

Noatak Multi-Use Facility

*Feasibility Study & Strategic Plan
Native Village of Noatak*

DRAFT

701 West 8th Avenue, Fourth Floor | Anchorage, AK 99501
(907) 257-1700 T • (907) 257-1795 F



Executive Summary

NANA Pacific has concluded that feasibility is moderately strong for the development of a Multi-Use Facility in Noatak. As the lead entity, The Native Village of Noatak (NVN) should play a major role in the development of this Multi-Use Facility. The community should move forward with the planning of such a facility, including the facilities strategic business plan, fundraising/capital plan, design, and ultimately construction. Close collaboration with various stakeholders will be important to secure the needed funding and to move this project forward.

Discovered strengths for this project are:

- NVN. Community leadership is relatively motivated and mobilized to initiate a multi-use facility for their community.
- Identified Facilities. Sites have been identified.
- Growing, healthy community. Noatak has relatively positive socio-economic indicators, including median household income and population growth.
- Involvement of regional stakeholders. NANA, NW Arctic Borough, NW Arctic Borough School District, and the State of Alaska are involved early in the planning of this facility.
- The NW Arctic Borough School District High School was identified as the best available option for renovation. This facility needs repair, but will adequately serve the needs of NVN and their desire to develop a multi-use facility with an existing facility.
- This facility can likely be renovated in the \$1,700,000 range. If a new foundation is required, the costs could increase up to \$2,200,000. This is all assuming 2008 construction season dollars.

Discovered weaknesses for this project are:

- Planning for Sustainability. There does not appear to be a history of planning for sustainability in other community infrastructure. As funding becomes more competitive, the need for detailed, thoughtful business plans becomes more important.
- Availability of funding. Please note, however, that we do not believe that the funding environment is particularly robust for such a facility. The Denali Commission does not have funding allocated in their work plan for 2007 and is currently undergoing an evaluation for the M-U Facility Program.
- Distressed Community. Noatak is not listed as a 2006 distressed community. This could be a limiting factor for some funding options.
- O&M costs for most of the potential facilities exceed that of their existing O&M budget.
- Lack of demonstrable & concrete commitments from regional stakeholders.

Specific recommendations include:

- Construct to the highest energy efficient rating possible;
- Consider constructing utilizing the DOE LEED methodology as an efficiency rating and as a marketing tool;
- Secure long term leases from potential tenants;

- Procure only the old high school building and possibly the maintenance facility for renovation;
- Establish a multi-use facility steering committee;
- Finalize and adopt a community plan;
- Consolidate community and programs that have synergistic possibilities;
- Establish a dialogue with potential donors, such as the Denali Commission, Rasmusson Foundation, State of Alaska, and other donors;
- Solidify local support and secure commitments from tenants, including NANA, NW Arctic Borough, and Maniilaq Association;
- Review other site alternatives in the community;
- Ensure that business plans are developed using a break-even analysis framework.
- Allocate sufficient resources for maintenance and renewal during the business plan development phase;
- Identify available workforce data, including names, contact information, and respective trades and skills for use of local labor;
- Identify heavy equipment availability in the community;
- Identify other construction plans for the community.

Table of Contents

Executive Summary 2

Table of Contents 4

Table of Figures & Tables 5

Introduction 6

1. Community Overview 7

2. Community Vision 8

3. M-U Facilities-State and Federal Program Overview 9

4. Description of Needed Partnerships 10

 4.1. Northwest Arctic Borough 10

 4.2. Northwest Arctic Borough School District (NWABSD) 10

 4.3. NANA Regional Corporation (NRC) 11

 4.4. Maniilaq Association 11

5. Potential Users 11

 5.1. Description of potential programs & services 11

 5.2. Programmatic Needs and Requirements 13

 5.3. Potential revenue & tenants 14

6. Noatak Potential Facilities 14

 6.1. Existing Facility Shortcomings 14

 6.2. Potential Facilities 14

 6.3. Operating Costs 16

 6.4. Selected Facility 17

 6.5. Condition and Needs Assessment of High School 18

7. Operations: Finance & Governance 19

8. Implementation Plan 20

 8.1. Multi-Use Facility Conceptual Cost Estimate- Budgetary Submittal 20

 8.2. Potential Donors and Fundors & Capital Campaign 21

9. Project Sustainability 23

 9.1. Business Plan 23

 9.2. Energy Considerations 23

10. Implementation Phase 24

Appendix- Program and Resource Inventory 26

Appendix Project Contact Information 30

Appendix- Detailed Construction Estimate 31

Appendix- Facility Condition and Needs Assessment 32

Appendix- Facility/Community Meeting & Planning Report 33

Table of Figures & Tables

Figure 1 Historical Population and Noatak’s Projected Population 7

Figure 2 Growth Rate of Various Alaskan Communities 8

Table 1 Community Priorities..... 9

Table 2 Noatak Amalgamated Facilities- Cost Breakdown..... 11

Table 3 Description of Community Programs 12

Table 4 Preliminary Space Needs Assessment- Multi-Use Facility 13

Table 5 Other space needs 13

Table 6 Potential Tenants..... 14

Table 7 Existing Facility Shortcomings..... 14

Table 8 Basic Facility Information 15

Table 9 Facility Selection Decision Matrix 15

Table 10 Estimated Operating Costs- NWABSD Facilities 16

Table 11 NVN Estimated Operating Costs..... 17

Table 12 Budget Estimating Assumptions..... 20

Table 13 Construction Cost Estimate- Budget/Preliminary..... 21

Table 14 Potential Donors 22

Introduction

The Native Village of Noatak (NVN) in conjunction with the contractor-NANA Pacific (NP) were responsible for the development and implementation of a Multi-Use(M-U) Feasibility Study & Strategic Plan. NVN was a recipient of State of Alaska Mini-Grant Funding to undertake such a study.

The goal of this exercise is to ascertain the feasibility from a socio-economic, structural, funding environment perspective; develop a conceptual strategic plan; and to undertake a facility condition and needs assessment for the targeted facility.

To develop this recommendation, the assessment team organized community meetings, reviewed programmatic documents, reviewed secondary literature, interviewed stakeholders, undertook site visits, and collectively analyzed the project data.

