the review process.

#### 4. Proposal Scoring

A completed proposal is submitted to a review panel composed of representatives from the:

- DCRA
- US Department of Housing and Urban Development
- US Department of Agriculture Rural Development
- Denali Commission – (to include program managers from both the M-U program and the health facilities program, as appropriate)

The review panel assigns scores for each review and analysis criterion listed for each funding type. Evaluation criteria used in the 2006 proposal evaluation cycle is included in Attachment 5.

#### 5. Proposal Evaluation Review Group Processes

While each reviewer scored the projects independently, the group convened and discussed their scores. Their objective was to reach a consensus on the funding recommendation and, if necessary, develop conditions of funding. Consensus scores were transferred to the Commission for final approval (See #7, below).

#### 6. Funding Conditions

The Review Panel may recommend conditional funding or may articulate stipulations to be met before funds may be released, as well as recommending a date by which the stipulations must be met.

#### 7. Funding Recommendations

These recommendations are sent to the Denali Commission Program Manager (who was also part of the review panel) for approval of project funding. Upon approval,

project funds are then transferred to DCRA accounts for distribution.

## **7. Grantee Perception of the Multi-use Facility Program**

Key informants for completed M-U facility construction projects were identified using project proposal files, which are maintained at the DCRA. Representatives from 16 projects were interviewed between February 5 and February 27.

Occasionally, the key informant noted in the proposal was no longer associated with the project. Either these individuals were located and interviewed or the current officer or user was interviewed. Approximately 60 were completed.

Interviewers maintained detailed field notes from their telephone conversations with their key informants. Notes generally followed an interview schedule<sup>30</sup>. These field notes were then reviewed by the review and analysis team to identify cross-cutting themes. This thematic content analysis is presented below.

### **7.1. Thematic Analysis of Telephone Interviews**

#### *7.1.1. Overall Respondent Comments*

- The M-U facility program is popular and people want it restarted

M-U facility grantees commonly reported that the program helped them improve local infrastructure. Some communities that received M-U facility funding have begun planning additional M-U facility projects. They encourage the Commission to restart the program.

- Without Commission funding, most facilities would not have been built.

When the Program began, some construction-ready projects had been seeking funding sources for years. Commission funding allowed these projects to be completed.

#### *7.1.2. Funds available for Multi-use Facility Projects*

- Most grantees reported that funding received was sufficient to complete the project

Although auditing project cost reports was beyond the scope of this study, grantees

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<sup>30</sup> Refer to appendix 6.

reported that they remained within their construction budgets. In some cases, total construction costs exceeded projections and funds were sought elsewhere or a value engineering exercise undertaken. Only one respondent reported seeking additional funding from the Commission to complete its planned project.

- Grantees occasionally built less than they originally planned

Following Commission funding, grantees reported causes of increased costs of inputs, inflation, construction materials, and other project costs.

### *7.1.3. Planning*

- Some grantees submitted fully prepared “construction-ready” proposals

During the early years of the program, only “construction-ready” projects were funded. These projects had already completed conceptual planning and design and were ready to solicit construction bids. Funding for these activities was secured from other sources. After 2005, the Commission supported funding for conceptual planning and design.

- Many projects suffered from insufficient conceptual and program planning

Examples of this lack of planning included lack of storage space, lack of long-term energy use considerations, and lack of appropriate office space. Each service provided requires some optimal space allocation. Services provided in spaces that are too small reduce the facility’s utility. In addition, some facilities were unaware of the storage requirements for the services provided and would have built additional storage facilities with expanded planning expertise.

- Some grantees did not prepare or follow a business plan

A business plan was one of the minimum requirements (see Proposal Review Process) of the construction proposal starting in 2005, when program administration was contracted DCRA. However, some of the grantees who received funding prior to this requirement did not have well developed business plans. Some of those who received funding after 2005 when DCRA assumed administrative responsibility for the program did not appear to follow the business plans they developed.

- Many grantees would have built larger facilities with additional funding

Some facilities were downsized when construction funds were insufficient to meet all programmatic needs. Rather than construct a project in phases, some grantees would have preferred to build the entire project at one time.

#### *7.1.4. Services*

- With a few exceptions, there is no unused space in completed M-U facilities

Overall, grantees report that facility space is fully used. It's important to note, however, that the current (actual) uses are not necessarily those in the original plan. All constructed space is occupied, although some, such as community halls, is not used on a daily basis.

- All service capacity is currently being used

Grantees report that the services that they provide within M-U facilities are at or near capacity, which further enhances their utility.

#### *7.1.5. Administration*

- Weak local management capability is linked to poor project quality and outputs

One project manager reported that his project failed after the Commission's M-U facility funding was spent for other purposes and that insufficient funds were available to complete the planned project. He reported that several contractors were not paid for their work on the project.

Another project reported that it has suffered from poor communication between administrative and design staff. One building is not being fully used through lack of timely facility maintenance and repair.

- Unsure of Commission expectations and local management capacity

Some grantees did not understand the complexity, size, scope, and other technical aspects of a construction project. In some instances, the planning, mobilization, and administrative requirements exceeded local capacity, and in others, programs were not aware of serious capacity limitations until the project was underway.



- Multi-use facility project administration is a complex task that often exceeds the administrative capability of local governments.

Grantees reported being unsure of the expectations of local management capacity from the Commission. Some grantees appeared to have infrequent experience with the construction of a complex M-U facility, which may explain some of the project failures.

- Some contractors were not licensed or bonded, creating uncertainties whether a specific contractor could complete the project.

Some grantees reported that they were unsure of these requirements for a general contractor. Reasonable assurances of a guarantee may have prevented one community from seeking a settlement with a contractor and might have allowed the project to proceed.

- The use of local labor in M-U facility construction projects was a benefit to rural Alaskan communities.

In either force account<sup>31</sup> or where a contract general contractor hires local skilled and non-skilled labor, M-U facility projects were reported to be a large economic boon to a rural community. However, some communities may lack sufficient skilled labor to complete many construction tasks, such as electrical, plumbing, heating and cooling, etc.

- Local contributions are hard to document

Some grantees noted the difficulty in documenting the local contributions. In-kind contributions are not an allowable match under program guidelines. Only documented cash match is permitted. The levels of required match are higher for non-distressed communities. The administrative managers were diligent in identifying allowable sources of local match. However, because of the complexity of federal funding, some sources of proposed local match were mistakenly disqualified. Errors were discovered and corrected.

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<sup>31</sup> A force account is where a unit of local government or corporation becomes the general contractor and hires local labor.

## **8. On-site Visits**

Four completed M-U Facility construction projects were selected for on-site visits. NANA Pacific, with the advice of the DCRA M-U Facility Program Manager, selected possible sites. The list of potential sites was reviewed, modified, and approved by the Commission.

A summary project description of each site visited, including pictures, is followed by site-specific comments integrated into themes<sup>32</sup>.

### ***8.1. Description of Visited Projects***

#### ***8.1.1. Tuluksak Native Community Youth and Multi-Purpose Facility***

The Tuluksak Youth and Multi-Purpose facility houses the community post office, several social service offices and one multi-purpose gathering space. Except for the multi-purpose room, all other services were formerly located in other facilities. A one-story facility of 2492 useable square feet, the facility is owned and managed by Tuluksak Native Community (TNC). This facility was originally envisioned by the Moravian Church youth program director as a teen center for the village. Construction began July 2005, and the project was completed in October 2006. The total cost of the facility was \$998,055, roughly 90% of which was funded by the Denali Commission.

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<sup>32</sup> Detailed site visit reports are presented as Appendices to this report.

Photo 1: Tuluksak Native Community's Youth and Multi-Purpose Facility, with Tribal Administrator George Lamont standing in front. Photo by: Brian Yanity, March 5, 2008.



### 8.1.2. Wrangell James and Elsie Nolan Museum and Civic Center (Nolan Center)

The Nolan Center is a one-story facility located in downtown Wrangell. The Center collocates: a museum that accommodates both traveling and permanent exhibits; a civic center; a visitor center; a theater; meeting rooms; classrooms; a warming kitchen; and archive and storage spaces. Also featured at the Nolan Center are landscapes incorporating local flora, interpretative signage, and commercial and private fishing artifacts. This facility is approximately 20,000 square feet total. Construction of the Nolan Center was begun before Commission funds were received. The cost of the building was \$8,417,521, of which Commission funded \$688,500, or approximately 8%.

*Photo 2: James and Elsie Nolan Museum and Civic Center, Wrangell.*

*Photo by: Melodie Fair, March 12, 2008.*



### *8.1.3. Ilanka Cultural Center*

The Center is located in a large, remodeled steel-frame building on the “New Harbor” in Cordova. The building houses the Ilanka Cultural Center, the public health nursing clinic, and tribal offices and services provided by the Native Village of Eyak. Initially constructed as a primary care clinic, the Ilanka Clinic staff and the public health nursing program switched buildings in 2007. The clinic received some simple remodeling to accommodate the public health nursing facility. The Native Village of Eyak conference room looks out over the New Harbor and contains the Native Village of Eyak Library, and it is reported to be one of the most beautiful spaces in Cordova.

The renovation of the initial building used funding from a variety of sources. The final completion of the second story included approximately 4,800 square feet at a total cost

of \$1,195,958. Almost all of these funds came from the Denali Commission.

*Photo 3 Ilanka Cultural Center, Cordova. Photo by: Brian Saylor, March 14, 2008.*



#### *8.1.4. McNeil Canyon Fire Station and Community Hall*

This new building, owned by the Kenai Peninsula Borough, serves the Kachemak Emergency Services Area. It is a metal-clad steel structure composed of a large emergency vehicle storage area, a community hall and kitchen, and an administrative office.

The large vehicle area currently houses six fire trucks and emergency rescue vehicles and support equipment. A mezzanine floor within the emergency services area is used for storage and utilities. The community hall facility, located on the west side of the building, is separated from the emergency medical services portion by a hallway with common bathrooms and storage. Security is maintained with a keying and locking system. Common community events held in this facility include fire and Emergency Medical Services training, preschool graduation, and others. Alaska State Troopers and

Forest Service personnel often use the facility.

The 5,632 square foot building had a total completion cost of \$1,460,799, of which \$1,013,521, or about 70%, was provided by the Denali Commission.

*Photo 4 Kachemak Fire Station and Community Hall. Photo by: Brian Saylor, March 10, 2008.*



## 9. Site Visit Findings, by Theme

The following are prevailing themes from the site visit.

### ***9.1. Grantees value the M-U facility project and are anxious to see the project restarted.***

On-site interviewees echoed comments received during the telephone interviews. Grantees appreciated the flexibility of M-U facility funding, and some grantees were enthusiastically awaiting the resumption of the program to help fund new projects in their own or neighboring communities.

### ***9.2. Receiving Commission M-U funding was an essential ingredient in improving local infrastructure.***

Three of the four projects had already been through a planning phase, and two had already begun facility construction. Commission funding helped bring these projects to completion.

**9.3. Some grantees were uncertain about the Commission's role in the M-U Facility program.**

While it is understandable that many facility users may be unaware of program funding and administrative processes, some facility planners and administrators were also uncertain of the Commission's role.

