




City and Borough of Sitka

PROVIDING FOR TODAY...PREPARING FOR TOMORROW

Coast Guard City, USA

MEMORANDUM

To: Mayor Eisenbeisz and Assembly Members

From: John Leach, Municipal Administrator 

Date: May 6, 2021

Subject: Request for Proposal (RFP) Approval for Sitka Community Hospital (SCH) Sale

Background

On October 21, 2020, representatives from SEARHC approached city staff with an interest to purchase the SCH building that they currently occupy under lease terms. Property to be purchased includes land, buildings, and all other improvements at 209 Moller Drive, 202 and 204 Brady Street, and 302 Gavan Street.

The Assembly discussed the proposal at a Special Assembly meeting on December 1, 2020, and the Administrator was given direction to initiate sale proceedings for the former Sitka Community Hospital site.

On December 14, 2020, the CBS received correspondence from SEARHC expressing their desire to pursue the purchase through a competitive bid process.

On January 12, 2021, I presented to the Assembly a best-case scenario timeline for hospital sales proceedings.

On February 9, 2021, a supplemental appropriation passed on second reading for costs associated with preparing the RFP for the possible sale of the SCH building.

On March 9, 2021, I received direction from the Assembly to proceed with two public hearings and a public survey on the possible sale of the SCH building. Town hall meetings were held on March 16 and March 30, 2021. The public survey was open from March 11, 2021 through April 4, 2021. The surveys were available online and by hard copy at City Hall and at Assembly sessions. The town halls and the survey were widely advertised on all local media sources and 60 physical notices of the events were mailed to the surrounding properties.

An independent Appraiser began appraisal work of the SCH building on March 25, 2021.

On April 13, 2021, a draft RFP was presented to the Assembly for consideration. Upon review, the Assembly gave direction to the Administrator to return at a future work session to modify some of the content of the RFP. On April 26, 2021, our independent Appraiser contacted CBS to inform us that she anticipates having the appraisal report ready prior to April 30, 2021.

On April 29, 2021, a special work session was held to discuss potential changes to incorporate into the final draft of the RFP for approval. The recommendations were incorporated, and the final draft of the RFP is included for consideration. An appraisal of the subject properties was completed, received on April 30, 2021, and was later emailed to the Assembly (marked as confidential) for consideration at the May 11, 2021 regular Assembly meeting.

Analysis

The final draft of the RFP is included as an enclosure. It is recommended that any discussion concerning the appraisal and its incorporation into the RFP be held in executive session.

Draft RFP

A final draft RFP is included for your review and consideration.

Items not included with the draft RFP that will be included with the official copy are as follows:

Required Forms:

- Bid Form: Sale of real property via sealed bid
- Bidder qualification statement
- Conflict of interest statement
- Receipt of site inspection policy

Project Location, Map

- Aerial photo
- Plat
- Legal descriptions
- Photos

Reference Documents

- Current lease
- Appraisal
- SGC Excerpts
- Site inspection policy

Fiscal Note

On February 9, 2021, a supplemental appropriation passed on second reading for costs associated with preparing the RFP for the possible sale of the SCH building. That appropriation was \$30K. There are no additional presale costs anticipated at this time,

however, if a special election is considered, there would be costs necessary to facilitate that election – approximately \$10K.

Direction Requested

I recommend that the Assembly make note of the previous town hall comments, survey results, the appraisal report, and the enclosed final draft RFP. Staff is requesting guidance on any final changes prior to posting the RFP for a previously approved 60-day period.

Encl: Draft RFP

Assembly memo of April 26, 2021

Assembly memo of April 7, 2021

Survey Results

Assembly memo of February 25, 2021

Assembly memo of January 5, 2021

Assembly memo of November 3, 2020

SEARHC request of October 21, 2020

Former SCH Aerial Site

Code Excerpt

SEARHC letter of December 14, 2020

Proposal for Sitka Community Hospital Site RFP

SouthEast Alaska Regional Health Consortium (SEARHC)

JULY 28, 2021

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Volume I – Technical Proposal

Executive Summary



July 28, 2021

The City and Borough of Sitka
100 Lincoln Street
Sitka, AK 99835

To our partners at the City and Borough of Sitka and members of its RFP Review Committee:

SouthEast Alaska Regional Health Consortium (SEARHC) is pleased to submit the following proposal to purchase the Sitka Community Hospital site in Sitka, Alaska.

Established in 1975, SEARHC is one of the largest and most historic Native-run health organizations in the United States. We believe rural residents deserve access to cutting-edge medical science, advanced technology, experienced providers and up-to-date-healthcare facilities. As the driver of high-quality healthcare in Southeast Alaska, SEARHC is committed to developing a new hospital and clinics within Sitka, and we are seeking your approval to purchase the Sitka Community Hospital site to continue to support this expansion.

SEARHC is interested in this purchase in order to continue offering the services to the Sitka community that we currently provide on the site through our current lease, including Long-Term Care, Physical Therapy and Home Health. In addition, once the site is acquired, we plan to add housing to bring additional needed resources to the community of Sitka.

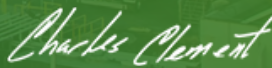
The attached proposal highlights SEARHC's history and regional offerings and introduces its effective Leadership Team, world-class providers and staff. It also showcases SEARHC's strong market position, record of financial success and strong commitment to both the communities we serve and our organizational mission, vision and values.

Thank you for your consideration of our proposal and the accompanying documents. We respectfully await your response.

Sincerely,



Kimberley Strong
Board Chair



Charles Clement
President and Chief Executive Officer

Executive Summary Narrative

ABOUT SEARHC

Established in 1975, SEARHC is one of the largest and most historic Native-run health organizations in the United States. As a nonprofit, tax-exempt health Consortium, SEARHC provides healthcare services in 27 communities throughout Southeast Alaska and takes great pride in enhancing the quality of life and improving healthcare for our region. SEARHC facilities are accredited by the Joint Commission, and SEARHC was awarded the Commission's "Gold Seal" in 2016.

SEARHC'S HISTORY

When Congress passed the Indian Self-Determination and Education Assistance Act in 1975, Alaska Native tribes had the option of assuming the operation of health services in their communities. SEARHC was one of the first organizations to contract with the Indian Health Service, the federal agency responsible for ensuring that comprehensive healthcare services are available to American Indian and Alaska Native people.

In 1976, SEARHC contracted with the Indian Health Service to assume management of the Community Health Aide Program. In 1982, the contract was expanded to include the operations of the Indian Health Service Juneau clinic, now the Ethel Lund Medical Center, and in 1986, SEARHC assumed operation of the hospital in Sitka, now Mt. Edgecumbe Medical Center. SEARHC is proud to provide quality healthcare for all residents and visitors to our communities.

MISSION

Alaska Native People working in partnership to provide the best healthcare for our communities.

VISION

Partnering with our communities to promote a healthy balance of mind, body and spirit.

VALUES

- Respect
- Cultural Identity
- Service
- Professionalism
- Compassion



SEARHC SERVICES

SEARHC offers medical, surgical, dental, behavioral health, community health and health promotion services across 27 communities in Southeast Alaska. In most cases, SEARHC is the sole healthcare provider in the communities it serves.



SEARHC operates two hospitals:

- Mt. Edgecumbe Medical Center, a 25-bed critical access hospital in Sitka providing acute care, emergency care, obstetrics, surgery, swing beds, rehabilitation and ancillary services.
- Wrangell Medical Center, a critical access hospital with eight acute care/swing beds and 14 long-term care beds, rehabilitation and ancillary services.

Clinic Visits	137,000
Rehabilitation (PT, OT, Speech) Visits	24,000
Optometry Visits	6,000
Dental Clinic Visits	38,000
Outpatient Behavioral Health Visits	35,600
Prescriptions Filled	265,500
Lab Tests Performed	665,000
Hospital Bed Days	4,000
Swing Bed Days	2,800
Babies born at Mt. Edgecumbe Hospital	70
Surgeries at Mt. Edgecumbe Hospital	1,500

SEARHC employs approximately 1,400 employees and contractors, including 140 providers and 602 employees in Sitka.

Project Team Qualifications



Team Qualifications & Performance

SEARHC's Executive Leadership Team is responsible for the organization's operational and financial performance and for setting the tone of the Consortium's culture. This team also executes the organization's Strategic Plan, developed in partnership with and approved by the Board of Directors. The Executive Leadership Team includes the following nine individuals.



Charles Clement
President, Chief Executive Officer

As President and CEO, Charles Clement is accountable for all day-to-day operations of SEARHC.

An Alaska Native of Tsimshian and Athabascan heritage, Mr. Clement came to SEARHC in 2011 from his position as vice president of operations/chief operating officer for Southcentral Foundation. He played an instrumental role in its becoming the first Alaska healthcare organization to earn the prestigious Malcolm Baldrige National Quality Award.

A graduate of Metlakatla High School, Mr. Clement earned a Bachelor of Science degree in economics and political science from Northern Arizona University in Flagstaff, Ariz. He earned a Master of Public Administration degree from the University of Alaska Anchorage and completed an executive leadership program with the Indian Health Service.



Heidi Aylsworth
Senior Vice President, Chief Strategy & Business Development Officer

As Senior Vice President, Chief Strategy and Business Development Officer, Heidi Aylsworth leads strategic planning initiatives, coordinating business development and construction projects for the Consortium. A 25-year veteran in hospital administration, Ms. Aylsworth works with healthcare teams to enhance service lines across Southeast Alaska.

Ms. Aylsworth joined SEARHC in early 2020 as Interim Hospital Administrator at Mt. Edgecumbe Medical Center. In addition to managing hospital operations, she partnered with the medical staff and clinical leadership on program development, improving patient access and ensuring quality of care.

Prior to joining SEARHC, Ms. Aylsworth was Chief Strategy Officer for the Western Washington Region of Providence St. Joseph Health, overseeing strategy and business development. In her previous role, she served as Chief Strategy Officer for Swedish Health Services. In these strategic business development positions, she was instrumental in the design and growth of various medical services and the

construction of facilities that included hospitals, outpatient facilities, clinics and ambulatory surgery centers.

After earning her Bachelor's degree in Nutrition from the University of Saskatchewan, Ms. Aylsworth went on to obtain a Master's degree in Business Administration from Western Washington University.



Elliot J. Bruhl, M.D.
Senior Vice President, Chief Medical Officer

Senior Vice President and Chief Medical Officer Dr. Bruhl provides systemwide leadership to the medical staff and clinical employees along with medical and clinical expertise to senior leadership. With more than 20 years of experience in both Tribal and non-Tribal healthcare, Dr. Bruhl was welcomed to the SEARHC executive team in May 2019.

Dr. Bruhl is also experienced in coordinating mergers and redesigning physician-practice models, and he brings a proven track record of enhancing medical staff coordination and implementing quality improvement measures in healthcare organizations across the western United States. He is also familiar with both Sitka and SEARHC, having served as the medical director for both Mountainside Family Clinic (2006–2008) and Mt. Edgumbe Hospital (2013–2015).

Dr. Bruhl received his Bachelor of Arts degree in geology from Carleton College in Northfield, MN; a Master of Science in hydrology from the University of Idaho in Moscow, ID; and his Doctor of Medicine from the University of Colorado in Denver, CO. Prior to rejoining SEARHC, Dr. Bruhl served the Mayo Clinic as Medical Director of its Northeast and Northwest Family clinics, Consulting Physician in the Mayo Clinic Department of Family Medicine and Assistant Professor in the Mayo Clinic School of Medicine.



Michael E. Douglas
Senior Vice President, Chief Legal Officer

Senior Vice President and Chief Legal Officer Michael E. Douglas oversees all aspect of the Consortium's legal affairs. Mr. Douglas first joined SEARHC as the Consortium's General Counsel in November 2012 after having served six months as interim-General Counsel. He moved into the role of Vice President, Chief Legal Officer in January 2015 and was promoted to his present position in August 2020.

Mr. Douglas holds a Master of Science in Health Care Delivery (with concentrations in innovation, finance, leadership and healthcare management) from the Tuck School of Business and Geisel School of Medicine at Dartmouth College. He received a Juris Doctor from the University of Washington School of Law, and a Bachelor of Arts with an Interdisciplinary Concentration in Law & Diversity from Fairhaven College at Western Washington University.

Prior to his tenure at SEARHC, Mr. Douglas practiced for five years as an associate attorney with the Indian law firm of Sonosky, Chambers, Sachse, Miller & Munson,

LLP, in Anchorage and Juneau. He also served as law clerk for The Hon. Trevor N. Stephens in the Superior Court for the State of Alaska, First Judicial District at Ketchikan. Mr. Douglas is admitted to practice in Alaska and Washington, and before the U.S. District Court for the District of Alaska and the U.S. Court of Appeals for the Ninth Circuit.



Dan Harris
Senior Vice President, Chief Financial Officer

Senior Vice President and Chief Financial Officer Dan Harris is responsible for all the functions related to the financial operations of SEARHC. These responsibilities include the accounting, insurance and financial systems, auditing of all medical departments, the cost-reporting process and financial impacts.

With more than 28 years of healthcare experience, Mr. Harris has spent 20 years at the chief financial officer (CFO) level working on hospital system and physician group growth as well as acquisitions. Prior to joining SEARHC, he served as CFO and Vice President of Financial Operations for Providence Health & Services in Renton, WA, providing support to system services and operations for the system's 19 hospitals in Alaska, Washington and Montana.

Mr. Harris earned a Bachelor's degree in business administration from Eastern Washington University and a Master of Business degree from the University of Portland.



Matthew G. Ione
Senior Vice President, Chief Administrative Officer

Senior Vice President and Chief Administrative Officer Matthew Ione provides operational oversight and leadership to the Information Technology, Planning and Development, Human Resources and Facilities departments. He also assists SEARHC in its continued growth efforts to provide quality healthcare services throughout Southeast Alaska.