NP greatly benefited from the substantial assistance and contributions of many organizations and individuals in the course of this study. Respondents helped to ensure that a wide variety of perspectives were considered, and reviewers of individual sections have also contributed to its accuracy and completeness.

NP would like to thank the primary contributors of this consultation. Primarily, Herbert Walton, Tribal Administrator with NVN, who was instrumental in making this project a success. In addition, we would also like to those who contributed heavily to the qualify of this study, including:

- Annabelle Alvite, with the Northwest Arctic Borough
- Alice Adams, with NANA Regional Corporation
- Paulette Shuerch with Ikayit Consulting
- Patrick Lovelace with Nu Consulting
- Rob Sythe with Estimations, Inc.

Lastly, the value of this exercise is further increased by the willingness of all the NVN and affiliated partners to participate. In particular, NP would like to thank the NW Arctic Borough, State of Alaska Department of Commerce and Economic Development, Denali Commission NW Arctic Borough School District, Maniilaq, NANA, and others from the NW Arctic Leadership team.

1. Community Overview

Noatak is an isolated community located in the NW Arctic Borough/NANA Region in Northwest Alaska. The people remain deeply rooted in their Inupiaq Heritage, culture, and subsistence lifestyle. Noatak was established as a fishing and hunting camp in the 19th century. The rich resources of this region enabled the camp to develop into a permanent settlement. A federally-recognized tribe is located in the community -- the Noatak Village Council.

Noatak is located on the west bank of the Noatak River, 55 miles north of Kotzebue and 70 miles north of the Arctic Circle. This is the only settlement on the 396 mile-long Noatak River, just west of the 66-million acre Noatak National Preserve. Noatak will be one of the most difficult rural Alaskan communities to work with due to geographic isolation, pervasive permafrost considerations, and the cost of mobilization and demobilization. All materials for construction need to be flown into the community as river delivery is no longer feasible.

The current population of Noatak is 473- 45.3% is under the age of 20 and 54.67% of the population is over the age of 20¹. Figure 1 demonstrates the positive growth of the population over time.

Figure 1 Historical Population and Noatak's Projected Population

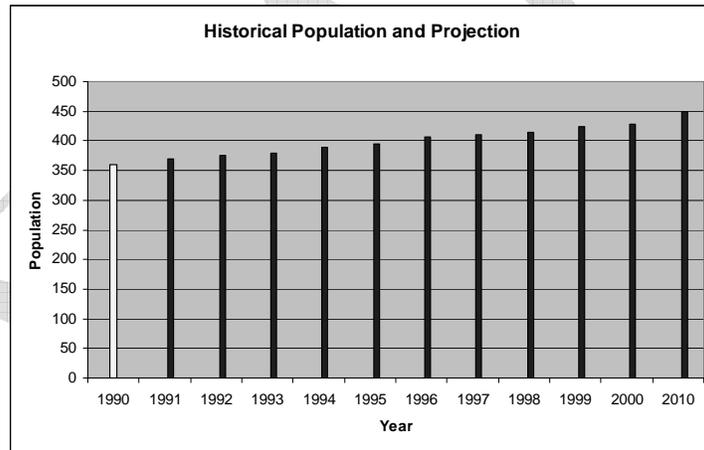
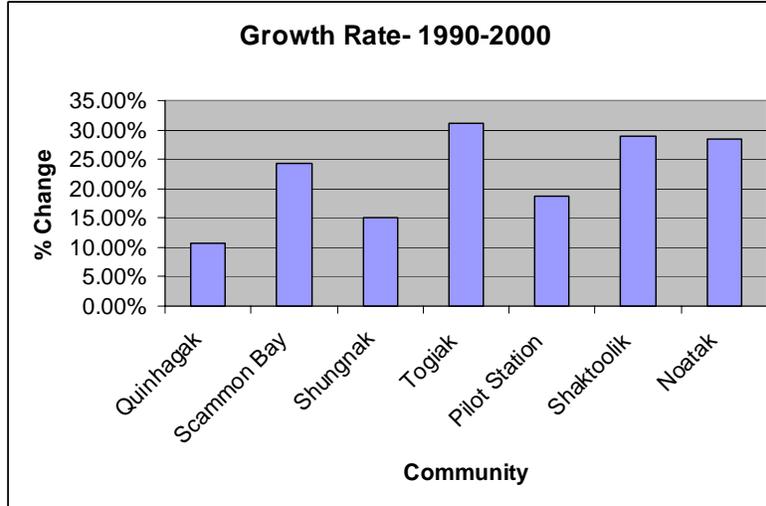


Figure 2 below compares Noatak's growth relative to other Alaskan communities. Noatak has experienced relatively robust growth (28.5%) increasing from 333 to 428 from the period of 1990-2000 in comparison with other comparable communities. The population growth in the next 10 years will more than likely repeat the population growth in the last 10 years. There are no apparent factors (economic development, increased construction, etc.) in the short to medium term that would suggest deviation from the past growth patterns.

¹ State of Alaska Department of Commerce, Community, and Economic Development Website. April 25, 2007

Despite the remoteness of Noatak, this data suggests a community with positive growth potential in the future and the capacity to fully utilize a M-U Facility. It is reasonable to expect similar growth patterns to continue.

Figure 2 Growth Rate of Various Alaskan Communities



Construction activity in the next several years in Noatak is anticipated to increase from previous years, but to stabilize once school construction is complete. The NW Arctic Borough School District will be building a new school over the next two years. UIC construction will be the general contractor for this project. Alaska Village Electric Cooperative (AVEC) is also considering upgrades to Noatak’s Bulk Fuel and Power System program in the medium term, creating additional opportunities for mobilization.

2. Community Vision

The Noatak Planning Committee/IRA Council has been working on their Community Comprehensive Plan since June of 2006. On _____, the NVN adopted the community’s comprehensive plan. The planning committee decided that the vision of the M-U facility reflect the community’s vision as laid out in the comprehensive plan for clarity and synchronicity. The facility’s vision is as follows:

Community Vision: To develop a self sustaining facility while preserving Noatak’s Inupiaq way of life. The M-U facility will be a gathering place for the people in order to reinforce the community’s values, including:

- Our community has a strong connection to the Inupiaq culture and way of life;
- Our community works well together in times of need;
- Our residents provide well-being for our families through the subsistence lifestyle;
- Our community holds strong family ties;

- Our community recognizes the importance of sustainability for the future of our children;

The following table is a summary of Noatak’s priorities as conducted by a survey² administered by the planning committee. This was conducted on April 23, 2002.

