



Tribal Council Workshop Information

Workshop Title: Ko-Kwel Wellness Center Update	Date of Workshop: 06/24/20
<input checked="" type="checkbox"/> Open Workshop <input type="checkbox"/> Continued from previous Workshop – Date: <input type="checkbox"/> Closed Executive Workshop	
Presenter’s Name, Title and Department: <ul style="list-style-type: none">• Mark Gagnon, Chief Financial Officer• Mark Johnston, Executive Director• Fauna Larkin, Director, Operations Department• Kyle Viksnehill, Controller, Finance Department• Clark Walworth, Director, Communications	
Guest Presenter(s), Title and Agency (anyone not associated with CIT): <ul style="list-style-type: none">• Eric Scott, Project Manager	
Note Taker for Workshop: <ul style="list-style-type: none">• Anna Chavez, Administrative Assistant	
Brief Description (provide outline of discussion points as well as questions you need answered by this workshop): <ol style="list-style-type: none">1. Construction budget update2. Construction update/3-week look ahead3. Other work in progress	
<u>Workshop Attendees</u> Tribal Council: Brenda Meade, Linda Mecum, Kippy Robbins, Don Ivy, Don Garrett, Randy Hunter Staff: Clark Walworth, Fauna Larkin, Mark Johnston, Mark Gagnon, Kyle Viksnehill, Anne Niblett, Derek Mollier, Kelle Little, Lon Matheny Others: Eric Scott	
Workshop Summary (provide outline of discussions that occurred): Construction budget update Tribal Council had asked for a variance budget which Mark G has developed. Mark G showed actuals compared to budget with Phase I, Phase II and the total for both Phases. This project is evolving and changing as we pursue more grant funding, it alters the budget numbers. Phase 1 is the budget approved at close of financing, a sort of benchmark for the project. There were several things we couldn’t do in Phase 1 related to FF&E. Much of this has to do with dental operatories. Mark G reviews all the sources at closing, the majority from Craft3, Coastal Enterprises, and NMTC. The Tribe obligated \$1 Million to the project and it came under at \$928,773 at closing. Phase II involves additional grants and dollars coming in post-closing. In June, EDA Cares Act money will be deployed to cover IT, video conferencing, FF&E. We could potentially move \$1.5 million to be paid by EDA/Cares Act funds. We are looking at COVID funding for generator purchase. Many COVID related funds are looking for	

shovel ready projects to disperse funds in a short amount of time for support of COVID preparations. An additional \$2.3 million is currently being sought through grant sources. We have under \$3 million incurred costs from the beginning of this project.

Working towards trying to get the Tribal contribution reduced, if we get money we applied for, at the end of the project may see QualicB have a surplus of \$1.7 million it didn't have to use in financing. QualicB was created to support the tribe. After the project is completed, QualicB can transfer these savings back to the Tribe. Don G asked how far out are the grants. Mark G said some of them we will know in the next couple of days, some Foundation dollars not until the end of the year. The big one, the EDA, it will be awarded before the end of September. Fauna said this was a rolling application that didn't have an actual due date. We got our application in early.

The draw requests for the bank follow the budget categories in the spreadsheet. If we deviate, we have to get approval from Wells Fargo for a modification. Each category also has additional details. We made our first interest payment on interest for Craft3 and Coastal. Most of the site work category is already done. We have added a row for Change Orders which will come out of contingency. We have already approved one change order related to the design. There are a couple more change orders pending. Eric S will let us know when Change Orders come from the Owners or Contractors contingency funds. \$1.2 million spent on building construction. FF&E has not spent much yet other than work done by MEQA to plan where each piece of equipment will go and making sure we have all the preparations to accept the equipment. Community Foundation will help pay for part of the dental imaging funding gaps.

Contingency and Contract Amendments-Change order for design work related to generator. It was a contract amendment so SB James will have a \$12,900 increase in their payment amount and our contingency funds are reduced. As more Change Orders come in, there will be fluctuation.

Mark J wanted to share that Kelle Little has been working on the majority of the grants listed in the budget. He wanted to recognize Kelle's work on applying for additional funding sources.

Mark G explained that if we are under budget in any line item or get a grant that pays for a line item amount, then we go to Wells Fargo and say we will not need loan funds for that area. As long as the building gets built, we will be fine. Randy and Don both agree this is the information they want to be able to see every couple of weeks.