Most recently, Mr. Ione served as the President and Chief Executive Officer of a regional housing authority. He has more than 25 years of combined experience in healthcare, housing, education, oil services and public sector industries.

His extensive work experience with Tribal organizations throughout Alaska has allowed him to develop and maintain positive relationships wherever he travels, and he has successfully helped to cultivate a new generation of leaders in the communities where he has worked and lived.

Mr. Ione has degrees in applied sciences and business administration, and he proudly served our country in the U.S. Navy, graduating from its Nuclear Field School. He has been a trustee on the Alaska Pacific University Board of Trustees and served on the board of the Association of Alaska Housing Authorities.



Leatha Mercurieff
Senior Vice President and Chief of Operations

As SEARHC Senior Vice President and Chief of Operations, Leatha Mercurieff oversees the operations of ancillary services for the entire Consortium, including Pharmacy, Laboratory, Radiology, Dental, Marketing, and Optometry services. Ms. Mercurieff has over 20 years of healthcare experience, successfully managing employees, budgets, special projects, marketing efforts and the customer experience.

Prior to this position, Ms. Mercurieff served as Hospital Administrator for Wrangell Medical Center. In that role, she was responsible for various aspects of hospital management, including creating and maintaining policies, ensuring quality assurance, assessing patient services and leading public relations.

Ms. Mercurieff began working in Tribal Health in 1999 at the Alaska Native Tribal Health Consortium/Alaska Native Medical Center.

Ms. Mercurieff has a Master of Business Administration degree from the Alaska Pacific University in Anchorage and a Bachelor's degree in business administration from the University of Alaska Anchorage. She is a member of the American College of Healthcare Executives and the First Alaskans Institute, Native Emerging Leaders Program.



Martin Benning
Vice President, Primary Care

Vice President of Primary Care Martin Benning provides Consortium-wide oversight of ambulatory primary care operations and supports the leadership team on strategic execution of clinical and operational priorities. He is accountable for all primary care functions including access, experience, quality, safety and overall performance for the SEARHC system.

Mr. Benning earned a Bachelor's degree in sociology with a focus in law and social policy and a Master of Healthcare Administration from the University of Washington.

Mr. Benning's background brings extensive experience in healthcare and medical group operations management at various scales and geographies.



Eric Gettis
Vice President, Behavioral Health

Vice President of Behavioral Health Eric Gettis is responsible for the development, execution and expansion of high-quality Mental Health and Behavioral Health services across the Consortium. Within his role he supervises a number of professional, supervisory, technical and clerical personnel.

Mr. Gettis has a Bachelor of Arts degree in education and a Master of Arts degree in counseling and guidance from Pacific Lutheran University in Tacoma, Washington.

Mr. Gettis gained decades of healthcare leadership with broad and varied experience at Lourdes Health Network in Washington state's Tri-Cities. He earned progressive promotions during his tenure there, finally serving as Director of Physician Practices beginning in 2008, and was responsible for overseeing 120 employees and 37 physicians in clinics providing Urgent Care, Family Practice, Internal Medicine, Pediatrics, ENT, GI, General Surgery, Obstetrics, Urology, Pulmonology and Neurology services.

Organizational Chart

SEARHC'S GOVERNANCE

The SEARHC Board of Directors (Board) serves as the chief governing body of the Consortium and provides oversight of all functions and programs. The Board is comprised of representatives elected or appointed by the respective governing bodies of 15 federally recognized Alaska Native tribes from the communities of Angoon, Craig, Douglas, Haines, Hoonah, Hydaburg, Juneau, Kake, Kasaan, Klawock, Klukwan, Petersburg, Wrangell, Sitka and Skagway.

SEARHC's Board is guided by the Consortium's mission, vision and values, which are inclusive of all people residing in the Southeast region.

Members of the Board of Directors include:

Kimberley Strong <i>Board Chair</i>	June Durgan <i>Member-At-Large</i>	James Jack, Sr. <i>Member-At-Large</i>	Annette Bennett <i>Member-At-Large</i>
Harriet Brouillette <i>Vice Chair</i>	Kevin Allen <i>Member-At-Large</i>	Lincoln Bean, Sr. <i>Member-At-Large</i>	Lawrence Widmark <i>Member-At-Large</i>
Harriet Silva <i>Treasurer</i>	Veronica Dalton <i>Member-At-Large</i>	Dorothy Smith <i>Member-At-Large</i>	Judean Gordon <i>Member-At-Large</i>
Lavina Brock <i>Secretary</i>	Sidney Edenshaw <i>Member-At-Large</i>	Patty Cottle <i>Member-At-Large</i>	

SEARHC's Accreditation Governing Body (AGB) is a subset of SEARHC's Board and has the authority to:

- Govern overall operations and programming of hospitals and medical, behavioral health and dental clinics.
- Maintain decision-making on provider and employee staffing and recruitment.
- Oversee quality improvement and compliance programs and receive regular updates on progress.
- Direct other areas relevant to accreditation and licensing of SEARHC facilities and programs.

Members of the AGB include:

Kimberley Strong <i>Board Chair</i>	Lavina Brock <i>Secretary</i>	James Jack, Sr. <i>Member-At-Large</i>
Harriet Brouillette <i>Vice Chair</i>	June Durgan <i>Member-At-Large</i>	Mark Walker <i>Southern Region Director</i>
Harriet Silva <i>Treasurer</i>	Judean Gordon <i>Member-At-Large</i>	Dr. Valerie Edwards <i>Chief of Staff</i>

Project Manager Resumes



Steven J. Merkel
Project Manager

Steven is a seasoned problem solver, project manager and leader with 25 years of experience in healthcare and commercial construction with assignments in both Tribal health organizations and facility operations. He currently is the Facilities Senior Director for SEARHC.

EXPERIENCE

- WRANGELL MEDICAL CENTER AND OTHER HEALTHCARE FACILITY PROJECTS
SouthEast Alaska Regional Health Consortium (SEARHC) • Sitka, Alaska

As Facilities Senior and Deputy Director, responsible for regional oversight of on-going facility operations. Schedule, review and manage third party vendors, inspectors and subcontractors for on-going healthcare operations. Work with all Facilities staff in regards to on-going compliance and documentation. Participated as Facilities representative for multiple successful Joint Commission surveys and CMS surveys. Alternate voting member to IHS/MIRAC, serving on MIRAC policy and procedure committee. Manage and oversee construction initiatives Consortium-wide. Direct the Facilities Division's planning and work towards meeting SEARHC strategic goals.

- YUKON-KUSKOKWIM HEALTH CORPORATION CONSTRUCTION PROJECTS
Yukon-Kuskokwim Health Corporation • Bethel, Alaska
- TBI CONSTRUCTION PROJECTS
TBI Construction • Palmer, Alaska
- U.S. COAST GUARD I HOUSING AND RECREATIONAL FACILITY
SBS/PRO Services • Cordova, Alaska
- CONSTRUCTION PROJECT WITH HUNT BUILDING COMPANY
Hunt Building Company • El Paso, Texas
- CIVIL ENGINEERING PROJECT
KAE, Inc. • Anchorage, Alaska

EDUCATION/TRAINING

- Colorado Institute of Technology, Bachelors of Science Business & Project Planning
- Storm water pollution protection training
- Environmental protection training
- Asbestos identification and abatement training
- NFPA 101 & 99 training

LICENSES:

- CA General Contractors License #872094
- AK-CESCL Certificate # CEF-12-0221
- AHA-America Society of Healthcare Engineers member # 8022626930



Michael J. Pountney
Project Manager

Michael has 15+ years of varied facilities, maintenance and construction experience. He has managed many facets of construction projects and also has a background in heavy machinery operation and maintenance. He has received several honors and awards from the U.S. Coast Guard, including the Commendation Medal, Coast Guardsmen of the Quarter and Meritorious Service Awards.

EXPERIENCE

• WRANGELL MEDICAL CENTER AND OTHER HEALTHCARE FACILITY PROJECTS

SouthEast Alaska Regional Health Consortium (SEARHC) • Sitka, Alaska

As the Assistant Director of Facility Services, responsible for supporting the Facility Director with management of daily maintenance operations for SEARHC and direct oversight of Wrangell Facilities department. Manage contracts and contract work throughout Southeast Alaska. Collaborate directly with stakeholders, design/engineering teams and contractors to manage all facets of construction projects.

Previously the Construction and Engineering Manager at SEARHC. Responsible for development, design, project administration and construction of capital improvement construction projects. Projects included: Wrangell Medical Center construction and generator ATS replacement, Mt. Edgecumbe Medical Center upgrades and hydronic heat exchanger replacement, Pharmacy sterile compounding evaluation and Consortium-wide security and access control installation projects.

• SAWMILL CREEK HATCHERY

Northern Southeast Regional Aquaculture (NSRAA) • Sitka, Alaska

• MACHINERY OPERATIONS AND MAINTENANCE

• U.S. Coast Guard • Multiple Duty Stations

EDUCATION/TRAINING

- General shipboard fire-fighting hydraulics system and equipment
- Refrigeration and air conditioning systems, pumps and pumping, refrigerant service and recovery certification (universal)
- Aluminum MIG welding
- PLC programming
- Best Lock maintenance and installation

Architects/Engineers



Deanna Wlad, AIA, LEED®
Project Architect

Deanna's 28+ year career has focused on working with clients to create projects that enhance their organizational visions and values and speak to their specific cultural aspects. She has completed projects in a variety of delivery methods, from design-bid-build to design-build, and has proven her skill in collaborative working arrangements. Her projects are sensitive to budget constraints and environmental considerations, including the incorporation of solar thermal and photovoltaic alternative energy elements into the design.

EXPERIENCE

- OLD MATANUSKA TOWNHOUSE DEVELOPMENT
Cook Inlet Housing Authority (CIHA) • Wasilla, Alaska
- WILLOW HOUSE I SENIOR HOUSING
Cook Inlet Housing Authority • Wasilla, Alaska
- SOUTH ANCHORAGE SENIOR HOUSING
Cook Inlet Housing Authority • Anchorage, Alaska
- QANCHI PLACE
Cook Inlet Housing Authority • Anchorage, Alaska
- CH'ANIKNA COMMONS
Cook Inlet Housing Authority • Anchorage, Alaska
- WOVEN HOUSE
Cook Inlet Housing Authority • Anchorage, Alaska
- GRASS CREEK NORTH APARTMENTS & TOWNHOMES
Cook Inlet Housing Authority • Anchorage, Alaska
- SHARKTOOTH CAMP
ConocoPhillips • North Slope, Alaska
- TYOTKAS ELDERS CENTER
Kenaitze Indian Tribe • Anchorage, Alaska
- NORTHERN LIGHTS MEDIA CENTER
Northern Lights Media, Inc. • Anchorage, Alaska

EDUCATION

- Montana State University Masters of Architecture, 1993

LICENSE

- R.A. Alaska #A10622; 2002

CERTIFICATIONS

- LEED® Accredited Professional
- Municipality of Anchorage Zoning Board of Examiners and Appeals



Tara Gallagher, AIA, LEED® AP
Project Architect

Tara has made innovative and technologically advanced design the focus of her 15+ year career, particularly in the healthcare realm. Ranging from new facilities to renovations within existing buildings, Tara is adept at taking the visions of her clients and transforming them into functional solutions.

EXPERIENCE

- QINTALI VIEW SENIOR HOUSING
Cook Inlet Housing Authority • Eagle River, Alaska
- CORONADO PARK II
Cook Inlet Housing Authority • Eagle River, Alaska
- WOVEN HOUSE
Cook Inlet Housing Authority • Anchorage, Alaska
- CITY VIEW II – RESIDENTIAL DEVELOPMENT
Weidner Apartment Homes • Anchorage, Alaska
- DAWSON STREET MULTI-USE DEVELOPMENT
Private Client • Anchorage, Alaska
- ALASKA LABORERS’ TRAINING SCHOOL
Local 341 • Anchorage, Alaska
- MOUNTAIN VIEW VILLAGE 5 PLEX
Cook Inlet Housing Authority • Anchorage, Alaska
- 42ND AVE MEDICAL OFFICE BUILDING
Alaska Foot & Ankle Specialists • Anchorage, Alaska
- ACCURATE VISION CLINIC
Private Client • Anchorage, Alaska
- 4TH AVENUE & A STREET
Anchorage, Alaska

EDUCATION:

- University of Idaho
- Masters of Architecture, 2006
- Minor in Business, 2005

LICENSE:

- AIA Member #308008436
- Alaska, #A103162, 2015

CERTIFICATIONS:

- LEED® Accredited Professional
- BD+C Accessibility Training 2011



Deanna Nafzger, AIA, LEED®
Project Architect

The focus of Deanna's 18+ year career has been the creation of sustainable design solutions that provide a warm and inviting atmosphere. Her projects include nonprofit organizations, healthcare facilities, multi-family housing, and commercial office space. Deanna's project experience includes Design-Bid-Build, Design-Build, CMGC, and Design-Assist.

EXPERIENCE:

- SPENARD EAST DEVELOPMENT
Cook Inlet Housing Authority • Anchorage, Alaska
- THIRTEEN-TEN WEST 32ND AVENUE
Cook Inlet Housing Authority • Anchorage, Alaska
- FOUR DIRECTIONS RENOVATION
Southcentral Foundation • Anchorage, Alaska
- CREEKVIEW PLAZA II
Cook Inlet Housing Authority • Anchorage, Alaska
- ERNIE TURNER CENTER
Cook Inlet Tribal Council • Eklutna, Alaska
- 4330 ELMORE ROAD PROPERTY PLANNING
Southcentral Foundation • Anchorage, Alaska
- GRASS CREEK NORTH MASTER PLAN
Cook Inlet Housing Authority • Anchorage, Alaska
- NUKA LEARNING AND WELLNESS CENTER
Southcentral Foundation • Anchorage, Alaska
- VALLEY NATIVE PRIMARY CARE CENTER RENOVATION
Southcentral Foundation • Wasilla, Alaska

EDUCATION:

- University of Kansas, Bachelor of Architecture, 2003

LICENSE:

- R.A. Alaska, #A12728, 2010

CERTIFICATIONS:

- LEED® Accredited Professional
- ADA, UFAS, & FHA Training Seminar
- Cascadia GBC, Chair-person, 2009-2013



Ryan McCourt, CDT
Project Architect

Ryan's 13+ year career is centered on his appreciation of Architecture's balance of science and art. He enjoys utilizing his wide range of design and technical skills, including being at the forefront of the latest technology and software, in an effort to increase project coordination and efficiency, and thereby allowing more time to be spent on what matters, the finished product.