Table 1 Community Priorities

Community Priorities		
1	Recreation Center	50
2	Housing	38
3	Roads in town	20
4	Daycare	14
5	Playground	13
6	Erosion control	11
7	Bigger gym	11
8	Inupiaq values	10

During the course of this particular study, a community meeting was conducted on May 7, 2007 to review community priorities regarding the multi-use plan. NP found that the above mentioned priorities are still relevant today. Furthermore, the community identified and has actively pursued the need to develop a multi-use facility to address the above mentioned priorities.

3. M-U Facilities-State and Federal Program Overview

In Alaska today, the State of Alaska Department of Commerce Community and Economic Development in conjunction with the Denali Commission are the primary providers of M-U development and funding.

However, there is not current funding available for FY 2007 and the program will be undergoing an evaluation- funding and program development is currently on hold. Therefore, all programmatic assumptions and results of this study need to be reconfirmed during subsequent steps.

The M-U Facility Program is designed to encourage consolidation of compatible essential community services eliminating duplication of services and increasing the efficiency with which services are delivered. Essentially, a M-U facility is a building in which more than one distinct or separate service is offered.

An integral component of the M-U facility program is that there is demonstrable support of all of the parties in local governance, i.e. tribal and municipal governments and the Village Corporation.

Completion of a business plan is a requirement for Design, Construction and Renovation Proposals. All business plans should have a financial plan included in them.

² Noatak Draft Community Plan

4. Description of Needed Partnerships

Broad community, regional, and state wide support is critical for development, design, construction, and on-going operations of such a facility. Many NW Arctic Borough and NANA Region stakeholders have substantial experience in developing rural infrastructure projects in the region. These stakeholders should be called upon as project supporters and technical experts.

The following entities are plausible partners and tenants for the Noatak multi-purpose facility. Preferably, letters of commitment from these entities would be secured before the business plan is finalized. At the writing of this feasibility study, there were no firm commitments from partners. Potential partners for the facility include:

- NW Arctic Borough School District,
- NANA Regional Corporation,
- Maniilaq Association, and
- NW Arctic Borough.

These regional organizations will play a major role in the development of Noatak's M-U facility. It is important that all regional organizations play a role in the process so when NVN begins the fundraising campaign, the Northwest Arctic Leadership Team can leverage these efforts to the same entities.

A discussion of their roles and responsibilities is as follows:

4.1. Northwest Arctic Borough

The Mayor of the Northwest Arctic Borough (Borough), Martha Whiting³ expressed full support of the proposed project. Furthermore, the mayor said that the proposed project and approach could be utilized as a model project for other communities. A potential program to be housed in this facility is an Emergency Operations Center⁴. The Borough has pledged grant writing⁵ and other organization and planning support for the development of the facility. The Borough will also write a letter of support when needed. At this point a letter of commitment for services/programs and as a tenant has not materialized.

4.2. Northwest Arctic Borough School District (NWABSD)

The Northwest Arctic Borough is the primary owner of those facilities that have the greatest potential for redevelopment. Dr. Norman Eck, Superintendent of Schools in the Northwest Arctic Borough provided operations and management budget figures for the Noatak Elementary, Middle School, High Schools and the Teacher Housing units. Current operations and maintenance costs for the existing facilities is approximately \$320,000 per year. There is currently a new school being constructed in the community.

³ Discussion and interview between Paulette Shuerch and Martha Whiting

⁴ Billy Lee with the Northwest Arctic Borough is the individual responsible for development of this concept.

⁵ Annabelle Alvite is the current Borough employee who will provide on-going support for development of the multi-use facility.

The borough teacher’s units would continue to be used when the new school is completed.

Table 2 Noatak Amalgamated Facilities- Cost Breakdown

Cost Category	Cost
Fuel	\$39,000
Electricity	\$134,000
Water & Sewer	\$36,000
Other (Maintenance)	\$111,000
Total	\$320,000

The NWABSD and Dr. Eck in particular are in full support of the community looking at possibilities of utilizing this facility for the community.

4.3. NANA Regional Corporation (NRC)

NRC is another important regional player and should be consulted and incorporated into all planning functions. NRC is supportive of community’s desires and plans. NVN should remain in contact with NRC and involve them as much as possible.

4.4. Maniilaq Association

President/CEO Helen Bolen indicated full support of the Native Village of Noatak and the potential multi-use facility study. Maniilaq Association, in conjunction with Denali Commission and other granting agencies, have built clinics in most of the villages in their service area. The facilities were constructed to support programs and services that Maniilaq provides and currently are not at capacity. Although in the future if the need is there Maniilaq would consider the possibility of looking to the multi-use facility for services. It has been a goal of the Maniilaq Board of Directors to move programs and services to the villages so long as there is adequate place to provide such services. It was indicated that the NVN could utilize the Planning Department as a resource in soliciting grants and funding.

5. Potential Users

The following section identifies future users and potential tenants of a M-U facility.

5.1. Description of potential programs & services

NVN, Maniilaq Association, and the NW Arctic Borough are the major providers of programs and services in the community. The types of community programs and services currently being offered includes:

- Tribal Services,
- Education,
- Health,
- Social Services,
- Public Safety, and
- Natural Resources and Environment.

Refer to the appendix of this document for a preliminary inventory of programs and services. These programs are those programs that could be consolidated into one facility.

