SUMMARY OF PROPOSED LEGISLATION

Tracking No. 0104-22

Date: June 16, 2022

Re: **AN ACT RELATING TO THE RESOURCES AND DEVELOPMENT, HEALTH, EDUCATION, AND HUMAN SERVICES, BUDGET AND FINANCE, AND NAABIK'ÍYÁTI' COMMITTEES, AND TO THE NAVAJO NATION COUNCIL; ALLOCATING $25,000,000 FROM THE SÍHASIN FUND TO THE TUBA CITY REGIONAL HEALTH CARE CORPORATION FOR ITS LONG-TERM CARE, CANCER, AND REHABILITATION FACILITY; APPROVING THE RELATED EXPENDITURE PLAN PURSUANT TO 12 N.N.C. §2501 – §2508**

Purpose of this Legislation:

to approve $25,000,000 from the Sihasin Fund to the Tuba City Regional Health Care Center for the planning, design, and construction of its proposed Long-Term Care, Cancer, and Rehabilitation Facility; and approving the related Expenditure Plan for the Project.

OLC No. 22-209-1

5-DAY BILL HOLD PERIOD: A. Johnson
Website Posting Time/Date: 7:11pm; 06-22-22
Posting End Date: 06-27-22
Eligible for Action: 06-28-22

Resources & Development Committee
Thence
Health Education & Human Services Committee
Thence
Budget & Finance Committee
Thence
Naabik'íyáti' Committee
Thence
Navajo Nation Council

PROPOSED NAVAJO NATION COUNCIL RESOLUTION

24th NAVAJO NATION COUNCIL - Fourth Year, 2022

Introduced by:

(Prime Sponsor)

Tracking No. 0104-22

AN ACT

RELATING TO THE RESOURCES AND DEVELOPMENT, HEALTH, EDUCATION, AND HUMAN SERVICES, BUDGET AND FINANCE, AND NAABIK'ÍYÁTI' COMMITTEES, AND TO THE NAVAJO NATION COUNCIL; ALLOCATING $25,000,000 FROM THE SÍHASIN FUND TO THE TUBA CITY REGIONAL HEALTH CARE CORPORATION FOR ITS LONG-TERM CARE, CANCER, AND REHABILITATION FACILITY; APPROVING THE RELATED EXPENDITURE PLAN PURSUANT TO 12 N.N.C. §2501 – §2508

BE IT ENACTED:

SECTION ONE. AUTHORITY

A. The Resources and Development Committee is a standing committee of the Navajo Nation Council with oversight authority over all 110 Navajo Nation Chapters, as well as community development. 2 N.N.C. §500(C) and 26 N.N.C. §102.

B. The Health, Education, and Human Services Committee is a standing committee of the Navajo Nation Council with oversight authority over matter involving health, social services, and veterans. 2 N.N.C. §400(C)(1); §400(C)(2).

C. The Budget and Finance Committee is a standing committee of the Navajo Nation Council with the responsibility to "review and recommend to the Navajo Nation Council the budgeting, appropriation, investment and management of all funds." 2 N.N.C. §301(B)(2).

D. The Naabik'íyáti' Committee is a standing committee of the Navajo Nation Council that considers all proposed final actions by the Navajo Nation Council. 2 N.N.C. §164(A)(9).

E. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. §102(A). As such, the Council may approve appropriations from the Navajo Nation's Síhasin Fund for projects that have an approved expenditure plan.

F. 12 N.N.C. §2502, as amended by CJA-03-18, states the purpose of the Navajo Nation Síhasin Fund ("Síhasin Fund") as follows:

> §2502 Purpose
>
> A. The purposes of this Fund are to provide financial support and/or financing for:
>
> 1. The planning and development of economic development and regional infrastructure supporting economic development and community development, including such infrastructure as, but not limited to, housing, commercial and government buildings, waterline, solid waste management development, powerline Projects, and transportation and communication systems, within the Navajo Nation; . . .
>
> B. For the Purpose in §2502(A)(1), Fund expenditures for infrastructure shall not be limited by 12 N.N.C. §1310(F) or TCDCJY-77-99.
>
> C. Leveraging the Fund by way of guaranteeing loans, match funding, direct funding in part, and other weighted uses of the Fund, including loan financing from the Fund, for the purposes in §2502(A)(1), shall be favored over direct funding in whole.