**9.4. Grantees emphasized the importance of thorough facility planning.**

Although some projects were prepared to initiate construction activities, others were not as well developed. Even representatives of construction-ready projects noted that more planning time and technical assistance with facility design would have produced a higher quality, more energy- and space-efficient project.

**9.5. Grantees underestimated their total square footage requirements.**

A representative of one facility reported building too small a kitchen and that there was a lack of administrative office space; another reported that its community hall was undersized. Three others reported underestimating their total storage requirements. In general, all facility representatives believed that they could have increased the size of the facility and resolved these problems.

**9.6. Energy efficiency could be improved.**

Energy efficiency was a common complaint after facilities were completed. Issues included high fuel costs/use and inadequate insulation. One facility representative reported savings on vehicle fuel, which was attributed to moving from a decentralized to a centralized facility.

**9.7. The actual use of the facilities is not always identical to the planned use.**

Two of the four facilities visited housed services or reassigned offices not included in the original plan. The reassignment of offices was largely the result of changes in the

sponsorship or availability of specific services. These facilities had flexible enough design to accommodate these changes.

**9.8. The M-U facility promoted community.**

In one case, the facility promoted the community-wide integration of health services. In other instances, the completed facility has become a community gathering place. One facility has provided a hub for numerous other public agencies.

**9.9. Some facilities' design and construction resulted in problems with confidentiality.**

Users of collocated services occasionally discuss very sensitive issues. Representatives of two facilities reported that faults in construction or design compromised service confidentiality. In one case, occupants of adjoining offices could easily hear conversations in adjacent offices. In another instance, large waiting room windows allowed the general public to view people awaiting service in the clinic.

## 10. SENIOR OFFICIAL INTERVIEWS

Interviews were conducted with Denali Commission and the DCRA senior officials to identify historical programmatic concerns, confirm prevailing themes, and gain insight into programmatic activity. Those interviewed were:

- Tessa Rinner, Director of Programs, Denali Commission
- Mike Black, Deputy Commissioner, Department of Commerce, Community and Economic Development and former Director of DCRA
- Athena Logan, Special Project Manager, DCRA
- Mike Marsh, Inspector General, Denali Commission
- Mark Allred, Program Manager, Denali Commission

The following sections include themes that emerged during the Senior Official Interviews.



**9.1. Focus on the unsuccessful projects in Marshall and Tanacross.**

These projects appear to illustrate the fragile administrative capacity in some rural and distressed communities that are eligible for M-U facility projects. These projects were awarded before 2005.

**9.2. Despite repeated reference to the two uncompleted projects, there have been no sustained and successful efforts to restart and complete those projects.**

Although it is not part of this interview sequence, the former program manager Paul McIntosh developed a draft of “lessons learned” from the Marshall Project<sup>33</sup>. The author noted that communication among partners must improve, and that payment processing systems and contractor requirements for licensing and bonding should be implemented<sup>34</sup>.

**9.3. The Program lacks the in-house construction management expertise needed to effectively monitor funded programs.**

Inspector General Mike Marsh highlighted the need for enhanced staffing in both his interview and his semi-annual report to Congress.<sup>35</sup> He wrote,

“The Denali Commission exemplifies downsized contracted out, reinvented government (today's ‘hollow state’). It distributes an annual budget of around \$130 million with less than 20 employees of its own. However, this aspiration to be a model of leanness can be taken to a point of starvation.”

He recommends adding specialized personnel to fill the gaps in the commission's capabilities. Mr. Marsh’s concern was echoed by other senior partners. In addition, there was concern that the M-U Facility program lacks enough seasoned professionals who have extensive construction experience in rural Alaska.

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<sup>33</sup> At the direction of Director of Programs Tessa Rinner, in an August 16, 2007 memo to Mr. McIntosh.

<sup>34</sup> “Marshall Lessons Learned,” drafted by Program Manager Paul McIntosh, September 10, 2007.

<sup>35</sup> Semi Annual Report to Congress, FY 2007, First Half. Office of the Inspector General, Denali Commission, May 31, 2007.

**9.4. While the multi-use facility program is responsive to the needs of Alaskan communities, its flexibility makes it difficult to create prototypical projects.**

Denali Commission staff continue to drive toward project standardization and toward identifying and eliminating potentially incompatible (for collocation) services.

**9.5. Financial accounting and auditing practices could be strengthened.**

Most interviewees acknowledged the lack of audits of completed projects. This may be attributable to single audit policies. Smaller communities and projects are protected from numerous detailed single project audits by the single state or federal audit policy. Units of local government or state government are required to have only one audit of all of their programs which exceed, in aggregate, a minimum dollar threshold. Auditors often examine in more detail programs which appear to have problems. Therefore, it is understandable why detailed audits of specific multi-use facility projects are unavailable from either the local government grantee or the program administrators.

However, many of the cost containment and cost management initiatives rely on solid cost data for both program management and cost containment model verification. If verifiable cost-containment and program management initiatives are considered a high priority, reliable cost data at the project level will be required.

**9.6. Documentation of local cash and in-kind contributions remains a problem.**

Denali Commission policies require a local funding match of between 10 and 25%. DCRA did extensive research to assure that potential grantees met this basic standard. Whenever possible, the documentation confirmed the minimum local contribution. An extensive and detailed exchange of letters, memos and emails between one applicant and the Program Administrator is strong evidence of the complexity of this issue.

**9.7. There was substantial disagreement about the nature and extent of Multi-Use Program policy guidance from the Denali Commission.**

Denali Commission's staff believes that, in many instances, DCRA program managers

developed and implemented policy independent of the Commission. DCRA, however, maintains that all policy decisions were developed with, reviewed by and approved by the Denali Commission Program Manager, the Commission Director of Programs, Chief Operating Officer and Federal Co-chair.

DCRA maintains that, since DCRA staff began managing the program in 2005, there have never been any indications or questions from the Denali Commission staff about the Program Manager developing and implementing policy independent of the Commission. The standard operating procedure was to follow the management policy provided to DCRA from the Denali Commission through the first RFP. If any questions came up that could not be clearly answered by the policy, then those questions were forwarded to the Denali Commission Program Manager, the Director of Programs, the Chief Operating Officer and/or the Federal Co-Chair. Depending on the seriousness of the issue, it might be decided by the Denali Commission Program Manager or go clear to the Federal Co-Chair. Never at any time were any policy decisions made by the DCRA Program Manager.

***10.8 The M-U Program grant proposal process appears to be consistent with Alaska State Procurement codes.***

The DCRA program manager reported that the program is required to administer the RFP notification, proposal solicitation, review and award processes in accordance with Alaska laws and regulations.

***10.9 The role of Project Administrators at DCRA should be better defined.***

All parties agreed that a better definition of the administrative and technical authority of DCRA should be specified in a new contract.

***10.10. Facility energy efficiency should receive greater attention.***

Continued attention toward enhanced energy efficiency is needed; all parties agreed that improved energy standards should be put in place.

**10.11. The multi-use facility is an excellent program and appears to be responsive to the needs of local communities and the program conforms with the Denali Commission policies and values.**

The Deputy Commissioner of DCCED voiced the opinion that DCRA could re-assume the administrative responsibility for the program under a revised contract with the Denali Commission. Interviewees believed the program is one of the few funding sources to enable Alaska to develop creative solutions to many pressing problems, including local community sustainability and perhaps the gradual relocation of coastal communities threatened by climate change.

## **11. Summary Findings**

The following points highlight the findings from the M-U Review and Analysis Process:

### The extent of the M U Program

- Denali Commission funding for infrastructure development accounts for less than 12% of project awards since the Commission's inception.
- The Multi-use Facility component of the "Other Infrastructure" funding theme totaled \$13.2 million between FFY99 and FFY06, or 14% of all "Other Infrastructure" funding.
- The Multi-Use Facility Program accounted for about 1.6% of Denali Commission awards.
- Since the program began, 29 Multi-Use Facility proposals have been funded supporting conceptual planning, design, construction and renovation projects.

### Characteristics of the completed MU Projects

- The Multi-Use Facility Program responds to the unique needs of each individual community. Therefore, the design of each facility is unique.
- Only 40% of awards were made to distressed Alaskan communities.
- Projects are more likely to be in unorganized Boroughs and in rural Alaska, especially Southwestern Alaska.

- Almost 80% of all awards funded projects house more than three categories of service.
- Public safety services and community halls are the two most frequent categories of Multi-Use Facility Program use.
- There is no unused space in completed multi-use facility projects; all service capacity is currently being used
- Facility energy efficiency should receive greater attention.

### The administration of the M U Program

- In 2005, the Division of Community Advocacy, now the Division of Community and Regional Affairs (DCRA) within the Alaska State Department of Commerce, Community and Economic Development, was contracted to manage the Multi-Use Facility Program.
- The initial process for publicizing the availability of Multi-Use Facility Program funds was incomplete in the program's early days, but was greatly improved since the 2005 initiation of the management contract with DCRA.
- The role of the Project Administrators at DCRA should be better defined.
- While the program initially funded only "construction-ready" projects in its early years, funding for conceptual planning and design was initiated in 2005.
- Funding of the Multi-Use Facility Program was suspended in FFY 06 pending an independent review.
- Program staff does not appear to have the construction management expertise in-house to effectively monitor implementation of multi use facility construction projects.
- The proposal review process appears to be consistent with current appropriate procurement codes.
- There was substantial disagreement about the nature and extent of Multi-Use Program policy guidance from the Denali Commission.
- Financial accounting and auditing practices are weak.
- While senior officials repeatedly focused on uncompleted projects, there have been no sustained and successful efforts to restart and complete the projects.

### Project management by grantees

- Multi-Use facility project administration is a complex task, which often exceeds the capacity of local governments.
- Weak local management capability appears to have contributed to two failed

projects.

- Many projects suffered from insufficient conceptual and program planning.
- Some grantees had an incomplete understanding of space requirements for certain facility functions.
- Some grantees did not prepare or follow business plans.
- Some contractors were neither licensed nor bonded.
- The use of local labor in multi-use facility construction projects was a benefit to rural Alaskan communities. In-kind local contributions for labor, fuel, and equipment are hard to document.

#### Grantee perceptions of the M U Program

- Multi-Use Facility Program is very popular and grantees would like it to be restarted
- A few grantees reported being unsure of Denali Commission expectations of their local management capacity.
- Many grantees reported that they would have built larger facilities if the funds had been available.
- Most grantees reported that funding received was sufficient to complete the project.
- Grantees occasionally built less than they originally planned.

## **12. Observations on Research Questions.**

This section includes observations on each of research question, all of which are included in the beginning of this review and analysis. These comments synthesize the evaluators' impressions of the grants, data files, interview transcripts, correspondence, and other sources of data reviewed for this review and analysis.

### **12.1. To what extent is the Multi-Use Facility Program consistent with the principles and purposes of the Denali Commission?**

The Denali Commission has emphasized: the importance of improving cost-effective service delivery and reducing overhead costs; serving the needs of distressed communities; and contributing to the local economy of rural Alaskan communities.

