

House District 1

Senate District 4

THE TWENTY-NINTH LEGISLATURE
APPLICATION FOR GRANTS
CHAPTER 42F, HAWAII REVISED STATUTES

Log No: _____

For Legislature's Use Only

Type of Grant Request:

GRANT REQUEST - OPERATING

GRANT REQUEST - CAPITAL

"Grant" means an award of state funds by the legislature, by an appropriation to a specified recipient, to support the activities of the recipient and permit the community to benefit from those activities.

"Recipient" means any organization or person receiving a grant.

STATE DEPARTMENT OR AGENCY RELATED TO THIS REQUEST (LEAVE BLANK IF UNKNOWN): _____

STATE PROGRAM I.D. NO. (LEAVE BLANK IF UNKNOWN): _____

1. APPLICANT INFORMATION:

Legal Name of Requesting Organization or Individual:
Hamakua Health Center, Inc.

Dbas: Hamakua-Kohala Health

Street Address:
45-549 Plumeria St.
Honokaa, HI 96727

Mailing Address:
45-549 Plumeria St.
Honokaa, HI 96727

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name IRENE J. CARPENTER

Title CEO

Phone # (808) 930-2762

Fax # _____

E-mail icarpen@hamakua-health.org

3. TYPE OF BUSINESS ENTITY:

- NON PROFIT CORPORATION INCORPORATED IN HAWAII
- FOR PROFIT CORPORATION INCORPORATED IN HAWAII
- LIMITED LIABILITY COMPANY
- SOLE PROPRIETORSHIP/INDIVIDUAL
- OTHER

6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

4. FEDERAL TAX ID #: _____

5. STATE TAX ID #: _____

7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2018: \$ 961,311.00

8. STATUS OF SERVICE DESCRIBED IN THIS REQUEST:

- NEW SERVICE (PRESENTLY DOES NOT EXIST)
- EXISTING SERVICE (PRESENTLY IN OPERATION)

SPECIFY THE AMOUNT BY SOURCES OF FUNDS AVAILABLE
AT THE TIME OF THIS REQUEST:

STATE \$ 961,311.00
 FEDERAL \$ _____
 COUNTY \$ _____
 PRIVATE/OTHER \$ _____

TYPE NAME & TITLE OF AUTHORIZED REPRESENTATIVE:

[Redacted Signature]

Irene J. CARPENTER CEO

NAME & TITLE

Jan 10, 2017

DATE SIGNED



RECEIVED

1/13/17

W

Application for Grants

If any item is not applicable to the request, the applicant should enter "not applicable".

I. Background and Summary

This section shall clearly and concisely summarize and highlight the contents of the request in such a way as to provide the State Legislature with a broad understanding of the request. Please include the following:

1. A brief description of the applicant's background;

Hamakua Health Center, Inc. is a non-profit 501(c)(3) Federally Qualified Community Health Center, dba Hamakua-Kohala Health (HKH). HKH provides health care to everyone even if they do not have health insurance. Fifty years ago, five coastal plantation medical dispensaries formed the Hamakua Infirmary. In 1993, the Infirmary transitioned into Hamakua Health Center, Inc., a community owned and governed Rural Health Center and recognized as an NCQA accredited Patient Centered Medical Home facility. Presently HKH operates two sites, one in Honokaa and one in North Kohala along with a mobile dental health van serving a population of over 11,000 residents along rural and remote parts of the Big Island. Our patient base is approximately 5,200 people with 20,000 patient encounters annually. In 2016 HKH had over 55 employees and has consistently been expanding health services to the community in response to the community health needs assessment.

2. The goals and objectives related to the request;

HKH owns an acre of land with an old infirmary building on the property. The building needs to be demolished as it has lead, asbestos, termites has been flooded and has mold. It is currently being broken into by homeless people and drug dealers and is located right next to a children's park. The health center is seeking funds to plan a new facility on this land. HKH has the ability to increase services to people with and without health insurance but has no more space for doctor's offices. HKH is proposing funding of \$961,311.00.00 to have all of the architectural planning and permitting for demolition and rebuilding of a new health center built on the site of the old infirmary. We expect that the entire facility will cost approximately \$8,000,000. This request for funds is for planning and technical assistance for the design of the facility to make sure that the proposal to the building contractor meets all legal state and federal guidelines. The approval of requested funds will perpetuate HKH's mission of providing quality healthcare that is responsive to our communities' needs and will increase

professional and support service jobs in Honokaa. After this facility is completed we will have created long term jobs for additional doctors, nurses, counselors, maintenance staff, grounds keepers, telephone operators, office staff, administrators, etc. Many of these positions will be new union positions.

The Health Care Reform Act has increased the population of insured individuals enabling them access to services not previously afforded them. We seek the opportunity to increase our systems of care to respond to the needs of our community.

3. The public purpose and need to be served;

Patients have to wait to see doctors because there is not enough space to serve them in this building. HKH is eligible for additional funding for services needed by the community but has no space for expansion.

In the most recent annual community needs assessment residents identified their priority concerns. Barriers to care and gaps in services are major concerns. The availability of primary care, mental health and specialty care consistently ranked in the top concerns. Residents also identified lack of insurance as a priority concern and significant barrier to care. HKH will serve all patients in this new facility regardless of their health insurance or ability to pay.

Issue	Priority concern
Pressing health concerns	Chronic Disease Management (68.0%) Substance Abuse (61.6%) Obesity/Weight Management (48.3%) Dental Services (41.5%) Behavioral/Mental Health (41.2%) Healthy Lifestyle Education (36.4%)
Barriers to care	Lack of Primary Care Providers (66.6%) Lack of Specialists (53.4%) High cost of healthcare (47.3%) Prescription drug costs (40.2%) Being uninsured (35.5%) Transportation (30.4%)
Gaps in services	Availability of doctors (73.8%) Services for low income residents (40.7%) Dental care (37.9%) Availability of nurse practitioners or physician's assistants (37.2%) Elder care (34.5%) Substance abuse services (33.1%)
Greatest social concerns	Substance Abuse (55.8%) Affordable Child Care (42.1%) Low Educational Levels (37.9%)

Services for Seniors (38.2%)
 Divorce/Broken Families (35.8%)
 Homelessness (34.0%)

The HKH service area is designated as a Medically Underserved Area and Health Personnel Shortage Area by the State Department of Health. This allow HKH to hire doctors that need to get their college loans repaid by working in a medically underserved area. This helps HKH to recruit doctors to serve patients in rural Honokaa. HKH can recruit doctors but has no place for them to see patients. The lack of specialty care is also an ongoing challenge. Patients are frequently required to travel to other islands to see specialists. Interisland airfare is approximately \$250 - \$400, round-trip. Having additional space will allow HKH to provide space for specialists like cardiologists and neurologists to see patients at the new facility.

