

HB 173

HOUSE BILL NO. 173

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES JACKO, C.Davis

Introduced: 2/27/91

Referred: Health, Education and Social Services, Finance

Funding Information: General Fund \$3,000,000

Other Funds -0-

\$3,000,000

A BILL

FOR AN ACT ENTITLED

1 "An Act making an appropriation for a grant to the City of Unalaska for the Unalaska
 2 Health Care Clinic facility; and providing for an effective date."

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

4 * Section 1. The sum of \$3,000,000 is appropriated from the general fund to the Department of
 5 Administration for payment as a grant under AS 37.05.315 to the City of Unalaska for planning, design,
 6 and construction of the Unalaska Health Care Clinic facility.

7 * Sec. 2. This Act takes effect immediately under AS 01.10.070(c).

House of Representatives

While in Session:
Box V
Juneau, AK 99811
(907)465-4942

P.O. Box 47001
Pedro Bay, Alaska 99647
(907)850-2208



Member:
Finance Committee

Finance
Subcommittee Chair:
Courts
Department of Public Safety
Finance
Subcommittee Member:
Department of Fish and Game

Rep. George Jacko, Jr.

MEMORANDUM

TO: Representative Eileen MacLean, Co-Chair
Representative Mike Navarre, Co-Chair
House Finance Committee

FROM: Representative George Jacko, Jr. *AGJ*

DATE: April 3, 1991

SUBJECT: Scheduling of House Bill 173

Please schedule HB 173, "An Act making an appropriation for a grant to the City of Unalaska for the Unalaska Health Care Clinic facility; and providing for an effective date," in your committee at your earliest convenience. If possible, I would respectfully request the bill to be scheduled during the week of April 8th.

This bill appropriates \$3,000,000 towards the planning, design, and construction of the Unalaska Health Care Clinic facility. The total project cost, including the City's contribution, is \$5,900,000. The local contribution is \$1,400,000, plus the City of Unalaska will provide the land (2.5 acres valued at \$980,000), and site development for the building (\$520,000 for preparation and utilities). Private industry and the Iliuliuk Family & Health Services will provide medical equipment and the interior equipment to be used in the building. Private donations continue to be received for this project.

The clinic currently operating (Iliuliuk Family & Health Services Clinic) currently sees an average of 34 patients per day in a 3075 square-foot facility. It services three main populations: residents and onshore processors; the large transient "floating" population of foreign and domestic fleets; and Nikolski residents. The clinic also serves as a referral and stabilization center for residents of Akutan. The Commissioner of the Department of Health and Social Services reviewed the clinic in 1989, and characterized it as follows: "Although well maintained, the facility is dated and few improvements have been made since its construction (1972). It is too small to handle the number of visits, hold adequate supplies, or to appropriately accommodate visiting specialists, and limits the potential advantages of co-locating community services."

April 3, 1991

Utilization of the clinic has increased dramatically as the population and the fishing fleets have swelled. Volumes have grown from an average of 185 visits per month in Fiscal Year 1988 to 742 visits per month in Fiscal Year 1989, an increase of 400%. Approximately 73,000 people went through Unalaska/Dutch Harbor in 1990, and over 10,000 sought medical treatment at the Unalaska clinic. Of the 10,000 visits, over 1,000 were emergencies. The fishing industry, with its high injury and accident rates, makes its foremost impact upon health care services.

In a letter to Mayor Paul Fuhs of Unalaska dated February 28, 1991, Commissioner Mala of the Department of Health and Social Services stated he supports State contribution of capital funds to replace the current Unalaska Health Care Facility.

Thank you for any consideration you may give to scheduling HB 173.