- Improving Cost-Effective Service Delivery: Although no formal comparative operating and maintenance cost accounting has been completed, program administrators believe that there have been increased efficiencies in service delivery. However, few grantees have taken full advantage of opportunities to enhance energy efficiency within their new facilities.
- Serving the Needs of Distressed Communities: Only 38% of all funding has been directed toward multiuse facilities in distressed communities. There is no specific target level for services to distressed communities in Denali Commission policy documents M-U program awards do not favor distressed communities over non-distressed communities.

However, the concern for projects in distressed communities is noted in the DCRA-issued M-U program 2005 RFP. Denali Commission policies for this program clearly state that distressed communities do not need to provide the same percentage of a match for construction projects as do non-distressed communities. This policy favors distressed communities.

- Contributing to the Local Economy Of Rural Alaskan Communities: Most projects have used local workers in facility construction. Grantees report that this has been an important contribution to local economies. In addition, some new facilities are bringing business into town that was not there before. For example, people are traveling from nearby island communities to do their grocery shopping in Wrangell instead of in their home towns, because now they can get groceries and see a movie (at the new theater). This generates new revenue for city businesses.

In addition, the Denali Commission has pledged to be a catalyst for positive change, respect peoples and cultures, be inclusive, encourage sustainability, and insist on



accountability for funded projects.

- A Catalyst for Positive Change and Inclusiveness: The M-U Facility Program has promoted the integration of services in every community in which a project has been funded. Community members come together in the new facilities and new linkages among service providers have been made. In this way, the M-U Facility Program is an excellent model for promoting positive change.
- Respect Peoples and Cultures: Some of the facilities constructed under this funding title house museums or tribal-related meeting places. In this way the commission is sensitive to Alaska Native and rural Alaskan people and cultures. However, the confidentiality of people who are receiving sensitive services must be protected, regardless of ethnicity.
- Encourage Sustainability: While the Commission urges the sustainability of these projects, it is difficult to determine with any certainty if sufficient funds will be available for their operation and maintenance. Many communities in rural Alaska depend on state or federal grants. The long-term outlook for these grants is in doubt.
- Accountability of Funded Projects: DCRA has been a strong administrative component in the implementation of the Multi-Use Facility Program; however, neither the Denali Commission nor DCRA appears to have conducted detailed audits of the final projects. Accounts are audited neither at the Division of Community and Regional Affairs nor the Denali Commission.

### ***12.2. How are completed projects addressing articulated local infrastructure needs?***

The M-U Facility Program responds to locally identified community needs. At least two services must be co-located in a M-U facility. This is one of the few restrictions placed on program applicants. The components of the threshold review (see Attachment 3) are fairly straightforward and routine. This makes the M-U Facility Program one of the most potentially responsive programs to local community needs in Alaska. This flexibility to respond to local community needs means that the probability of two facilities being identical is remote therefore there can be few prototypical facility designs. It is important to note that almost all constructed M-U facility space was well used and at the

planned capacity.

One innovative opportunity described the use of M-U Facility funding to plan and build the core infrastructure required for some coastal communities facing relocation as the result of climate change.

***12.3. How can the Multi-Use Facility Program improve its processes for soliciting, awarding and managing its activities?***

In 2005, the administrative responsibility for the implementation of the Multi-Use Facility Program was assigned to DCRA, which brought the grant award process into compliance with the Alaska State Procurement Code. With few exceptions, it appears as if the RFP solicitation, review, and award process has been completed efficiently and effectively. No changes are recommended.

There is, however, some disagreement about the extent to which the administrators at DCRA are operating under policy guidelines established by Commission Program Managers. In addition, the maturing program could benefit from clear policies on facility size, sustainability, energy efficiency, local construction management expertise and other issues. A policy advisory group, independent of the proposal review process, could provide this advice. In addition, utilize the cost benchmarking tool to the greatest extent practicable for funding decisions.

***12.4. To what extent are funded facilities meeting their intended objectives?***

Most completed projects are meeting their intended objectives. However, it is important to note that the allocation of space for specific programs listed in the construction drawings may not agree with the current use of space within the facility. This is the natural result of the change in service array in funding of programs throughout rural Alaska associated with changes in program funding or the availability of program staff. However, it appears as if all space is being used for a clear public purpose, and each service appears to be used at full capacity.

***12.5. What are the factors that distinguish between completed and cancelled projects?***

The research team was unable to develop a complete analysis of all the factors which

distinguish between completed and cancelled projects. However, a contributing factor which appeared to distinguish between completed and non-completed or cancelled projects is the strength of local administration. In both instances where projects have not been successful, units of local government do not appear to have maintained sufficient oversight or internal controls required to identify problems in the effective completion of projects at an early point in the process. In some instances, when major discrepancies were finally uncovered, there were insufficient funds remaining to effectively correct and restart the process.

Another issue was the misunderstanding of some earmarked applicants that a completed, thorough, and justifiable project application was a condition of funding. Once this misunderstanding was resolved, the proposal preparation and review process proceeded appropriately.

***12.6. How are the Multi-Use Facility Program co-management partnerships with the State and Federal agencies working? How can they be strengthened?***

There appears to be a lack of clear communication between DCRA and the Commission regarding the administration of the Multi-Use Facility Program. DCRA staff sent numerous letters, memos and internal correspondence<sup>36</sup> to the Commission in response to the Commission's decision to suspend program operations. The review and analysis team was not provided with Commission's response to this correspondence. It appears that the two parties did not fully understand one another's positions. This situation can be addressed through a negotiated detailed working agreement.

***12.7. How can local project administration of construction activities be improved?***

Some communities are part of larger Borough governments and rely on grant administrators for accurate and timely compliance with grant regulations. However, many projects are located in communities that are not part of organized boroughs, and

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<sup>36</sup> DCRA forwarded an extensive file on this topic. Correspondences were exchanged in April/May 07. The Commission's MU Program Manager provided documentation, but no response from Commission executive staff.

these communities have fewer administrative resources to ensure such compliance or to manage complex projects effectively. Some communities rely on project management firms for these services. There is no identifiable procedure for the early identification and remedy of projects that are not performing as expected.

### **13. Recommendations**

#### ***13.1. Resume the operation of the multi-use facility program at the earliest opportunity.***

Grantees uniformly praised the flexibility and administrative efficiency of the M-U facility program. They also appreciate the opportunity to define and meet their community infrastructure needs and to gain the support of the Commission in helping to meet those needs. All parties recommended resumption of the program as soon as possible.

#### ***13.2. Renegotiate an administrative agreement with DCRA for program management.***

Substantial modifications to the agreement would strengthen the relationship between the Commission and DCRA. While many of these functions are currently being provided by DCRA, an administrative agreement could include, at a minimum:

- Procedures for on-site reviews of project construction activities should be set.
- Conceptual planning expertise should continue to be provided.
- The necessary technical expertise to plan, monitor, and execute vertical infrastructure construction-related activities should be provided.
- Additional reviews of construction and logistics from an independent, third-party construction management entity should be conducted.
- Clear definition, communication, and designated responsibilities of project lifecycle milestones (feasibility, planning/capital campaign, conceptual design, and detailed design/construction) to all parties should be defined.
- Frequent scheduled consultations between the Commission and DCRA, including a process for identifying and resolving programmatic and funding policy issues should occur.

- Workshops and toolboxes to facilitate planning for long-term sustainability should be provided
- Possible use of the program to address role in the relocation the communities impacted by climate change should be discussed

**13.3. Improve the quality and utility of applicant business plans.**

While these plans are a component of an applicant's proposal, many applicants were unsure of the purpose of the business plan. They did not appreciate the utility of these plans in long-term program operations and project sustainability. The option of enhancing sustainability of multi-use facility projects through the development of medium- and long-term lease arrangements could be an important element of a business plan. These are described in the following recommendation.

Applicant workshops could be developed and offered to assist applicants with business plans and to describe the expectations of the Denali Commission of applicant planning and administrative capacity.

**13.4. Provide applicants with a “tool-box” for working with regional entities to increase sustainability of M-U Facilities through the development of medium- and long-term facility leases.**

Lease agreements is one of the most important means of managing risks associated with long-term operating and maintenance expenses of a M-U Facility. A key element to the sustainability of an individual facility is securing long-term (>5 years) tenants, including the Post Office, regional corporations, regional non-profits, and other entities providing services in a community. Medium-term (3-5 years) lease arrangements could be negotiated with potential tenants, such as Regional Corporations, boroughs, and state government agencies.

The tool-box could include model leases, negotiation strategies, workshops, private/public partnership strategies, and other topics to encourage improved collaborations.

**13.5. Encourage involvement of Housing Authorities, Village Corporations, Regional Corporations, and regional non-profit entities in the development, design, and construction of M-U Facilities.**

These organizations are well placed, have the necessary expertise, and have access to other capital sources. They are also potential tenants in a multi-use facility. Additional considerations for regional entities include:

- Evaluate how individual projects relate to regional goals
- Ensure effective collaboration with cooperating organizations
- Integrate parallel community and economic developments efforts with M-U infrastructure projects
- Determine operations and maintenance responsibilities and have an established plan before construction begins

**13.6. Continue funding for conceptual planning and design projects.**

Feedback from completed projects suggested that additional conceptual planning and more thorough design deliberations would have improved the programmatic and energy efficiency of many projects. In addition, sustainability issues may have become better understood with additional conceptual planning. Many communities, especially rural, distressed communities, do not appear to have the resources to fund conceptual planning and design. The Denali Commission could help meet this resource challenge.

**13.7. Continue to take advantage of the opinions of regional economic development entities in assessing the applicant's fiscal integrity.**

Organizations such as Alaska Regional Development Organizations (ARDOR) and the Rural Utility Business Advisor (RUBA) can help assure fiscal sustainability of the owner/operator. These are important resources that can suggest capability of an applicant. While the RUBA program is targeted at water and sewer systems, it can be used as a proxy for applicant capabilities.

**13.8. Develop a cost and financial accounting and monitoring system that provides sufficient detail and the ability to identify costs.**

The current financial and accounting systems do not allow for identification and segregation of project construction costs for management decision making.

**13.9. Urge applicants to consider renovation options and assure that it can be done at a reasonable cost in comparison with alternatives.**

Some communities may have buildings which can be renovated to support multiple uses. One M-U program renovation project showed the benefits of this approach in substantially reducing project costs.

**13.10. Provide additional administrative and financial oversight and support to small units of local government, including distressed communities.**

Strong and competent grant administrators in larger units of government make the grant administration and financial accountability processes easier. This suggests that additional attention should be paid to smaller local governments to assist them in improving program management.

**13.11. Assure the applicant's ability to manage a capital project.**

The review team should confirm that community leadership can and will initiate and manage this intensive capital project from a contract management and technical perspective. In communities without extensive experience and available personnel in the management of capital projects, a liaison, such as an owner's representative, between the grantee (a unit of local government), DCRA and the contractor could help assure continuity and project coordination. The contractual involvement of construction management firms who are not on the construction site or part of the local government does not appear to be a sufficient safeguard against project failure. Some smaller communities without the capacity for capital project administration may benefit from training programs aimed at enhancing local grant administration capacity. These training programs could be developed by the Denali Commission, DCRA, or other appropriate training organizations.