G. The Síhasin Fund provides that "Fund Principal" shall consist of all deposits made to the Síhasin Fund and that "Fund Income" shall consist of all earnings (interest, dividends, etc.) generated and realized by the Fund Principal, and that Síhasin Fund Income shall be deposited in, and added to, the Fund Principal until such time as a Fund Expenditure Plan is duly approved. 12 N.N.C. §2504 and §2505(C).

H. The Síhasin Fund provides that "Fund Principal and Income shall not be expended except pursuant to a Fund Expenditure Plan consistent with the purposes set forth in §2502 of this Chapter and adopted by a two-thirds (2/3) vote of all members of the Navajo Nation Council." 12 N.N.C. §2505(A).

SECTION TWO. FINDINGS

A. The Tuba City Regional Health Care Corporation ("TCRHCC") is requesting the Navajo Nation to provide it with $25,000,000 from the Síhasin Fund for its proposed Long-Term Care, Cancer, and Rehabilitation Facility ("Project"). This Project will be constructed adjacent to TCRHCC's existing hospital in Tuba City, Navajo Nation (Arizona). TCRHCC's request for funds, submitted by TCRHCC's Chief Executive Officer, is attached hereto as **EXHIBIT A.**

B. TCRHCC is authorized by the Navajo Nation Council as a tribal healthcare organization pursuant to the Indian Self-Determination and Education Assistance Act, P.L. 93-638, as amended. EXHIBIT A.

C. Pursuant to its Compact with the U.S. Department of Health and Human Services ("DHHS") under the Indian Health Service ("IHS"), TCRHCC operates the former Navajo Area Tuba City Indian Medical Center located in Tuba City, Navajo Nation (Arizona), as well as several other satellite medical facilities and clinics that provide services to IHS beneficiaries in TCRHCC's service area within the Western Navajo Agency and Coconino County. TCRHCC's service area includes the Cameron, Bodaway/Gap, Coalmine Canyon, Kaibeto, LeChee, Coppermine, Tonalea, and To'Naneez'Dizi Chapters of the Navajo Nation, the Hopi Village of Moenkopi, and the San Juan Southern Paiute Tribe. EXHIBIT A.

D. At its Tuba City hospital, TCRHCC operates a Level III Trauma Center and a Diabetes Education Program accredited by the American Association of Diabetes Educators, with a patient service population of nearly 36,000 persons. TCRHCC also serves as a Medical Referral Center for over 100,000 patients across the Navajo Nation, including IHS beneficiaries from the Hopi and San Juan Southern Paiute tribes. EXHIBIT A.

E. TCRHCC provides comprehensive healthcare services including inpatient/outpatient health services; emergency services; dental and ophthalmology services; orthopedics; OB/GYN services; oral surgery; limited urological procedures, pediatric, rheumatology, neurology, dermatology, podiatry, rehabilitative and mental health services, and, most recently, it provides world-class cancer treatment in its one-of-a-kind oncology center. EXHIBIT A.

F. TCRHCC is the regional referral center for Western Navajo Nation, which includes transfers of patients from the Kayenta Health Center and the Hopi Health Care Center. The chronic

underfunding of Indian health services makes it particularly challenging to combat the current health disparities for Navajo Nation Tribal members and other IHS beneficiaries served by TCRHCC. EXHIBIT A.

G. The COVID-19 Pandemic has highlighted the health disparities present in Native communities. It is uncertain whether the Navajo Nation will continue to live with the presence of the COVID-19 virus or if it will be eradicated. EXHIBIT A.

H. Navajo Nation communities have two or more generations living together, exposing elders to the youngest members of their households and dramatically increasing the risk that children may unknowingly bring COVID-19 into the home and pass it to their elders. EXHIBIT A.

I. Many Navajo elders are unable to live alone at home and have limited options to remain in their home without supportive assisted care. TCRHCC currently must send elders more than 100 miles away for the care they need. As the Navajo Nation's elder demographic ages, this situation will only grow more serious. EXHIBIT A.