EXPERIENCE:

- SPENARD EAST DEVELOPMENT - PHASE 1
Cook Inlet Housing Authority • Anchorage, Alaska
- OLD MATANUSKA TOWNHOUSE DEVELOPMENT
Valley Residential Services / CIHA • Wasilla, Alaska
- CH'ANIKNA COMMONS
Cook Inlet Housing Authority • Anchorage, Alaska
- CREEKVIEW PLAZA II
Cook Inlet Housing Authority • Anchorage, Alaska
- FOUR DIRECTIONS LAUREL STREET RENOVATION
Southcentral Foundation • Anchorage, Alaska

EDUCATION:

- Lawrence Technological University, Master of Architecture, 2014
- The University of Michigan, B.S. in Architecture, 2008



**Jess Stine, RA, ASID, NCIDQ,
Architect/Interior Designer**

Jess' 13+year of project experience includes both architecture and interior design and spans healthcare, corporate, laboratories, nonprofit, residential, signage and graphic design. Jess has a variety of project experience including design-build, CMGC, and design-bid-build. She is also skilled in space planning of anticipated furniture and equipment and selecting and creating furniture bid packages.

EXPERIENCE:

- SPENARD EAST DEVELOPMENT - PHASE 1
Cook Inlet Housing Authority • Anchorage, Alaska
- SOUTH ANCHORAGE SENIOR HOUSING
Cook Inlet Housing Authority • Anchorage, Alaska
- THIRTEEN-TEN WEST 32ND AVENUE
Cook Inlet Housing Authority • Anchorage, Alaska
- WOVEN HOUSE
Cook Inlet Housing Authority • Anchorage, Alaska
- ACCURATE VISION CLINIC
Dr. Benjamin Crawford • Anchorage, Alaska

EDUCATION:

- Illinois Institute of Technology, Bachelor of Architecture, 2008

REGISTRATION:

- Alaska, #A106085, 2017



Trevor S. Sande, P.E., Project Engineer
R&M Engineering — Ketchikan, Inc.

Trevor Sande was born and raised in Ketchikan and worked his way through high school and college by commercial fishing throughout Southeast Alaska. Trevor joined R&M in 1993 and became a principal owner in 1998. In 2003, Trevor took over management of R&M and is currently President. Trevor also is a licensed general contractor doing business as Marble Construction, owner of a wood products manufacturing company Tongass Forest Enterprises, and operates a land development company and an oyster and kelp farm as Marble Seafoods.

EXPERIENCE:

- Site Design, Drainage, Utilities and Survey Control For Building Projects Include: *Metlakatla AISU Health Center Site Development, Ketchikan Wal-Mart, Ketchikan Shipyard facility, Craig High School, Coffman Cove School, Naukati School, Saxman SEARHC Clinic, Ketchikan Youth Facility, Ketchikan Indoor Recreation Center, Metlakatla Housing Authority with over 70 houses and one apartment complex, Fawn Mountain School and Sports Complex*
- Geotechnical Engineering
Ketchikan Aquatic Center, Ketchikan Fire Station, City of Ketchikan Parking Garage, OceansAlaska Aquarium Site, Craig Water Reservoir, Craig North Fork Dam, Craig High School, Kasaan Discovery Lodge, Klawock Vocational School,
- Marine Design Projects Include:
Coffman Cove Harbor Expansion, Launch Ramp's in Coffman Cove, Craig and Klawock, Drive Down Ramps in Coffman Cove and Klawock, Trident Kodiak Dock, Burnett Inlet Hatchery Expansion, Craig False Island Dock, Ketchikan Airport Boat Float, Tolstoi Industrial Park, Inter Island Ferry Master Plan, Saxman Harbor Plan, Saxman Seaport Harbor Expansion and the Klawock Harbor Expansion
- Utility Design Projects Include:
Metlakatla Sewer Master Plan & Numerous Sewer and Water Extensions and Reconstruction, City of Craig Water Master Plan and many related system upgrades, Craig 835,000 Gallon Storage Tank Reservoir, Craig Water Plant Expansion, Craig Beach Road Interceptor Sewer, Craig Sewer Treatment Plant Outfall, & Pump Stations, Klawock Three Mile Creek Water Source Feasibility Assessment, Klawock Wastewater Treatment Plant, Outfall & Pump Stations, Mary Jackson Subdivision (260 lots with 6.5 miles of utilities), Ketchikan South Tongass Service Area Water and Sewer Design(over 20 miles of pipe design), Ketchikan Shoreline Service Area Sewer and Water Master Plan
- Road and Street Design Include:
Craig 8th Avenue, Craig Causeway Upgrade, Don King and Signal Road, North Tongass Walmart Traffic Light and Highway Widening, Tolstoi Industrial Site, Mary Jackson Subdivision, Raven Street in Metlakatla, and Cassiar Street in Wrangell.
- Structural Design Projects Include:
Ketchikan Key Bank, Trident Ketchikan Processing Plant, Trident Kodiak Processing Plant, Ketchikan Berth IV Retain and Office Complex, Craig Water Plant, Craig False Island Dock, Craig False Island Ice House, Klawock Transfer Station, Coffman Cove

Post Office, Metlakatla Cannery Repairs, Kake Senior Housing Project, Silver Bay Valdez Processing Plant, Trident Cordova Processing Facility, Craig North Fork Dam Expansion, False Pass Transfer Bridge, City of Klawock Transfer Bridge, Halibut Point Road ADOT&PF Temporary Bridges

EDUCATION:

- Washington State University, B.S., Civil Engineering (Cum Laude)

REGISTRATIONS:

- Civil Engineer, Alaska, (No. 9778)
- Structural Engineer, Alaska (No.14330)
- Environmental Engineer, Alaska (No. 14331)
- Registered General Contractor (Marble Construction) with residential endorsement

PROFESSIONAL ORGANIZATIONS:

American Society of Civil Engineers, Southeast Alaska Home Builders Association, Alaska Fisheries Development Foundation Board Treasurer, Alaska Shellfish Growers Association board Treasurer, Pacific Shellfish Growers Association, Alaska Mariculture Alliance, Alaska Miners Association, Wrangell Golf Board

Experience and Approach

The SEARHC leadership team has extensive experience in the planning and execution of construction and development projects, including the following:

Currently Underway

FACILITY	TYPE OF CONSTRUCTION	ESTIMATED COST
Mt. Edgecumbe Medical Center	Replacement	\$200,000,000
Haines Clinic – Behavioral Health & PT	Remodel	\$1,325,000
Gustavus Clinic	Replacement	\$2,000,000

Completed Projects

FACILITY	TYPE OF CONSTRUCTION	COST	COMPLETION DATE
Petersburg Dental Clinic	Remodel	\$375,000	2021
Ethel Lund Medical Center	Substantial Remodel	\$7,000,000	2020
Wrangell Medical Center	New Construction	\$30,000,000	2020
Juneau Administrative Offices	Remodel	\$750,000	2019
Craig Health Clinic	Remodel	\$500,000	2019
Juneau Pediatric Dental Clinic	New Construction	\$7,000,000	2017
Mt. Edgecumbe Medical Center Emergency Department	Remodel	\$3,000,000	2017
Haines Dental Clinic	New Build in Existing Shell	\$3,000,000	2015
Hoonah Health Center	New Construction	\$9,000,000	2015
Haines Health Center	Remodel	\$1,500,000	2014
Alaska Island Community Services (AICS) Medical Clinic	New Construction	\$4,000,000	2013

Project Approach



Concept Narrative

SEARHC believes the former Sitka Community Hospital site is conducive to a first-class high-density development. We are confident that strong demand exists to continue high-quality medical services and include multi-family housing, making the best use of the large lot.

The proposed vision for this project will provide a new vibrant neighborhood. The existing facility will receive significant upgrades to continue offering essential services such as Long-Term Care, Rehabilitation Services, Home Health and other administrative functions. Exterior upgrades will include a remodeled entry and refreshed aesthetic design to coordinate with the future multi-family residential building adjacent and the mixed-use facility planned along Halibut Point Road.

A new multi-family unit consisting of 28 units will be constructed towards the southeast portion of the parcel.

The current use of the parcel will not change significantly, and the addition of residential housing will buffer the surrounding residential neighborhoods. The intent is to refresh the existing facility and provide housing opportunities for the community.

Our proposal consists of a phased approach. The development's first phase will include significant interior remodels, including major mechanical systems, to the existing Sitka Community Hospital facility. The modular unit, currently home to Mountainside Family Clinic and Urgent Care, will be removed. These services will move into off-site clinic space. This phase will also include changes to the exterior of the existing facility, including a newly configured entry and updated paint, design features, and landscaping. The second phase will include the development of a multi-family housing unit providing 28 new housing units for the community. In addition, parking for the entire development will be reconfigured between the two phases to provide 152 parking spaces, in excess of the 114 parking spaces required by code.

The multi-family residential building occupies the southeast portion of the main parcel with a 10-foot



setback from the Public Health Building and ample parking on all other sides. The building will be three (3) stories tall or 40 feet tall. The building will feature a mix of one (1) bedroom one (1) bathroom units and two (2) bedroom one (1) bathroom units. All units will have a minimum of 9-foot ceilings, upgraded cabinet packages, track and pendant lighting, upgraded hard surfaces in the kitchens and bathrooms, and upgraded appliances. High-tech features and state-of-the-art technology will be a theme consistent throughout the project. All units will be separately metered for electricity. The building will feature one (1) main entry point and two additional entry points on either side of the building, bringing light and air to the interior of the building. The use of bays, balconies and various window sizes will create a complex layering of architectural elements. The building's exterior will be designed with durable, low-maintenance materials, presenting a facade articulated to the scale of the adjacent properties, and providing wayfinding throughout the property. Vegetative landscaping will be used along the perimeter of the lot to provide buffering to the residential neighborhood. This project will be designed as apartment-style units with the potential of converting to for-sale condominiums in the future.

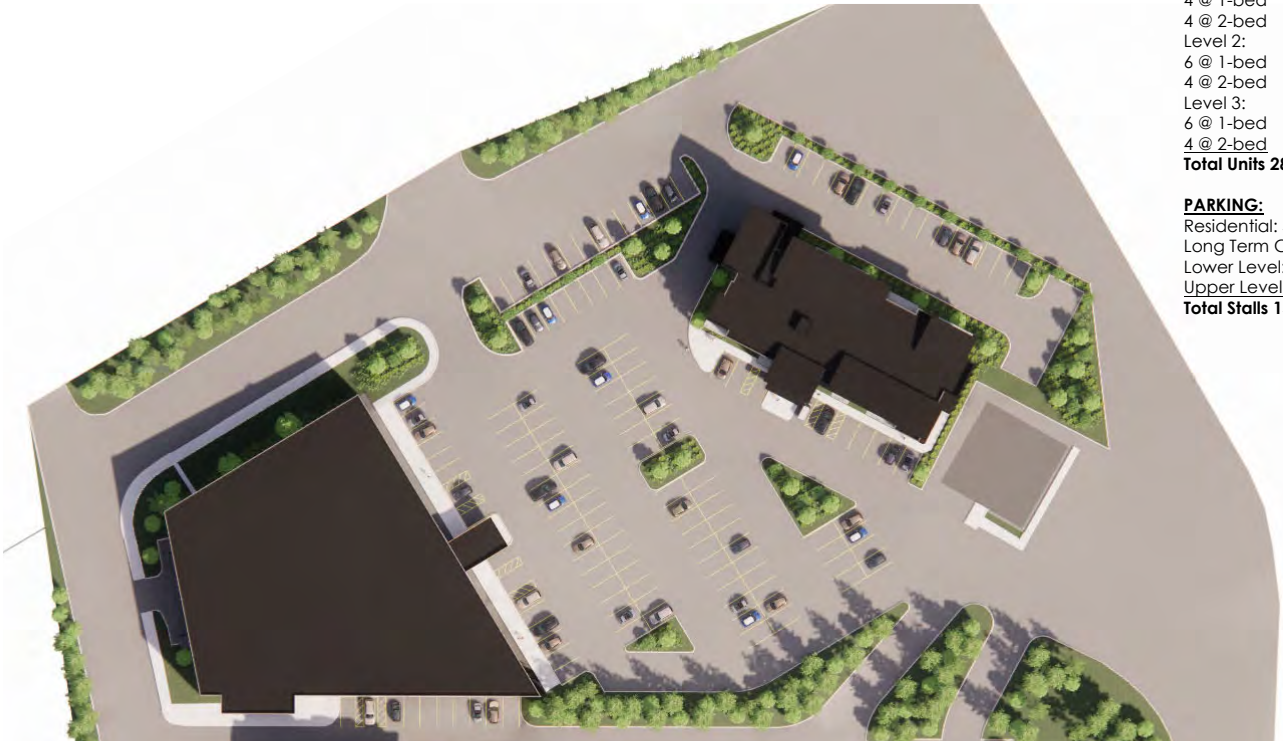
The building character is defined by the use of color and architectural features to blend with the existing Sitka Community Hospital facility and the future

mixed-use facility located on Halibut Point Road. Together, this will create a dynamic and lively facade that is able to maintain a modern and consistent design language without feeling boring or repetitive, and that disguises its scale. The intent of the layering of materials, adhered to setbacks and landscaping throughout, is to blend this building with its neighbors respectfully.