**13.12. Require that a competent and bonded construction and project management company be a team member for construction activities.**

This would provide adequate assurance of a funded project's completion. If an insured contractor did not perform as required, the project sponsor could recoup the funds required to complete the project.

**13.13. Retain a team of professional rural construction project managers who can quickly assist programs that appear to be experiencing difficulties in completing their programs.**

Routine collaborative meetings between the Commission and DCRA, combined with periodic on-site visits, should provide an early warning system to identify projects at risk of failure. While Alaska construction management firms are often retained to oversee project logistics, the program could benefit from a team of supportive senior construction managers and engineers as well as from performing routine project site visits and inspections. These two additions could help reduce project delays, mitigate potential project failures, and help assure a higher quality completed project.

**13.14. Construct to the highest energy-efficient rating possible for both retrofits and new construction.**

There are several energy-efficient building construction programs that could be considered for application, including some through AHFC and the U.S. Green Building Council Leadership in Energy and Environmental Design (LEED) Green Building rating system ([www.usgbc.org](http://www.usgbc.org)), which is a national recognition system that benchmarks energy efficient design and construction.

The Leadership in Energy and Environmental Design (LEED) Green Building Rating System™ is the nationally accepted benchmark for the design, construction, and operation of high-performance green buildings. LEED gives building owners and operators the tools they need to have an immediate and measurable impact on their buildings' performance. LEED promotes a whole-building approach to sustainability by recognizing performance in five key areas of human and environmental health: sustainable site development, water savings, energy efficiency, materials selection, and



indoor environmental quality.

***13.15. Develop a monitoring and evaluation system that can track and assess progress made on the M-U Program.***

It is important to measure progress as the program evolves. A logic model was prepared and included in this report that may be a source of variables that can associate project activities and outputs and relate them to expected outcome variables. These outcomes should be related to the project measures currently adopted by the Commission. In addition, process measures should be considered, including a formal feedback loop that ensures community and stakeholder involvement in program design.

**Attachment 1**  
**Informed Consent Language Used During On-Site Interviews.**

Before the interview: Explain the purpose of the M-U Facility Evaluation project:

The Commission has commissioned NANA Pacific a division of NANA Development, to evaluate the M-U Facility Program.

The aim of the M-U Facility Evaluation Project is to learn about strengths and weaknesses of the program from project sponsors, managers and grantees. We will use this information to develop recommendations on how to improve and hopefully restart the program. The final decision on how to use these recommendations rests with the Commission.

Over the last month, we have been speaking with grantees throughout the state regarding their experience with this program. Four (4) completed M-U facility construction projects were selected for on-site visits. The information we gain from you and the other visits will supplement the information received during extensive telephone interviews.

We would like to speak with you about the use of the facility compared with the initial project description or design, the cost of operating the facility and the way the facility has been received by members of the community. We would also like to take some photographs of your facility for our report.

Your participation in this on-site interview will in no way jeopardize future funding with the Commission. You may voluntarily stop your participation in these site visit activities at any time. Your comments during this site visit will remain anonymous, unless you give us permission to quote you in our report.

\_\_\_\_\_ Would like to remain anonymous  
\_\_\_\_\_ Agree to be quoted.

## Attachment 2- Categories and Specific Uses of Multi-use Facilities

Category of Use	Specific Use
Children's Services	Child Care Center Child Protection Services Day Care Early Childhood Program Head Start Headstart Program
Community Services	Community Center Community Events Space Community Hall Community Meeting Hall Community Meeting Place Community Meeting Space Community Meetings. Community Multi-Use Space Kitchen Kitchen Kitchen Large Community Gatherings Multi-Purpose Area Multi-Purpose Community Center Room Post Office Post Office Subsistence Walk-In Freezer. United States Post Office United States Post Office Itinerant Lodging Marketing Hub For Village-Based Tourism And Arts And Crafts Businesses Housing Program Office Space Offices Offices - US Fish And Wildlife Service Administration Other Offices Parking Spaces For At Least 100 Cars Regional Department Of Motor Vehicle (Dmv) Offices Rental Spaces For Retail And/Or Professional Service Enterprises Summer Vehicle Wash Pad. Visitor Center <b>Visitor Center</b>
Economic Development	

### **Appendix 3. Threshold Review Standards**

From: Request for Proposals for the Conceptual Planning, Design, Construction, or Repair & Renovation of Multi-Use Facilities, Issued: May 10, 2006

#### CONCEPTUAL PLANNING PROPOSALS

##### Minimum Requirements

Community Eligibility - The community must be eligible for the program (see page 3.)

Applicant Eligibility - The applicant must be eligible for the program (see page 3.)

Project Eligibility - The project must be eligible for the program (see page 3.)

Funding Limit - Requests for conceptual planning funds may not exceed \$20,000.

Commission Investment Policy - Projects must be consistent with the Denali Commission Investment Policy. Go to <http://www.denali.gov/> then click on Policies and then on Investment Policy.

#### DESIGN PROPOSALS

##### Minimum Requirements

Community Eligibility - The community must be eligible for the program (see page 3.)

Applicant Eligibility - The applicant must be eligible for the program (see page 3.)

Project Eligibility - The project must be eligible for the program (see page 3.)

Funding Limits - Requests for Design funds may not exceed 10% of the total project estimate or \$100,000, whichever is less.

Comprehensive Community Plan - Applicants must demonstrate that the proposed facility and the services to be offered in the facility are part of a comprehensive community plan.

Community Support - The proposal must have the documented community support from such entities as the Municipal government, the Tribal government and/or the Village Corporation.

Multi-Use Facility Business Plan - An applicant seeking Design funding must submit a Multi-Use Facility Business Plan, drafted using the Division's M-U Facility Business Plan template or including all the elements of the template.

Coordination - If the proposal includes a Clinic, Washeteria, Elder Housing or any other activity that is to be separately funded by the Commission, the applicant must have started a design process for that part of the total project with the Commission. This will help ensure that the planning and design of the total facility is coordinated.

Sustainability - The applicant must commit to sustaining the M-U facility, as evidenced by a resolution from the governing body and a complete and realistic business plan. The business plan must assure that proper service delivery, operation, and maintenance of the facility is possible. The Business Plan must also provide for long-term renewal and replacement of the facility. The governing body must agree to implement the business plan.

Site Control - The community must provide a site for the M-U facility at no cost to the Commission. The applicant must demonstrate ownership, a plan to secure ownership, or have a lease that is valid for at least thirty years.

Commission Investment Policy - Projects must be consistent with the Denali Commission Investment Policy. Go to <http://www.denali.gov/> then click on Policies and then on Investment Policy.

## CONSTRUCTION PROPOSALS

### Minimum Requirements

Community Eligibility - The community must be eligible for the program (see page 3.)

Applicant Eligibility - The applicant must be eligible for the program (see page 3.)

Project Eligibility - The project must be eligible for the program (see page 3.)

Funding Limits - Requests for funding may not exceed \$1 million of M-U Facility funds of which up to \$25,000 may be used for design/permit completion.

Local Cost Share Match - The local cost share match must be secured and documented.

Economically distressed communities must provide a minimum of a 10% local match and non-distressed communities must provide a minimum of 25% local match. Distressed community listings are provided on the Commission web page. Go to <http://www.denali.gov/> then click on Resource Center and then on Commission Distressed Community Criteria 2005. Federal funds cannot be used to match Denali Commission funds unless explicitly provided by law. Examples of funds that may be used as a cost share match are NAHSDA, ICDBG, and CDBG funds.

The local match may include cash, land donated, and the calculated cash value of the

lease of the land to be used for the facility. If the site is being used as part of the local cost share match, a qualified appraisal, objective evaluation, including a comparative cost justification of the land's value or lease value must be provided.

The local match may not include

- equipment,
- furnishings, or
- in-kind services, labor or materials.

Furniture, Fixtures and Equipment - The applicant must demonstrate the means to acquire

necessary equipment and furnishings necessary to make the finished facility fully functional. For the purposes of this RFP, the M-U Facility awards can only fund:

- (a) equipment that is fixed, built-in, or attached, and
- (b) installed equipment normally included in the construction contract.

The M-U Facility awards cannot fund equipment that qualifies as minor or major moveable equipment:

Minor moveable equipment includes items having a useful life of less than 5 years. These items are of relatively small cost and size and lend themselves to on-site storage for replacement of lost or worn out equipment. Examples include linens, blankets, medical instruments, kitchenware, and janitorial equipment.

Major moveable equipment includes items having a useful life of 5 years or more. Moveable equipment does not require attachment to the building or utility service, other than provided by an electrical plug or quick disconnect fitting. Examples include chairs, beds, bassinets, desks, computers and printers, network file servers, typewriters, system furniture, refrigerators, washers, dryers, and linen carts.

95-100% Completed Design Drawings and Permits - To be considered for funding, the 95-100% completed design drawings, specifications and permits must be included with the applicant's proposal. NOTE: Only one copy of the design drawings needs to be sent with the proposal.

Coordination - If the proposal includes a Clinic, Washeteria, Elder Housing or any other activity that is separately funded by the Commission, the applicant must have completed the design process for that part of the total project. This will help ensure that the construction of the total facility is coordinated.

Comprehensive Community Plan - Applicants must demonstrate that the proposed facility and the services to be offered in the facility are part of a comprehensive community plan.

Community Support. The proposal must have the documented community support from such entities as the Municipal government, the Tribal government and/or the Village Corporation.

Construction Ready - The project must be "construction ready." For the purposes of this RFP "construction ready" means the project has site control, minimum cost share match, 95-100% design drawings and permits, documentation that the project is fully funded (with the addition of Commission funding), and documentation of sustainability through a business plan. Additionally, projects must have a construction start date no later than June 1, 2007.

Site Control - The community must provide a site for the M-U facility at no cost to the Commission. The applicant must demonstrate ownership or have a lease that is valid for at least thirty years. Ownership or lease documents must be included with the applicant's proposal as an attachment. Access to the site as well as access to utilities should be considered and incorporated to the total project cost and timeline.

M-U Facility Business Plan - An applicant seeking Construction funding must submit a M-U Facility Business Plan, drafted using the Division's M-U Facility Business Plan template or including all the elements of the template.

Sustainability - The applicant must commit to sustaining the M-U facility, as evidenced by a complete and realistic business plan. The applicant must have completed a business plan that will assure proper service delivery, operation, and maintenance of the facility and provide for renewal and replacement of equipment and facility. The applicant must agree to implement the business plan.

Commission Investment Policy - Applicant projects must be consistent with the Commission Investment Policy provided on their web page. Go to <http://www.denali.gov/>, click on Policies and then on Investment Policy.

## REPAIR & RENOVATION PROPOSALS

### Minimum Requirements

Community Eligibility - The community must be eligible for the program (see page 3.)

Applicant Eligibility - The applicant must be eligible for the program (see page 3.)

Project Eligibility - The project must be eligible for the program (see page 3.)