4. Describe the target population to be served;

The target population are people without health care insurance and with health insurance that covers very little of their health care expenses. The health center would be available to anyone seeking primary care services whether they have insurance or not. HKH provides services from pediatric to geriatric. Approximately 25% of these patients are seniors. Healthcare utilization rates among residents are poor, attributed to a number of factors that include the lack of health insurance, transportation and knowledge of the importance of preventative care. Almost one in five residents do not have a primary care doctor, and over one in ten residents needed to see a doctor in the past year, but did not because they did not feel they could afford the cost of the visit and/or the copay. HKH will make health care available to these patients.

Healthcare utilization indicators⁴

	State of Hawai'i	Hawai'i County	North Hawai'i Island
No health care coverage	8.2%	10.8%	10.4%
Do not have a personal doctor or health care provider	14.9%	16.3%	19.4%
Needed to see a doctor in past year but did not because of cost	8.6%	12.6%	11.0%
Last visit to doctor over 5 years ago for checkup	8.5%	10.4%	10.2%
Had a flu shot	46.4%	39.0%	41.4%
No flu shot in past year	53.6%	61.0%	58.6%
Never had a mammogram	5.4%	9.5%	NA
Had a pap smear over 3 years ago	74.0%	76.8%	NA

The low rates of healthcare utilization and preventative care are reflected in the general health status of residents. Compared to statewide rates, more residents report poor health

and have difficulty managing activities of daily living because of a health-related condition. This is also due to a large population of elderly living in the service area.

General health and disability indicators⁴

	State of Hawai'i	Hawai'i	North Hawai'i Island
Physical and mental health not good in past 30 days	13.7%	14.9%	16.3%
General health fair to poor	13.8%	15.0%	17.1%
Have serious difficulty concentrating due to health condition(s)	7.8%	11.0%	12.3%
Limited in activities because of health problems	15.2%	18.7%	20.4%
Difficulty dressing or bathing	2.1%	3.0%	NA
Difficulty doing errand alone	5.4%	7.2%	NA
Limited because of arthritis or joint symptoms	37.8%	40.4%	
Arthritis or joint symptoms affect work	31.1%	38.4%	

Chronic disease indicators persistently exceed statewide rates in almost every measure. The Service area has high rates of diabetes, obesity, childhood asthma, respiratory conditions, cancer, high blood pressure and diseases of the heart.

Chronic Health Conditions

Adult Morbidity Indicators, 2005-2010	State of Hawai'i	Hawai'i County	North Kohala	Hamakua	Hilo
BRFSS 2005-2010 ³					
Obesity	21.9%	23.6%	18.4%	26.2%	24.6%
Diabetes	8.8%	8.8%	10.5%	11.0%	10.2%
BRFSS 2013 ^{1*}					
Adult Asthma	16.6%	17.7%	14.2%	14.2%	19.8%
Childhood Asthma	12.8%	16.7%	NA	NA	NA
COPD, emphysema, bronchitis	4.7%	5.1%	NA	NA	5.5%
Skin cancer	3.9%	5.4%	6.4%	6.4%	NA
Other cancer	4.3%	3.7%	5.6%	5.6%	2.9%
Arthritis	19.9%	21.4%	21.1%	21.1%	21.9%
High blood pressure	28.5%	28.9%	32.8%	32.8%	28.2%
Coronary heart disease	2.7%	3.9%	3.7%	3.7%	5.1%
Heart attack/myocardial infraction	3.2%	4.1%	NA	NA	NA

¹ 2013 Behavioral Risk Factor Surveillance System, Hawaii State Department of Health, accessed on October 27, 2014 at health.hawaii.gov/brfss. Note: Data for North Kohala and Hamakua combined in category for North Hawaii in 2013.

Mortality rates in the service area reflect the high rates of chronic disease:³

- Diabetes (as an underlying and non-underlying cause of mortality) - 73.2 per 100,000 (statewide 70.3);²
- Diseases of the heart – 169.3 per 100,000 in Hamakua (135.3 statewide);
- Cancer – 140.7 per 100,000 in Hamakua (134.7 statewide); and
- Stroke – 45.6 per 100,000 in North Kohala and 39.3 in Hamakua (38.2 statewide).

Among HKH patients in 2013: 813 (11.3%) have diabetes; 452 (6.3%) overweight/obese; 613 (8.5%) have asthma; 569 (7.9%) have heart disease; and 1,737 (24.2%) have hypertension.

Ethnicity. Caucasians, Native Hawaiians and Filipinos are the predominant ethnic groups in the community.

Race alone or in combination³

Race (alone or in combination), 2010	State of Hawaii	Hawai'i County	North Kohala	Hamakua	Hilo
White	41.5%	54.8%	56.1%	57.3%	41.5%
Native Hawaiian	21.3%	29.7%	36.1%	25.9%	32.5%
Filipino	25.1%	22.1%	32.8%	38.7%	22.1%
Japanese	23.0%	19.2%	16.4%	15.6%	33.8%
Chinese	14.6%	12.2%	16.3%	13.4%	14.7%

Native Hawaiians. Of all of the ethnic groups living in the service area, the Native Hawaiians have some of the poorest documented health statistics of all groups in Hawai'i, with the highest rates of chronic disease than any other ethnic group. More than half are overweight and, together with Filipinos, are the farthest from meeting the state's Healthy People 2010 objectives.³

Native Hawaiian Health Disparities⁴

Native Hawaiian - Health Disparities	Hawaii	Native Hawaiians
Diabetes	8.3%	11.4%
Diabetes - Gestational	0.9%	2.5%
Pre-diabetes	7.7%	8.0%

² Pobutsky, A, et al., Hawaii Diabetes Report 2010, Honolulu: Hawaii State Department of Health, Chronic Disease Management and Control Branch, Hawai'i State Diabetes Prevention and Control Program, page 19.