Construction update/3-week look ahead

We have been working five days a week. Then back to four days a week in July. Much was completed in the last month. Fauna reviews the bulleted items from the construction report. Eric S said we will pour the slab on grade in Zone 1 today. Contractor hopes to pour Zone 3 and a portion of Zone 2 on Friday. Don asked about what zones were being worked on today. Eric S said that part of Zone 2 related to Dental is still in process and will be delayed because they need to do dental piping. Don said completed means ready to pour and that rebar crews are not waiting. Either its done or its not. Fauna said this was her error, the Zone 2 should not be in completed heading.

Zone 3 and a portion of Zone 2, 180 cubic yards of pour is scheduled for Friday. Then one more pour to finish on July 8 or July 9. Steel shipments will start arriving next week and contractor will start erecting steel in Zone 1 after a seven-day break. Rebar and concrete are getting special inspections. Within two weeks we should have gravel on the parking lot which will help with the dust migrating off site. Eric S said the pour went pretty good and he corrected some things as they went along. He also makes all the calls on the water and makes sure we have a good slump. There was some delay between trucks in the middle of the pour but it worked out well. The forms will probably be stripped late today or tomorrow. He noted that he asked them to consolidate concrete with a vibrator around the perimeter. Alison asked what the vibrator is and how much noise it will cause. Eric S said they are small backpack units that the crews wear with an 18" vibrator inserted into the concrete to eliminate voids.

We will have one more early morning pour this week and then none until after the Holiday. Eric S said there will be some steel delivery and should be going through the secondary entrance. Fauna said that a reminder to SB James that when we can use the primary entrance that would be preferable. Eric S said once they get a subgrade they

will start using that entrance more. The primary road will be worked on next week so there may be the ability for more trucks to use that entrance in July.

Courtyard Design-KWC DT reviewed the courtyard design yesterday that Matt Jensen developed. Fauna shared the plan layout and oriented the audience on the entrances to courtyard/patio. Includes a water feature, flowing downhill into rocks and pumped back to the top. We can use a canoe with plants in the centerpiece. It is important to forward this design so the drains can be included in construction. Matt did a study for how much direct sunlight would go through the courtyard. He recommended one large tree and then lower shrubs that do not block light into the building. Linda M commented that more seating in addition to the single sitting area. Fauna said there is space for additional seating. Chief Ivy asked how the space will be used when it is raining. Fauna said the purpose of this space is to provide natural light into the building and provide a visual natural landscape from indoors. It also provides a windbreak. It is not programmed to be a space for meetings or regular gathering space. Eric S said that it will be a well-drained area. Linda M asked if the focus will be on using native plants? Fauna said yes, except for the tall tree. We haven't done the final plant collection which Matt will come back and help decide upon. Pieces of grandmother rock are also worked into the landscaping. Don G said the big tree should be put in a pot. Eric S said that the stamped concrete can be damaged by salt if there are ice concerns. Eric S said there are wall pack lights which provide lighting into the area. Chief Ivy asked about window washing and if there was hose bib in space. Eric S said there is one planned in the area. Linda M asked about scaling back the width on the north-east side to allow more space in the courtyard interior.

Owner Furnished Accent Wood-Lon said it looks like there is sufficient surplus wood from the Fredrickson Barn project and we won't have to mill any wood. Lon said he double checked last week. We might mill a small amount just in case we need a surplus. Chief Ivy asked if they were aware of the history of the Fredrickson barn and why it was chosen for this project. Fauna said it was recommended. Mark J said this was wood we used at the Fredrickson barn that we had it sitting in storage without an identified use. Chief would like to clarify that it is wood we produced for the Fredrickson Barn project. This is Coquille Forest wood from 2012-2014. Kippy said it would be good to note that also so people are clear where the wood has come from. Lon asked if there is any objection to using wood already milled that is in storage? We have wood in there for an eco-trust project that has been laying around for at least five years. Chair Meade said that we need to emphasize this is Coquille Forest wood, previously milled.