DEPT. OF HEALTH AND SOCIAL SERVICES

P.O. BOX H 01 A
JUNEAU, ALASKA 99811-0001
PHONE: (907) 465-3037

DIVISION OF ADMINISTRATIVE SERVICES

February 28, 1991

FACILITIES SECTION

Honorable Paul Fuhs, Mayor
City of Unalaska
P.O. Box 89
Unalaska, Alaska 99685

RE: Unalaska Health Care Facility

Dear Mayor Fuhs,

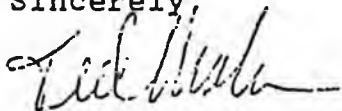
I write to support state contribution of capital funds to replace the current Unalaska Health Care Facility. I understand that the city of Unalaska has requested the state fund to match local and private funds.

To support construction costs the need to replace and expand the clinic is very real and pressing. Beyond meeting basic and emergency health and medical care needs in the community, the clinic provides an essential service that attracts the fishing industry and fishing fleets on shore to add to the Alaskan economy. As a primary health care provider, the clinic is directed at meeting immediate needs and, as necessary, to assist transport of patients to more acute or hospital settings.

I believe this combination of basic health care and economic interests holds very real promise for the state and should be encouraged, and, as appropriate, replicated in other developing areas of the state. For these reasons, I believe it important the state indicate its support and matches the industry and community funds already raised.

This project may in part, be a candidate for Governor's Hickel local capital community match program just announced. Please let me or Newton Chase know if we can be of further assistance.

Sincerely,



Theodore Mala, MD, MPH, Commissioner
Dept. of Health & Social Services

cc: Newton Chase, Fac. Sec. Chief
Shelby Stastny, Director, OMB

facmgmt\leg\unakhlth.mem



April 12, 1991

The Honorable George Jacko
State Capitol
Juneau, Alaska 99801

APP 16 1991

Dear Senator Jacko:

My company, Fishing Company of Alaska, Inc., has been located and doing business in Alaska for six years. The company owns and operates four vessels and employs over 500 people.

I am very familiar with the critical need for a new health clinic in Unalaska. The twenty year old building that was originally designed to serve a village of 500 people is totally inadequate to serve the Unalaska population of nearly 3,000 permanent residents and the extended community of over 15,000. The City of Unalaska is requesting an appropriation of \$3 million from the State of Alaska to match local in-kind and cash contributions of \$3 million. (HB 173, SB 138).

As a demonstration of my commitment to this very worthwhile and desperately needed clinic, I am prepared to contribute \$1 million toward the local match if the legislature will appropriate (and the governor approves) \$3 million in state funds. My donation will be applied to the local match and credited toward the local financing efforts undertaken by the Iliuliuk Family and Health Services Board and the community of Unalaska.

The community of Unalaska, the City of Unalaska, and private donors currently have committed land and cash amounting to \$1.8 million. With my contribution of \$1 million and the states match of \$3 million, the clinic can become a reality.

I urge you to help us in this effort to bring a suitable health clinic to Unalaska through a unique blend of state, local and private commitment and cooperation.

Sincerely,

Karena L. Adler
President
Fishing Company of Alaska, Inc.

The Fishing Company of Alaska, Inc.

PO BOX 1121 • SEWARD, ALASKA 99664

EXECUTIVE SUMMARY

UNALASKA HEALTH CARE FACILITY PROJECT

PURPOSE: to develop a health care facility and services to meet the changing needs of our community for a clinic

GOAL: new clinic to be opened by 11/7/92

Executive Summary

**A NEW HEALTH CARE CLINIC FACILITY FOR UNALASKA
PROJECT SUMMARY**

INTRODUCTION:

The City of Unalaska has experienced tremendous growth in the last three years which has overwhelmed the small village clinic. The clinic was designed for a small community of between 400 to 500 people. In addition to the 3,000 local residents, there are now over 20,000 people in the surrounding communities and fishing fleets which use the clinic.

THE NEED:

Approximately 73,000 people went through Unalaska/Dutch Harbor in 1990 and over 10,000 individuals sought medical treatment at the Unalaska clinic. Of the 10,000 visits over 1,000 were emergencies. Due to the fish processing and fishing fleet activities, industrial accidents are quite common which require stabilization and medivac into Anchorage.