³ Hawaii Department of Health, "Recent Tracking of Hawaii's Progress Toward Healthy People 2010," Honolulu, October 2007.

⁴ 2010 Behavioral Risk Factor Surveillance System, Hawai'i State Department of Health, accessed on October 27, 2014 at health.hawaii.gov/brfss.

Asthma	17.6%	28.4%
Heart Attack	2.9%	4.0%
Stroke	2.5%	2.7%
Obesity	23.1%	43.7%
Smoking	14.5%	26.8%
Binge drinking (5+ men, 4+ women)	17.9%	28.3%
Heavy drinking (2+ men, 1+ women)	6.6%	11.8%
Mammogram (women, never had)	33.3%	39.4%
PSA test (men, never had)	41.8%	46.4%

Source: State of Hawaii, Hawai'i Department of Health, 2010 BRFSS

Elderly population. The service area has a large population of elderly. Approximately one third of the public housing units in the service area are senior housing complexes, and a majority of these elderly access services at HKH. Each year almost one in five HKH patients is elderly (age 65 and older), and a majority of them are retired agricultural workers that previously worked on the sugar plantations in the area.

Maternal and child health. Hawai'i County has a very high rate of teen births, and infant mortality rates in the service area are extremely high. More than half of mothers in the service area rely on state funded Medicaid/QUEST insurance for labor and delivery care, and almost 60% of mothers rely on WIC services during pregnancy. This is significantly higher than any other county in the state.

Maternal Child Health Indicators

	State of Hawaii	Hawai'i County	North Kohala	Hamakua	Hilo
2005-2010 ³					
Crude Birth Rate per 1,000	13.9	13.2	9.4	12.2	13.6
Infant Mortality Rate per 1,000 (2001-10)	6.0	5.9	12.4	8.8	4.7
Less Than Adequate Prenatal Care	29.1%	34.0%	29.5%	25.0%	28.3%
Low Birth Weight	8.2%	8.0%	6.2%	7.1%	8.3%
Births Under 18 Years of Age	2.4%	3.5%	2.2%	3.0%	3.6%
Mothers with Pre-Existing Conditions	44.9%	34.1%	21.1%	25.0%	52.6%
Insurance status and government benefits ⁵					
Private insurance for labor and delivery	46.4%	39.7%	NA	NA	NA
Medicaid/QUEST for labor, delivery	36.8%	56.5%	NA	NA	NA

⁵ Pregnancy Risk Assessment Monitoring System, State of Hawaii Department of Health, Family Health Services Division, Maternal Child Health Branch, Report September 9, 2013, accessed on the web on October 25, 2014 at hhdw.org.

Insurance coverage for prenatal care	48.0%	43.3%	NA	NA	NA
Participation in WIC during pregnancy	45.3%	59.9%	NA	NA	NA

Oral health. Oral health among residents is very poor. Almost a third of residents have not gone to the dentist in the past year, and one in eight residents of Hamakua and North Kohala have not seen a dentist for five years or more. The rate of residents that have not had their teeth cleaned in the past year is 40% in North Kohala and 38% in Hamakua. When the new facility is designed it will include a dental office with access to dental services for a sliding scale fee.

The low rate of oral healthcare utilization is due to the lack of sufficient dental insurance for adults – Medicaid only provides emergency dental care so coverage is only provided after teeth have become infected and require extraction.

Adult oral health indicators, 2006, 2008, 2010

	State of Hawaii	Hawai'i County	North Kohala	Hamakua	Hilo
No Dental Visit past year ³	26.1%	32.7%	26.7%	35.0%	30.9%
No Teeth Cleaning past year ³	28.7%	38.0%	40.0%	38.0%	36.3%
Permanent Teeth Removed ³	39.9%	43.6%	37.5%	48.9%	42.3%
Last visit to a dentist 5+ years ago ⁶	7.9%	10.2%	12.3%	12.3%	6.9%

The Pew Center on the States gave the State of Hawai'i a grade of "F" for meeting policy benchmarks to improve oral health for children. Hawai'i lacks a school sealant program and has the lowest rate of fluoridated water in the county: only residents living on military bases receive fluoridated water. The State of Hawai'i Department of Health was forced to eliminate the dental hygiene branch in 2009 due to budget cuts, and no longer participates in the National Oral Health Surveillance System so no state or community level data is available. However, in a 2012 analysis by Delta Dental Plans Association, children in Hawaii were found at greatest risk of tooth decay. The plans for the new facility will include dental services for children.

Behavioral health. Almost every mental health indicator for the community far exceeds statewide rates. At hospital admission, the presence of mental health conditions is higher than statewide rates, and the service area has very high rates of depression and substance abuse. The plans for the new facility will have offices and group rooms for the delivery of behavioral health service and will have Certified Substance Abuse Counselors.

Hawaii Health Data Warehouse, Hawaii State Department of Health, accessed on October 25, 2014 at www.hhdw.org.

Behavioral health indicators

	State of Hawaii	Hawai'i County	North Kohala	Hamakua	Hilo
Hospital admissions, 2006-2010³					
Substance related	8.9%	11.4%	10.1%	5.7%	10.0%
With mood disorder	6.1%	8.0%	4.5%	5.6%	9.1%
With delirium/dementia	8.4%	7.1%	5.3%	6.8%	9.0%
With anxiety	2.6%	3.3%	2.2%	1.9%	3.5%
With schizophrenia	2.3%	2.7%	1.4%	1.8%	3.5%
Mental health conditions⁴					
Depressive disorder	11.4%	16.5%	15.4%	15.4%	16.2%
Physically hurt by adult in childhood	8.7%	10.3%	10.5%	10.5%	10.0%
Current smokers	13.3%	17.6%	16.2%	16.2%	17.5%
Adults who are Heavy Drinkers	6.9%	8.5%	10.2%	8.6%	8.5%

Hawai'i ranks second in the nation for the prevalence of depression and ninth in the nation for the prevalence of suicide, and this rate is steadily increasing.⁷ Hawai'i County has the highest rate of mortality from suicide, and this rate is also increasing at a faster rate than any other county. Among HKH patients in 2013: 422 (5.9%) have depression or other mood disorders; 360 (5%) have anxiety, including PTSD.