Funding Limits. Requests for Renovation and Repair projects may not exceed \$100,000 of M-U Facility funds.

Renovation Rationale - The proposal must clearly demonstrate that the need for renovation is not a result of abuse of the facility or neglect. In cases where renovation is requested for a facility less than ten years old, the Commission requires exceptional evidence that the project is not due to abuse or neglect.

Local Cost Share Match. For renovation of M-U Facilities, the 10% local cost share match of a distressed community must be in cash and at least 10% of the 25% local match from a non-distressed community must be in cash. An existing facility and land on which it sits cannot be part of the cost share match for renovation projects unless renovation requires additional land parcels. Federal funds cannot be used to match Commission funds unless explicitly provided by law. Examples of funds that may be used as a cost share match are NAHSDA, ICDBG, and CDBG funds.

The local match may include cash, land donated, and the calculated cash value of the lease of the land to be used for the facility. If the site is being used as part of the local cost share match, a qualified appraisal, objective evaluation, including a comparative cost justification of the land's value or lease value must be provided.

The local match may not include

- equipment,
- furnishings, or
- in-kind services, labor or materials.

Furniture, Fixtures and Equipment - The applicant must demonstrate the means to acquire necessary equipment and furnishings necessary to make the finished facility fully functional. For the purposes of this RFP, the M-U Facility awards can only fund:

- (a) equipment that is fixed, built-in, or attached, and
- (b) installed equipment normally included in the construction contract.

The M-U Facility awards cannot fund equipment that qualifies as minor or major moveable equipment:

Minor moveable equipment includes items having a useful life of less than 5 years. These items are of relatively small cost and size and lend themselves to on-site storage for replacement of lost or worn out equipment. Examples include linens, blankets, medical instruments, kitchenware, and janitorial equipment.

Major moveable equipment includes items having a useful life of 5 years or more. Moveable equipment does not require attachment to the building or utility service, other than provided by an electrical plug or quick disconnect fitting. Examples include chairs, beds, bassinets, desks, computers and printers, network file servers,



typewriters, system furniture, refrigerators, washers, dryers, and linen carts.

95-100% Completed Design Drawings and Permits. To be considered for funding, the 95-100% completed design drawings and permits must be included with the applicant's proposal. NOTE: Only one copy of the design drawings needs to be sent with the proposal.

Coordination - If the proposal includes a Clinic, Washeteria, Elder Housing or any other activity that is separately funded by the Commission, the applicant must have completed the design process for that part of the total project. This will help ensure that the construction of the total facility is coordinated.

Comprehensive Community Plan - Applicants must demonstrate that the proposed facility and the services to be offered in the facility are part of a comprehensive community plan.

Community Support. The proposal must have the documented community support from such entities as the Municipal government, the Tribal government and/or the Village Corporation.

Construction Ready - The project must be "construction ready." For the purposes of this RFP "construction ready" means the project has site control, minimum cost share match, 95-100% design drawings and permits, documentation that the project is fully funded (with the addition of Commission funding), and documentation of sustainability through a business plan. Additionally, projects must have a construction start date no later than June 1, 2007.

Site Control - The community must provide a site for the M-U facility at no cost to the Commission. The applicant must demonstrate ownership or have a lease that is valid for at least thirty years. Ownership or lease documents must be included with the applicant's proposal as an attachment. Access to the site as well as access to utilities should be considered and incorporated to the total project cost and timeline.

M-U Facility Business Plan - An applicant seeking Construction funding must submit a M-U Facility Business Plan, drafted using the Division's M-U Facility Business Plan template or including all the elements of the template.

Sustainability - The applicant must commit to sustaining the M-U facility, as evidenced by a complete and realistic business plan. The applicant must have completed a business plan that will assure proper service delivery, operation, and maintenance of the facility and provide for renewal and replacement of equipment and facility. The applicant must agree to implement the business plan.

Commission Investment Policy - Applicant projects must be consistent with the Commission Investment Policy provided on their web page. Go to <http://www.denali.gov/> then click on Policies and then on Investment Policy.

## Appendix 4. Commission Investment Policy



Denali Commission  
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### Denali Commission Investment Policy

April 2004

#### Objective

The Denali Commission (Commission) is committed to accelerating the building of sustainable infrastructure in rural Alaska to enhance the health and safety of rural residents and to provide the underpinnings for economic opportunity. The Commission will invest the limited funds with which it is entrusted in the most conscientious and sustainable manner possible with the objective of maximizing the benefits to rural Alaskans.

#### General Policy

Commission investments are directed by federal law, by the Commission's Guiding Principles and by specific allocation decisions made by the Commission. Infrastructure needs of rural Alaska are enormous compared to available funding, thus, it is imperative that each dollar be invested in a way that will maximize the sustainable long term benefits to Alaskans.

The Commission will promote investment in infrastructure where the promise of sustainability (facility and services) can reasonably be demonstrated both now and in the future. Infrastructure sustainability can be enhanced by adapting available technology and appropriately sizing facilities to meet the particular needs and circumstances of communities.

#### Factors which will influence investment decisions:

##### A. Imminent environmental threats

Facilities will be placed so as to be protected from imminent environmental threats such as flooding and erosion. Long term investments generally will not be made in areas that are subject to imminent environmental threats.

**B. Priority to be placed on needs of existing communities**

The Commission will give priority to the critical infrastructure needs of existing communities before considering proposals to create new communities unless there is a congressionally directed relocation of an existing community.

**C. Regional support**

The Commission recognizes that borough and local governments promote equity among Alaskans and that the existence of a state-chartered government increases the probability that basic infrastructure and services provided with Denali Commission funds will be sustained over the long term. The Commission also recognizes that other regional organizations share both responsibility and capacity to contribute to sustainability. Consistency with a regionally approved plan is a factor lending strength to investing in a particular project.

**D. Proximity/access to existing services and/or facilities**

In determining the need for a new facility, a careful evaluation of existing access to services or facilities will be performed. Where the needs of two or more communities in close proximity to one another can be adequately and more cost effectively served by a single facility, that option will be selected over separate facilities for each community. Investments will be made where critical unmet needs are demonstrated.

**E. Renovation versus new construction**

Where existing facilities can be renovated or expanded to adequately meet community needs at significantly lower life-cycle costs than new construction, that option will be favored.

**F. Population trends**

Infrastructure will be sized to meet needs that can reasonably be projected over the design life of the project. If population is increasing, appropriate excess capacity will be provided to accommodate growth. Decreasing population may result in a smaller facility than the current population would dictate. For communities with populations declining 20% or greater over a 10 year census period and where there is indication such trends will continue, special attention will be given to appropriate design and sizing of facilities.

**G. Affordability**

The Commission will evaluate proponents' capacities to afford the life-cycle costs associated with sustaining proposed services and/or facilities, either through user fees, industry support, government transfer payments or grants from private entities.

**H. Per capita investment**

While there are many factors which may explain extreme variations in per capita investment in communities, the Commission will compile and review this data to ensure that there is reasonable equity in the distribution of funds across all rural Alaska communities.

**I. Unit cost**

Unit cost of construction varies widely across the state for a number of reasons including the technology employed and/or designs utilized. High unit cost tends to work counter to project sustainability. Some of the variables impacting unit cost (project location, soil conditions, etc.) are not controllable, but many others are. The Commission will make every reasonable effort to control unit cost by working with award recipients through its Partners to ensure that the most appropriate technology and designs are applied.

**J. Good faith**

The long term sustainability of Commission investments is highly dependent on the good faith of the recipients of those investments. In evaluating potential investments the Commission will give priority to advocates who have historically demonstrated good faith in making and keeping financial commitments. Previous demonstrations of bad faith, particularly with previous state or federal investments or failure to pay taxes, may preclude additional investments.

**Implementation**

The Commission will consider all available information regarding each of the factors identified above and any other relevant information in making investment decisions. In cases where sustainability of an investment is questionable, the Commission, either directly or through its Partners, will work with project proponents to attempt to find workable solutions. It will be incumbent on requestors to provide pertinent information that is not otherwise available and to actively engage in the effort to develop workable solutions. Solutions may involve smaller scale or mobile facilities and may include multi-community or regional management approaches. If no workable sustainable solution is apparent, the Commission or its Partners may suggest alternative means to access critical services.

Decisions regarding questionable investments will be made by the Commission's Chief of Staff. Any decisions made relative to this policy may be appealed first to the Federal Co-Chair and ultimately to the full Commission.

## Appendix 5. RFP Evaluation Criteria

Conceptual Planning Proposal Scoring	Points
Proposed facility is part of a comprehensive community plan.	1-10
Proposal clearly identifies plans for including local organizations, interested regional entities and other significant service providers in the conceptual planning process.	1-10
Qualifications of the Project Management Agent	1-10
Conceptual Planning Project Budget – complete and adequate budget is included	1-10
Local Contribution to Conceptual Planning Project Budget	1-10
Schedule and Timelines appropriate to work plan	1-10
Quality factor – can be assigned to reflect quality of overall application and exceeding minimum requirements.	1-10

Design Proposal Scoring	Points
Percentage of facility that is devoted to basic life, health, and safety needs of the community.	1-10
Proposal demonstrates wide support, including support of the municipal and tribal governments, Village Corporations, and Regional organizations.	1-10
Project Budget – complete and adequate budget is included	1-10
Local Contribution to Design Project Budget	1-10
Qualifications of the Project Management Agent	1-10
Quality of Business Plan	1-20
Project Sustainability	1-10
Schedule and Timelines appropriate to work plan	1-10
Quality factor – can be assigned to reflect quality of overall application and exceeding minimum requirements.	1-10

Construction and Renovation/Repair Proposal Scoring	Points
Previous Applicant.	1-3
Percentage of facility that is devoted to basic life, health, and safety needs of the community.	1-10
Proposal demonstrates wide support, including support of the municipal and tribal governments, Village Corporations, and Regional organizations.	1-10
Project Budget – complete and adequate budget is included	1-10
Qualifications of the Project Management Agent	1-10
Quality of Business Plan	1-20
Project Sustainability	1-10
Schedule and Timelines appropriate to work plan	1-10
Applicants with cost share exceeding minimum requirements.	1-10
Quality factor – can be assigned to reflect quality of overall application and exceeding minimum requirements.	1-10

## Appendix 6- Site Visit Reports

### 1. On-site Visit Report: Tuluksak Youth & Multi-Purpose Facility

Brian Yanity  
March 5, 2008

Interviews were conducted with tribal administrator George Lamont (the most extensive), the tribal council president Joseph Alexie, community elder Moses Alexie, in addition to brief interviews with the staff members in both the TANF and ECP offices. Of the five people interviewed, George Lamont and Joseph Alexie agreed to be quoted. Their permissions are attached.



Tuluksak Native Community's Youth and Multi-Purpose Facility, with tribal administrator George Lamont standing in front. Photo: Brian Yanity, March 5, 2008.