Change Orders-Fauna reviews five Change Orders approved and three more we are discussing based on estimated costs. We ended up proceeding with the Store Front Exit doors and Insulated Overhead Doors in receiving. The Flatwork landscaping will need sidewalk to connect around the building and the QALICB boundaries, but we are not adding that at this time. Fauna said this is why we have contingencies. We have some credits coming to us as costs were less on some items than projected. Most of these are alternates as opposed to actual Change Orders to the project. Eric S commented that the generator contract is just the design portion already budgeted. Chair Meade said she understands that the use of Change Order relates to things we are adding back in as we have savings in other areas. She just wants to be able to track it from time to time in the spreadsheet. Don G said that SB James should pay for subgrade work. Eric said that we have to pay because we had soft areas and materials in the ground. We had to remove those materials and it wasn't something SB James could not foresee and it could not be quantified in the cost. Fauna showed that we are tracking the Change Orders under Owners Contingency and Contractors Contingencies in the budget spreadsheet. The DT is being very conservative about adding alternatives that would come from contingencies.

Request for Information (RFI)- Chief Ivy asked about the timeline for addressing the irrigation force main at the plankhouse. Lon said we have worked out with SB James where the bio swale feeds into the pond. We are going to put in the outflow pipe. Operations department is trying to prioritize work related to building opening and the irrigation needs to meet all the needs by July 6.

Eric S said the risers have to do with the Coos Bay North Bend Water Board wanting the water valves in an above ground enclosure. The RFI asks for a layout of the water valves on a single pad that we can build a shelter for freeze protection.

Fitness Center- We have had \$100,000 sitting in the KWC budget but we want to take it out because we cannot build outside the QALICB boundary. We are recommending we build a free-standing facility because we can use Cares Act money could be used since we will build in COVID response items. NE corner of bog one, across from the parking lot, outside of the QALICB boundary. Fauna said we are still working on the sighting, but we are still on the south side of the pond as an extension of the Wellness Center campus. Bridgette also wants some outdoor learning spaces in that area so we are trying to figure out how to work it all together. Chair Meade said we have not talked about this at all. This is something we are going to have to move quickly in order to use Cares Act funds. It's another project we have to move through quickly. Chair Meade said that area has been a discussion point for possible housing sites, so we need a good process for vetting these things out. The last we talked about it, the Fitness Center was going to be at the KWC site. She wants Mark J and Fauna to come up with a process to communicate new building considerations. Fauna said that Cares Act is driving this to be a free-standing facility that we are trying to plan for on a quick timeline.

Chair Meade said that will be put on Mark Johnston's list to bring forward to the Tribal Council. Fauna said to be sure at let the DT know if there is anything that is off the table.

We are continuing to work on the landscape plan with Matt Jensen.

Furniture planning and procurement is now going to have additional members meeting with Veronica for interior design. We need to have a flooring decision by August to begin ordering items.

Operational Charter- A draft should be ready for TC in July. Randy asked us to update the numbers based on work with the CCO as part of the revenue projections. Mark J said we had two meetings with the local CCO director. He said they were interested in funding one of the dental operatories. CCO director said he could provide the extra dental patients we would need. Kelle said we are reviewing the contract they have with Advantage Dental. We need to confirm the contractual agreements needed in order for at tribal government to provide services to their patients. There is more need than they have providers for. It was an excellent meeting.

We would gradually add patient in the fall to Clinic for primary care, limited to AI/AL CCO patients and then develop a tiered quota to open to others as we can reasonably accept for primary care. Mark J said where we are working with CCO, developing a large marketing campaign to recruit patients, we have what we will potentially need through the OHP population. Randy asked that when the Charter comes back for TC review, we want a mention in the Charter why we are not going forward with a large marketing plan based on budget specifics reliant on the CCO contract.

Fauna said we will also be including thresholds for approving a Change Order will be included in the Project Charter.

Chair Meade said the construction budget update is very much appreciated. She would like to share forgiveness about gap in communication and she understands there is a lot happening and the Traffic Improvement Project is also included. Now there is all this money being thrown at us and we are trying to prioritize as quickly as we can. Kyle and Mark G have been swamped providing information that TC has needed. Glad we all have next week off. TC needs information to come from Mark J so we can all stay informed.

Randy asked about the Schedule of Values. Eric S said we have a schedule of values that SB James provides. It is reviewed by Eric, SB James and Wells Fargo. Randy would like to see those when the team does budget updates. Once a month is fine.