J. It is no longer a viable option to rely on families and extended family members to address the needs of Navajo elders, as this practice has diminished considerably due to younger family members having to relocate from remote rural communities to distant urban centers in search of employment opportunities. Thus, more nursing homes or long-term care facilities are needed within the Navajo Nation as Navajo families desire to keep their elder family members as near as possible. EXHIBIT A.

K. Two types of care are urgently needed. First, skilled nursing care, which requires nursing, rehabilitation, and other professionally-licensed care as part of a specified care plan prescribed by a physician. Second, intermediate level care which is assistive and does not include the use of nursing care. EXHIBIT A.

L. Unfortunately, many community members have forgone cancer screenings during the COVID-19 Pandemic. TCRHCC has seen an increase in cancer referrals and has begun implementing more cancer screening. EXHIBIT A.

M. TCRHCC's proposed Project will be constructed adjacent to its existing hospital in Tuba City, and will be comprised of an assisted living center to accommodate sixty elder residents or disabled persons and thirty additional beds for skilled nursing care. The Project will also

include a cancer specialty care clinic that will double TCRHCC's patient capacity by expanding its Hematology Oncology Clinic. This will allow TCRHCC to screen and care for more patients, including Navajo elders as the population ages. The details of TCRHCC's proposed Project are shown in the attached **EXHIBIT B**.

N. The Project is estimated to cost nearly $55,000,000. A Project Budget and Project Schedule are attached as **EXHIBIT C**. Photos of the proposed location for the Project, and design schematics, are attached as **EXHIBIT D**.

O. In order to fund the entire Project, TCRHCC is leveraging several other funding sources to pay for the design, construction, and operation of the Project, including its own funds, a loan from the U.S. Department of Agriculture, an $8,000,000 appropriation from the United States Congress distributed through a grant from DHHS, and operational funding under its Compact with IHS.

P. TCRHCC will own the Project and, when it is completed, TCRHCC will operate the Project just as it does the Tuba City hospital, pursuant to its Compact with IHS.

Q. Allocation of the $25,000,000 as requested by TCRHCC meets the criteria for Síhasin expenditures because the proposed expenditure involves community development and government buildings, as described in 12 N.N.C. §2502(A)(1).

R. Allocation of the requested Síhasin funds also meets the preference for the leveraging of funds, as mentioned in 12 N.N.C. §2502(C), because TCRHCC is seeking federal funds from the U.S. Department of Agriculture and the U.S. Indian Health Service.

S. The Navajo Nation further finds that providing the requested Síhasin funds for the proposed Project is in the best interest of the Navajo People, Navajo elders, and their communities.

SECTION THREE. APPROVING $25,000,000 FROM THE SÍHASIN FUND FOR TCRHCC'S PROPOSED LONG TERM CARE, CANCER, AND REHABILITATION FACILITY; APPROVING THE RELATED EXPENDITURE PLAN

A. In accordance with 12 N.N.C. §2505(A), the Navajo Nation hereby approves $25,000,000 from the Síhasin Fund for the TCRHCC's proposed Long-Term Care, Cancer, and Rehabilitation Facility, as explained in the attached **EXHIBIT A**.

B. Within thirty (30) business days after the effective date of this Act, the Navajo Nation Office of the Controller shall begin releasing the Síhasin funds approved herein to TCRHCC, provided that an appropriate grant agreement, memorandum of agreement, or other legal document establishing a project schedule, payment or drawdown plan, or other relevant procedures, has been agreed to by the Office of the Controller and the Navajo Nation Department of Justice, and is executed by TCRHCC and the Navajo Nation.

C. In accordance with 12 N.N.C. §2501–§2508, the Navajo Nation hereby approves TCRHCC's Project Expenditure Plan, comprised of the attached **EXHIBITS A - D**.

D. The $25,000,000 in Síhasin funds shall be used by TCRHCC strictly for its proposed Project as described in **EXHIBITS A - D**. TCRHCC shall be responsible for complying with the Project Expenditure Plan approved herein, and with all provisions of the agreement described in Section Three (B) above. TCRHCC shall own, manage, and operate the Project during its preliminary planning and construction phases, and upon the Project's completion, in accordance with TCRHCC's Compact with IHS.