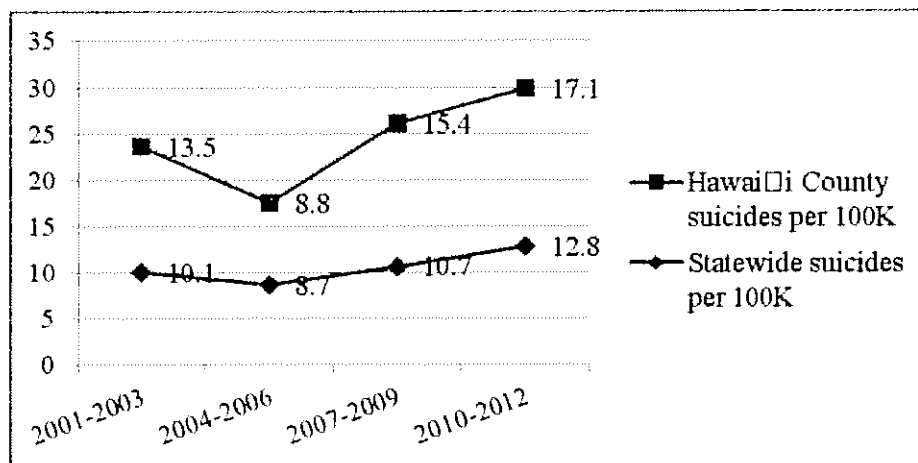


Figure 1 Suicide rate per 100,000⁸

Adolescents and young adults have the highest rate of mortality from suicide than any other age group, and this rate has doubled in the past five years.⁹ In Hawai'i

⁷ *Ranking America's Mental Health: An Analysis of Depression Across the States*, Thompson Healthcare as prepared for Mental Health America, Washington, D.C., accessed on October 25, 2014 at www.nami.org.

⁸ Hawaii Health Data Warehouse, Hawaii State Department of Health, Office of Health Status Monitoring (OHSM) accessed on October 25, 2014 at www.hhdw.org.

County, 29.7% of teenagers report depression, 15.6% report suicidal thoughts, and 14.8% made plans for suicide.¹⁰

Smoking among low-income individuals is very high, up to 23.5% for those with an income less than \$15,000 annually, and remains very high in the service area despite to cost of over \$10 per package of cigarettes. Among HKH patients in 2013, 5,093 were screened for tobacco use, and 1,178 (over 23%) were smokers.

In addition to the high prevalence of tobacco use and depression, the HKH behavioral health provider reports a high prevalence of women subject to domestic violence. The new facility will provide psychologists and referrals to help victims of domestic violence.

Describe the geographic coverage.

The service area encompasses three districts, North Kohala, Hamakua and North Hilo (Census Tracts 217.02, 218, 219, 220 and 221) that span approximately 1,040 square miles on the northern tip of Hawai'i Island. Both the remote rural island location and the size of the service area of HHC present geographical/transportation barriers to the 24,588 area residents.¹¹ The North Kohala and Hamakua districts share a common border but are separated by 1,000 foot high sea cliffs and deep, inaccessible valleys with dense tropical vegetation along the coastline.

II. Service Summary and Outcomes

The Service Summary shall include a detailed discussion of the applicant's approach to the request. The applicant shall clearly and concisely specify the results, outcomes, and measures of effectiveness from this request. The applicant shall:

1. Describe the scope of work, tasks and responsibilities;
The scope of work includes technical help in planning the demolition of the current old infirmary building and all of the planning for the building for a new medical/dental facility on that same site. (See attached proposal from Urban Works Architects for details.)
2. Provide a projected annual timeline for accomplishing the results or outcomes of the service;

⁹ Eagle, Nathan, *Hawaii Youth Suicide Rate Doubles*, Civil Beat, October 26, 2012, accessed on the web on October 25, 2014 at www.civilbeat.com.

¹⁰ *2011-2013 Youth Risk Behavior Survey* Module, State of Hawaii, accessed on October 25, 2014 at www.hhdw.org.

¹¹ U.S. Census Bureau, *American Community Survey, 2008-2012*, using American Factfinder, accessed on October 28, 2014 at <http://factfinder2.census.gov>.

Since HKH owns the land, this project will start within 30 days after the legislature awards the funding for the project. It will be completed in one calendar year.

3. Describe its quality assurance and evaluation plans for the request. Specify how the applicant plans to monitor, evaluate, and improve their results; and The request is not for services to be delivered to patients. The results of the planning process will be provided by having plans approved by the various state, county and federal agencies.
4. List the measure(s) of effectiveness that will be reported to the State agency through which grant funds are appropriated (the expending agency). The measure(s) will provide a standard and objective way for the State to assess the program's achievement or accomplishment. Please note that if the level of appropriation differs from the amount included in this application that the measure(s) of effectiveness will need to be updated and transmitted to the expending agency.

The Board of Directors, CEO of HKH and Urban Architects are responsible to coordinate and monitor the work being financed by this grant. Urban Architects and the CEO will meet on a regular basis and will be reporting to the Board and state agency as each step is made in the design process. All designs will have to meet State, County and Federal guidelines.

Authority and Accountability

HKH Board of Directors has responsibility to monitor these funds and insure that they are expended appropriately. This responsibility will be delegated to the CEO who will be reporting to the Board at least monthly at regularly scheduled Board meetings. The CEO will also be reporting top the Board Business Affairs Committee at least monthly about the progress on the design and the expenditures of these funds.

III. Financial

Budget

1. The applicant shall submit a budget utilizing the enclosed budget forms as applicable, to detail the cost of the request.
2. The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2018.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
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\$992,000.00	0	0	0	\$992,000.00
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3. The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2018.

NA - Since this is a planning and technical assistance grant, HKH will not be asking for additional funds for the same thing in 2018.