Table 3 Description of Community Programs

Program	Description of Intervention
Emergency Operations Center (EOC)	<p>The EOC is a possible tenant of the multi-use facility in Noatak. This operation would be a central location that would assist in emergency situations natural disasters such as erosion, severe weather conditions. Noatak lies in pristine wilderness and there is potential environmental impact from fuel spills, chlorine spill that includes erosions, fuel spills, aircraft disasters and pandemic flu.</p> <p>With sever weather conditions in rural Alaska, Noatak can serve as a central location for the Red Dog mine which is approximately 40 miles Northwest of Noatak. The mine employs nearly 500 employees and travel between the mine and Anchorage occurs weekly and almost daily in region.</p>
Boys and Girls Club	<p>The community expressed great need for a Boys and Girls Club in Noatak, currently the kids do not have a place to use for extra curricular activities. The Boys and Girls Club gives children between the ages of five and 18 a safe haven to participate in activities. NVN is currently looking into starting the program but is in need of a facility.</p>
Indian Child Welfare Act	<p>Children's safety is very important to the community and ICWA provides necessary protection of children. This program is a federally funded program and plays a vital role in the community. The requirement of confidentiality is important and the multi-use facility would serve this purpose.</p>
Education Program	<p>The Red Dog mine is located near the community of Noatak and gives opportunity for access to jobs. The education program gives the necessary resources to technical training and post-secondary education.</p>
IGAP	<p>A service that provides environmental protection and trains local community members on ways to protect the environment. It is vital to the community that the lands, water and air is environmentally safe so that they can continue to hunt and fish to sustain their traditional foods.</p>
Indian Reservation Roads Program	<p>An inventory of roads in the community was recently completed, in order to give access to new roads for development, improvement of current roads for safety and possibly a docking ramp down river, the NVN needs to have space to continually improve their roads system.</p>
Basic Services	<p>NVN owns and operates the public utilities system, having on central location for operations is beneficial to the community as a one-stop shop.</p>
Public Assistance	<p>There are several needed programs in Noatak for the community members with little resources to provide daily necessities for families. Utilizing the multi-use facility for energy assistance, ATAP, and other state services would give community members the resources to assist when no other means is available such as jobs.</p>
Public Safety	<p>The community has a part-time Village Public Officer provided by Maniilaq Association and is in need for a full-time officer. Currently the Village Safety Public Officer Program is managed out of Kodiak (KANA) and lacks local control. Sometime in July/August 2007 the State of Alaska Public Safety Summit will be held in Kotzebue and it was recommended that the NVN participate in the summit. The multi-use facility would be an appropriate location for the community, especially of the Boys and Girls Club was located in the same building. This would also show support for the program by having space for the public safety officer.</p>
Community Gathering Place	<p>On occasion the Northwest Arctic Leadership Team, Regional Boards and Assembly's meet in Noatak. The Community also hosts evenings of gathering for various events and need is important to continue hosting such activities.</p>

Conference Room	The community has several boards and commission in Noatak and is in need of a central meeting area, the Native Village of Noatak Tribal Council, the Noatak Lions Club, the Advisor School Council, the Noatak Planning Committee, the Student Council and other regional organizations such as the Subsistence Committee for the Red Dog mine, NANA, Maniilaq, School District and the Northwest Arctic Borough.
-----------------	---

5.2. Programmatic Needs and Requirements

The primary use of the Noatak Multi-Use Facility will be for office/administrative and meeting space for the community program’s and services. It is assumed that the space needs will be typical to that of an office setting- no specialty designs will be incorporated into the final facility. All medical services would be provided at the recently constructed health clinic by the Maniilaq Association.

Table 3⁶ is a preliminary office and space needs and square footage estimate and needs assessment.

Table 4 Preliminary Space Needs Assessment- Multi-Use Facility

Type of Space Needs	Sq Ft/Unit	#	Total Sq ft	Description
Office	125	14	1750	Sq footage is an estimate only.
Private Consultation/Meeting/ Room	250	1	250	Programs may need a small space for a classroom, meeting, or consultation.
Community Meeting	1000	1	1000	Stakeholders expressed the desire for a large space to accommodate large meetings.
Storage	300	1	300	Storage unit for programmatic and administrative needs.
Other	500	1	500	Other (mechanical, restroom, hallways)
Preliminary Sq Footage Assessment			3800 sq ft	

Table 4 highlights other specialty requests, including teacher housing and a washeteria. Due to the complexity of these projects, it is suggested to consider these projects as stand-alone projects.

Table 5 Other space needs

Type of Space Needs	Sq Ft/Unit	#	Total	Description
Teacher Housing	1168	2	2336	Teacher housing per Denali Commission/AHFC past designs.
Washeteria	1650	1	1650	Washeteria’s per Denali Commission/AHFC past designs.
Preliminary Sq Footage Assessment			3986 sq ft	

⁶ This is based on an interview with Herbert Walton, NVN Administrator, and Alice Adams, with NANA. Note. This assessment needs to be reviewed and analyzed during detailed design.

5.3. Potential revenue & tenants

Potential tenants are included in Table 5 below. The tenants would pay a monthly rental and lease fee to NVN for their needed space. To secure funding, it is recommended that a long-term lease be developed. At this time, there are no firm commitments for leases or office space.

Table 6 Potential Tenants

Tenant	Office Needs	Sources of Funding
NVN	7	Grant Funding from a variety of sources. 4 administrative & 3 programmatic.
NANA	2	NANA Regional Corporation funding.
Maniilaq Association	3	Grant Funding
NW Arctic Borough	2	Grant funding.

6. Noatak Potential Facilities

6.1. Existing Facility Shortcomings

NVN is currently housed in a building built in 1969 and renovated in 1980. The condition of the building has been described as in major need of repair and needing to be replaced. Furthermore, the condition and needs assessment identified a highly suspect foundation. Project stakeholders agreed that this building needs to be eliminated from consideration for renovation. Table 7 highlights the shortcomings of this particular facility that were identified by project stakeholders.

Table 7 Existing Facility Shortcomings

Existing Facility Shortcomings
Cramped space for office and administrative facility
No excess storage capacity
Decaying physical condition
Code compliance issues
Decaying foundation
No public meeting space

6.2. Potential Facilities

NVN identified five plausible facility options for consideration, including the elementary school, high school, old health care clinic, high school gymnasium, and the I.R.A. building. All of these sites are located in close proximity to one another. In conjunction with the Noatak school, NVN coordinated an assessment of these facilities. A summary of this assessment is included in Table 8 and a comparison of these alternatives with respect to desirable criteria was undertaken in Table 9.