E. As a condition of receiving the Síhasin funds allocated herein, upon reasonable prior notice TCRHCC shall allow the Navajo Nation full access to its financial records related to all Síhasin funds TCRHCC has received, for the purpose of the Navajo Nation's review and audit of TCRHCC's expenditures of the Síhasin funds provided.

F. The Health, Education, and Human Services Committee shall have legislative oversight authority over TCRHCC's proposed Project. TCRHCC shall submit a written report, and a verbal report if so requested, explaining the ongoing status of its Project and its expenditures of the Síhasin funds it has received. Said reports shall be provided to the Health, Education, and Human Services Committee by the end of each Fiscal Year Quarter until TCRHCC's Project is completed or the entire $25,000,000 in Síhasin funds is exhausted. The Committee shall have the discretion to stop prospective payouts of Síhasin funds, and to demand repayment of Síhasin funds, for any misfeasance by TCRHCC or its contractors related to the Project or the awarded Síhasin funds.

G. The Controller shall determine whether the source of the $25,000,000 approved herein will consist of Síhasin Fund Principal or Síhasin Fund Income, or a combination of both.

H. The $25,000,000 in Síhasin funds approved in this Act may be further leveraged by bond or

loan financing pursuant to the Navajo Nation Bond Financing Act (12 N.N.C. §1300 *et seq.*, as amended), using Síhasin Fund earnings for repayment and financing costs, upon approval of the Budget and Finance Committee and upon further approval by a two-thirds (2/3) vote of the full membership of the Navajo Nation Council.

I. The $25,000,000 in Síhasin funds shall not lapse on an annual basis. However, any Síhasin funds not spent or encumbered within thirty-six (36) months of the date TCRHCC receives its first draw-down of funds shall then immediately revert to the Síhasin Fund Principal, unless and until the Health, Education, and Human Services Committee determines otherwise.

J. The Síhasin Fund shall be reimbursed the amount of funds approved herein, from other funds available to the Navajo Nation from any and all state and federal sources, including Congressional appropriations under the American Rescue Plan Act of 2021 or other COVID-19-related relief, so long as the Project expenditures described herein are deemed eligible under such COVID-19-related or other funding sources.

K. Any and all savings or unused amounts of the Síhasin funds approved herein shall be immediately returned to the Síhasin Fund Principal once TCRHCC's Project is completed, or upon the reversion deadline in Section Three (I) above.

SECTION FOUR. EFFECTIVE DATE

This Act shall become effective pursuant to 12 N.N.C. §2505.

SECTION FIVE. SAVING CLAUSE

If any portion of this Act is invalidated by the Supreme Court of the Navajo Nation, or by any Navajo Nation District Court without appeal to the Navajo Nation Supreme Court, the remainder of this Act shall be the law of the Navajo Nation.

TUBA CITY REGIONAL HEALTH CARE CORPORATION
167 North Main Street, P.O. Box 600
Tuba City, Arizona 86045-0600
www.tchealth.org

EXHIBIT A

June 15, 2022

Honorable Delegate Otto Tso
Office of Legislative Services
P. O. Box 3390
Window Rock, AZ 86515

Re: **Tuba City Regional Health Care Corporation Requests for Sihasin Funds**

Dear Honorable Delegate Otto Tso:

The Tuba City Regional Health Care Corporation ("TCRHCC") requesting that the Navajo Nation Council appropriate $25 Million dollars in matching funds for a Long Term Care, Cancer Care Program Expansion and Rehabilitation Facility, from the Sihasin Fund.

TCRHCC is leveraging several funding sources to fund the design, construction, and operation of the LTCF, including its own funds, a loan from the U.S. Department of Agriculture in the amount of $25 Million, an eight-million-dollar ($8,000,000) appropriation from the United States Congress distributed through a grant from HHS, funds requested from the Navajo Nation, and operational funding under its Compact with HHS, IHS. The total project cost for design and construction of the LTCF is estimated to be between fifty million ($50,000,000) and sixty ($60,000,000) million dollars. The project, which will be physically annexed to the existing hospital on land currently used as the hospital parking lot, is shovel ready.