#### Facility Description and Use:

The Tuluksak Youth & Multi-Purpose Facility is a one-storey building with 2492 square feet, and is owned and managed by the Tuluksak Native Community. The facility houses the community post office, several social service offices and one multi-purpose gathering space. Except for the multi-purpose room, each of the other services were formerly located in other facilities. The initial vision for this facility was with the Moravian Church youth program director who desired a teen center for the village. Construction

began July 2005, and the project was completed in October 2006. The total cost of the facility was \$998,055. The Denali Commission funded roughly ninety percent of this project. Despite the building's specific problems reported below, George Lamont still says the building is still a net benefit to the community.

#### *U.S. Post Office-*

The USPS moved in during February 2008, and the new post boxes ordered are sitting unused on the floor of the post office, with the old post boxes (from the old post office) re-installed. George Lamont says that the postmaster in Bethel did not like the new post boxes, claiming that they were not secure enough, and insisted that the re-used post boxes from the old Tuluksak post office be reused. The community appears not to be happy with this decision, as it is cluttering the floor space of the new post office.



The Tuluksak Youth and Multi-Purpose Facility's U.S. Post Office. Photo: Brian Yanity, March 5, 2008.

#### *Multipurpose room-*

Not much evidence of "youth stuff" can be seen in the multipurpose room, though I was told the teens of Tuluksak regularly used the space for social gatherings. Moses Alexie suggested that more should be put in the multipurpose room dedicated to youth recreation, such as pool tables, video games, computers, etc. Various community meetings are held in the multipurpose room, and the YKHC dentist uses it for appointments when they are in town.



Tuluksak Youth and Multi-Purpose Facility's multi-purpose room. Photo: Brian Yanity, March 5, 2008.

*AVCP TANF office-*  
Interviewed the user of this office.



The Tuluksak Youth and Multi-Purpose Facility's AVCP TANF office. Photo: Brian Yanity, March 5, 2008.



*Early Childhood Program (ECP) office-*

Interviewed the one of the two users of this office (it has two desks).



The Tuluksak Youth and Multi-Purpose Facility's ECP office. Photo: Brian Yanity, March 5, 2008.

*Indian Child Welfare Act (ICWA) office-*

The local ICWA employee has an office in this room, but wasn't there the day I visited.

*"Resource Room"-*

Presently being used for storage, but was locked when I was there.

**Building Size:**

Everyone interviewed reported that the building ended up being smaller than they wanted to be. George Lamont says the multipurpose room is too small to be used for fiddle dances (with people coming from other communities), and in his opinion should have been built to be as big as the old (now-demolished) high school, minus the gym. The old high school had an asbestos problem, and thus was not renovated to become a youth center. Office rooms in the building are reported to be cramped, with their users wishing that they were bigger.

### **Furnishings and Equipment:**

Altogether, the Tuluksak Youth and Multi-Purpose Center has about 25 chairs, four computer workstations/desks in the offices, two tables, and two folding tables.

### **Energy Efficiency Problems:**

Everyone interviewed says that the furnace uses too much fuel, reportedly a whole 55-gallon drum per week. A portable Toyostove heater has been installed in the multi-purpose room to make up for the building's inefficient heating system, because the large room cannot be properly heated. In general, the building's users report that it is using far more heating fuel than they originally expected.



Toyostove heater in the multi-purpose room of the Tuluksak Youth and Multi-Purpose Facility, used to compensate for the building's inadequate heating system. Photo: Brian Yanity, March 5, 2008.

The exterior ventilation ducts are all on the north side of the building, getting the north winds, but should have been located on the south side (sheltered from the winds), according to George Lamont. Allegedly, too much heat is leaking out of the ducts. Small gaps can be seen in the joints between the ceiling and the top of the walls in the multipurpose room, although it is unknown if these visible gaps are related to the reported heat loss.



Exterior ventilation ducts on the north side of the Tuluksak Youth and Multi-Purpose Facility, exposed with no shielding from the wind. Photo: Brian Yanity, March 5, 2008.

George Lamont recommended that the building have an energy efficiency audit conducted, along with more weatherization (air-proofing) of the structure. The energy efficiency audit should be conducted by a certified energy auditor, possibly using an infrared camera to observe building heat loss. The furnace should also be inspected by an expert to determine if it is working properly.

CE2 Engineers designed the building, and also reportedly performed a “preliminary energy efficiency audit” after the project was completed. CE2 reported that the energy consumption of the Youth & Multi-Purpose Facility is normal for a building of its size, but an independent (third-party) audit should be conducted to verify these claims.

### **Soundproofing Problems:**

The users of the office rooms and post office report that the poor soundproofing in the walls allows sounds (and voices) to be heard in the adjoining room(s).

### **Water and Sewer:**

No water or sewer lines yet connect to the building (as is true for most of the buildings in Tuluksak), but new water/sewer treatment and distribution system are in development with the help of CE2 Engineering. The doors to both of the restrooms are locked and have “out-of-order” signs on them.



Doors of the Tuluksak Youth and Multi-Purpose Facility's two restrooms, both of which are not yet usable due to a lack of water and sewer systems. Photo: Brian Yanity, March 5, 2008.

## **2. On-site Visit Report: Wrangell James and Elsie Nolan Museum and Civic Center**

Melodie Fair  
March 12, 2008

Interviews were conducted with Marci Garrison, Building Manager and Convention Coordinator, and Jeff Jabusch, Wrangell City Finance Director. Both of these individuals were read a prepared statement indicating the purpose of my visit and how this report would be used. The curator of the museum was out of town the day of my visit. Both Marci and Jeff agreed to their interviews being quoted in the report. Their permissions are attached.



James and Elsie Nolan Museum and Civic Center, Wrangell. Photo: Melodie Fair, March 12, 2008.

## Facility Description and Use:

The Nolan Center is a modern multi-use facility that houses a civic center/theatre, class rooms, visitor center, museum of the history of Wrangell and its people groups, museum receiving and archiving rooms, a gift shop, administrative offices, a warming kitchen, and a small theatre and meeting room.

An additional building is located behind the Nolan Center, built especially for storage of tables, chairs, and convention equipment.

### *Lobby*

A large lobby is utilized for displaying some museum pieces and houses traveling art shows or exhibits. The terraced ceiling of the lobby hides a lighting display that is visible after sunset and replicates the colors and shape of the Aurora Borealis. There are several local, historic totem poles in the lobby that remain on display throughout the year. The tile flooring in the lobby is designed in a pattern replicating the the Stikine River and surrounding waterways. A star indicates the location of the town of Wrangell.



Among the relics in the lobby display are the original house posts from Chief Shakes' house, a collection of flags, a wooden fishing boat hanging from the ceiling, a large antique case of museum pieces, and at the time of my visit, the art of a local high school student was on display for public viewing and sale. Also, in the lobby is a collection of 4x4 ceramic tiles hanging on one wall, painted and named by each of the museum donors. The main exhibits in the lobby are changed out twice a year.



### *The Visitor Center*

The visitor center is a relatively small room (295 sq. ft) that has been furnished with beautiful wildlife mounts, maple cabinetry and display cases, brochures about area attractions, and an interpretive, interactive map of the Wrangell Island and Stikine River Valley area.



Nolan Center Convention  
Coordinator and Building Manager,  
Marci Garrison

Below: Wildlife mounts and Park  
Service interpretive and interactive  
map of the Stikine River Valley and  
waterways.



### *Gift Shop*

The gift shop has a wonderful selection of Alaskan books, post cards of local scenery, items from local artisans, and locally mined garnets can be found in an assortment of sizes. The gift shop manager has cubicle space in a shared office with the museum curator.



### *Convention Center/Theatre*

The convention center is an impressive 3,991 square feet of space with maple laminate flooring, large glass doors on the back wall exiting outside, a projection room located up a long flight of stairs. The projection room is equipped with two film projectors and has some limited storage space for lights and other equipment. There is also a bathroom located just off of the projection room.

The front section of the convention center is a stage area with long, heavy theatre curtains, behind which is the theatre screen, mounted on the wall. The curtain can follow a track in the ceiling that wraps around so that the “stage” area is hidden. Behind the movie screen area is a mechanical room and a storage room (539 sq. ft). Portable risers and chairs and banquet tables are taken in and out of the conference center, as needed. The storage for these items is behind the Nolan Center in a separate storage facility.



The convention center holds about 275 people easily with chairs and bleachers installed. This space is used for banquets, receptions, town events, Friday night movies and theatrical events and is in increasing demand for conferences and seminars hosted by not only Wrangell agencies, but surrounding towns, as well.



Movie Projector

Theatre Seating in Convention Center



### *Museum*

The museum holds a collection of Wrangell artifacts. The gallery is 2,976 square feet and is subdivided by facades that represent the various eras of Wrangell's history, wildlife, culture, and industry. There is a viewing window in one hallway where visitors can push a button to view the archive room where other items are stored that can not be put on display due to space limitations or fragility of the item. The museum has two collection storage rooms totaling 692 sq. ft, a 606 sq. ft. intake shop, a 560 sq. ft. conservation lab, and a small archive room. The director's office is in shared space with the gift shop manager.



*Native Doll Collection*

*Interpretive Speakers over the displays*





Display of a collection of woven artifacts







"White Man Totem Pole" outside the façade for a Tlingit Store



Display of salmon species, common in the fishing industry of Wrangell.



History of the local fur trade





Church façade houses glimpses of the historical influences of missionaries in the area.





Façade of a general store near a boat dock.

## *Archives/Receiving Area*

The archiving area is furnished with tables and filing cabinets. There are large work tables where artifacts can be cleaned and prepared for display.



## Archives





Receiving and Archiving Lab







Warming Kitchen

The warming kitchen is a 240 sq. ft. room with modern appliances. While this room was designed for be used during catered affairs, the caterers have now stated that it would have been better to have larger ovens and refrigeration for the large conferences that are held there. The serving area is limited. The building manager is now considering the purchase of a portable kitchen to increase the capacity.



## Storage Space

There are a total of six rooms used for storage of some type in this building, it is not enough. Extra monies were sought and received to build an additional building behind the Nolan Center that could house theatre seating, chairs, banquet tables and large vending equipment. See pictures below of some of the storage rooms.





Storage inside the Nolan Center (above)

Additional storage facility (below)





### *Classrooms*

There are two classrooms totaling 755 sq. ft. The classrooms have a moveable wall in the center, so they may be used separately, or as one larger room. Traveling displays of artwork are hung on the wall. This room has the capability for showing films, conferencing on phone calls, or gathering for lectures. There is one sink in the counter/cupboard space on one wall. A podium is available for speakers.

There is one additional meeting room in the visitor center. It serves as a small theatre and meeting room for public events. This meeting room is 450 Sq. ft. in size. Community groups rent this area for agency meetings or lectures.



### *Remarks*

The one complaint about this facility comes from the museum curator and the building manager. The heating and air conditioning system is problematic. The boiler systems don't put out enough heat. One boiler has been rebuilt twice. Currently, the Nolan Center management is investigating the cost of changing out the boiler system to locally hydro-powered electric heat. The cost of oil has risen so much that it is cheaper to use electric.

The building manager reported the need for her own office, instead of residing in the visitor center space. Storage room being limited and the warming kitchen limitations indicate that with further planning and thought in design, more effect space could have been designed for this building.