Table 8 Basic Facility Information

Facility Information	Old Clinic/Tribal Office	I.R.A. Noatak	High School Gymnasium Building	High School	Elementary School
Year Built	unavailable	1969	1980	1979	1979
Year Renovated	unavailable	1980			
Owner/Operator	NVN	NVN	NWABSD	NWABSD	NWABSD
Sq. Feet	1144 sq ft	2592 sq ft	10500 sq ft	3600 sq ft	8250
Function	Tribal Offices	Municipal Offices	Education	education	Education
Comments	Likely too small for program consolidation.	In poor shape	Currently in use	Currently in use	Currently in use.

Table 9 Facility Selection Decision Matrix

Category	Old Clinic/Tribal Office	I.R.A. Noatak	High School Gymnasium Building	High School	Elementary School
Road access	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Available land for expansion	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>			
Sufficient Physical Size	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
	No- Facility is too small for consideration	This particular facility can service Noatak IRA programs only.	Facility actually exceeds the expressed needs	The high school in conjunction with the maintenance facility could serve the needs.	Facility actually exceeds the expressed needs
Physical Condition	Like new/minor repair	Needs to be replaced- poor foundation and poorly maintained.	Major repair- but acceptable	Major repair- but acceptable	Major repair- but acceptable
Other location comments				Does not have thermal siphons on the foundation.	
Parcel ID & land owner	Noatak IRA	Noatak IRA	NW Arctic Borough School District	NW Arctic Borough School District	NW Arctic Borough School District
Local select	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>			

The old clinic/tribal office was eliminated for consideration due to its small square footage. The existing I.R.A. Noatak office is reportedly in dilapidated condition due to its age and poor foundation condition. It was reviewed by a building professional and eliminated for consideration due to its foundation and general overall condition. The Elementary Schools appear to have square footages that exceed expressed needs. The High School remains the most promising option for consideration at this time.

6.3. Operating Costs

Table 10 & 11 below are previous years operating costs. The objective of this analysis is to provide a basis of comparing the relative cost of NVN's existing facility with a potential facility in the future, using the existing school as the baseline. These projections are based on the total costs of several operations and maintenance categories and the relative square footage of each facility. These are ROM estimates only and are provided for consideration purposes.

Table 10 Estimated Operating Costs- NWABSD Facilities

Building	Sq Feet	% of Total Sq Feet	Fuel Cost	Power	Water and Sewer	Upkeep	Total Annual Utilities per unit	Total Average Monthly O& M
Elementary School	8250	24%	\$9,380	\$32,230	\$8,659	\$26,698	\$76,968	\$6,414
High School/ Gymnasium School	10500	31%	\$11,939	\$41,020	\$11,020	\$33,980	\$97,959	\$8,163
High School	3600	10%	\$4,093	\$14,064	\$3,778	\$11,650	\$33,586	\$2,799
Teacher Housing- Large Building	6000	17%	\$6,822	\$23,440	\$6,297	\$19,417	\$55,977	\$4,665
Teacher Housing- Duplex	2625	8%	\$2,985	\$10,255	\$2,755	\$8,495	\$24,490	\$2,041
Principal Quarters	1200	3%	\$1,364	\$4,688	\$1,259	\$3,883	\$11,195	\$933
Maintenance Shop	2125	6%	\$2,416	\$8,302	\$2,230	\$6,877	\$19,825	\$1,652
Total	34300	100%	\$39,000	\$134,000	\$36,000	\$111,000	\$320,000	\$26,667

Table 11 NVN Estimated Operating Costs

Building	Square Feet	% of Total Sq Feet	Fuel Cost	Electricity	Water and Sewer	Maintenance	Total Annual Utilities per unit	Total Average Monthly O&M
Existing IRA Office	2800	40%	\$24,155	\$4,544	n/a	\$9,200	\$37,899	\$3,158
Old Clinic	1700	24%	\$17,418	\$3,166	n/a	\$8,300	\$28,884	\$2,407
Jail House	2500	35%	\$1,300	\$1,000	n/a	\$500	\$2,800	\$233
Total	7000	100%	\$42,873	\$8,710	n/a	\$18,000	\$69,583	\$5,799

6.4. Selected Facility

Based on consideration of several site options within the vicinity of Noatak (see Table 8) and input received during the site visit and village meeting, it was determined that the proposed facility should be the existing High School Building with the option of using the adjoining maintenance facility. Furthermore, it is discouraged for NVN to secure all of the NW Arctic Borough’s facilities as the anticipated operations and maintenance expense is more than what NVN’s can financially sustain.

This facility was built in 1980 and has been well maintained over the years. This facility has commercial grade doors and other building components well suited for the long term needs of NVN.

Table 14 Site Location Attributes

	Site Location Attribute
1	Size of the facility is not excessively bigger than existing.
2	Comparable O&M costs to existing Noatak IRA building.
3	NW Arctic Borough School District is supportive of the Noatak IRA.
4	Facility condition is the best available in the community.
5	Commercial grade doors and other building components.
6	Facility is structurally sound.
7	Facility has potential for expansion with other NW Arctic School District

NVN will need to secure a long-term lease or outright ownership of the parcel of land in order to be successful with financing packages. This could pose challenging as NVN will be requesting only a portion of the facility from the school district as they cannot support the long term O&M costs of the amalgamated school facilities.

6.5. Condition and Needs Assessment of High School

The selected facility was the object of a condition and needs assessment undertaken on June 28, 2007⁷. In general, the school needs major repair, but is a good candidate for renovation into a multi-use facility. Note that there were no invasive assessments undertaken- the assessment was a visual inspection only.

The Noatak High School is owned by the NW Arctic Borough School District. This facility was originally built in 1980 and has been well maintained over the years. The High School's estimated monthly O&M costs is \$2,799⁸, assuming enrollment of students. The following is an overview assessment of the facility's building systems. It is recommended to do a full building systems analysis during detailed design.