Background of TCRHCC

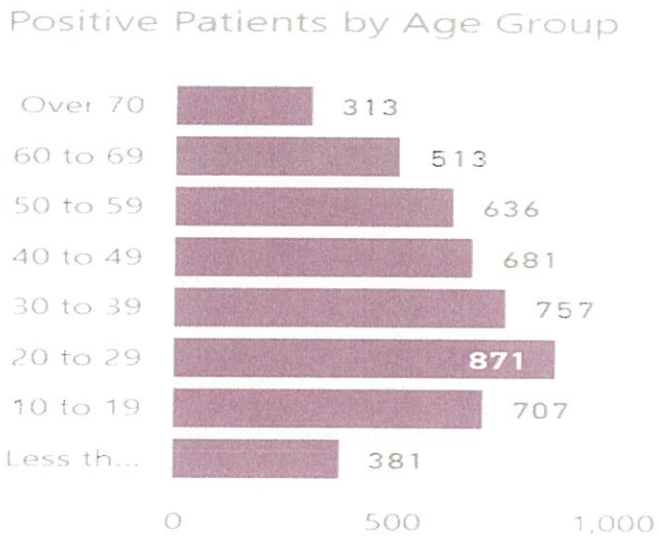
TCRHCC is authorized by the Navajo Nation Council as a tribal healthcare organization pursuant to the Indian Self Determination and Education Assistance Act, P.L. 93-638, as amended (the "ISDEAA"). Pursuant to its Compact with the Indian Health Service ("IHS"), TCRHCC operates the former Navajo Area IHS Tuba City Indian Medical Center, and multiple satellite facilities and clinics, providing services to IHS beneficiaries in TCRHCC's service area within the Western Navajo Agency and Coconino County, including the Cameron, Bodaway/Gap, Coalmine Canyon, Kaibeto, LeChee, Coppermine, Tonalea, and To'Naneez'Dizi Chapters of the Navajo Nation, the Hopi Village of Moenkopi, and the San Juan Southern Paiute Tribe. TCRHCC operates a Level III Trauma Center and American Association of Diabetes Educators (AADE) Accredited Program with a primary patient service population of nearly 36,000, and also serves as a Medical Referral Center for over 100,000 patients across the Navajo Nation, including for IHS beneficiaries from the Hopi and San Juan Southern Paiutes tribes.

TCRHCC holds current Accreditations by The Joint Commission on Accreditation for Hospital, Laboratory, Patient Centered Medical Home and Home Health Services and provides

comprehensive healthcare services including inpatient/outpatient health services, emergency services; dental and ophthalmology services; orthopedics; OB/GYN; oral surgery; limited urological procedures, pediatric, rheumatology, neurology, dermatology, podiatry, rehabilitative and mental health services, and, most recently in its one-of-a-kind oncology center located on Native American lands, world-class cancer treatment.

The Critical Need for TCRHCC's Long Term Care, Cancer and Rehabilitation Center

The COVID-19 Pandemic has highlighted the severe health disparities present in our communities. TCRHCC is the regional referral center for Western Navajo Nation, which includes the transfers from Kayenta Health Center, Kayenta, AZ, and the Hopi Health Care Center on the Hopi Nation. The chronic underfunding of health services makes combatting already present health disparities insurmountable. Our communities have up to three generations living in their households. This exposes elders to the youngest in the house, which also means there is greater risk of children unknowingly bringing COVID-19 into the household. The graph below gives ranges of positive tests in the TCRHCC Service Area:



For TCRHCC to continue to send our Elders more than 100 miles away is irresponsible and ignores our obligation to care for elders in a culturally appropriate environment. Many Navajo elders are unable to live alone at home and have limited options or methods to remain in their home without supportive assisted care. As the Navajo elder demographic ages and prolongs the amount of time they are able to live independently, tribal governments are having to figure out how to provide a comprehensive range of services that are culturally-sensitive and appropriate, and how to preserve the dignity and quality of life for this important and cherished group. The longevity of life among Navajos requires Navajo leaders, communities, and families to assess how best to provide comprehensive care and services for elders.