SEARHC will provide housing for employees, attracting young professionals to our community and an opportunity for them to secure affordable housing. The multi-family housing project will provide safe and efficient apartments for young professionals, small families and empty-nest adults with close proximity to commercial and recreational amenities. The nature of this type of project caters more towards those that are active, social and desire to live close to work. The density of the project will enhance the economic success of the Halibut Point Road commercial area while adding additional needed parking areas. SEARHC believes the residential aspects of the mixed-use development will work to strengthen the adjacent commercial area and act as a threshold to the residential neighborhoods surrounding the parcels.



Overall Site Plan



RESIDENTIAL:

Level 1:

4 @ 1-bed

4 @ 2-bed

Level 2:

6 @ 1-bed

4 @ 2-bed

Level 3:

6 @ 1-bed

4 @ 2-bed

Total Units 28

PARKING:

Residential: 56 stalls

Long Term Care:

Lower Level: 50 stalls

Upper Level: 46 stalls

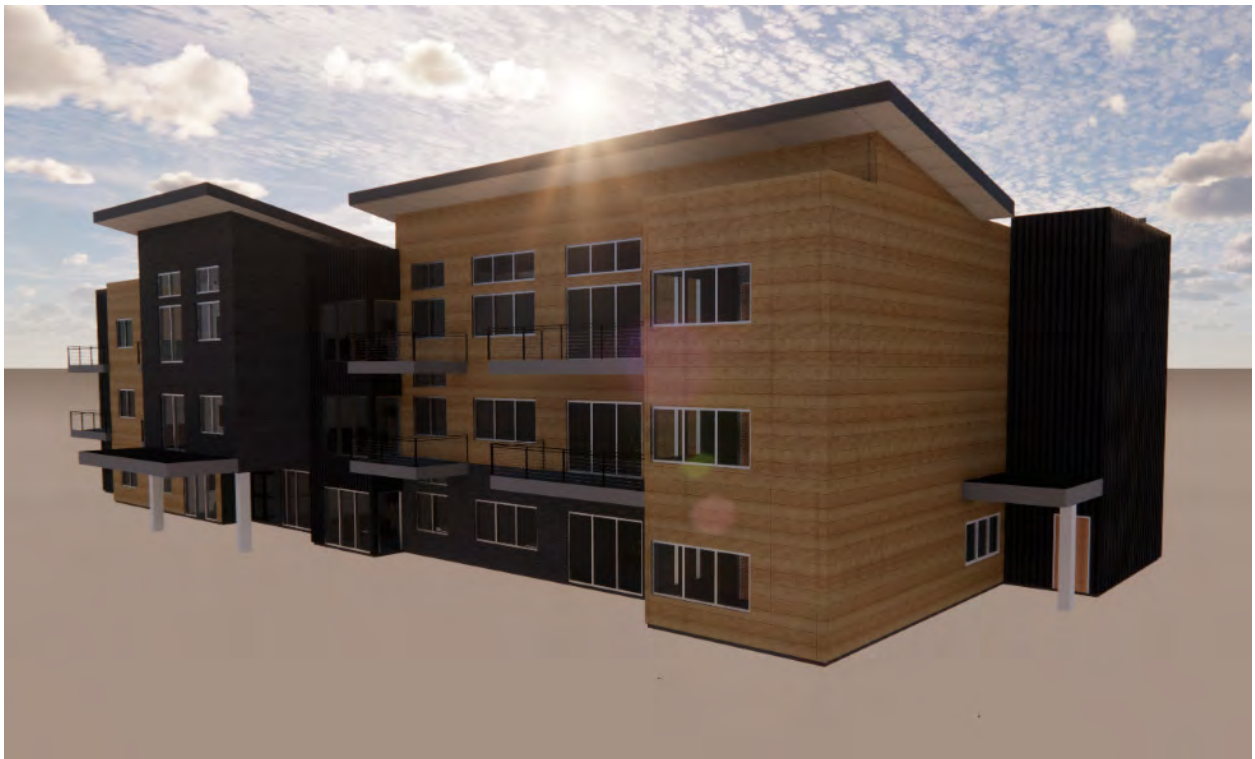
Total Stalls 152



Conceptual Design

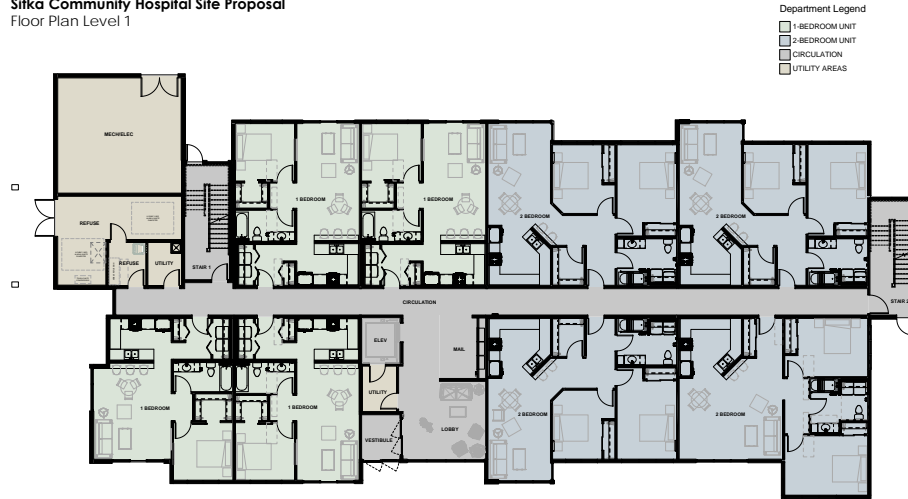




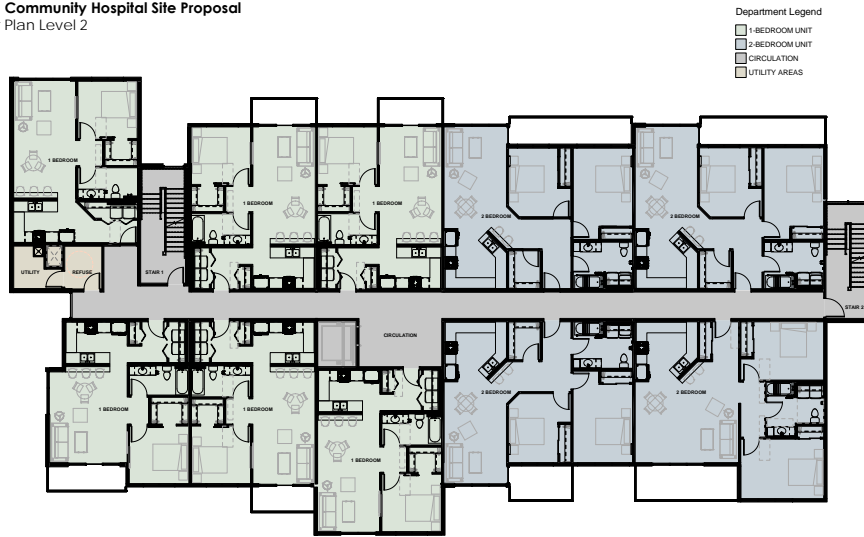




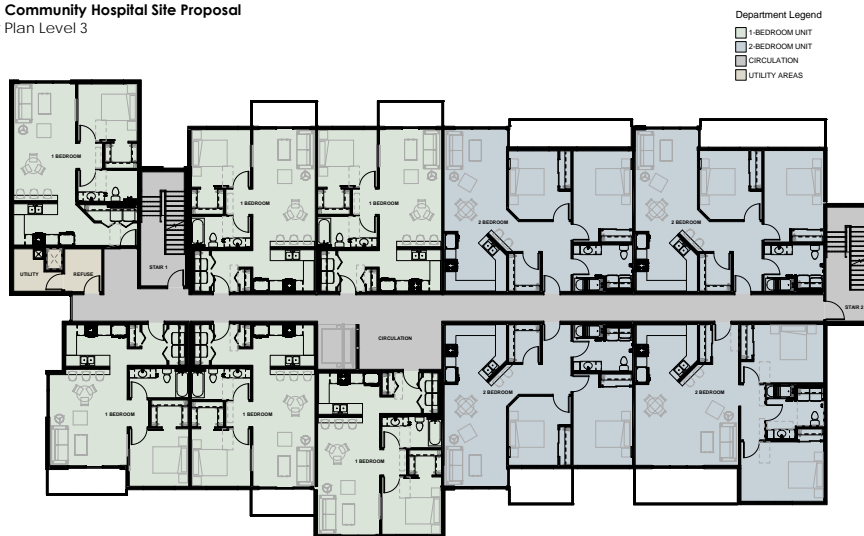
Sitka Community Hospital Site Proposal
Floor Plan Level 1



Sitka Community Hospital Site Proposal
Floor Plan Level 2



Sitka Community Hospital Site Proposal
Floor Plan Level 3



Project Schedule – Narrative

The former Sitka Community Hospital campus development project will begin shortly after the finalized sale of the property and transfer of the deed to SEARHC.

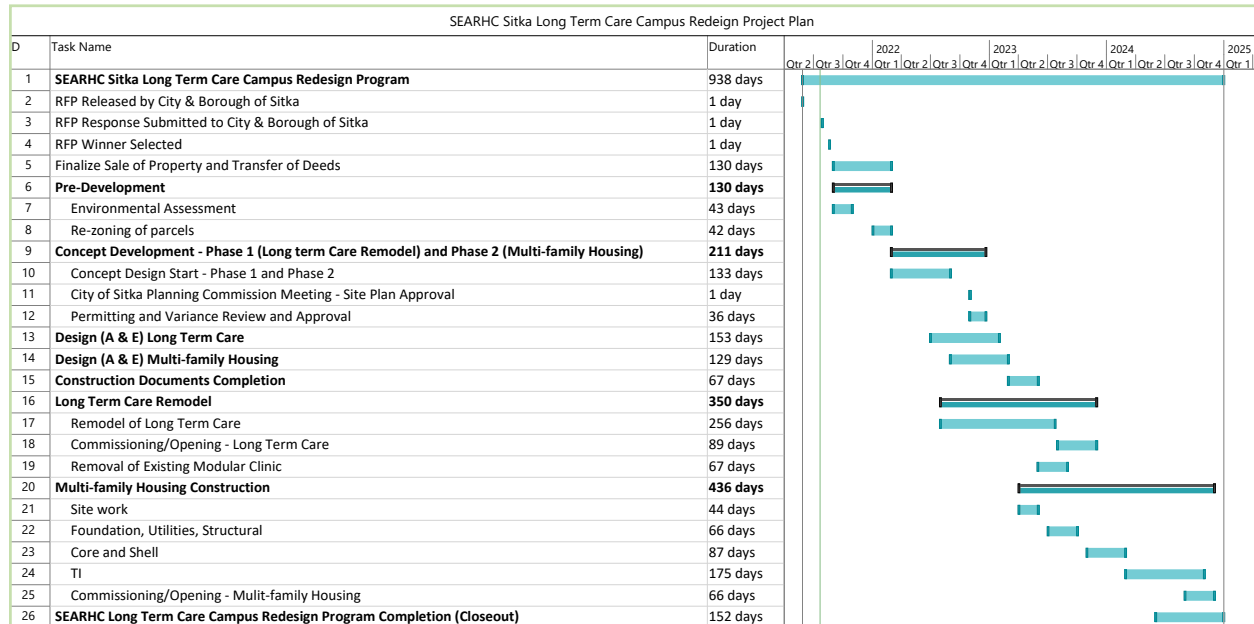
SEARHC is proposing the project be completed in two phases. The first phase will include an update of mechanical systems and remodel of the existing former Sitka Community Hospital facility. The environmental assessments, zoning and design, are proposed to be completed by August 2022. Construction may be completed as early as the end of 2023.

The high-density multi-family housing unit construction will begin in late 2023 and be completed by 2024. Housing is required to be available by the time the new Mt. Edgecumbe Medical Center Construction and Expansion project is completed.



Project Schedule – Chart

SEARHC Sitka Long Term Care Campus Redeign Project Plan				
ID	Task Name	Duration	Start	Finish
1	SEARHC Sitka Long Term Care Campus Redesign Program	938 days	Fri 5/28/21	Tue 12/31/24
2	RFP Released by City & Borough of Sitka	1 day	Fri 5/28/21	Fri 5/28/21
3	RFP Response Submitted to City & Borough of Sitka	1 day	Wed 7/28/21	Wed 7/28/21
4	RFP Winner Selected	1 day	Fri 8/20/21	Fri 8/20/21
5	Finalize Sale of Property and Transfer of Deeds	130 days	Wed 9/1/21	Tue 3/1/22
6	Pre-Development	130 days	Wed 9/1/21	Tue 3/1/22
7	Environmental Assessment	43 days	Wed 9/1/21	Fri 10/29/21
8	Re-zoning of parcels	42 days	Mon 1/3/22	Tue 3/1/22
9	Concept Development - Phase 1 (Long term Care Remodel) and Phase 2 (Multi-family Housing)	211 days	Tue 3/1/22	Tue 12/20/22
10	Concept Design Start - Phase 1 and Phase 2	133 days	Tue 3/1/22	Thu 9/1/22
11	City of Sitka Planning Commission Meeting - Site Plan Approval	1 day	Tue 11/1/22	Tue 11/1/22
12	Permitting and Variance Review and Approval	36 days	Tue 11/1/22	Tue 12/20/22
13	Design (A & E) Long Term Care	153 days	Fri 7/1/22	Tue 1/31/23
14	Design (A & E) Multi-family Housing	129 days	Thu 9/1/22	Tue 2/28/23
15	Construction Documents Completion	67 days	Wed 3/1/23	Thu 6/1/23
16	Long Term Care Remodel	350 days	Mon 8/1/22	Fri 12/1/23
17	Remodel of Long Term Care	256 days	Mon 8/1/22	Mon 7/24/23
18	Commissioning/Opening - Long Term Care	89 days	Tue 8/1/23	Fri 12/1/23
19	Removal of Existing Modular Clinic	67 days	Thu 6/1/23	Fri 9/1/23
20	Multi-family Housing Construction	436 days	Mon 4/3/23	Mon 12/2/24
21	Site work	44 days	Mon 4/3/23	Thu 6/1/23
22	Foundation, Utilities, Structural	66 days	Mon 7/3/23	Mon 10/2/23
23	Core and Shell	87 days	Wed 11/1/23	Thu 2/29/24
24	TI	175 days	Fri 3/1/24	Thu 10/31/24
25	Commissioning/Opening - Multit-family Housing	66 days	Mon 9/2/24	Mon 12/2/24
26	SEARHC Long Term Care Campus Redesign Program Completion (Closeout)	152 days	Mon 6/3/24	Tue 12/31/24



Quality Management Approach

In every project, SEARHC requires high-quality construction practices. By building an experienced and knowledgeable project team, SEARHC holds a strong record of quality performance and quality-specific individual credentials to manage projects through completion, mitigating any inherent risks.