- 6.5.1. **Overall Condition.** There are major repairs needed to turn the facility into a multi-use facility, but this overhaul is both financially and structurally feasible. The building has been well maintained. Building shows wear for an average school of its age and location. Exterior of building needs various repairs to siding, including patching holes and painting.
- 6.5.2. **Electrical System.** The electrical system is like new and only needs minor repairs. Comments: Square D components are up to date and has the ability for increased amperage. Building is being fed from a main distribution panel in the Maintenance Shop. Building also is on a backup generator, located in the Maintenance Shop.
- 6.5.3. **HVAC System.** The HVAC system is like new and only needs minor repairs. Comments: Building has two heating systems, forced air and radiant heat. Both systems are fueled by number 2 heating oil. Forced air heat duct work is located in the floor joist, under the building, insulated and enclosed with marine grade plywood. Radiant heat system is has insulated copper pipe with fin tube registers located around the perimeter, under the windows.
- 6.5.4. **Plumbing.** The plumbing system is like new and only needs minor repairs. The system has 1" cooper main with 1/2" distribution piping, ABS drain piping run in the insulated space under the floor joist to an metal insulated buried line.
- 6.5.5. **Foundation.** The foundation needs to be reviewed by a qualified structural engineer for soundness. The assessor noted treated wood piles. No thermal exchanger was found around this buildings foundation. It is likely, however, that the foundation is sufficient for projected needs.
- 6.5.6. **Roof and Supports.** The roof and support system is like new and only needs minor repairs. The roof is a low pitched metal roof with metal and wood framing. Roof members were not visible during inspection, due to a fire rated drywall covering visible above a drop ceiling. Water damage was visible in multiple location of the building.

⁷ The School was assessed by Nu-Solutions. The full report is found in appendices. Note that there was no invasive testing done to assess the soundness of the facility.

⁸ See Table 10

7. Operations: Finance & Governance

The owner/operator of the proposed multi-use facility will be the NVN. It is suggested that a council resolution be developed in support of the project, to include project participants, tenants, and that a capital replacement fund will be established.

The current owner of two facilities currently under consideration is the NW Arctic Borough School District. If the school facilities are selected, a transfer of ownership agreement from the NW Arctic Borough School District to NVN would need to be initiated. This poses some real problems; however, as the expressed space needs of the community is significantly less than the combined sq footage of the combined facility. It is recommended that only a partial transfer of property (i.e. High School to NVN) occur between NVN and the NW Arctic Borough School District.

As the owner/operator, NVN would be responsible for all operations, including collecting rent from tenants, operations and upkeep, and insurance. Tenant agreements should be included in the business and financing plan.

8. Implementation Plan

8.1. Multi-Use Facility Conceptual Cost Estimate- Budgetary Submittal

Assuming the expressed programmatic needs, relative facility condition, and availability of facilities, the existing Noatak High School has been identified for renovation. Table 12 highlights the construction cost estimate assumptions. Utilizing these assumptions, the construction budget estimate- basic bid is **\$1,641,567** based on procurement in 2008. If a new foundation is required, the construction estimate with adder is **\$2,196,087** based on procurement in 2008. The summary budget details is found in Table 11. The full estimate is found in the appendices.

It is important to note that is not an engineer’s estimate and is within a +/- 25-30% of actual cost. As the project advances to detailed design a more complete and accurate Engineer’s estimate should be undertaken.

Working assumptions include:

Table 12 Budget Estimating Assumptions

Construction Cost Estimate Assumptions	
1	The facility to be renovated is the Noatak Hiddle school and maintenance building approximately 3-4000 sq ft facility.
2	800-1000 sq ft meeting facility.
3	Small consultation/meeting room.
4	10-12 individual office spaces approximately 150-300 sq ft each.
5	Kitchen facility to be incorporated into the facility.
6	Storage Facility.
7	Compliant with all building codes involved with Denali Commission and other USG funding (ADA, Fire Code, etc)
8	Electrical, mechanical, plumbing, siding/roofing, and other building systems would be replaced and/or improved.
9	Use of local labor to the maximum extent practical.
10	Community is not accessible to river barging- only air.
11	Based on 2008 procurement and 2008 construction.
12	Labor rates based on Davis Bacon 60 hours/week.
13	Weather, logistics, and construction time window has been considered.
14	Assumes open competitive bid process.
15	Materials storage area will be designated near the building.
16	Local contractor with limited room and board.

Table 13 Construction Cost Estimate- Budget/Preliminary

Division	Basic Bid	Estimated Cost-Budget (\$)
1	General Requirements	\$549,216
2	Sitework	\$146,974
3	Concrete	
4	Masonry	
5	Metals	\$19,990
6	Wood and Plastic	\$56,763
7	Thermal and Moisture Protection	\$81,256
8	Doors and Windows	\$74,380
9	Finishes	\$111,038
10	Specialties	\$9472
11	Equipment	\$8320
12	Furnishings	\$5133
13	Special Construction	\$28831
14	Conveying	
15	Mechanical	\$195,473
16	Electrical	\$121,016
Sub-Total		\$1,407,862
Estimating Contingency (10%)		\$140,786
Escalation for Inflation (12mths @6%)		\$92,919
Total Estimated Cost- Basic Bid		\$1,641,567
Other Costs and Alternates New Foundation		\$554,519
Other Costs and Alternates Sub-Total		\$554,519
Total Estimated Project Cost		\$2,196,087

8.2. Potential Donors and Fundors & Capital Campaign

NVN will likely need support from a variety of government agencies, foundation, and corporate entities to secure the needed resources for such an undertaking. Grant funds are the most obvious means of securing funding for such a facility, but there are other options to consider as well. Once conceptual design is complete, a targeted fundraising strategy can be developed to fund the multi-use facility. Table 5 is only a potential listing of donors for such an undertaking. There are many other potential donors.

Table 14 Potential Donors

Fundor/Lender	Description
State of Alaska DCCED /Denali Commission	DCCED is the program manager of the Denali Commission funding for multi-use facilities. These entities should be considered as one entity for such a campaign. There is no funding including in FY 2007 allocation and the program will be going through a program evaluation.
Rasmuson Foundation.	The Rasmuson Foundation is a private foundation that works as a catalyst to promote a better life for Alaskans. The Foundation Board, with its statewide perspective and expertise, focuses on requests that allow an organization to become more efficient and effective in improving the quality of life for Alaskans.
Indian Community Development Block Grant.	As Tribal Entity, NVN is eligible to participate in the ICDBG program managed through the U.S. Housing and Urban Development.
Community Development Block Grant	While NVN is likely not eligible for funding under this program, the NW Arctic Borough is eligible.
Traditional Lending Options	Financing a portion of the project through traditional lending market remains a possibility. If long term leases can be secured from potential tenants, such as NANA, NW Arctic Borough, and Maniilaq, these leases will add credibility in the traditional lending market. Once a business plan has been developed, lenders such as the Native American Bank, Wells Fargo, First National Bank, and Alaska Growth Capital could be pursued.
Corporate Giving	ConocoPhillips, BP, Alyeska Pipeline, Federal Express are all major corporations with a strong Alaskan presence that could be considered for a capital campaign. NANA Regional Corporation, as the regional corporation, is another entity. Finally, Tech Cominco, due to its close proximity is another viable option.