Reference Materials (provide for posting):

Next Steps:

- Information Only**
- Schedule second workshop**
- Prepare item for Tribal Council Motion**
- Prepare item for Tribal Council Resolution**
- Prepare item for Administrative Approval process**
- Other:**

Executive Director Comments:

Tribal Council Secretary/Treasurer Comments:

Executive Director Initials:

Approved by Executive Director 7/09/2020

Ko-Kwei Wellness Center

Construction Budget

As of June 19, 2020

	PHASE I			PHASE II			PHASES I AND II		
	BUDGET AT CLOSE OF FINANCING 5/27/20			ADDITIONAL GRANT FUNDING SOUGHT			TOTAL PROJECT		
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE
06/19/20									
Sources of Funds									
Coastal Enterprises Loan Proceeds	2,500,000	2,500,000	-	-	-	-	2,500,000	2,500,000	-
Craft3 Loan Proceeds	4,500,000	4,500,000	-	-	-	-	4,500,000	4,500,000	-
NMTC Net/Gross Benefit	4,212,000	4,212,000	-	-	-	-	4,212,000	4,212,000	-
Oregon Community Foundation	35,000	35,000	-	50,000	50,000	-	85,000	85,000	-
Meyer Memorial Trust	85,000	85,000	-	-	100,000	(100,000)	85,000	185,000	(100,000)
Wildhorse Foundation	40,000	40,000	-	-	-	-	40,000	40,000	-
Shakopee Foundation	50,000	50,000	-	-	25,000	(25,000)	50,000	75,000	(25,000)
Spirit Mountain Community Fund	84,000	84,000	-	-	100,000	(100,000)	84,000	184,000	(100,000)
Collins Foundation	75,000	75,000	-	-	-	-	75,000	75,000	-
Craft3 Pre-development grant	180,000	180,000	-	-	-	-	180,000	180,000	-
Ford Family Foundation	-	-	-	-	200,000	(200,000)	-	200,000	(200,000)
Three Rivers Foundation	5,000	5,000	-	-	-	-	5,000	5,000	-
Bay Area Hospital Foundation	-	-	-	-	15,000	(15,000)	-	15,000	(15,000)
Coquille Tribal Community Fund	-	-	-	-	-	-	-	-	-
Autzen Foundation	-	-	-	-	15,000	(15,000)	-	15,000	(15,000)
Floyd Ingraham Trust	-	-	-	-	20,000	(20,000)	-	20,000	(20,000)
Pacific Power Foundation	-	-	-	-	15,000	(15,000)	-	15,000	(15,000)
Kaiser Family Foundation	-	-	-	-	20,000	(20,000)	-	20,000	(20,000)
CDC Coronavirus Formula Grant	-	-	-	-	196,129	(196,129)	-	196,129	(196,129)
EDA CARES Recovery Grant	-	-	-	-	1,486,074	(1,486,074)	-	1,486,074	(1,486,074)
US Treasury CARES Act	-	-	-	-	50,000	(50,000)	-	50,000	(50,000)
IHS-indirect contract support	8,313	410,413	(402,100)	-	-	-	8,313	410,413	(402,100)
Leverage Loan Interest Income	-	127,152	(127,152)	-	-	-	-	127,152	(127,152)
Coquille Indian Tribe	928,778	1,000,000	(71,222)	-	-	-	928,778	1,000,000	(71,222)
Total Sources	12,703,091	13,303,565	(600,474)	50,000	2,292,203	(2,242,203)	12,753,091	15,595,768	(2,842,677)
Project Costs									
Financing Costs									
Subtotal	1,375,057	1,870,926	495,869	-	-	-	1,375,057	1,870,926	495,869
Site Preparation & Demolition									
Subtotal	73,095	82,055	8,960	-	-	-	73,095	82,055	8,960
Project Management/Surveys/Reports									
Subtotal	303,994	563,265	259,271	-	-	-	303,994	563,265	259,271
Utility Infrastructure & Fees									
Subtotal	-	404,821	404,821	-	-	-	-	404,821	404,821
Building Construction									
Subtotal Building Construction	1,158,364	9,296,492	8,138,129	-	-	-	1,158,364	9,296,492	8,138,129
Furniture Fixtures & Equipment									
Subtotal	46,750	1,086,006	1,039,256	-	527,700	527,700	46,750	1,613,705	1,566,955
Total Costs	2,957,260	13,303,565	10,346,305	-	527,700	527,700	2,957,260	13,831,265	10,874,005
Funding Sources Over (Under) Costs	9,745,831	(0)	(10,946,780)	50,000	1,764,503	(2,769,903)	9,795,831	1,764,503	(13,716,682)