The remodel and renovation of the former Sitka Community Hospital facility will correct all existing deficiencies and replace all end-of-life equipment and systems.

SEARHC will oversee all design, engineering, and construction in the multi-family housing development to ensure the facility meets or exceeds all building codes and practices.

In operating and maintaining the development project, SEARHC is solely responsible for long-term costs and will ensure that high-quality materials and comprehensive design strategies are used to minimize future maintenance costs.

In every function, SEARHC is committed to providing state-of-the-art facilities operating in compliance with Centers for Medicare and Medicaid Services standards and Joint Commission accreditation to ensure high-quality healthcare for the community of Sitka.



Community & Neighborhood Impact



Community and Neighborhood Benefits

Healthcare is Sitka's number one industry, supplying over 600 permanent jobs to the community. As part of expanding this industry and honoring the commitment to the City and Borough of Sitka to construct a new state-of-the-art healthcare facility, SEARHC is in need of additional space for essential long-term care, home health and rehabilitation services, transitional office space, and housing for future employees.

SEARHC is poised and ready to continue expanding, increasing healthcare services for Sitkans, and bringing additional permanent employment opportunities to the community. The Mt. Edgumbe Medical Center Construction and Expansion project will be one of the largest construction projects ever in Southeast Alaska. The expansion project will make use of Sitka's renewable hydroelectric generation with an investment in infrastructure to Japonski Island. This new infrastructure is essential to the healthcare facility but also benefits Mt. Edgumbe High School, the Sitka Rocky Gutierrez Airport, and the United States Coast Guard as they plan shoreside improvements to accommodate a new Fast Response Cutter. Additional electrical revenues for the City and Borough of Sitka alone are expected to be in the vicinity of \$1 million annually upon the new facility's opening. SEARHC will pursue green technologies such as ocean thermal energy conversion, electric vehicle infrastructure, and others to meet the required LEED Gold Certification. This shovel-ready project will create hundreds of employment opportunities, both temporary construction and permanent healthcare positions. The project will





positively impact a wide variety of local and regional businesses.

SEARHC values the location and the infrastructure available at the former Sitka Community Hospital site and desires to maintain healthcare facilities on both sides of the bridge. In the proposed development plan, SEARHC will continue expanding existing services while providing housing for the community to meet funding requirements for the Mt. Edgecumbe Medical Center Construction and Expansion project.

Sitka Long-Term Care offers professional, skilled nursing services in a protected, homelike environment for those who need more care than can be delivered at home. Long-term care is a growing need for Sitka because its population is aging. Residents aged 80 and older are projected to make up 23% of the total population by 2030. If these services were to leave the community, many of our revered senior citizens would not be able to age in place.

Around the country, there is a growing need for these critical care services. Sitka Long-term Care has long been operating at capacity. Additional citizens need this type of care, and the current facility is limited due to space constraints. Ownership of the facility will allow for expansion of available bed capacity, requiring additional permanent healthcare employees and benefiting those aging in place and their families.

Home Health services are currently occupying space at the former Sitka Community Hospital facility. To improve access to health, SEARHC began the Home Health program, developed to provide home-based services for the Sitka community. SEARHC's Home Health is currently staffed with a team of experienced home health professionals skilled in nursing and rehabilitative services, guiding care for Sitkans at home. This service has exponential opportunities for growth, providing additional care options for those wanting to stay in a home setting.

Mountainside Rehabilitation Clinic provides outpatient rehabilitation services, which include Physical Therapy and Occupational Therapy. Services are offered in remodeled portions of the former Sitka Community Hospital basement level and include a gym and private treatment rooms. Because demand for Rehabilitative

Services continues to increase, additional areas need to be remodeled and expanded.

As part of the funding requirement for the Mt. Edgecumbe Medical Center Construction and Expansion Project, the Indian Health Service is requiring that housing is constructed for healthcare employees. Adding a multi-unit housing development to the former Sitka Community Hospital site helps to marry the essential community services currently operating in the facility with the neighborhood's residential character. In a community that is currently limited by housing, an additional 28 units will add greatly to the housing stock. The high-density development makes the best use of the lot, enabling parking and setback requirements to be met. SEARHC housing units will be rent-controlled and leased at fair market rental rates. This efficient and affordable housing development will allow SEARHC to recruit and retain skilled healthcare providers, and enable additional healthcare services to be provided within Sitka.

Sitka's economic development can be enhanced by housing construction as it creates jobs in the building trades and simultaneously enhances our ability to support local businesses and attract new ones. The City and Borough of Sitka understands this dynamic. The City's 2030 Comprehensive Plan calls for providing high quality, affordable, and diverse housing choices throughout Sitka as essential to the future prosperity of the community.

SEARHC's proposed addition of multi-family residential development to the former Sitka Community Hospital site will meet many of the City's 2030 plan objectives, including increasing the range of housing and affordability and supporting and growing an existing business to develop Sitka's workforce.



Potential adverse impacts

Potential adverse impacts on the community and neighboring properties are limited to the noise and storage of materials associated with constructing the multi-family housing. The development's updated parking plan will provide excess parking for services within the existing facility and the multi-family housing. This inclusion of residential development will limit "commercial creep" and maintain the residential feel of the surrounding neighborhood.



Long-Term Operations

SEARHC will be the responsible entity for the long-term operation, maintenance and management of the development.



(Divider Page)

Volume II – Financial Capacity & Financial Plan

Financial Capacity and Financing Plan – Volume II

2.7.1 Benefits to the Sitka Economy

A. Estimated Tax Revenue to CBS

Our proposal initially would not have a significant impact on the tax revenue to City and Borough of Sitka (CBS). There could be a positive sales tax impact because of the consumer behaviors of the additional residents that the new housing could draw to the city. Likewise, the increased utility usage from the new housing units could result in a slight increase to tax revenue. The exact amounts of these increases are not realistically qualified, but are likely to be significant enough to impact this RFP decision.

B. Estimated Job Creation

With ownership of the facility, SEARHC would quickly move to expand the number of Long-Term Care beds from 15 to 19. This would result in a staff increase of 4.2 FTE's for an additional Certified Nursing Assistant (CNA) to be staffed in the facility 24 hours a day, seven days per week. Owning the facility would also allow SEARHC the ability to remodel the current Home Health and Physical Therapy spaces to expand services over time as demand grows. Additional jobs could be associated with this additional future growth.

Although the job growth in the SEARHC proposal is not high, it should be noted that there are currently many job openings currently in Sitka, including at SEARHC, that are unable to be filled due to the lack of housing availability in the community. Consequently, without the addition of the housing units identified in this proposal, there could be net loss of jobs to the Sitka community. As an example, if SEARHC employees cannot find housing in Sitka, then SEARHC would need to move some of the current Sitka-based roles to Juneau or other communities where housing is more readily available and cost effective. Our proposal would help to mitigate this risk and ensure that current Sitka-based jobs stay in Sitka.



2.7.2 Financial Feasibility

A. Purchase/Lease Offer

SEARHC hired Julie C. Dinneen, MAI of the Julie Dinneen Company to perform an appraisal of the facility and land associated with this RFP. The report was received on June 25, 2021 and was completed in conformance with the appraisal reporting standards formulated by the Uniform Standards of Professional Practice (USPAP) as formulated by the Appraisal Foundation.

The appraisal confirmed the known issues of a building of this age, including deferred maintenance, functional obsolescence, outdated design and a less than ideal layout. There was also critical information that was not available to the appraiser or SEARHC without a complete top to bottom assessment of the property. The depreciation impacting the property was also not known to the appraiser nor SEARHC.

Given the age of the facility and the information that is unknown related to the facility and land, SEARHC will offer a purchase price of \$8,250,000 for the land and property in as-is condition.

B. Financing Plan

SEARCH has the financial capacity to finance the total cost of the acquisition and proposed development from current cash reserves.

Our financial performance year to date 2021 continues to be strong, ensuring we have the resources needed to continue to grow and invest in our healthcare system.

SEARHC has completed a 10 year, long-range plan (LRP) evaluating its financing needs in relation to the Joint Venture Construction Program project in Sitka and broader Consortium operating and capital goals. As part of this plan, we will be accessing the debt market.

We have confidence in our ability to execute our goals and projections on the LRP. The funding and acquisition of financing and the construction of new facilities and growth are the results of years of planning and preparation. SEARHC's overall financial performance would equate to the median ratios of A+ to A rated organizations.

C. Project Budget

Total project budget is currently under development, pending results of RFP process.

D. Public Subsidy Needs

SEARHC would not require any public subsidy or assistance from state, federal, or nonprofit agencies to support the purchase or future development of this site.



 **SEARHC**
SOUTHEAST ALASKA REGIONAL HEALTH CONSORTIUM



City and Borough of Sitka

PROVIDING FOR TODAY...PREPARING FOR TOMORROW

Coast Guard City, USA

August 9, 2021

[VIA EMAIL ONLY]

Kimberley Strong, Board Chair
Charles Clement, President & CEO
Southeast Alaska Regional Health Consortium (SEARHC)
222 Tongass Drive
Sitka, AK 99835
kstrong@searhc.org
cclement@searhc.org

Re: Response to Request for Proposals: Sitka Community Hospital Site

Dear Chairwoman Strong and Mr. Clement,

The City and Borough of Sitka (CBS) would like to thank you and your team for submitting a response to the Request for Proposals (RFP) for the Lease/Sale of the Sitka Community Hospital Site. Our internal review team has reviewed your response, but felt unanimously that there were a few areas of further clarification needed before a comprehensive evaluation can be completed. Please find the areas requiring further explanation or detail below:

1. **Financial Viability:** Per section 1.2(C) of the RFP, the proposal must show the financial capability of acquiring the property and undertaking the proposed development. Example documents to help establish financial capability include company operation revenues and expenses, an audited balance sheet and cashflow statement from the most recent fiscal year, history of debt repayments, and/or a letter of credit.
2. **Project Budget:** Per section 1.2(E) of the RFP, a project proforma and design/construction budget is required. This is also reiterated in Section 2.7.2(C). Project assumptions to demonstrate financial feasibility through acquisition, predevelopment, construction, and ongoing operations should also include the required zoning designation needed to facilitate the development. In addition to a more complete understanding of community benefits and risk, this supplemental information will also help inform the evaluation team's analysis of tax revenues under section 2.7.1(A).
3. **Risk Assessment:** Per section 2.7.3 of the RFP, a risk assessment narrative must be included. All identified risks should include your assessment of their probability as well as any mitigation measures that will be taken. Not every possible risk must be included in the risk assessment; rather, it should focus on those that have a medium to high probability of occurring and/or impacting the overall success of the proposal.

4. **Confidentiality:** The selected proposal will be presented to the CBS Assembly on August 24, 2021 (with publishing of the Assembly's agenda and packet on the CBS website by August 20th). No sections of SEARHC's RFP response were labelled as "proprietary" or "confidential" per RFP section 3.6. If SEARHC objects to its RFP response being included in the Assembly's packet were it to be the selected proposal, or would like to resubmit any digital pages of the RFP response with proprietary/confidential designations, please inform CBS.

In order to stay on track with the RFP schedule and Assembly deadlines, we kindly request these new submissions/clarifications by close of business on Friday, August 13th. If not received by this date, CBS will assume that SEARHC does not wish to modify/supplement its response and will evaluate it as-is.

Sincerely,



John Leach
Municipal Administrator

Cc: Brian Hanson, Municipal Attorney
Amy Ainslie, Planning Director

August 13, 2021

Mr. John Leach
Municipal Administrator
City and Borough of Sitka
100 Lincoln Street
Sitka, AK 99835

Dear Mr. Leach,

Per your request dated August 9, 2021, the SouthEast Alaska Regional Health Consortium (SEARHC) submits the following additional information regarding our former Sitka Community Hospital site request for proposal submission.

1. **Financial Viability:** Please see the accompanying letter of credit. As referenced in the RFP, SEARHC has funds to acquire the property and undertake the proposed development.
2. **Project Budget:** Please see the accompanying project proforma and design/construction budget. The budget is an estimate and may be subject to change.
3. **Risk Assessment:** SEARHC has analyzed possible risks that may impede the success of the proposal, and there are minimal. The most significant risk is the political process and ambiguity around the city's public vote.

There are normal risks that may alter the project schedule, such as delays due to equipment, materials, weather, etc. SEARHC has proven its ability to proceed with projects even amidst great adversity, such as global pandemics. Outside of acts of God, we are confident that SEARHC can overcome the minimal risks to proceed with the proposed project.

4. **Confidentiality:** The RFP submittal may be provided to the Assembly and public.