4. The applicant shall provide a listing of all state and federal tax credits it has been granted within the prior three years. Additionally, the applicant shall provide a listing of all state and federal tax credits they have applied for or anticipate applying for pertaining to any capital project, if applicable.

NA

5. The applicant shall provide a listing of all federal, state, and county government contracts and grants it has been and will be receiving for program funding.

NA - None of the grants that HKH has been awarded can be used for this purpose.

6. The applicant shall provide the balance of its unrestricted current assets as of December 31, 2016.

\$33,477.18

IV. Experience and Capability

A. Necessary Skills and Experience

The applicant shall demonstrate that it has the necessary skills, abilities, knowledge of, and experience relating to the request. State your experience and appropriateness for providing the service proposed in this application. The applicant shall also provide a listing of verifiable experience of related projects or contracts for the most recent three years that are pertinent to the request. The Health Center has been operating health care facilities for over fifty years, already has experience in expanding services to additional sites and is using an architectural firm that is very experienced in the design of health care facilities for technical assistance. (See attachment from Urban Works Architecture)

B. Facilities

This is a proposal to design new facilities on land that is owned by the Hamakua Health Center. See attachment of a diagram of the land we are proposing to build on.

V. Personnel: Project Organization and Staffing

A. Proposed Staffing, Staff Qualifications, Supervision and Training

The design will be done by Urban Architects and additional consultants with a high level of experience in medical facilities planning. (See attached proposal from Urban Architects)

B. Organization Chart

Board of Directors- CEO- Urban architects- consultants state agencies

C. Compensation

The applicant shall provide the annual salaries paid by the applicant to the three highest paid officers, directors, or employees of the organization by position.

Title	Annual Salary
MD – Physician	\$170,000
MD – Physician	\$165,000
Medical Director / PA – Physician’s Assistant / FNP – Family Nurse Practitioner	\$160,000

VI. Other

A. Litigation

The applicant shall disclose any pending litigation to which they are a party, including the disclosure of any outstanding judgement. If applicable, please explain.

NA

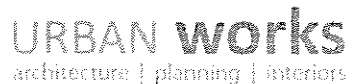
B. Licensure or Accreditation

The applicant shall specify any special qualifications, including but not limited to licensure or accreditation that the applicant possesses relevant to this request.

NA

C. Private Educational Institutions

The applicant shall specify whether the grant will be used to support or benefit a sectarian or non-sectarian private educational institution. Please see Article X, Section 1, of the State Constitution for the relevance of this question.



831 Pohukaina Street, Suite E1
Honolulu, Hawaii 96813
Telephone: (808) 937-1155
Email: uwmail@uwarchitects.com

December 21, 2016

Hamakua Health Center, Inc.
45-540 Plumeria Street
Honokaa, HI 96727

Attention: Ms. Irene J. Carpenter
Chief Executive Officer

Dear Ms. Carpenter:

Subject: Fee Proposal for Professional Services
to Design New Honokaa Health Center, Inc.
Honokaa, Hawaii 96727; T.M.K. (3) 4-5-010: 089

Urban Works is pleased to submit a fee proposal to Hamakua Health Center, Inc. (HHC) to provide full design services for the above-referenced project, a new stand-alone health clinic located in Honokaa, Island of Hawaii. Our fee and scope of services are based on our previous discussions, a site visit to your existing clinic and the proposed site, preliminary code research and site fitment diagrams, which occurred in January 2016. Our proposal shall be based on our earlier findings.

BACKGROUND

The following is a summary of our assumptions:

1. The project is projected to be a two-story 15,000 s.f. clinic building located on a sloping 31,304 s.f. lot along Lehua Street in the town of Honokaa. An abandoned wood-framed infirmary building is located on the site which will be demolished as a part of this project. The site fitment study indicates that 40-50 parking spaces will be required for a 15,000 s.f. clinic with 2 loading spaces. The schematic design work will confirm the actual building s.f. and parking count. An emergency generator and transformer will need to be accommodated on the site which would affect the final parking total.
2. The land is currently zoned A-5a, Agricultural District, within the neighborhood block of Honokaa Park. The proposed clinic is a permitted use.
3. There is a Use Permit for the clinic but it will have to be amended, as the development period for the Use Permit has expired. An Environmental Permit (EA) is required for the project but the EA is currently excluded from the proposal.

SCOPE OF PROFESSIONAL SERVICES

1. The architectural team will include Urban Works Inc. as the architect and prime consultant. Design phases under this proposal would include Schematic Design (SD), Design Development (DD), Contract Documents (CD), Bidding and Negotiations/Permitting (BN), Contract Administration (CA).
2. Consultant services include Civil Engineering, Structural Engineering, Mechanical Engineering and Electrical Engineering design, Cost Estimating and Technical Specifications.
3. Mechanical engineering services within the building include:
 - Air conditioning and ventilation system
 - Plumbing system design, including domestic cold/hot water distribution
 - Domestic hot water generation
 - Storm drainage
 - Sanitary sewer distribution
 - Preliminary fire sprinkler design for building permit
 - Construction administration
4. Electrical engineering services within the building include:
 - Electrical and telecommunication distribution including power and lighting

Proposal for Professional Services: New Honokaa Health Center
Honokaa, Hawaii 96727
December 21, 2016
Page 2