Notes

Source loan

Source loan

Wells Fargo: \$0.90/\$1.00 for 39% of \$12M TC allocation from Craft3

2nd grant approved May 2020, dental imaging

2nd apl submitted 4/13/20, dental imaging, decision Dec

2 grants @ \$20,000 ea: 1st site prep, 2nd dental imaging

2nd apl submitted 12/31/19, dental imaging

2nd apl submitted 5/28/20, dental imaging, decision Sept

Const costs; reapply after first award closed out

Grant through NAAF for soft project costs

Apl submitted 10/19 for const, won't fund until after financing closes

Specialty Rx shelving

Apl submitted 2/27/20, dental imaging

Letter of intent due 9/30/20, amt TBD

Apl submitted 3/12/20, dental imaging, decision June

Apl submitted 4/2/20, dental imaging, decision June 20-Jan 21

Apl due 12/15/20, health & safety funding

Apl due 11/1/20

Apl submitted 4/27/20 total \$299,622; backup generator only

Apl submitted 6/16/20, FF&E less fitness ctr/site amenities

Extra building costs related to COVID-19

For construction period interest, based on approved IDC rate

Interest from investment fund during construction at 1.4945%

Ko-Kwel Wellness Center Project
Progress Update & Three Week Look Ahead
06/24/20

Construction

Please note, work on site is occurring between 7 am and 5:30 pm, Tuesday – Friday through July 4. Contractor intends to revert back to Monday – Thursday in early July.

Completed (May 24 – June 19):

- Under slab for Zone 1 and 2
- Grade Beams formed and poured for Zones 1, 2, and 3
- Rebar for slabs in Zone 1 and 2

Work in Progress (June 19 – June 26):

- Structural Backfill Building Pad Zone 3
- Slab On Grade Poured Zone 1 6/23
- Rebar for Slab Steel Zone 3 Community Health and Admin
- Slab on Grade Pour Zone3 Admin 6/25
- Under slab Medical Gas Dental Zone 2
- Forming grade beams on porte cochere

Upcoming/Three Week Look Ahead:

- Rebar for SOG Pour Dental
- Structural Backfill Building Pad Zone 2
- Structural Backfill Dental
- Set Structural Steel Columns and LVLs Zone 1.

Other Completed

- Courtyard Design
- Owner Furnished Accent Wood—Sufficient wood from Fredrickson Barn

Change Orders

- Change Orders Approved
 - Added Generator design to Design Contract – \$12,901
 - PCO1 - Credit for reduction in contingency, moved to Owner's Contingency – -\$216,000
 - PCO2 – Hands Free Plumbing Fixtures – \$13,125
 - PCO3 - Remedial Subgrade Work at SW Parking Lot – \$2672
 - PCO4 – Export Import Acceptable Trench Material – \$3654
- Change Orders In-Progress (estimated costs)
 - Flatwork landscape between buildings – \$20,000
 - Storefront exit doors at Community Gathering space – \$12,400
 - Overhead Doors in Receiving (auto vs manual, Insulation) – \$4,200

RFI #s In-progress

- 24 – Central Courtyard Design
- 31 – Detail for perimeter drain

Ko-Kwel Wellness Center Project
Progress Update & Three Week Look Ahead
06/24/20

- 33 – Move proposed new risers
- #TBD - Irrigation force main, new feed for Plank House