### **3. On-site Visit Report: Ilanka Cultural Center, Cordova**

***Brian Saylor***

***March 14, 2008***

*Interviewed were Bruce Cain, executive director, Native Village of Eyak; Mark Hoover, former board member, Native Village of Eyak and Cordova Health Services Board; Suzanna Marquette of PHN; Jim Gittleson, finance director, Native Village of Eyak; Mary Britt, finance technician, Native Village of Eyak; and Joe Cook, maintenance supervisor. Permission to quote these respondents is attached.*



Ilanka Cultural Center, Cordova. Photo: Brian Saylor, March 14, 2008.

**Project History:**

Bruce Cain, the current Executive Director, was hired 2001. He summarized the history of the Ilanka Clinic project. A 1995 long-range plan for the Native Village of Eyak<sup>1</sup> urged the construction of an integrated facility for the Native Village of Eyak with an emphasis on wellness. An additional part of the plan included the construction of a cultural center and collocation of Native Village of Eyak services.

A vacant building, 000 formerly a fishing supply and net storage facility was purchased in 1999 using a \$500,000 grant from Indian Community Development Block Grant funds from the US Department of Housing and Urban Development. The building had sufficient space for both a clinic and a facility for other services.

The Native Village of Eyak bought the building for \$300,000, with one half down and the rest being financed through program revenues. The balance of the funds were used to build the clinic area in the first floor and develop the Ilanka Cultural Center. The clinic was opened in August 2001, and the Ilanks Cultural Center was opened in 2004.<sup>2</sup>

The Public Health Nurse reported that the Ilanka Clinic was operated in current facility until June, 2006, when it was moved to the Cordova Community Medical Center. The Public Health Clinic moved from the Medical Center into the Ilanka Center in February, 2007.

**Facility Description:**

The facility is located in a large remodeled steel-frame building on the “new Harbor in Cordova. The facility footprint is approximately 80’x60’.(drawings are half scale at ¼ inch to 1 foot). Two stories yield approximately 9,600 square feel of floor space. The building houses the Ilanka Cultural Center, the public health nursing clinic and trial offices and services provided by the Native Village of Eyak. Annotated copies of the construction drawings are attached.

The first floor of the facility is occupied by the Ilanka Cultural Center and the State of Alaska Public Health Nurse Clinic. The Cultural Center houses both permanent and traveling exhibits, focusing mostly on regional cultural art and artifacts. The US Forest Service is reported by be considering relocating some of its collection to the Cultural Centre, now that the Center has met the necessary museum facility and curator standards. The Center also has a gift shop and administrative space.

The Ilanka Clinic and the public health nursing facility switched places in 2007. The clinic had some simple remodeling to accommodate the public health nursing facility. A door was added at the end of the first floor hallway to separate the public health nursing clinic from an office used by the staff of the Native Village of Eyak.

The clinic includes a receptionist. a waiting room and two clinic rooms. Additional medical and clinical supply storage, bathrooms (which double as rooms for specimen collection) and janitorial and storage closets are also included in the leaseThe clinic includes an AFHCAN telemedicine kiosk, which will be upgraded. This kiosk does not appear to be part of the Ilanka Clinic although that has not been verified. Janitorial services and utilities are included in the lease agreement with the Native Village of Eyak.

The office for the public health nurse is fully furnished and appears to be adequate for

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<sup>1</sup> This plan was mentioned by Bruce Cain and referenced in the Native Village of Eyak Comprehensive Community Development Plan, 2004.

<sup>2</sup> Brochure, Ilanka Cultural Center, Cordova Alaska.

both in-town and itinerant purposes. The reception area adjacent to the waiting area is spacious and accommodates the administrative needs of the public health nursing clinic.

The Native Village of Eyak has separate space within the clinic facility and does not use common restrooms.

Joseph Cook, responsible for the maintenance of the facility, conducted a detailed tour of the second floor of the new facility. The atrium lobby on the second floor can host the between 20 and 25 people comfortably. As many as 40 people have used the atrium lobby for certain community events. The atrium sports a dramatic full skeleton of a killer whale that goes from the second floor ceiling to the ground floor. An elevator was added to the front of the building for a cost of approximately \$125,000.

The Native Village of Eyak conference room is reported to be one of the most gorgeous spaces in Cordova. It looks out over the New Harbor and contains the Native Village of Eyak Library.

### **Planned and Actual Use of Space:**

The current space uses are not identical to those included in the construction drawings. The office initially noted as a HUD office also includes a staff that manages capital projects on the half of the Native Village of Eyak. WIC services are no longer located in Cordova and have moved to Valdez. The space is now being used for the provision of Elder services. A special events and mental health services coordinator now uses the offices initially designated for the OAC. The Community Health Representative position is currently vacant, and the office is being used for administration of the Fisheries Program. The Indian Child Welfare (ICWA) office has been moved to the space initially envisioned for the enrollment clerk. The designated ICWA office now houses environmental services staff. The office for the Deputy Director is currently vacant. Bruce Cain occupies the Director's office.

### **Program Funding**

Indian health service contributes an annual recurring base of approximately \$1.1 million. Third-party revenues at an additional \$600,000, for an annual operating Ilanka Clinic budget of \$1.7 million.

After the Ilanka Clinic was moved to the hospital the public health nurse moved down to the Ilanka building, the Native Village of Eyak began collecting rent from the State of Alaska, Division of Public Health, Section of Public Health Nursing. The Native Village of Eyak pays a substantial amount of money to the hospital for the rent for the Ilanka Clinic space.

The Native Village of Eyak has an Indirect Cost Rate (ICR) of 27.48%. Programs to which this ICR applies include environmental health, U.S. Forest Service, BIA road programs, programs funded through the older Alaskans Commission, Chugachmuit and a Federally funded family violence program. Total ICR revenues for 2007 were approximately \$750,000 on an annual operating budget of over 4 million. These appear to be sufficient to sustain the operations of the facility.

The Ilanka Cultural Center is a tribal program. While it has some library and museum grants, it is largely funded by the Native Village of Eyak. The Administration for Native Americans provided a grant to develop the gift shop.

Cain noted that the Ilanka facility is not required by law to pay taxes. However, the facility voluntarily pays property taxes, “ because we know that our people are part of the community.”

### **Partnership with the Denali Commission and DRCA.**

Proposal Review: Bruce Cain reported problems with the review process for other Denali Commission programs he believes that he had provided a well-written proposal that was not considered by staff some of these proposals were reviewed some of these proposals were not reviewed by staff but funded by the review committee.

The partnership with DCRA’s Judy Haymaker was considered extremely helpful during the review process. The initial Multi-Use Facility grant application for the completion of the collocation of Native Village of Eyak’s services was filed in 2005. The proposal was sent back by the DRCA staff because it did not meet me to basic threshold requirements. The Native Village of Eyak was told that the issues largely surrounded the sustainability of the project. The opinion was that the program had to be able to sustain this project without grants. The Native Village of Eyak administrator argued that Indian Health Service and Housing and Urban Development grant funding were an allowable match under federal law. The grant was resubmitted in July, 2006 and was again rejected. Following a review by Dr. Tony Nakazawa of the University of Alaska Fairbanks, the grant was resubmitted again in August, 2006. While no changes were made in the grant narrative, the grant was awarded in November, 2006.

Construction Bids: Construction bids who had already been obtained from the Ahtna Corporation (Ahtna Enterprises) for the completion of the second story of the facility. The bid was awarded to the Ahtna Corporation soon after the notice of grant award. The general contractor came from Glenallen with a foreman. The general contractor subcontracted out some of the work. A few of the bids went out of town. Mostly local workers were used to complete the construction project. Cain reported that it was a 100% Alaska Native crew. However, one respondent reported that skilled local workers were hard to get. Some were good, and some were not. When fishing season began, some workers left the worksite to go fishing.

Construction Project Administration: DCRA’s Judy Haymaker required a simple cost report during the administration of the construction project. However, this cost report created a problem for the Native Village of Eyak, as that it did not match any of their fiscal reports. When the Village requested money, it had to be shown as a collected, even if it wasn’t yet received. The Native Village of Eyak eventually worked out these problems. Jim Gittleson said that “other than that, it was great.”

Bills were paid from the original bill from the construction company to the payment from the act of between 10 and 25 days. The grant closeout procedures were efficient and straightforward.

### **Operating and Maintenance Costs:**

Jim Gittleson described the operating and maintenance costs. He said that while no detailed comparison of operating and maintenance costs has been prepared, he believes that electricity costs would probably increase, and telephone, heating fuel and vehicle costs would decrease. Reception services provided by direct service workers were transferred to the receptionist, thus freeing up professionals to concentrate on

their professional duties. This enhanced program efficiency. He also believed that the amount of rent paid by the Native Village of Eyak for previously decentralized service would also be eliminated, thus contributing to reduced operating costs.

In summary, he believed that the centralization of services provided by the Native Village of Eyak would show operating and caught operating and maintenance cost savings.

### **Confidentiality of Services:**

Confidentiality is important in the provision sensitive health and social services. The Public Health Nurse reported that the large windows in the front of the building are of a minor concern, as they allow people to see individuals waiting for clinic services. These can problems can all often be overcome through back and side door egress. Sound attenuation appears to be adequate in all parts of the building. Except for the noise of remodeling on the second story, the clinical space is quiet and secure

### **Integration of Services:**

PHN Susanna Marquette reported that the clinic facility is close to the canneries and the workers are often close to poverty and are at high risk of illness be easy access to the fishing fleet makes the current location good for the provision of public health nursing services.

The Ilanka Clinic is now a 330 clinic funded, in part, by HRSA.. The initial clientele for the Ilanka Clinic were Alaska Native beneficiaries. The relocation of the clinic to the hospital facility and the 330 status have expanded the number of non-beneficiaries served.

When the clinic with a public health nursing clinic was in the hospital, coordination was far easier. Now, the PHN spends a lot of energy in communication now that she is out of the hospital facility. She tries to make sure that the public health perspective is represented in health services discussions. The public health nurse can be used extensively for case management and follow-up of the patients seen at the Ilanka Clinic.

### **General Comments:**

Bruce Cain said "The Multi-Use Facility project was a very good thing for us. After years and years of planning, it allowed us to finish the job. Many other communities can benefit from this program." He recommended continuation of the program and urged that a design and conceptual planning component be maintained.

Bruce Cain also reported that the agreements which moved the clinic to the Cordova Hospital and moved the public health nurse from the hospital down to the clinic worked well for the first few years. Now, there appears to be some emerging problems with the long-term relationship between Cordova Community Medical Services, Sound Alternatives and health services provided by the native community. He suggested that a community-wide strategic plan be initiated, with the participation of all stakeholders in the provision of health services in Cordova and surrounding areas.

#### **4. On-site Visit Report: Kachemak McNeil Canyon Fire Station and Community Hall multiple use facility**

***Brian Saylor***

***March 10, 2008***

Met with Mary Griswold, Kachemak Emergency Services Area Board; Patrick Johnson, fire chief; and Bob Ciccicarella, administrator. All agreed to be quoted in the final evaluation report. Their permissions are attached.