Unfortunately, it is no longer a viable option to rely on families and extended family members to address the needs of the elders, as this practice has diminished considerably due to

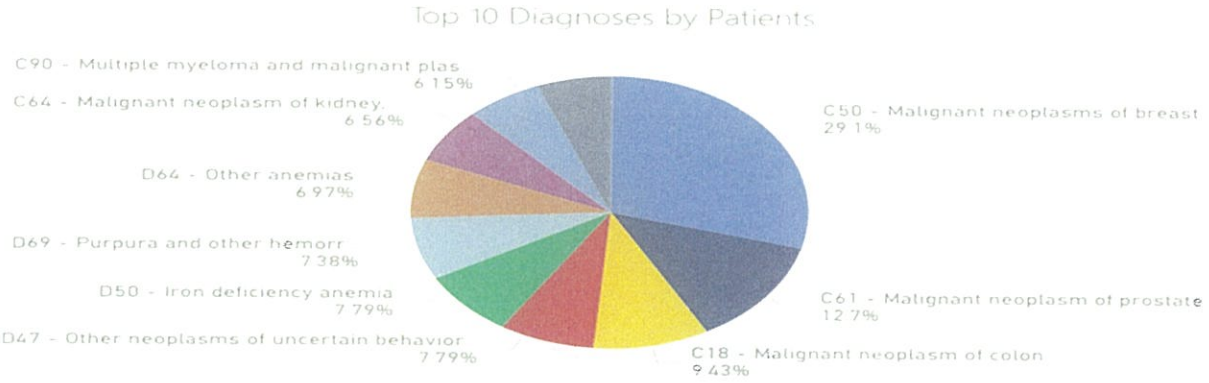
younger family members having to relocate from remote rural communities to distant urban communities in search of employment opportunities. More nursing homes or long term care facilities are needed in regions of the Navajo Nation as Navajo families desire to keep their elderly family members as near as possible to extend the life of their loved one(s).

There are two types of care needed; Intermediate Level care which is assistive and does not include the use of nursing care. The motivation for assistive care is to keep an elder in a safe environment to provide such assistance as routine medication administration, where the elders are frail, disabled, or have forgetfulness or the mental inability to recall a medication regimen on their own. The second level of care is Skilled Nursing Care which is essential to care that requires nursing, rehabilitation or other professionally licensed care for a specified care plan prescribed by a physician..

A second issue that will be addressed with this project is expanding our Hematology Oncology Clinic. This is necessary, as unfortunately there were many community members that did not receive their cancer screening appointments for almost the entire 2 years of the pandemic. This expansion will address this in response to lockdowns and closure of healthcare outpatient services due to the wait time for a FDA approved COVID 19 vaccinations. We have seen an increase in referrals and are stepping up our campaign for cancer screening. The new Specialty Care Clinic will double the space we will see patients in and fit the need that we project will grow as our elder population also grows. Cancer is a critical concern because of the legacy of uranium related cancers on the Navajo caused by the history of uranium mining and the toxic waste left behind.[1] Since opening its Oncology Center, TCRHCC has collected first-hand data showing clusters of cancers related to uranium exposure.

Below is an updated pie chart of the top 10 Cancer diagnoses:

Top 10 Diagnoses by Patients (C and D groups only)



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[1] *See* The History of Uranium Mining and the Navajo People, Doug Brugge, PhD, MS and Rob Goble, PhD (Sept. 2002), available at https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3222290/.

Conclusion

For the foregoing reasons, TCRHCC request the Navajo Nation Council appropriate the amount of twenty-five million dollars ($25,000,000) to provide critical health care services to the Navajo Nation's elderly population in its proposed Long Term Care Facility. Surely the needs of our elders must come first. The attached Power Point was presented Health Education and Human Services Committee on April 13, 2022 and approved ((Attachment C). Thank you for your consideration. TCRHCC is committed to identifying, strengthening, and developing health and supportive services and strategies for the benefit of the communities it serves. See the attached documents regarding Architect Feasibility Report, Concept and Floor Plans, Estimated Budget, and Schedule.