- Fire alarm system
 - Nurse call system
 - Stand-by generator as required by code and program
 - Construction administration services.
5. Civil engineering services will consider:
 - Demolition of existing structures
 - Clearing & grubbing requirements
 - Site grading
 - Parking/sidewalk/driveway layout
 - Retaining wall design
 - Relocation of utility lines affected by new work
 - Domestic/fire protection waster service
 - Consideration of individual wastewater system
 - Site drainage, traffic control plan
 - Erosion control plan
 - Review of flood zone requirements
 6. Sustainable design strategies will be integrated into the design whenever possible but LEED certification will not be pursued.
 7. Participation at public hearings required for the Use Permit process shall be the responsibility of Hamakua Health Center, Inc. required for the Use Permit process. Urban Works will assist the health clinic by providing drawings and data to the clinic's planner.
 8. Urban Works will assist Hamakua Health Center Inc.'s planning consultant retained to submit an Environmental Assessment (EA), if required by available drawings and written information (available s.f. data and programmatic information) for the purpose of the writing and production of the planner's EA document.
 9. Probable cost of construction services (4 submittals) shall be provided at end of concept design, preliminary design, design development phase and pre-final CD phase.
 10. Soils engineering services by our geotech engineer will include permeability testing in the event seepage pits are required for stormwater disposal. A percolation test will be performed in the event individual wastewater systems (IWS) with leach field are be required, to be located below the parking lot.
 11. Construction phase services will include construction observation as required by the State of Hawaii, and additional supplementary information provided to the General Contractor as needed over an anticipated 12-14 month construction duration from Contractor NTP to Substantial Completion. It is assumed that the project will involve an invitation to a pre-qualified group of bonded general contractors.
 12. During the Contract Administration Phase (Construction), Urban Works and appropriate consultants will make visits to the job site as needed to meet with your construction manager and the General Contractor (GC) to review the progress of the work and to confirm that the level of quality delineated in the contract documents is being met. We will evaluate GC cost proposals for additional work that may occur, and make recommendations to the clinic. At Substantial Completion, we will participate in the final inspection and write up a punch list of remaining work, then follow up with the GC on deficiencies, if any.
 13. Urban Works and its consultants will not be responsible for any changes to the project schedule outside of its control, such as delays during the planning and permitting process, funding or contraction-related issues.
 14. The building permit submittal will assume that the project will be constructed in a single phase.
 15. The consultants' fee proposals to Urban Works are not included in the RFP submittal but can be made available upon request to review services in depth.

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 Honokaa, Hawaii 96727
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WORK TO BE PROVIDED BY OTHERS

Owner-furnished design services (n.i.c.) include:

- Topographical Survey
- Planning (Environmental Assessment & Modifications to Use Permit)
- Traffic Study
- Permit fees
- FF+E including selection and procurement of furniture, furnishing and equipment (FF+E)
- Archaeological survey
- Geotechnical engineering
- Hazardous Materials Investigation
- Landscape Architecture
- LEED certification
- Third-party permit review
- Roadway and infrastructure improvements beyond the project site are excluded from our consultants' work

FEE BREAKDOWN

Our fee for professional services described in the above-mentioned scope of services section and exclusions is a stipulated sum of \$740,849 including 4.712% Hawaii State Tax. A breakdown of our fee is summarized as follows:

Consultant	SD	DD	CD	BN	CA	Subtotal
• Urban Works, Inc.						
Architecture	\$31,414	\$51,309	\$109,948	\$6,283	\$83,770	\$282,724
• SSFIM International						
Civil Engineering	17,630	\$27,110	\$8,450	2,100	5,510	60,800
• SSFIM International						
Structural Engineering	18,000	30,400	32,500	1,500	\$16,800	99,200
• SSFIM International						
Permit Routing/Joanna Herkes	0	0	8,000	0	0	8,000
• WSP						
Mechanical Engineering	29,842	41,152	55,916	2,932	21,989	151,831
• WSP						
Electrical Engineering	16,754	22,618	29,319	2,513	12,565	83,769
Telecommunication	4,188	5,654	7,330	628	3,141	20,941
• Stephen Nash, AIA						
Specifications	0	2,094	\$13,612	\$1,047	0	16,753
• J Uno & Associates						
Cost Estimating	4,770	5,042	7,019	0	0	16,831
Total A/E Design Fee	\$122,598	\$185,379	\$272,094	\$17,003	\$143,775	\$740,849
Incl. HI State Tax @ 4.712%						

OWNER'S CONSULTANTS (not included in fee above)

- **Enviroquest**
 Hazmat Investigation \$15,899
- **Geolabs, Inc.**
 Soils Investigation \$24,100
- **Walters Kimura Motoda**
 Landscape Architecture \$16,492
- **SSFIM International**

Proposal for Professional Services: New Honokaa Health Center
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Page 4

Planning/Environmental Assessment	\$45,000 - \$65,000
• WSP	
Acoustical Engineering	\$10,471

Urban Works' architectural fee of \$282,724 is based on design effort/technical requirements that are required for pricing, permitting and construction. We anticipate 28-30 sheets of 24"x36" format CAD construction drawings. We will coordinate our design and contract documents with our consultants as well as Hamakua Health Center, Inc.'s consultants, including the planning consultant (as pertains to the Use Permit modifications and the Environmental Assessment).

For the CA Phase, we are assuming a 12-month construction period based on a single building permit application, with our CA services averaging 12 hours per week plus time for project closeout and as-built record drawings. The architectural fee represents 38% of the total fee. The total fee of \$740,849 represents 9.87% of the total construction estimate of \$7.5 million.

Travel (air and auto costs) will be considered a reimbursable expense, invoiced at a rate of 1.0. During construction, we anticipate a weekly OAC coordination meeting and one site visit per month (12 site visits) and a punchlist inspection at Substantial Completion. Formal drawings submittals related to building permit submissions and bidding documents to bidders will be considered reimbursable expenses

We shall bill you for professional services rendered and reimbursable expenses on a monthly basis. Reimbursable expenses are job-related items such as mileage and printing costs, are included in the fee. Printing costs would consist of nominal Xerox copy work for the purpose of in-house coordination and client meetings.

LIMIT OF LIABILITY

To the maximum extent permitted by law, the Client agrees to limit the Architect's professional liability for Hamakua Health Center, Inc.'s (Client) damages to the sum of the Architect's fee or the errors & omissions (E&O) insurance limits, whichever is greater. This limitation shall apply regardless of the cause of action or legal theory pled or asserted.

If the terms of the proposal are acceptable to you, please sign both copies of the letter and return one copy to us. Upon acceptance of this proposal, an AIA B-101-2007 Owner-Architect form will be forwarded for your review.

Thank you for the opportunity to submit our proposal to you. We look forward to working with you on this project. We will follow up with AIA Document B141, Standard Form of Agreement between Owner and Architect, which will become as the formal agreement between us.

Should you have any questions, please don't hesitate to contact us.