The Iliuliuk Family and Health Services, Inc., a non-profit agency, is currently seeing an average of 34 patients per day (total patients 10,700 in 1990) in a 3,075 square foot facility which the Commissioner of Health and Social Services reviewed in August of 1989, and characterized as following:

"Although well maintained, the facility is dated and few improvements have been made since its construction (1972). It is too small to handle the number of visits, hold adequate supplies, or to appropriately accommodate visiting specialists and limits the potential advantages of co-locating community services."

There are currently 234 students in grades K-12 enrolled in the Unalaska City Schools with an additional 34 children enrolled in preschool.

The dramatic growth in population and the resulting demand for clinic services is graphically shown as follows:

<u>Year</u>	<u>Pop.</u>	<u>Clinic Visits/Emergencies</u>	<u>Airport Traffic</u>
1987	1,354	6,491 / 491	32,122 passengers
1988	1,908	6,651 / 818	53,350 passengers
1989	2,265	8,231 / 1,017	61,228 passengers
1990	2,899	10,716 / 1,034	73,000 (estimate)
1991	3,075	11,500	80,000 (estimate)
1992	3,754	13,168	85,000 (estimate)
1993	3,942	14,043	90,000 (estimate)

PROPOSAL FOR FUNDING PARTNERSHIP:

The City proposes to construct and operate a health care clinic facility. The City and local industry will provide grants and

funds to match \$3 million request for state funds. The local private non-profit corporation which currently operates the existing clinic will continue to operate the facility.

This project is based on a PARTNERSHIP with:

- * State Government
- * Local City Government
- * Private Industry

Each partner allocating their resources to the best use:

- * State Government provides for the capital construction of the building
- * Local City Government provides the land and site development for the building
- * Private Industry/IFHS provides medical equipment and the interior equipment to be used in the building

PROJECT COST AND FUNDING BREAKDOWN:

The project is expected to cost \$4,400,000 as follows:

Site Development	\$60,000
Construction	2,660,000
Medical Equipment	600,000
Non-Medical Furnishings & Equipment	45,000
Overhead costs @ 20% of above	673,000
Project Contingency @ 5% of above	202,000
Administrative Overhead	<u>160,000</u>
Total Estimated Project Cost	\$4,400,000*

FUNDING BREAKDOWN:

Local Contribution	\$1,400,000
State Contribution	<u>3,000,000</u>
Total Costs	\$4,400,000

ITEMS OF INFORMATION:

* In addition to the local/private contributions, the City of Unalaska has donated 2.5 acres of land valued at \$980,000 and will pay \$520,000 for site preparation and utilities. Total project cost including City contribution is \$5,900,000.

Private contributions of \$75,000 have been collected and there have been tentative commitments for the balance. The City's contribution of \$231,000 for architecture and engineering will reduce the private contribution requirements. Vigorous fund raising continues.

The original feasibility study outlined a 13,300 square foot facility, this figure is NET square feet. With additional architectural input, the square footage has been revised to 17,475 GROSS square feet which includes space for circulation, stairways, and interior and exterior walls. The first floor would encompass general clinic area, emergency services, laboratory, x-ray,

pharmacy, etc.

For 19 years, the Iliuliuk Clinic, a non-profit agency, has been committed to providing on-going medical care to Unalaska/Dutch Harbor through boom/bust cycles in an ever changing economy.

The membership of the local Chamber of Commerce has donated funds and issued a resolution in support of the project.

Residents feel strongly that a new facility will allow expansion of medical services which are sorely needed for the community.

PLEASE MICROFILM TOP PAGE ONLY

DOCUMENTS WHICH HAVE NOT BEEN
FILMED BUT ARE AVAILABLE IN THE
ORIGINAL FILE INCLUDE:

→ REPORT ON THE FEASIBILITY ON DEVELOPMENT
OF A NEW COMPREHENSIVE HEALTH
CARE FACILITY FOR UNALASKA
AUG. 1990