Please let me know if you have any additional questions.

Sincerely,



Charles Clement

President and Chief Executive Officer



Paul W. Partington

Senior Vice President
Senior Client Investment Officer – Endowment and Foundations
Northern Trust Asset Management
pwp1@ntrs.com

August 12, 2021

To: City of Sitka, Alaska and the Sitka Assembly

From: Paul W. Partington, Client Investment Officer, Northern Trust

Regarding: SouthEast Alaska Regional Health Consortium (SEARHC) potential asset acquisition

To Whom It May Concern;

I am writing to you on behalf of the SouthEast Alaska Regional Health Consortium to confirm for you SEARHC's ability to engage in a potential asset acquisition. At their request, I can confirm for you that SEARHC has significant financial resources held and supported by Northern Trust. I can further confirm that there are sufficient liquid assets to complete any single transaction up to \$50 million dollars.

Sincerely,

Senior Vice President

The Northern Trust Company

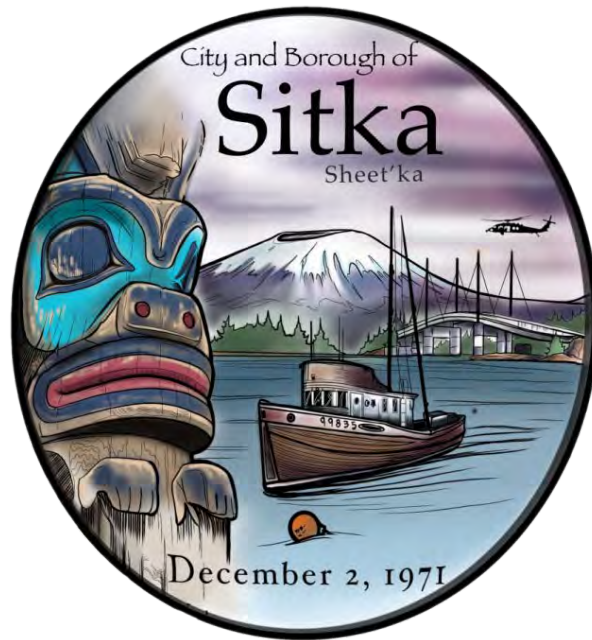
50 South La Salle Street
Chicago, Illinois 60603
312-630-6000

Former Sitka Community Hospital Campus Project

FULL PROGRAM BUDGET ESTIMATE – 07.31.2021

Description	Estimate at Completion	Comments
PROPERTY ACQUISITION	\$8,250,000	
CONSTRUCTION	\$21,780,000	
Former Sitka Community Hospital Facility	\$4,581,900	
Housing Building	\$17,198,100	
PRE-CONSTRUCTION SERVICES	\$58,731	
Pre-Construction Services by CM/GC Contractor	\$58,731	
DESIGN	\$2,178,000	
A/E Design Services	\$2,178,000	
PROJECT MANAGEMENT	\$243,400	
Project Management Services	\$243,400	
OTHER PROFESSIONAL SERVICES	\$222,640	
Special Inspections	\$102,554	
Commissioning	\$87,954	
Other (Regulatory and Misc. Fees)	\$32,132	
PROJECT ADMINISTRATION	\$161,870	
Permits (by Owner)	\$141,326	
Owner Insurance	\$20,544	
FF&E, ACTIVATION, MOVE-IN,	\$1,625,000	
Activation/Move in	\$50,000	
FF&E - Medical , Non-Medical Equipment, IT, Furnishings	\$1,575,000	
CONTINGENCY (10% of total program budget)	\$3,451,964	
TOTAL	\$37,971,605	

City & Borough of Sitka



**REQUEST FOR PROPOSALS
To Purchase or Lease
Sitka Community Hospital Site
209 Moller Drive, Sitka, Alaska**

Prepared By:
The Boutet Company, inc.
601 E. 57th Place, Suite 102
Anchorage, Alaska 99518
(907) 522-6779

And

The City and Borough of Sitka
100 Lincoln Street
Sitka, AK 99835
(907) 747-1815

**Open: 28 May 2021
Close: 28 July 2021**

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APPENDIX

A – Project Location, Map

B – Reference Documents

1. INTRODUCTION

1.1 Project Description

This Request for Proposals ("RFP") seeks qualified developers (each, an "Applicant," and together, "Applicants") to provide proposals (each, a "Proposal") for the lease or purchase and subsequent development/ repurposing (the "Project") of the structures and surrounding lots at 209 Moller Drive, Sitka, Alaska known as the Sitka Community Hospital (the "Property"). The Sitka Community Hospital and related healthcare facilities are comprised of two buildings located on four lots (see Appendix A.1– location map). The specific parcels of interest include:

- 209 Moller Drive, Parcel ID# 1-4477-000
- 302 Gavan Street, Parcel ID# 1-4476-000
- 202 Brady Street, Parcel ID# 1-4454-000
- 204 Brady Street, Parcel ID# 1-4452-000

The purpose of this Request for Proposals (RFP) is to identify opportunities for redevelopment/ repurposing of the Sitka Community Hospital. This process will identify alternative concepts and evaluate proposals based on their overall economic and social benefit to the community of Sitka. The CBS is requesting innovative proposals which comply with the Project Goals and Project Requirements, as required and defined in this RFP. The City and Borough of Sitka (CBS) will select (if at all) the best Proposal utilizing a best-value, competitive proposal process pursuant of CBS General Code, as set forth in the RFP.

The Sitka Community Hospital properties and facilities are owned by CBS and operated by the Southeast Alaska Regional Health Consortium (SEARHC) under a facility lease agreement until 31 July 2024. The services provided at this facility include:

- Sitka Long-term care: resident skilled nursing services
- Mountainside Family Clinic: family medicine and urgent care
- Mountainside Rehabilitation Clinic: physical/occupational therapy and athletic/sports training

The Property is located near the Moller Park and the Sitka Harbor. These parcels are currently zoned P – Public Lands, which is defined in Sitka General Code (SGC) 22.16.020 as follows: *“The public lands district is intended to contain government-owned lands or lands owned by nonprofit institutions serving the public interest which are utilized for public recreation, education or institutional uses.”* The adjacent uses are P – Public Lands, C-1 – General Commercial, and R-1 – Residential.

The existing Sitka Community Hospital is a one (1) story building with a basement. The main floor consists of 26,605 square feet and the basement is 25,549 square feet. The building was significantly renovated in 1981 and is constructed with a concrete slab on ground foundation, reinforced concrete exterior walls with metal siding, and single membrane flat roof. Off-street

parking is provided. The Mountainside Clinic modular building which is also on the site was installed in 2011 and finished in 2012. It has approximately 3100 square feet in main building which contains about 9 offices and 7 exam rooms. There is also a 210 square feet storage building with covered walkway on the south side of the clinic. The facility has Malarky 3 tab asphalt roofing shingles and a composite fiber clap board for siding. The overall building is a standard stick-frame construction. Adjacent to the Mountainside Clinic is a small Modular Biohazard Shop.

The Property is owned by the CBS. All recommendations made upon the review of Proposals by the Proposal Review Committee are subject to the approval of the CBS Assembly, and could be subject to an advisory vote of the citizens per the procedures in SGC 18.12.010(B). Conveyance of the property must comply with all provisions of SGC Title 18. In the event that the Property is not transferred to a selected Applicant, CBS reserves, among the other rights reserved in Section 3.4, below, the right to:

- (i) Supplement, amend, substitute, modify or re-issue the RFP with terms and conditions materially different from those set forth here;
- (ii) Cancel this RFP with or without issuing another RFP;
- (iii) Terminate negotiations regarding any and all Proposals at any time; and/or
- (iv) Rescind a selection of an Applicant prior to contract.

1.2 Scope of Services

CBS is soliciting Proposals from Applicants that demonstrate the experience, capacity, and creativity to develop a dynamic project that will maximize the existing Property in a manner that represents the most productive and beneficial use for the community of Sitka. Proposals must consider the existing characteristics of the surrounding neighborhood and develop a Proposal that is compatible within this context. The Proposal must also demonstrate financial feasibility.

This RFP allows flexibility and does not specifically describe every detail of work required. It is each Applicant's responsibility to review all pertinent Project information. The Applicant shall determine the full scope of the Project through a thorough examination of the RFP, the Project site, and any reasonable inferences to be gathered from each. Applicants shall not rely on the physical descriptions contained in the RFP to identify all the Project components.

At a minimum, proposals shall be included the following:

- A. A complete description of the Applicant's entity (corporation, partnership, etc.) and identification of all parties including disclosures of all persons or entities having a beneficial interest in the proposal. Include resumes of the Applicant's previous experience in development projects within Southeast Alaska, and a description of the scope and quality of past projects.

- B. Development concepts should include but are not limited to:
- Site plans showing the extent of proposed development with different project components clearly labeled
 - Scaled concept or schematic floor plans
 - Concept or schematic elevations and renderings as appropriate
 - Descriptions of proposed building and finish treatments and materials.
- C. Confirmed or verifiable sources of funding both equity and debt; the Applicant must show the financial capability of acquiring the Property and undertaking the proposed development, including company operating revenues and expenses, a balance sheet and cashflow statement from the most recent fiscal year, history of debt repayments and letter of credit.
- D. A schedule for project approvals and construction, including date specific milestones such as design, permitting, commencing and completing construction and opening for business. Phased projects must include this information for each phase.
- E. A project proforma and design/construction budget is required. The CBS owned property and facilities will be conveyed through a lease or sale as part of the project. Proposals should account for acquisition costs as part of the project proforma. Included in the pro-forma is an estimate of the number of new, permanent jobs and job descriptions that the development will create, the proposed number of residents from the local Sitka community which will be hired and trained, projected salaries, and hiring timeline.

1.3 Sale in As-Is Condition

The Property, buildings, improvements, and fixtures are owned by the CBS and leased to the Southeast Alaska Regional Health Consortium. This lease is set to expire 31 July 2024. The winning Applicant will be required to assume the lease and honor all terms and requirements set forth in the agreement until it expires. Alternatively, proposers could elect to take possession of the property (either by lease or sale) at an effective date post 31 July 2024. A copy of the current lease is provided in Appendix B.1. Proposals for possession prior to 31 July 2024 shall include in the Project Approach narrative a description of how the current lease agreement will be incorporated into the overall development plan and schedule.

Applicants are solely responsible for all due diligence, including all pre-development costs which may include but are not limited to architectural, engineering, structural, geo-technical planning, environmental studies, and permitting as required for rehabilitation and construction on the Property. The CBS makes no warranty or representation concerning the existence of any structural deficiencies, geo-technical deficiencies and/or environmental contamination on the Property, or upon any adjoining land or improvements. The CBS is not now or at any time hereafter under any circumstance responsible for any of such conditions or for the analysis,

care, or remedy thereof. The Property will be transferred in its "as-is" condition with the selected Applicant solely responsible for all structural, geo-technical and environmental repairs, stabilization and/or remediation required for construction on the Property. The CBS shall not be obligated to make any investments or repairs on this property. Any plans submitted pursuant to this RFP should consider and address the foregoing obligations and requirements.

If the selected proposal includes sale and transfer of the property, CBS will require a right of first refusal clause to be included in the resulting sale agreement.

In the event that the selected Proposal requires the parcels to be re-zoned, CBS, on behalf of the Applicant, will complete all necessary requirements in compliance with SGC Title 22.

1.3.1 Provisions for Inspection

Applicants have the right to inspect the property prior to submitting a Proposal. Given the Property's current use as a long-term care facility, precautions must be taken to ensure the health and safety of patients during the COVID-19 pandemic. Appendix B.2 lists the mitigations required by SEARHC in order to access the facility. Applicants wishing to inspect the Property are highly encouraged to schedule a site visit promptly in order to accommodate for testing times and/or other required mitigation provisions.

2. INSTRUCTIONS TO APPLICANTS

2.1 Project Goals

The CBS has established the following Project Goals:

- Deliver a development which results in the highest and best use of the site, contributing to the overall economic and social welfare of the Sitka community in terms of increased direct revenue to CBS, skilled job creation, social services, and other community benefits; and
- Develop and operate a facility whose function and design mitigates adverse impacts to the neighboring properties while providing flexibility for potential long-term improvements and/or enhancements; and
- Meet or exceed environmental regulatory and permitting requirements with no regulatory or permit violations.

2.2 Schedule

The following is a schedule of Project milestones; all dates are subject to change.

Milestone	Date
Issue RFP	May 28, 2021
Non-Mandatory Pre-Bid Meeting	June 17, 2021
Deadline for Applicant Questions	July 14, 2021
Proposals Due Date	July 28, 2021
Applicant Interviews (at the option of the CBS)	TBD
Announcement of Winning Proposal	August 20, 2021
Selected Proposal Presented to Assembly	August 24, 2021
Sales Negotiations	TBD
Sales Terms Presented to Assembly either for approval or to continue to public advisory vote.	TBD

2.3 Selection Process

Sealed Proposals will be evaluated by a Proposal Review Committee in accordance with the defined Evaluation Criteria in Section 3.0. The Proposal with the highest total score will be deemed the Best-Value Responsible Bidder. The process for reviewing the best value includes a review of the Applicant's Technical Proposal, Facility Concepts, Economic Benefits, Financial Capacity and Financing Plan, and possible Applicant Interviews. The CBS reserves the right to request additional information during evaluation to clarify any Proposal.

2.4 Proposal Submittal

2.4.1 Due Date, Time & Location

Sealed Proposals must be submitted in person or by registered mail, Federal Express, UPS or a similar delivery method that furnishes proof of having been received by CBS at the following location prior to 2:00:00 p.m. Alaska Standard Time, on the Proposal Due Date set forth in Section 2.2 of this RFP:

**Municipal Clerk
City & Borough of Sitka
100 Lincoln Street
Sitka, Alaska 99835**

CBS will not accept Proposals by facsimile or electronic transmission. Any Proposal that fails to meet the deadline, format, or delivery requirement may be rejected and returned to the Applicant without having been opened, considered, or evaluated.