Sincerely,

Lynette Bonar

Lynette Bonar, RN, BSN, MBA, FACHE
Chief Executive Officer
Tuba City Regional Health Care Corporation

cc: TCRHCC Board of Directors

EXHIBIT B

Tuba City Regional Health Care Corporation
Proposed Long-Term Care Facility
Tuba City, Arizona

USDA GUIDE 6: PRELIMINARY ARCHITECTURAL FEASIBILITY REPORT

Prepared by: Dyron V. Murphy, AIA, NCARB
Principal, Dyron Murphy Architects, PC

ITEM A: NEED FOR THE FACILITY

The Navajo Nation does not particularly have established long term care facilities, which invariably causes residents in need of such care, to migrate off-reservation to nearby towns/cities that do offer care. Unlike the general U.S. population, which has more than 19,000 nursing facilities available, American Indian communities on reservations have few skilled- and intermediate-care facilities. Also, little research has been done with this population. In an 1996 article by Susan O. Mercer (*Oxford University Press*) describes qualitative research conducted at a Navajo Nation nursing home in Chinle, Arizona. Events and circumstances resulting in nursing home placement are discussed and illustrated with case vignettes. An overview of Navajo history and traditions provides a context to identify culturally sensitive care principles and practices. Discussion stresses the importance of acknowledging and acting on the significance of culture in all aspects of social work practice. The Tuba City Regional Health Care Corporation (TCRHCC) oversees and manages the primary healthcare of the community and surrounding areas, committed to providing safe, accessible, quality and culturally sensitive health care. Within this commitment, the TCRHCC has moved toward providing long term care to elders to minimize the migration for off-reservation care. This new planned facility will aid in establishing a much-needed care facility for the Navajo people.

ITEM B: EXISTING FACILITIES

Like most organizations and tribally-managed programs on the Navajo Nation, the TCRHCC continues to work within the existing hospital facility that was built in 1975. TCRHCC has also found the need to supplement programmatic space for medical purposes by building additional smaller facilities, or installing modular-type buildings in order to meet the needs of increased healthcare. Over the last 45 years, what started as the Tuba City Indian Medical Center (TCIMC) under the control of the Navajo Area Indian Health Service, eventually became the TCRHCC in 2002. Since the healthcare moved to operations and control by the TCRHCC Board of Directors under the Self Determination Act P.L. 93-638, increased awareness of the need for improved facilities, specifically those who meet current building and energy codes, was a must. The TCRHCC has made exceptional efforts in meeting goals for improved services through building renovations/improvements, systems upgrades, and overall enhancements that shows its' commitment to providing quality healthcare.

ITEM C: PROPOSED FACILITY

The proposed TCRHCC Long Term Care Facility, which is designed for 90 bed long term care to be fully compliant with all applicable codes, including but not limited to IBC, NFPA, ASHRAE, Arizona Administrative Code, and Accessibility Standards. The original facility design was completed in 2017 and has since resumed in 2021 with the addition of an Oncology Suite, Physical Therapy, Durable Medical Equipment Suite, multi-purpose space, and related support spaces.

The building is currently designed as a three (3) story, type II construction (steel framed), consistent with the facilities master plan. The first, or ground level, houses receiving, supply/laundry, kitchen, bistro/café and access corridor. The second level houses sixty (60) resident rooms, common areas, nursing support

areas and residential living space. The third level houses thirty (30) resident rooms, nursing/ancillary support areas, including new physical therapy and oncology treatment spaces. Each floor is approximately 27,455 GSF for a total building area of 75,175 GSF.

ITEM D: BUILDING SITES

a. Land Required: The amount of land required is approximately 1.2 acres, and will include the proposed 27,456 square foot facility (ground level area, totaling 75,176 in 3 stories), with connecting passageway to the existing Tuba City Hospital. The proposed acreage will also accommodate limited parking, service drives, fire lane, drop off lane, infrastructure/equipment, sidewalks, and landscaping. The site is intended to be developed upon an existing parking lot which serves the hospital and related support programs. Attached is an aerial image of the existing site, and proposed development area, which is within the 1.2 acre area.

b. Alternate Locations: There have not been any definitive studies on alternate locations since the property within the TCRHCC tract will not properly allow for a development of this size. Additionally, the proximity to the existing hospital is preferred from a standpoint of promoting healthcare services to be contiguous in a single point of access within the campus.

c. Site Plan: The current construction documents, dated February 2, 2017 indicates how the site is designed from a technical standpoint, with direct proximity to service utilities, parking, access drives/roads, and to the existing hospital facility. This design document is intended to serve as the basis for development. A copy is attached herein.

d. Site Suitability: From the standpoint of developability, this site is most conducive to building and access due to the existing roads/drives that serve the hospital facility. Primary utilities, e.g., water, electrical power, gas, wastewater, and telephone/communications are located on or near the project site. There will be minor rerouting of utilities to accommodate the new facility, namely limited water lines and underground electrical (for lot lighting fixtures). The topography allows adequate drainage to the southern portion of the site, away from the main hospital facility, captured within the existing streets. The streets are served by storm drains for moisture management. The views from the proposed building will be best from the southern spaces within the building, to distant landscape vistas, especially from the higher floors. Existing streets allow for ease of access to the proposed building for both patients and emergency vehicles, as necessary.