Sincerely,



Lorrin Matsunaga, AIA, LEED-AP
Principal

Accepted:



Signature

O CEO

January 10, 2017

Date

Hamakua Health Center, Inc.

BUDGET REQUEST BY SOURCE OF FUNDS

Period: July 1, 2017 to June 30, 2018

Applicant: Hamakua Health Center, Inc.

BUDGET CATEGORIES	Total State Funds Requested (a)	Total Federal Funds Requested (b)	Total County Funds Requested (c)	Total Private/Other Funds Requested (d)
A. PERSONNEL COST				
1. Salaries	22,800			
2. Payroll Taxes & Assessments	1,744			
3. Fringe Benefits	3,956			
TOTAL PERSONNEL COST	28,500			
B. OTHER CURRENT EXPENSES				
1. Airfare, Inter-Island				
2. Insurance				
3. Lease/Rental of Equipment				
4. Lease/Rental of Space				
5. Staff Training				
6. Supplies				
7. Telecommunication				
8. Utilities				
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20				
TOTAL OTHER CURRENT EXPENSES				
C. EQUIPMENT PURCHASES				
D. MOTOR VEHICLE PURCHASES				
E. CAPITAL	932,811			
TOTAL (A+B+C+D+E)	28,500			
SOURCES OF FUNDING		Budget Prepared By:		
(a) Total State Funds Requested	961,311	Name (Please type or print) _____ Phone _____		
(b) Total Federal Funds Requested		Signature of Authorized Official _____ Date _____		
(c) Total County Funds Requested		Name and Title (Please type or print) _____		
(d) Total Private/Other Funds Requested				
TOTAL BUDGET	961,311			

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Period: July 1, 2017 to June 30, 2018

Applicant: Hamakua Health Center, Inc.

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL:				
JUSTIFICATION/COMMENTS:				

DESCRIPTION OF MOTOR VEHICLE	NO. OF VEHICLES	COST PER VEHICLE	TOTAL COST	TOTAL BUDGETED
			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL:				
JUSTIFICATION/COMMENTS:				

BUDGET JUSTIFICATION - CAPITAL PROJECT DETAILS

Period: July 1, 2017 to June 30, 2018

Applicant: Hamakua Health Center, Inc.

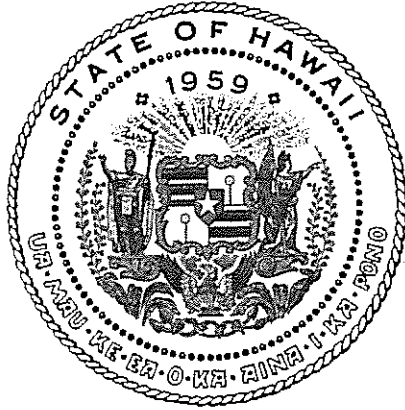
FUNDING AMOUNT REQUESTED						
TOTAL PROJECT COST	ALL SOURCES OF FUNDS RECEIVED IN PRIOR YEARS		STATE FUNDS REQUESTED	OF FUNDS REQUESTED	FUNDING REQUIRED IN SUCCEEDING YEARS	
	FY: 2015-2016	FY: 2016-2017	FY:2017-2018	FY:2017-2018	FY:2018-2019	FY:2019-2020
PLANS						
LAND ACQUISITION						
DESIGN			932811			
CONSTRUCTION						
EQUIPMENT						
TOTAL:			932,811			
JUSTIFICATION/COMMENTS: Total Design fees as quoted by Urban Works. including Architecture, Civil Engineering, Structural Engineering, Permit routing, Mechanical Engineering, Electrical/Telecommunication Engineering, Specifications, Cost Estimation, Hazmat, Soil Investigation, Landscape Architecture, Planning Services, Enviromental Assessment and Acoustical Engineering						

GOVERNMENT CONTRACTS AND / OR GRANTS

Applicant: Hamakua Health Center, Inc.

Contracts Total: 2,095,433

	CONTRACT DESCRIPTION	EFFECTIVE DATES	AGENCY	GOVERNMENT ENTITY (U.S. / State / Haw / Hon / Kau / Mau)	CONTRACT VALUE
1	Contract Title	Effective Dates			Amount
2	BCCCP	7/1/2016 - 6/30/2017			\$ 15,000.00
3	Family Planning Clinical	7/1/2016 - 6/30/2018			\$ 330,000.00
4	HCF Tobacco Cessation	7/1/2016 - 6/30/2019			\$ 300,000.00
5	HPCA 1422	6/30/2016 - 6/29/2017			\$ 98,500.00
6	HRSA 330 Main	3/1/2017 - 2/28/2018			\$1,444,688.00
7	HRSA DSHI Supplemental	3/1/2016 - 2/28/2018			\$46,535.00
8	HRSA QI Supplemental	3/1/2016 - 2/28/2019			\$48,925.00
9	HRSA Service Expansion - Behavioral Health	3/1/2016 - 2/28/2020			\$230,285.00
10	HRSA Substance Abuse Service Expansion	3/1/2016 - 2/28/2021			\$325,000.00
11	Ouida & Doc Hill	1/1/2014 - 12/31/2014			\$ 20,000.00
12	State Uninsured	7/1/2013 - 6/30/2019			\$95pp
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Department of Commerce and Consumer Affairs

CERTIFICATE OF GOOD STANDING

I, the undersigned Director of Commerce and Consumer Affairs of the State of Hawaii, do hereby certify that

HAMAKUA HEALTH CENTER, INC.

was incorporated under the laws of Hawaii on 10/30/1964 ; that it is an existing nonprofit corporation; and that, as far as the records of this Department reveal, has complied with all of the provisions of the Hawaii Nonprofit Corporations Act, regulating domestic nonprofit corporations.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Department of Commerce and Consumer Affairs, at Honolulu, Hawaii.

Dated: January 10, 2017

Director of Commerce and Consumer Affairs



**HAINA-HONOKAA ZONE MAP
SECTION 25-8-17**

(FORMALLY SECTION 7.13)

PORTION OF ORDINANCE NO. 118
AS AMENDED, THE ZONING AND SUBDIVISION MAPS AND ALL THE ZONING
ORDINANCES OF THE CITY OF HONOLULU, HAWAII, AS AMENDED, THAT
APPLY TO THIS MAP.