The key to a successful capital campaign is the establishment of the above mentioned partnerships and relationships with a variety of donors and fundors in Alaska and beyond. It is critical to get the word out early and often.

The Denali Commission’s enabling legislation directed the Commission to provide funding not to exceed 50% for communities not designated as distressed and to provide funding not to exceed 80% for communities designated as distressed. Noatak is currently considered a non-distressed community. Therefore, there will need to be a diversity of donors involved, as one USG donor will only be able to provide a portion of the funding. Please note that there are is no funding allocated for FY 2007.

9. Project Sustainability

9.1. Business Plan

The M-U Facility can achieve sustainability through long term partnerships and development of long term leases with entities who need and can pay for office space in the community. If lease commitments are secured from these entities and accurate grant and other revenues projected for the facility, the NVN should be able to demonstrate a sustainable business plan to potential donors.

To ensure the financial sustainability of the multi-use facility, the business plan development needs to be closely monitored and managed towards a break-even framework. The most critical element of a successful capital and fundraising plan is a sustainable business plan that demonstrates the ability to operate and sustain the facility over the long term.

NVN will need to develop a capital replacement fund for this facility. A capital replacement fund is the amount of money that should be saved each year to completely replace the project at the end of its useful or design life. As Federal and State agencies resources are decreasing, the need for business plans and the ability for a community to demonstrate sustainability are becoming increasingly important. It is recommended that NVN create a capital replacement fund for the facility.

9.2. Energy Considerations

The community of Noatak has one of the highest cost of fuel of any community in Alaska- \$6-7 gallon for fuel, largely due to the remoteness of Noatak and logistical challenges involved with transport via airplane. All planning, design, construction, and operations decisions need to be made in the context of energy conservation, energy savings, and sustainability.

The process of consolidating programs and services and their respective physical plants into a singular multi-use facility is an excellent tactic to address the energy issue in Noatak. Through consolidation, economies of scale are possible through savings on heating fuel, electricity, and other capital and operation costs involved with on-going operations.

A review of biomass, recovered heat, and other renewable energy resources did not reveal direct application and potential as it relates to this particular facility concept. Biomass potential is negligible due to the relatively low tree cover as evidenced by Alaska's biomass map. AVEC's new power plant will be located next to the airport, making recovered heat unfeasible. There is currently an anemometer in place for measuring the wind resource in Alaska. However, there does not appear to strong wind potential in the area per Alaska's wind map.

It is suggested to construct and design multi-use facility to the highest degree of energy efficiency possible. There are several energy efficient building construction programs that could be considered for application, including some through AHFC and the U.S.

Green Building Council Leadership in Energy and Environmental Design (LEED) Green Building rating system⁹ (www.usgbc.org.) This is a national recognition system that benchmarks energy efficient design and construction. This could serve as an effective marketing tactic to potential donors for the project.

10. Implementation Phase

The following steps are logical, next steps in the development of a multi-use facility for NVN.

- 10.1.** *Refine Strategic Plan.* The process of developing a strategic plan is an on-going process. As new information becomes available, it should be incorporated into this plan. NVN should utilize this plan to cultivate and solidify local, regional, and statewide support and to come to agreement on the specifics of the facilities parameters, including O&M, tenants, facility ownership, capital contributions, and other design and construction parameters. Once these parameters are agreed upon, the project can move forward in a forthright manner.

NVN needs to set a goal about its in-kind contribution. It is important to consider in-kind contributions in the overall request to donors.

- 10.2.** *Initiate the Design Process.* It is important to begin a conceptual design once the strategic plan is complete. This would entail identifying an architect and having them sketch a conceptual layout design for the facility. The architect's design would then provide a construction estimator with sufficient parameters and specifications, allowing for a more concise estimate than the budgetary estimate provided in the strategic plan. The Denali Commission has funding available for the conceptual design and business plan process. NVN should budget up to \$20-30,000 for a conceptual design for a multi-use facility.

- 10.3.** *Facility Business Plan.* Ownership and management of a Multi-use facility also needs detailed structures and plans. That detailed structure and plan is called the business plan. A business plan is written for a specific date and time. It is, however, a living document and should be continually updated. Ideally, the business plan would be completed after the conceptual design and once letters of commitment are secured. NVN should budget up to \$8-11,000 for the development of a credible business plan.

- 10.4.** *Fundraising/Capital Campaign.* Once NVN has a business plan and a conceptual design in hand, a fundraising/capital campaign can be executed.

⁹ The Leadership in Energy and Environmental Design (LEED) Green Building Rating System™ is the nationally accepted benchmark for the design, construction, and operation of high performance green buildings. LEED gives building owners and operators the tools they need to have an immediate and measurable impact on their buildings' performance. LEED promotes a whole-building approach to sustainability by recognizing performance in five key areas of human and environmental health: sustainable site development, water savings, energy efficiency, materials selection, and indoor environmental quality.

Utilizing the Multi-Use Facility Steering Committee, made up of NVN, Maniilaq, and the NW Arctic Borough, the team can solicit support from various donors. It is difficult to budget for an undertaking such as this, but the use of a grant writer and travel expenses is needed to be successful.

- 10.5.** *Final Design.* Once funding is secured, an A/E firm can be sub-contracted for final design drawings, specifications, and other construction documents. Generally, final design and construction funding is integrated. At this stage, architects, structural engineers, electrical engineers, and mechanical engineers will design the facility according to established building codes and standards relevant to an Arctic Environment. A/E costs are typically 8-10% of the project's total cost. NVN should budget for approximately \$1-\$300,000 depending on the conceptual design estimate and scope of the project.
- 10.6.** *Project Management/Construction.* At some point during design, NVN needs to sub-contract with a professional project management and general contractor for the management and construction of the facility. The project management firm will work with NVN for logistics, local hire, demolition, and all other specifics involved with construction of this facility. The budget cost estimate for construction will be provided during this consultancy. The final estimate could be in the \$1-3 million range for this facility.
- 10.7.** *Commissioning/Operations.* Once construction is complete, the facility will go through a pre-determined commissioning, or testing process. NVN will have the right to review and accept the work of the contractor. Once the work is accepted, the project will be turned over to NVN for operations per the business plan parameters.