2.4.2 Format

Proposal shall follow the requirements and format described in this RFP. The Proposal shall be bound and sealed in an opaque envelope or box, and labeled:

Proposal for Sitka Community Hospital Site RFP
Name of Proposing Firm
Date of Proposal

Applicants shall submit one original, three copies, and one electronic copy of the Proposal. Electronic copies must be submitted in Adobe Acrobat (.pdf) format on a USB thumb drive(s). All information in the Proposal shall be submitted on 8.5-inch by 11-inch paper, except charts, exhibits, and illustrative and graphical information, which may be submitted on 11-inch by 17-inch paper. Each 11-inch by 17-inch page will count as one page, unless otherwise noted in this RFP. No text, charts, tables, graphics, or other substantive content shall be printed within 0.75 inch of any page edge. Any other information shall be presented with a readable format. All Proposal forms shall be typed or completed using black ink. All signatures must be accompanied by a printed name, title, and date.

2.5 Proposal Submittal Requirements

The proposal shall contain the sections listed below, separated by dividers, and shall respond fully to all requirements of the RFP. The following table provides general guidelines regarding the suggested number of pages per Section; the Applicant may provide additional pages as necessary.

PROPOSAL CONTENTS		No. Pages
2.6	TECHNICAL PROPOSAL - VOLUME I	
2.6.1	EXECUTIVE SUMMARY	4 total
	COVER LETTER	1
	EXECUTIVE SUMMARY NARRATIVE	3
2.6.2	PROJECT TEAM QUALIFICATIONS	16 total
	TEAM QUALIFICATIONS & PERFORMANCE	4
	ORGANIZATIONAL CHART	2
	PROJECT MANAGER RESUME	2
	ENGINEER/ARCHITECT OF RECORD RESUME	4

	EXPERIENCE & APPROACH	4
2.6.3	PROJECT APPROACH	16 total
	CONCEPT NARRATIVE	4
	OVERALL SITE PLAN	2
	CONCEPTUAL DESIGN	4
	PROJECT SCHEDULE – NARRATIVE	2
	PROJECT SCHEDULE – CHART	2
	QUALITY MANAGEMENT APPROACH	2
2.6.4	COMMUNITY & NEIGHBORHOOD IMPACT	8 total
	COMMUNITY & NEIGHBORHOOD BENEFITS	4
	ADVERSE IMPACT MITIGATION	2
	LONG-TERM OPERATIONS	2
2.7	FINANCIAL CAPACITY AND FINANCING PLAN - VOLUME II	No Limit

2.6 Technical Proposal – Volume I

The Technical Proposal is intended to serve as an opportunity for the Applicant to clearly describe its qualifications, capabilities, and innovative approach to the Work. Although the purchase offer is an important factor in final selection, the evaluation criteria places an equal value on an Applicant’s effort to achieve the Project Goals, as described in Section 2.1.

The Technical Proposal shall comply with the criteria established in the RFP. The Applicant is encouraged to provide concise narratives, graphic illustrations, drawings, and charts to ensure the CBS clearly understands the characteristics and benefits of the proposed Work.

2.6.1 Executive Summary

- A. Submit a Cover Letter, written in a non-technical style which states:
 - The Applicant (prime) and, if appropriate, the joint venture members
 - The Engineer/Architect of Record(s) and General Contractor Builder (if other than the Applicant)
 - Brief description of the legal relationship among the principal entities with regards to the project
 - A single point of contact person for the Proposal, including contact information

- B. Submit an Executive Summary Narrative, written in a non-technical style which generally familiarizes reviewers with the Applicant’s approach and ability to achieve the stated Project Goals. The intent of the Executive Summary is to highlight the key elements of each section of the Technical Proposal and to certify the Applicant’s commitment to truth and correctness of the Proposal. The authorized representative of the Applicant’s organization

must sign the Executive Summary; if the Applicant is a joint venture, all the joint venture members must sign the Executive Summary.

2.6.2 Project Team Qualifications

A. Applicant Qualifications & Performance Record:

Submit Team Qualifications, in a non-technical narrative, describe the Applicant's entity (corporation, partnership, etc.) and identify all parties involved, including disclosures of all persons or entities having a beneficial interest in the proposal. Include a description of team expertise and satisfactory performance in land development projects, relating to property acquisition, design, construction, and facilities operations. The Applicant should focus on the proven cohesiveness of the team, as opposed to the individual qualifications of the firms. It is preferred that the Applicant's project specific team (key personnel, subcontractors, and major suppliers) have worked together on comparable projects in the past, but this is not a requirement.

- Identify the development team including names, addresses, and brief narratives for those individuals to be assigned to the project. Include the organizational structure, lines of responsibility, key personnel (as defined by the Applicant), and defined key personnel roles and responsibilities.
- Provide sufficient information for the CBS to evaluate current financial strength of the Applicant with verifiable sources of funding both equity and debt. The Applicant must show the financial capability of acquiring the Property and undertaking the proposed development, including company operating revenues and expenses, history of debt repayments and letter of credit.
- Identify any claims asserted by or against the Applicant within the past five years which were escalated to litigation or arbitration.
- Provide a brief description of representative projects completed by the Applicant's team within the past five years which are similar in scale, type, and complexity to the Project.
- With a focus on the knowledge and capabilities, describe any unique expertise or advantages of the Applicant's team which would benefit the overall success of the Project and a direct benefit to the CBS.

B. Organizational Chart

Submit an organizational chart demonstrating the basic structure of the Applicant's roles and responsibilities of each Key Personnel, as deemed appropriate by the Applicant, and the integration of any major supplier, sub-organization, or consultant(s).

C. Project Manager Resume

Submit a resume for the Applicant's dedicated Project Manager. The resume should

specifically focus on experience with land development and facilities operations, project management approach, and qualifications applicable to the Project. Proven experience of successfully managing three (3) or more projects equivalent in the scope and cost to what is being proposed should be included.

D. Engineer/Architect of Record Resume

Submit a resume for the Applicant's dedicated Engineer and/or Architect of Record. The resume should specifically focus on land development experience, management approach, and qualifications applicable to the Project. Minimum qualifications should document that the individual is professionally licensed as an Engineer/Architect in the State of Alaska with proven experience of successfully designing and managing three (3) or more projects equivalent in the scope and cost to what is being proposed. In the event the Applicant requires more than one Engineer and/or Architect of Record, this subsection shall apply to the lead Engineer and/or Architect of Record responsible for majority of the design scope.

E. Land Acquisition, Site Development, Facilities Operations Experience & Approach

Submit a Statement of Qualification(s), written in a non-technical manner, describing the Applicant's experience in land acquisition, site development, and ongoing facilities operations.

- Clearly demonstrate the team's knowledge and expertise in managing and executing projects similar in scope.
- Include information on representative projects and client references for each noted project.
- Detail the Applicant's approach to the interrelationships among regulatory agencies, management, design, construction, operations, suppliers, and sub-contractors.
- Explain the Applicant's plan for integrating the CBS with respect to the design process, construction, operations, and other elements that the Applicant considers important.
- Summarize any significant lessons learned by the Applicant on past projects.

2.6.3 Project Approach

- A. Submit a Narrative describing the Applicant's concept and approach to acquire the subject parcels, redevelop and/or repurpose the site and manage on-going operations. Include a description of how the current lease agreement SEARHC will be incorporated into the overall development plan and schedule. The Applicant's approach shall deliver a facility that results in the best use of the site, contributing to the overall economic and social welfare of the Sitka community in terms of increased revenue, skilled job creation, social services, and other community benefits. The site plan and design concepts shall be sensitive to the surrounding neighborhood characteristics and shall be compatible with existing neighboring uses.

- B. Submit an Overall Site Plan illustrating the technical approach to satisfy the Project Requirements. At a minimum, the conceptual site plan shall include the layout of major components of the facility. Provide dimensions and depict the conceptual geometry of the proposed facility in relation to the existing site.
- C. Submit conceptual designs of the proposed facility. These concepts may include a combination of sections, details, elevations, photos, and plan views to further illustrate and convey the Applicant's approach to satisfy the Project Requirements. The intent of the design sheets is to provide the CBS with a clear understanding of the Applicant's approach to the Project.
- D. Submit a Project Schedule Narrative, written in a non-technical manner, summarizing the sequence of events, consistent with the Applicant's approach to the Project. Describe the personnel on the team responsible for the scheduling, planning, and management for achieving schedule performance. Detail the management approach for coordinating and prioritizing land acquisition, permitting, design, procurement, construction, quality management, and environmental activities. Briefly describe the Applicant's intended process and sequence of milestones/releases. Address any provisions made to mitigate the potential for delays. Include a Preliminary Project Schedule, illustrated in logic-driven Gantt chart or CPM prepared with Primavera or MSProject software. At a minimum, include start dates, finish dates, and relationships for each major milestone.
- E. Submit a Quality Assurance/Quality Control Narrative describing the Applicant's approach to provide, implement, and assure excellent quality technical requirements and performance throughout the project life-cycle.

2.6.4 Community and Neighborhood Impact

- A. Applicants must include a narrative explaining the Project's community and neighborhood benefits. For the purpose of this RFP, this is defined as the way that the physical project fits with the character of the neighborhood and may have a positive effect on residents and the Community of Sitka. Such impact should be described and quantified with relevant metrics such as the approximate number of people to be served by the Project or its social impact component. Applicants are encouraged to think creatively and to seek input and/or partnerships from community-based organizations. Examples of community impact may include (but are not limited to):
- Creating or retaining permanent (non-construction) jobs for local residents, including contribution or participation in job readiness and training programs.
 - Providing access to quality pre-K and afterschool care.
 - Providing important community goods, services, and facilities in the proposed development project.
 - Providing affordable housing within the proposed development.
 - Providing opportunities for minority businesses, including flexible lease rates, contracting and supplier opportunities post-construction, and mentorship

programs.

- Investment in local educational services: public Pre-K – 12, community college or job training programs.

- B. Submit an assessment of potential adverse impacts on the community and neighboring properties; including, but not limited to, noise, parking, construction staging, storage of material and the effects of vehicular and pedestrian traffic. The Applicant shall develop a mitigation plan to address potential adverse impacts.
- C. Submit a Long-Term Operations Narrative describing how the proposed development will be operated, maintained, and managed in the long-term and the responsible entity or entities.

2.7 Financial Capacity and Financing Plan – Volume II

The Financial Capacity and Financing Plan is intended to serve as an opportunity for the Applicant to demonstrate the financial feasibility and economic benefits of the proposed Project within current market conditions. Qualitative public benefits may be included as support to the well-defined quantitative benefits. The pro-forma analysis should include calculations and accompanying narratives addressing the following requirements:

2.7.1 Benefits to the Sitka Economy

- A. Estimated Tax Revenue to CBS

Describe and itemize the anticipated revenues from property tax, sales tax, utility usage, and any other special revenues (revenue sharing, royalties, etc.) that CBS can expect as a result of the redeveloped facility. Describe the current and anticipated market and/or economic conditions that are the basis of the analysis and any foreseeable vulnerabilities and/or risks associated with these assumptions. This analysis shall summarize all assumptions and background information used for calculations in a clear, reasonable, and replicable manner. Revenues anticipated to be generated from increased economic development and/or sales tax revenue must include a detailed description and must be from business that would not otherwise take place in the community. Include a timeline for when CBS will realize these revenues.

- B. Estimated Job Creation

As part of the Financial Capacity and Financing Plan the Applicant shall submit an estimate of the number of new jobs and job descriptions that the development will create, the proposed number of residents from the local Sitka community which will be hired and trained, projected salaries and a timeline for implementation.

2.7.2 Financial Feasibility

In addition to sale offers, CBS will also consider Proposals for long-term lease agreements, where the CBS maintains ownership of the land and improvements serving the property. In this scenario the Applicant / Developer will enter into a long-term lease agreement with the CBS including appropriate terms and/or contingencies as mutually agreed between the Applicant / Developer and the CBS, subject to Assembly approval.

The Applicant must demonstrate the development team's capacity to carry out the proposed Project, as well as the financial feasibility of the proposed Project within current market conditions. Proposals must provide:

- A. The Applicant shall provide a Purchase/Lease Offer. The Purchase/Lease Offer shall include a narrative summarizing the Purchase/Lease Offer and the proposed General Terms and Conditions for the sale/lease of the Property, including, but not limited to, the offer price/lease price and any contingencies. General Terms, Conditions, and/or Contingencies to the Purchase/Lease Offer shall factor into scoring by the Proposal Review Committee.

CBS has obtained a professional Market Value Appraisal of the Property. This confidential appraisal will not be disclosed for this RFP. Any offer for Purchase or Lease that is less than the appraised value in CBS' Market Value Appraisal will receive zero (0) points under this criteria category of the Proposal Evaluation Score Sheet. Proposers are encouraged to obtain their own appraisal of the Property to ensure proposals are competitive in this category.

- B. A written narrative of the project financing plan providing evidence of the development team's capacity to finance the total cost of the Project. Evidence should include signed letter(s) of interest and/or preliminary term sheets from prospective financing sources that include terms of financing, that reference this specific Project, and that reference the pertinent amount of financing as listed on the Project budget. Please provide written evidence of interest from as many sources listed on project sources/uses budget as possible.
- C. Project financials including development budget(s), sources and/or uses, assumptions, and operating pro forma(s) demonstrating feasibility through acquisition, predevelopment, construction, and on-going operations.
- D. Describe and explain the need for any public subsidy or assistance from state, federal, or nonprofit agencies that will be sought for this project; include details such as type of assistance, length of agreement term, commencement and completion dates, etc.

- E. Any other information that may support the Applicant's financial position and financial viability of the proposed Project; at minimum, the most recent balance sheet and income statement, ideally complete, audited financials.

