New Facility Construction Report February 2026

Sitework

RESPEC (civil engineer) and Dawson (general contractor) continue to work with ADEC (Alaska Department of Environmental Conservation) to close the SWPPP (Storm Water Pollution Prevention Plan), as the future hospital site is required to be "stabilized" and must meet standards for a temporary condition until the actual construction takes place. There are still a few remaining items that ADEC has requested a formal response to, which they were not previously satisfied with. Another submittal will be sent on 2/27/2026.

WERC Building

The WERC (Wellness, Education, and Resource Center) building and the MRI addition are 100% complete with the original contract scope. The UPS (Uninterrupted Power Supply) for both the magnet and servers is planned to be activated on 2/25/2026. All other remaining punch list items, including the FF&E (Fixtures, Furniture, and Equipment), have been completed at this time.

New Hospital Design

The design drawings for the full Hospital and Long-term Care Building were paused at 35% schematic design.

To create an alternative pathway for the progress of the campus build-out, the current concepts that have been recently developed are for a multi-phase approach as follows:

Phase 1 – Sitework, completed

Phase 2 – WERC Building completed

Phase 3 – LTC concept site plan only

Phase 4 – Hospital concept site plan only.

This would allow an immediate focus to take place on the Long-Term Care Building with allowable funds at that time, in anticipation of future funding for the Hospital.

Based on current market conditions, a project of this scale and magnitude will go up in costs by roughly $2,000,000 per year due to inflation and changing market conditions. So, if the campus is built in 2031 versus 2026, for example, it could be forecasted to cost $10,000,000 more. This is another driver to start construction as soon as possible on at least one building to reduce the overall construction costs for the completion of the campus.

Replacement Buildings Square Footage Comparison

SPACE	EXISTING			2023 PROPOSED			2026 PROPOSED		
	NSF	GF	DSF	NSF	GF	DSF	NSF	GF	DSF
DEPARTMENTS									
MAIN ENTRY RECEPTION	875	1.10	963	2,905	1.15	3,341	3,043	1.15	3,500
ADMINISTRATION	2,183	1.18	2,576	0	0.00	0	0	0.00	0
INFORMATION TECHNOLOGY	0	0.00	0	0	0.00	0	0	0.00	0
BUSINESS/MED. RECORDS	884	1.19	1,052	0	0.00	0	0	0.00	0
LONG TERM CARE	4,430	1.38	6,113	8,910	1.50	13,365	10,080	1.50	15,120
CLINIC	2,736	1.95	5,335	4,900	1.40	6,860	6,143	1.40	8,600
ACUTE CARE	3,578	1.20	4,294	6,010	1.50	9,015	6,245	1.50	9,368
EMERGENCY DEPARTMENT	954	1.10	1,049	1,445	1.50	2,168	1,417	1.50	2,126
LABORATORY	1,683	1.12	1,885	1,840	1.25	2,300	1,840	1.25	2,300
IMAGING	1,437	1.48	2,127	1,984	1.50	2,976	2,667	1.50	4,000
PHARMACY	117	1.00	117	540	1.20	648	540	1.20	648
SURGERY	1,045	1.46	1,526	1,030	1.55	1,597	1,030	1.55	1,597
CENTRAL STERILE	480	1.09	523	0	0.00	0	0	0.00	0
PHYSICAL THERAPY	1,096	1.14	1,249	2,080	1.25	2,600	2,080	1.25	2,600
HOME HEALTH	1,672	1.44	2,408	0	0.00	0	0	0.00	0
MAINTENANCE	2,376	1.26	2,994	1,114	1.15	1,281	1,243	1.15	1,430
DIETARY	1,656	1.21	2,004	2,210	1.20	2,652	2,210	1.20	2,652
CENTRAL SUPPLY	5,012	1.20	6,014	0	0.00	0	0	0.00	0
OTHER SUPPORT SPACES	4,660	0.00	0	0	0.00	0	0	0.00	0
SHELL SPACE	0	0.00	0	0	0.00	0	2,100	1.00	2,100
TOTAL DEPARTMENT GROSS SQUARE FOOTAGE			42,229			48,801			56,039
Building Grossing Factor			1.2			1.2			1.2
TOTAL DEPARTMENT GROSS SQUARE FOOTAGE			50674			58562			67247

Upcoming Activities

- Close SWPPP
- Complete LTC/Hospital Phased Concept Design
- Funding to advance LTC Design $1M+ (35% SD)

Budget

- WERC budget – $22.7M (Stacked)
  - CCPF Treasury Grant – $20M
  - HRSA Grant – $2.7M
- Hospital Sitework & 35% Schematic Design – $5.3M
  - HRSA Grant – $5.3M
- Remaining funds in combined grants – >$500k (mostly expended)

See the next pages for updates to the overall campus build-out, concept site plan, and timeline.

Submitted by: Justin Wetzel- Arcadis Project Manager