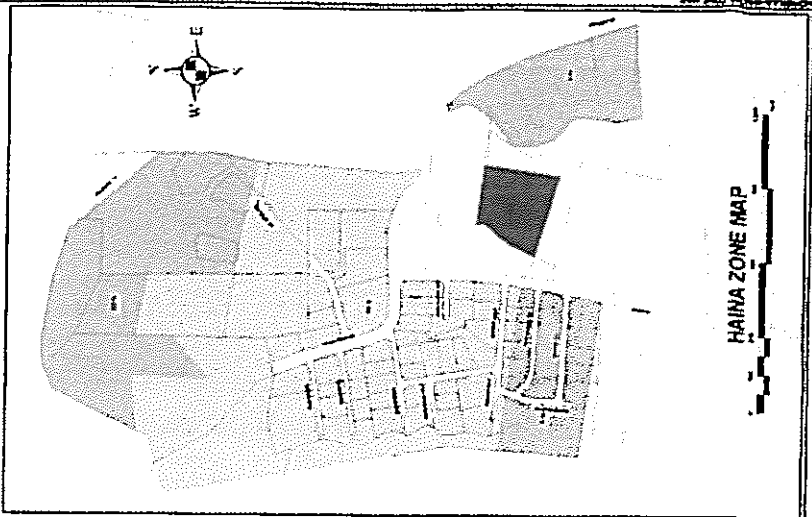
DATE OF ADOPTION: MAY 24, 1994
DATE AMENDMENTS PLACED ON MAP: 12/14/02
DATE AMENDMENTS PLACED ON MAP: 12/14/02

PREPARED BY:
PLANNING COMMISSION

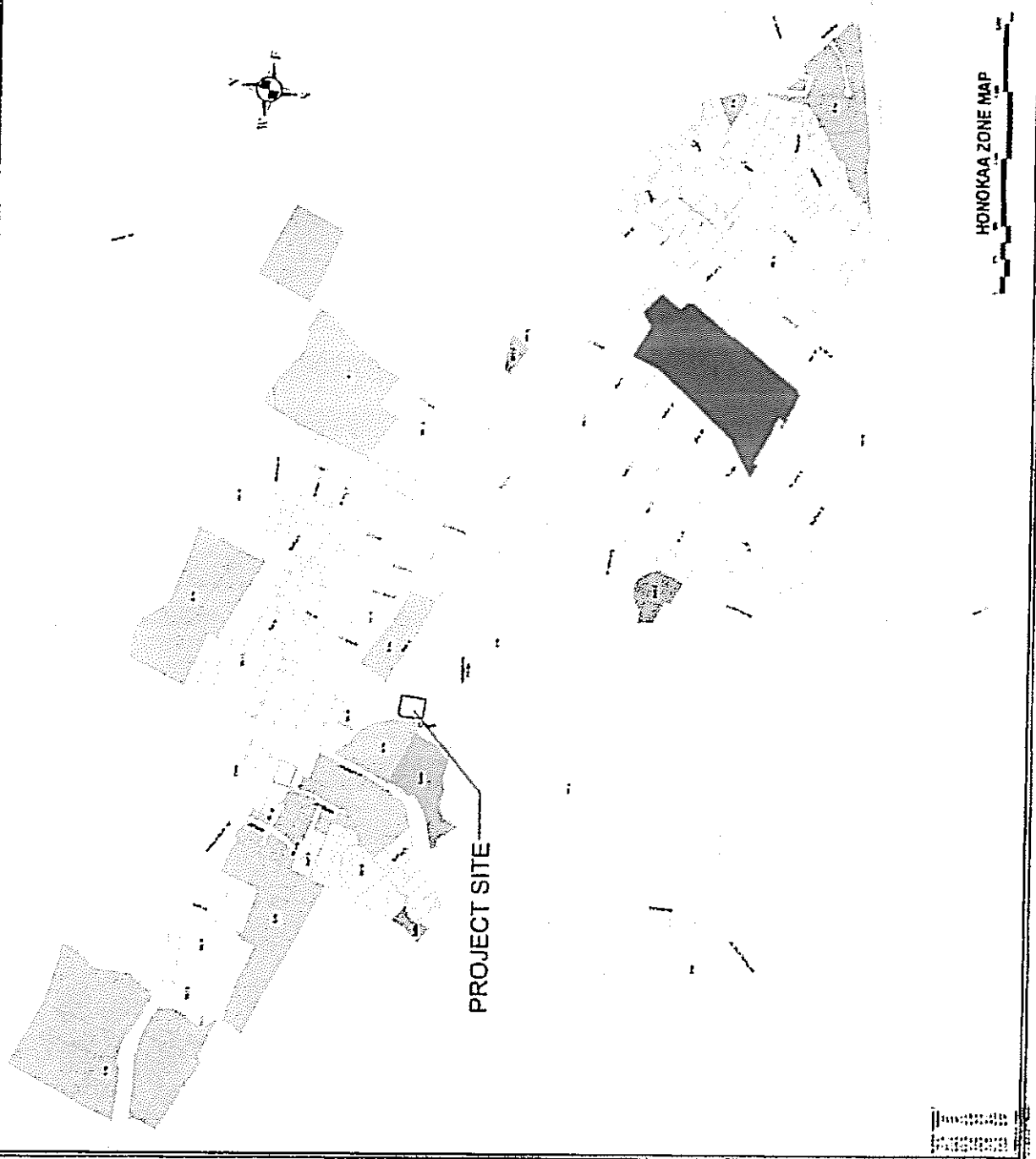
CITY OF HONOLULU

175 SOUTH KING STREET, ROOM 4

REPLACES PORTION OF MAP NO. 118, PLANNING COMMISSION REPORT NO. 118
DATED: 1994, AND MAP NO. 118, PLANNING COMMISSION REPORT NO. 118
DATED: 1994, AND MAP NO. 118, PLANNING COMMISSION REPORT NO. 118
DATED: 1994.



HAINA ZONE MAP



HONOKAA ZONE MAP

PROJECT SITE

11/15/02