Kachemak McNeil Canyon Fire Station and Community Hall. Photo: Brian Saylor, March 10, 2008.

#### **Facility Description and Use**

Kachemak Emergency Services Area includes Fritz Creek and Fox River needed a facility. McNeil Canyon, the location of the facility and in the middle of the service

district, is over 12 miles from Homer and outside of the Homer Fire District. The facility is owned by the Kenai Peninsula Borough, and supported by a local mill levy of 1.75 mils.

The original fire truck was purchased through Betty Crocker coupons donated by people across the United States. The old fire truck is in the parking lot of the new facility. The new facility is a metal clad steel structure composed of a large emergency vehicle storage area, a community hall and kitchen, and an administrative office. The large vehicle area currently houses six large fire trucks and emergency rescue vehicles and support equipment. A mezzanine floor within the emergency services area is used for storage and utilities.



Kachemak McNeil Canyon Fire Station, Fire Chief Pat Johnson. Photo: Brian Saylor, March 10, 2008.

The community hall facility, located on the west side of the building, is separated from the emergency medical services portion through a hallway that has common bathrooms and storage. Security is maintained through a keying and locking system. Common community events include fire and EMS training, preschool graduation and other community events. The staggered hours for use increase its efficiency, with the community daytime use by emergency medical services and evening and weekend used by the community. Users are charged a nominal fee of between 15 and \$45 per use. The architects put parking on the community side of the facility, thus avoiding problems with access of emergency vehicles.





Kachemak McNeil Canyon Fire Station community hall. Photo: Brian Saylor, March 10, 2008.



Kachemak McNeil Canyon Fire Station fire hose dryer rack. Photo: Brian Saylor, March 10, 2008. Alaska State Troopers and the forest service personnel often use the facility. Pat Johnson said that “people really appreciate the building. As more people see it as they drive-by, day will use it even more. It is like a bear is coming out of hibernation.”

**Facility Planning**

The new facility was in the planning stage five years before the Denali Commission funds became available. Approximately 65% of the planning and architectural drawings were complete when the Denali Commission announced the availability of multiple use facility funds. Mary Griswold believed that there was sufficient information and cost estimates to prepare a multi-use facility grant application.

A local rancher released five acres of grazing land leased from the Kenai Peninsula Borough. The Borough then donated the land (market value of \$19,500) to Kachemak Emergency Services to build the facility.

there was a cost overrun of approximately \$100-\$140000 these costs are covered by the mill rate

Bob said problems may come from people who do not know how to plan properly this could happen very easily. Bob said the finale commission may may need a village coordinator to oversee smaller projects. Insert paragraph Mary said villages could never cope with the level of scrutiny and bureaucracy. Insert paragraph Patt said sometimes architects love experimenting at your expense we kept it simple

### **Grant Award and Administration**

Mary Griswold prepared the proposal on behalf of the Kachemak Emergency Services Area Board. The proposal was submitted by the Kenai Peninsula Borough. Mary reported that the relationship with the Division of Community and Regional Affairs was very positive. Judy Haymaker was the assigned administrative contact. She answered all questions related to the preparation of the grant application. . All interactions with Judy Haymaker were conducted through mails or telephonically

The Denali Commission was asked for \$993,000. \$447,939 was contributed by the Kenai Peninsula Borough. Local match included the cash value of the land (\$19,500) and an additional \$300,000 from the interest income from the Spruce Bark Beetle Infestation Account.

The application was reviewed and awarded. Mary Griswold was not part of the a proposal review. The funds were accepted by the Kenai Peninsula Borough through ordinance and appropriated to the construction grant account. Upon receiving the grant award, the architects were able to complete the construction drawings quickly.

All construction bid arrangements and other procurement activities were conducted by the Kenai Peninsula Borough. They also provided inspection and project management services

Early cost estimates came in too high and the building was scaled back. The kitchen and the fire hose dryer system were eliminated. Both were later built. Architects prepared five alternate bids in priority order.. Four were accepted. The general contractor that was awarded the construction bid was Criterion General.

All accounting was administered by the Kenai Peninsula Borough grants management. The Borough grants officers received invoices from contractors and vendors, and sent the invoices to the service area board for review.

The facility opened in 2004.

This facility is the prototype for another that will be constructed to serve neighboring communities of Diamond Ridge and Skyview. These communities are hopeful that the Multi-Use Facility program will resume funding proposals.

## Facility Operations Funding

The facility receives operational funds from Kenai Peninsula Borough through property taxes. The Kachemak Emergency Services Area has a mill rate of 1.75, which covers most operations.

Total operating costs are approximately \$535,000 per year. The budget is a mix of \$250,000 in ongoing operating expenses and the balance in small equipment and “turn out gear.” Approximately \$200,000 is allocated to basic support services from the City of Homer. However, this arrangement is currently under review

The new facility was not a consolidation or replacement for other facilities, and therefore there is no baseline for assessing cost savings. However, the facility administrator believes that the facility is operating efficiently. Shared or expanded services are now being considered to be located in the new facility. For example, there is discussion on upgrading the telephone system to be compatible with the Kenai Peninsula Borough’s telephone system. This will allow the facility to become a command center in the event of an emergency. Additional equipment can be flown in and provide a backup for the City of Homer in the event of a tsunami or other disaster. The adjoining school is the designated shelter. There is some discussion of using the new facility instead of the school. The new facility also houses the community emergency response team Administrator Bob Cicciarella said “I think that it is a great program. I’m sure there are more needs out there that could be met by this program.”

## Energy Efficiency

Facility administrators and users believe that the facility is this fairly efficient. It uses a radiant heat system, where the boilers heat the concrete floor. The floor provides passive heat storage that can heat the facility for at least three days, even if the system goes down.



Kachemak McNeil Canyon Fire Station heating plant. Photo: Brian Saylor, March 10, 2008.

There are some problems with electrical motion detectors. The administrator believes that they should have purchased this solid foam insulation in the roof to it and improve energy efficiency.

## Furnishings and Equipment

The community hall has 40-50 chairs, a TV and various couches, and nine folding tables. The administrative office has three workstations.



Kachemak McNeil Canyon Fire Station administrative office. Photo: Brian Saylor, March 10, 2008.



Kachemak McNeil Canyon Fire Station washer and dryer. Photo: Brian Saylor, March 10, 2008.



Kachemak McNeil Canyon Fire Station institutional washing machine.  
Photo: Brian Saylor, March 10, 2008.



Kachemak McNeil Canyon Fire Station kitchen. Photo: Brian Saylor, March 10, 2008.

**General Comments**

Pat Johnson believes that additional funds could have been applied to expanding the building plans before construction by adding an additional area on the east side of the facility to improve storage. The storage is currently the storage needs are currently met by using a Conex storage unit.

Pat also said "This program is good for communities without any mill levy or other funds source and it may be the only way they can get started."

## Appendix 7

<b>M-U Facility Program Total Quality Improvement Opportunities</b>	
<b>Denali Commission</b>	
Convene regular conferences with administrative partners to identify and resolve policy issues. Streamline project application and approval process to reflect Feasibility and Planning; Conceptual Design and Business Plan; and Final Design and Construction	
Advocate for improve design/engineering quality of standardized projects to the greatest extent practical;	
Monitor and standardize project accounting for cost control to emphasize construction based systems for accounting for cost.	
Developed clear and consistent definitions of the essential programmatic elements such as eligible expenditures, local administrative capacity, documentation of contractor insurance and capability, and long-term sustainability requirements.	
Develop and implement project cost benchmarks.	
Sponsor seminars and workshops to explore the potential of the multiuse facility program in addressing community infrastructure problems, including the relocation of communities threatened by climate change.	
Develop a realistic time frame for the construction phase.	
Retained a rapid response team of seasoned rural Alaskan construction experts who could provide timely advice to projects experiencing problems.	
Strive for consistency at all levels in program policy/outcomes expectations of stakeholders.	
Define responsibility for completion of programmatic and financial audits of completed projects.	
Evaluate risk tolerance at all levels through a comprehensive risk assessment process.	
<b>Partner Level</b>	
Undertake audits of specific projects.	
Develop procedures for providing enhanced technical and administrative support for communities in unorganized boroughs or distressed communities.	
Verify accounting and book-keeping standards for selected performance measures (\$/square foot) for targeted programs.	
Establish a Comprehensive Cost Management Information System to include detailed cost monitoring. 1) Establish standardized cost controls and monitoring systems; 2) Effectively track labor and other project costs at all levels of program delivery; 2) Require consistency in project cost reporting; and 3) Establish a clear parameters on the calculation of performance measures, to include \$/ per square foot.	
Develop accurate sets of program/budget parameters.	
Increase some control in project management and the QA/QC process, more so from the construction management perspective.	
Develop a uniform project scheduling system and routinely monitor its performance.	
Encourage value engineering as appropriate.	
Developed and sponsor workshops and/or seminars in the development of effective business plans.	
Assure that there is adequate technical expertise (QA/QC, engineering, and construction management) at the partner level.	
Participate in the development of improved process and outcome measures to promote increased accountability.	

Recognition of DC as the “warehouse “ and partner as the “subject matter expert”. This assumes technical expertise.
Require bonding and licensure for all construction contractors or the equivalent (financial guarantees, letter of credit etc)
Assure that Program Managers have adequate understanding of construction and project management principles and in particular construction in rural AK.
Recognize the complexity of construction management and assure technical expertise is on site and available during all phases of the project.
Require sound evaluations of community/program need to ensure facility sizing aligns with community’s needs;
Educate for reasonable expectations.
Realistic understanding about what they can operate and afford vs what they might like.
Planning and ownership in the process, realistic expectations, recognition of funding constraints (sustainability requirements)
<b>Designer</b>
Regular construction cost estimating.
Coordination between teams to improve product.
Emphasize value engineering.
Increased standardization, including the use of designs of multi-use facilities from other communities that may advance project objectives and decrease design expenses.
Incorporate design standards to maximize energy efficiency.
Address confidentiality requirements for co-located services through adequate sound attenuation and office space planning.
Select through competitive process or GMP contract model based on documented competitive unit costs.
Consider the use of building methods that coincide with community and workers abilities.
Encourage the builder and/or manager to participate in the planning/costing process.
<b>Developer (if applicable)</b>
Submit formal pro-forma with project application.
Retain builders based upon experience and qualifications.
Constraints on scope creep and owner requested changes during construction.
Consider long-term feasibility and sustainability for projects.
Understand the Commission’s role and responsibilities.
Assure a consistent approach to project development.
Simplify administrative procedures.
<b>Operator</b>
Designate a single point of contact for program issues during planning, design and construction phases.
Fully fund a maintenance program.
<b>Community</b>
Early involvement and buy-in by the community.
Designate a single point of contact for program issues during planning, design and construction phases.



Approve a user fee approach that covers both O&M and contributes to a renewal fund.
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Educate for reasonable expectations.
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Internalize the virtues of the project. The project is not a set amount of dollars.
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**Appendix 8 – M-U Facility Cost Benchmark Tool**