Appendix- Program and Resource Inventory

Name of Program	Service Provider	Funding	Staffing	Program Goal and Objectives	Target Audience	Service Capacity	Other Similar Programs	Program Needs	Other Comments
Health Initiative Grant	NVN	Maniilaq; \$34,000 per year	IRA Administered No program staff	Provide assistance for patient travel.				Office Space	
Native Child Welfare Act	NVN	BIA Juneau Office; On-going program.	1 social worker; Part time.	Program Provides adoption services; Child welfare services	Children and Families			Meeting room; private consultation room. (1cubicle/office)	
Agricultural Program	NVN	BIA Funding; \$6,000/yr May-August	1 gardener; May-June	To promote agricultural awareness	Community wide;	15 people served.	None		
Tribal Enrollment and Education Program	NVN	PL 93-968-Juneau BIA; \$88, 196 two years	1 PT coordinator	Financial support for students pursuing higher education. Tribal Enrollment Provide scholarships for students.	Community members seeking post secondary education.	8 people/yr for higher education. AVT 15		Meeting rooms; 1 office (1cubicle/office)	Sends students outside for training.
Village Roads Program	NVN-Juneau	Juneau BIA Start-up in 2007/2008. Need to reapply each year.	IRA administered-no staffing	Planning and upgrading for community roads in the transportation sector	Community Wide				NANA DOWL did the roads inventory.
IGAP Program	NVN	EPA Region 10; \$110,000/yr, includes indirect and	1 coordinator; 1 assistant coordinator; 2 people	Addresses environmental concerns in the community; focus on the	Community wide.			Meeting rooms; 1 office; Public Education	

		OH, program expenses, and staffing		environmental sector.				display. (1cubicle/office)	
NW Arctic Borough Planning Grant	NVN	NW Arctic Borough; \$5,000 Start-up: 2005	IRA Administered	Assist with community comprehensive planning-planning services.				Meeting room	
Water and Sewer Services	NVN	Revenues \$162,000; On-going	1 Book Keeper; Plant operators All part time.	Provide water and sewer services;	93 households			1 office	
NVN Administrative Needs	NVN	On-going revenue	Administrator Administrative Assistant Village Clerk Janitor	Provide administrative functions for Noatak.				3 offices	
Public Assistance Agent	NVN.	Funded through the State of Alaska Department of Health and Social Services	1 agent part time;	Application for energy and public assistance; social services; public assistance	Low Income people in need.			Office space; GED tutor ½ time coordinator. (.5 cubicle/office)	
Volunteer Fire Department	NW Arctic Borough-provided oversight	On-going	1 coordinator position	Fire fighting and public safety.	Community			Office space; storage	Good candidate for consolidation.
Maniilaq Traditional Foods Program	NVN	\$5,000/yr; Start-up in 2003 and on-going in funding	IRA Administered	Promote subsistence activities and food for elders.	Elders in the community	20-30 elders people/yr		NW Arctic Borough	
Village Police Officer	Maniilaq provided	On-going	1 VPO part time	Village Public Safety & law enforcement	Village			Office & jail cell space. (1cubicle/office)	
General &	Maniilaq	Grant	1 FTE	Social welfare;	Families in			Office space,	Currently

Burial Assistance Program		funded/general assistance 1999 Start-up -on-going	1 on-call	provides social work & burial assistance.	need			consultation room, meeting room; (1cubicle/office)	using old clinic for office space. Needs to be ADA compliant.
NANA	NANA	Borough, NANA, and the Chuckchi campus	2 FTE and 1 on-call	Provision of technical assistance for the community; workforce development and liaison with outside agencies.	NANA shareholders	500 in the community		Needs 2 offices and occasional meeting space.	

DRAFT

Name of Program	Service Provider	Funding	Staffing	Program Goal and Objectives	Target Audience	Service Capacity	Other Similar Programs	Program Needs	Other Comments
GED Tutoring	NW Arctic Borough School District	Funded through the AK Tech Center; On-going start-up in 06	1 Part time tutor	GED counseling.	18-22 youth not enrolled in school and seeking their GED.			Office space and private room	Could combine.
Public Assistance Agent	Native Village of Noatak.	Funded through the State of Alaska Department of Health and Social Services	1 agent part time;	Application for energy and public assistance; social services; public assistance	Low Income people in need.			Office space; GED tutor ½ time coordinator.	
Volunteer Fire Department	NW Arctic Borough-provided oversight	On-going	1 coordinator position	Fire fighting and public safety.	Community			Office space; storage	Good candidate for consolidation.

Appendix Project Contact Information

Entity	Address	Phone	Fax	E-mail	POC	Web Site	Role
Native Village of Noatak (IRA)	P.O. Box 89 Noatak, AK 99761	907-485-2173	907-485-2137		Herbert Walton		
Northwest Arctic Borough	P.O. Box 1110 Kotzebue, AK 99752	907-442-2500			Annabelle Alavite		
NANA Regional Corporation	P.O. Box 49 Kotzebue, AK 99752	907-442-3301 907-442-2866		E-mail marie.greene@nana.com		Web http://www.nana.com	
NW Arctic Economic Dev. Comm	P.O. Box 1110 Kotzebue, AK 99752	907-442-2500	907-442-3740				
NANA Pacific	701 West 8 th Avenue, Fourth Floor	907-257-1700	907-257-1795	jhermanson@nanapacific.com	Jay Hermanson		Contractor
Denali Commission	510 L Street Suite 410 Peterson Tower Anchorage, AK 99501	(907) 271-1415	(907) 271-1415	pmcintosh@denali.gov			

Appendix- Detailed Construction Estimate

DRAFT

Appendix- Facility Condition and Needs Assessment

DRAFT

Appendix- Facility/Community Meeting & Planning Report

DRAFT