Proposal Deposit

Proposals do NOT require a deposit. However, once the preferred Proposal is selected by the Proposal Review Committee, the selected Applicant will be required to submit a deposit to the CBS when signing the Agreement of Sale.

2.7.3 Risk Assessment

Submit a Risk Assessment narrative, describing any identified risks associated with the Applicant's approach to the Project. The CBS recognizes risks are inherent on every project; evaluation will be based upon the Applicant's ability to convey a thorough assessment of potential risks specific to the proposed Project approach. The Applicant need not describe every possible risk but should instead focus on the key risks which have a medium to high probability of occurring and/or impacting the overall success of the Project.

The consideration of various risks is unique to each Project approach and may be related to schedule, costs, procurement, design, resources, constructability, logistics, management, environmental, weather, safety, quality, and/or a combination of other factors and constraints. All identified risks shall include the Applicant's assessment of probability and any mitigation measures.

2.8 Interviews

The CBS reserves the right to request interviews with Applicants. If interviews become an evaluation factor, the CBS will coordinate the specific date, time, and location of each Applicant's interview no later than the date provided in Section 2.2. The location of the interview will be Sitka, Alaska, or arranged virtually if requested by either party.

2.9 Non-mandatory, Pre-Proposal Conference

A non-mandatory pre-proposal conference will be held at Harrigan Centennial Hall in Sitka, starting at 10:00 AM AKST on Thursday, June 17, 2021. Representatives of the CBS will be present to discuss the Project. Applicants are encouraged to attend and participate in the conference. The CBS will post on Bid Express website such Addenda as the CBS considers necessary in response to questions arising at the conference. Oral statements may not be relied upon and will not be binding or legally effective. Potential Applicants and team members may participate by Zoom or telephone conference, at the time specified above. Please email planning@cityofsitka.org to receive the Zoom invitation.

2.10 Questions and Clarifications

Applicant questions regarding the meaning, intent, or a perceived ambiguity, error, omission, discrepancy, or deficiency contained in the RFP documents shall be submitted no later than the deadline represented in Section 2.2 by email. Questions received after the deadline may not be answered. Only questions answered by formal, written Addenda will be binding. Oral and other interpretations or clarifications will be without legal effect. All questions must specifically reference the Sections and page numbers of the RFP documents, unless the question is general in nature. Telephone requests will be accepted provided that the requests are followed by an email. Received questions, written responses, and any Addenda will be posted on Bid Express. All questions shall be transmitted to:

Amy Ainslie, Planning Director. Email: planning@cityofsitka.org Phone: (907) 747-1815

3.0 PROPOSAL EVALUATION CRITERIA AND PROCESS

CBS will initially conduct a threshold review of each Proposal submitted to determine its compliance with the Proposal Submittal Requirements. Only Proposals that comply with these requirements will be considered for evaluation. If no Proposal meets these requirements, CBS may allow all Applicants to supplement their submissions to conform to these requirements.

Proposals selected pursuant to the threshold review will be evaluated by a Proposal Review Committee using the evaluation factors listed below. Proposals will be evaluated in their entirety; no one factor, but rather a combination of all the following factors will determine the successful Applicant. CBS may ask one or more Applicants to give a presentation and may elect to request supplemental information from all Applicants or a pool of finalists. Final recommendation will be made by the Proposal Review Committee, and final approval must be obtained from the CBS Assembly. Upon selection of the successful Applicant, the CBS will seek the authorization of the sale from the Assembly, for the transfer of the Property. As stated in Section 1.1, the Assembly's decision to authorize the sale could be subject to an advisory vote of the citizens per the procedures in SGC 18.12.010(B).

3.1 Evaluation Scoring Criteria

Each component of the Proposal, as described in Section 2.6, has been assigned an allocation of available points. Responsive Proposals will be evaluated and scored by a Proposal Review Committee. Proposal components which do not comply with the requirements of the RFP, such as but not limited to, Proposal format, minimum qualifications, and Project Requirements may be considered "Non-responsive" and disqualified.

Each Application will be evaluated and scored on a qualitative basis. The RFP provides the value of available points per section to represent a commitment by the CBS to maintain a fair and competitive evaluation process. The following criteria will guide the Proposal Review

Committee in using their professional judgment to determine which Applicant has submitted the best Proposal.

PROPOSAL EVALUATION SCORE SHEET		MAX SCORE
2.6	TECHNICAL PROPOSAL – VOLUME I	
2.6.2	PROJECT TEAM QUALIFICATIONS	10
	TEAM QUALIFICATIONS & PERFORMANCE	
	ORGANIZATIONAL CHART	
	PROJECT MANAGER RESUME	
	ENGINEER/ARCHITECT OF RECORD RESUME	
	EXPERIENCE & APPROACH	
2.6.3	PROJECT APPROACH	10
	CONCEPT NARRATIVE	
	OVERALL SITE PLAN	
	CONCEPTUAL DESIGN	
	PROJECT SCHEDULE	
	QUALITY MANAGEMENT APPROACH	
2.6.4	COMMUNITY & NEIGHBORHOOD IMPACT	10
	COMMUNITY & NEIGHBORHOOD BENEFITS	
	ADVERSE IMPACT MITIGATION	
	LONG-TERM OPERATIONS	
2.7	FINANCIAL CAPACITY AND FINANCING PLAN VOLUME II	
2.7.1	BENEFITS TO THE SITKA ECONOMY	20
	ESTIMATED NEW TAX REVENUE	
	ESTIMATED NEW JOB CREATION	
2.7.2	FINANCIAL FEASIBILITY	10
	FINANCING PLAN	
	RISK ASSESSMENT	
2.7.2.A	PURCHASE/LEASE OFFER	40

Total Points Available: 100 points

3.2 Qualitative Rating Factor

Proposals will be ranked using the following qualitative rating factors for each RFI criteria:

Rating Description	Points
Outstanding	1
Excellent	0.8
Good	0.6
Fair	0.4
Poor	0.2
Non-responsive	0

The rating factor for each criteria category as listed in the Proposal Evaluation Score Sheet in Section 3.1 will be multiplied against the points available to determine the total points for that category. Costs shall be scored as defined in the cost section below.

EXAMPLE: For the evaluation of the “Project Team Qualifications” criterion, if the evaluator feels the response as provided was “Good,” they would assign a Qualitative Rating Factor of 0.6 for that criterion. The final score for that criterion would be determined by multiplying the qualitative rating factor of 0.6 by the maximum points available (10), and the resulting score of 6 would be assigned to the “Project Team Qualifications” criterion. This process would be repeated for each criterion.

Any proposed Purchase/Lease Offer that is less than the appraisal value for the Property will be assigned 0 (zero) points for said evaluation criterion as described in section 2.7.2.A.

3.3 Evaluation Process

The Proposal Review Committee shall be composed of individuals representing the CBS and will evaluate all proposal(s) received. The Committee shall rank the proposals as submitted.

The CBS reserves the right to select proposals for consideration based solely on the written proposal.

The CBS also reserves the right to request oral interviews with any or all responding respondents. The purpose of the interviews is to allow expansion upon the written responses. A second score sheet will be used to score those firms interviewed. The final selection will be based on the total of all evaluators’ scores achieved on the second rating. The same categories and point ranges will be used during the second evaluation as with the first evaluation.

3.4 Proposal Validity

All Proposals shall remain valid and in full force and effect for a period of sixty (60) days after Proposal Due Date. If no award has been made within this timeframe, Applicant may be requested to extend the validity date or shall have the right to withdraw its Proposal.

3.5 Organizational Conflicts of Interest

Applicants shall disclose, prior to the Proposal Due Date, all relevant details concerning past, present, or planned activities, interests, or relationships that may present a real or perceived organizational conflict of interest which may provide the Applicant an unfair competitive advantage. The CBS will review any received disclosures and provide the Applicant with a determination regarding disqualification. Any conflict-of-interest determination by the CBS shall be avoided or neutralized prior to submission of a Proposal. Failure to disclose, avoid, or neutralize a conflict of interest which the Applicant was aware of prior to a contract award, may result in rejection of the Proposal or termination of Contract for default.

3.6 Proprietary Information and Return of Proposals

All Proposals received by the CBS in response to this RFP are deemed property of the CBS and are subject to the Public Records Act. The CBS, or any of its agents, representative, employees, or consultants, shall not be liable to an Applicant or individual participating in a Proposal, because of the disclosure of all or a portion of a Proposal under this RFP. Any information contained in a Proposal which the Applicant believes constitutes proprietary or confidential, exempting the information from any Public Records disclosure shall be clearly designated. Blanket designations shall not be accepted. The CBS will notify Applicant of any Public Records request relating to this RFP, providing an opportunity for the Applicant to seek a court injunction against the requested disclosure.

The general nature of concepts, solutions, and value engineering provided in the Proposal shall not be proprietary. The CBS reserves the right, at its sole discretion, to utilize general Proposal contents provided by any Applicant during final negotiations and/or Contract delivery with the Best Value Responsible Bidder. All Proposal information will be treated by Owner in a confidential manner during the evaluation and award activities, and will not be disclosed to any person or entity not involved in the evaluation and award process until after contract award.

3.7 Applicant Compensation

No compensation or reimbursement for preparation of the Proposal will be paid by the CBS.

3.8 Modification and Withdrawal of Proposal

Proposals may be modified or withdrawn in writing, executed in the same manner as the

Proposal, prior to the Proposal Due Date and time. If within three (3) business days after the Proposal Due Date and time an Applicant provides written notice to the CBS demonstrating that there was a material and substantial error in the preparation of its Proposal, the Applicant may withdraw its Proposal without penalty.

3.9 Protest Procedures

Prior to a submission of a protest relating to or arising from this Request for Proposal, all parties shall use their best efforts to resolve concerns raised by an interested party through open and frank discussions. Protests shall be concise and logically presented to facilitate review by the CBS. Failure to substantially comply with any of the requirements of these Protest Procedures may be grounds for dismissal of the protest. Protests shall include the following information:

- A. Name, address, fax, and telephone numbers of protester;
- B. Solicitation or contract number;
- C. Detailed statement of the legal and factual grounds for the protest, to include a description of resulting prejudice to the protester;
- D. Copies of relevant documents;
- E. Request for a ruling by the CBS;
- F. Statement as to the form of relief requested.
- G. All information establishing that the protester is an interested party for the purpose of filing a protest; and
- H. All information establishing the timeliness of the protest.

All protests filed directly with the CBS will be addressed to the manager of the CBS or other official designated to receive protests. Protests based on alleged apparent improprieties in the Proposal Documents and solicitation procedures or evaluation and award criteria shall be filed at least ten (10) calendar days before the proposal submittal date. Failure to promptly file a protest based on solicitation procedures or evaluation and award criteria shall be deemed a waiver of the right to pursue a protest. In all other cases, protests shall be filed no later than five (5) calendar days after the basis of protest is known or should have been known, whichever is earlier, but no later than ten (10) days after the proposal due date.

Action upon receipt of a protest shall be as follows:

- A. Upon receipt of a protest before award, a contract may not be awarded, pending resolution of the protest, unless contract award is justified, in writing, to be in the best interest of the CBS.
- B. If award is withheld pending the CBS resolution of the protest, the CBS will inform the Applicants whose proposals might become eligible for award of the contract. If appropriate, the Applicants will be requested, before expiration of the time of acceptance of their proposals, to extend the time for acceptance to avoid the need for re-solicitation. In the event of failure to obtain such extension of time, consideration

should be given to proceeding with award.

- C. Upon receipt of a protest within ten (10) days after contract award, the CBS shall immediately suspend performance, pending resolution of the protest, including any review by an independent higher level official, unless continued performance is justified, in writing, for urgent and compelling reasons or is determined, in writing, to be in the best interest of the CBS.
- D. Pursuing the CBS protest does not extend the time of obtaining a judicial stay, injunction, or other remedy.
- E. The CBS shall make its best efforts to resolve protests within 20 days after the protest is filed. To the extent permitted by law and regulation, the parties may exchange relevant information.
- F. The CBS protest decision shall be well-reasoned and explain the CBS's position. The protest decision shall be provided to the protestor using a method that provides evidence of receipt.

4.0 DISPOSITION OF LAND

Following the Proposal Due Date, the CBS intends to evaluate all Proposals, and issue a notice of Apparent Best Value Applicant within the general timeframes provided in Section 2.2 of this RFP. This recommendation will be presented to the Sitka Assembly for authorization to enter into an Agreement of Sale or Lease Agreement. Please note that any Agreement of Sale for the Property will include a Right of First Refusal clause for CBS.

In the event that the selected Proposal requires the parcels to be re-zoned, CBS, on behalf of the applicant, will complete all necessary requirements in compliance with SGC Title 22. The successful Applicant shall be responsible for securing and paying all other costs associated with permits, licenses, approvals, lot line relocation, or variances necessary to comply with the development controls, Sitka General Code, and the approved engineering and/or architectural plans.

5.0 RIGHTS OF THE CITY AND BOROUGH OF SITKA

The CBS reserves all rights, which shall be exercisable in its sole discretion, without limitation or cause or notice, the following and/or any applicable law:

- A. The right to reject any or all Proposals without limitation and/or to cancel, re-issue, postpone, or withdraw the RFP at any time without incurring any obligation or liability.
- B. The right to modify the RFP language, timeframes, or contents and issue addenda; all addenda shall be recognized in writing by the Applicant on the Proposal Form.
- C. The right to conduct confidential meetings, discussions, or correspondence with one or more Applicant to obtain a better understanding of Proposal contents.
- D. The right to engage technical and/or legal consultants in the evaluation of Proposal.
- E. The right to waive informalities, irregularities, or deficiencies in the RFP or Proposals
- F. The right to negotiate contract terms with the Best Value Responsible Bidder.
- G. The right to open the Proposals privately.