Other Work in Progress

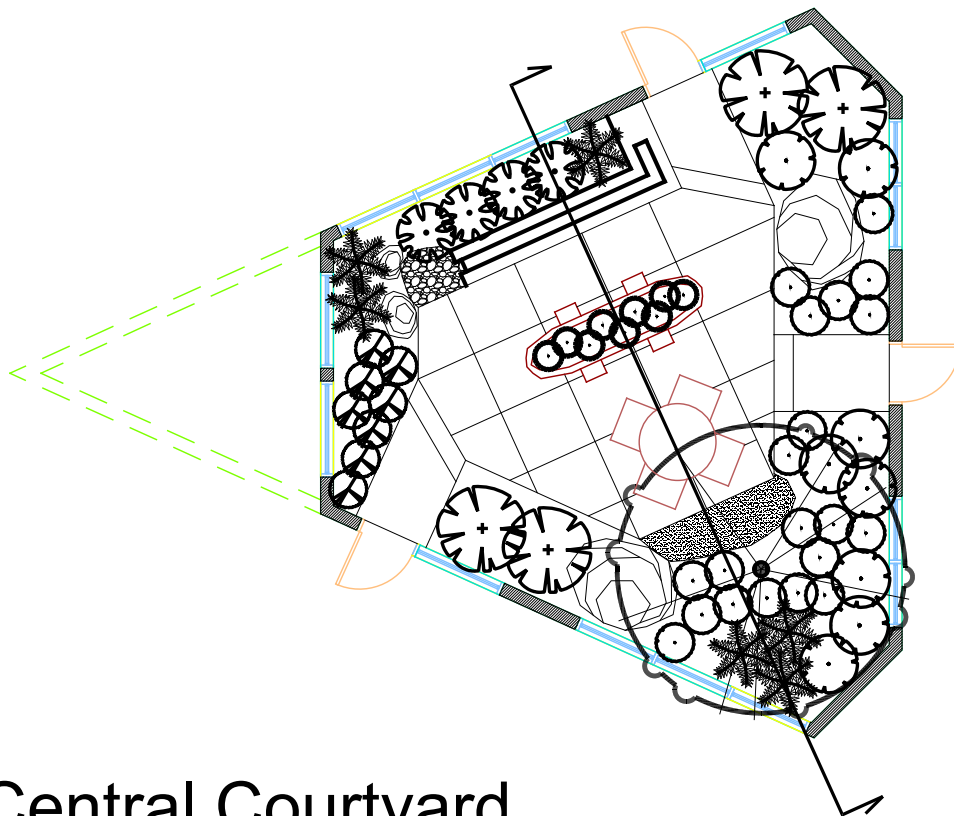
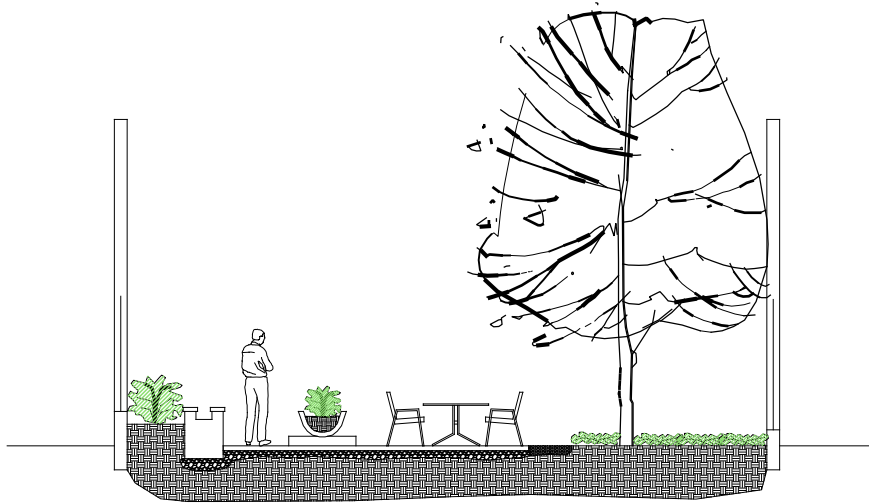
- Fitness Center capital planning
- Landscape planning
- Furniture planning and procurement coordination
- Equipment procurement planning
- Artwork/Interior design planning

Operational Charter

- Charter team to finalize drafts
- July 8-12 - Decision team reviews and revises drafts
- July 22-26 - Review draft 3.0 with Tribal Council

Project Charter

- Project Charter Update- Recommendations for periodic update.
 - Stakeholders, Workgroup, Owner's subcontractors, Schedule and Budget from GMP, Change process authorization
 - CHC Client Communication



Central Courtyard