   A site drainage report was conducted for the site in 2017 and the findings show that:

   - The 100 year event runoff for the northwest quadrant of the LTC roof is 0.20 cfs.
   - The proposed 18-inch HDPE storm sewer has a capacity of 8.66 cfs and appears to be adequately sized to convey runoff from the site.
   - The proposed 8-inch roof drain manifold has a capacity of 1.20 cfs and appears to be adequately sized to convey runoff from the LTC roof.
   - The runoff from the LTC site is not expected to impact downstream drainage facilities as the runoff for the proposed drainage condition is lower than the runoff for the existing drainage conditions.
   - It is the opinion of the engineer that the drainage report complies with the standards set forth in the 2001 Coconino County Drainage Design Criteria and the 2014 Arizona Department of Transportation Highway Drainage Design Manual as applicable.

ITEM E: COST ESTIMATE

a. Development and Construction: The original design, completed in 2017, included a companion construction cost estimate. That particular estimate was just under $ 27 million and included the building, site work, contractor markups and related contingencies. The 2017 estimate covered interior shelled space (non-developed) to be addressed under a technical planning and design effort to include a Oncology/Physical Therapy Suite (10,000 SF) on the 3rd floor, and related shelled space on the 1st floor for a Durable Medical Equipment Suite and Multi-Purpose space.
b. Land and Rights: Tuba City Regional Health Care Corporation has rights to the property being proposed under this development and does not anticipate need for expansion of the existing property.
c. Legal: The Tuba City Regional Health Care Corporation maintains legal representation and is not part of the anticipated cost of development for this proposed project.
d. Architect Fees: Architectural fees are indicated within the cost estimate/budget (copy attached), and show costs for completing the design of the Oncology Suite and DME Suite. These fees cover architectural, structural engineering, mechanical engineering, plumbing engineering, and electrical engineering. Medical planning is also included as part of the Oncology Suite, which is considered a "specialty services" component of the health care delivery being proposed as part of the intended facility. The design fees are developed as a percentage of the intended construction budget for this type of facility. The fees also include representation for bidding the project and construction administration.
e. Interest: The cost of interest will be addressed within the application process for the intended facility. The construction draw schedule has not yet been determined at this time, and is dependent upon when construction will actually commence. It is generally a top-loaded draw, with most of the work being related to the site, substructure, superstructure, and building envelope, normally produced within the first 40%-50% of the overall budget.
f. Equipment: The 2017 cost estimate is detailed, however, is not a true indicator of cost in 2021 since definitive factors have developed since. The cost increases from 2017 to 2021, a period of 4 years, is primarily due to inflation factors (estimated at 16.6%). One of the primary factors in this cost increase, which continues to affect pricing for all related construction, is due to the COVID-19 impact upon the U.S. economy. Significant increases in steel production, concrete, wood (and related products), HVAC equipment, plumbing, electrical, roofing, and finishes are the primary elements affected by the pandemic, mostly in raw materials and processing for final products. Similarly, labor shortages have increased overall development time, leading to increased costs overall for developing construction projects. The latest estimate is projected into May, 2022, however, that forecast is subject to economic conditions stated here. The estimate does include a general construction contingency of 10% and related local taxes. Equipment costs are thus difficult to extrapolate at this point since there remains a portion of design to complete the project in 2021.
g. Contingencies: a ten percent (10%) contingency has been applied to the current updated construction cost estimate. Depending on when actual construction starts, forecasted for 2022, the contingency may/may not require adjustment, depending on project bid arenas during that particular timeframe.
h. Refinancing: subject to the needs of Tuba City Regional Health Care Corporation, and economic factors influencing development costs.
i. Other: None.

ITEM G: MAPS, DRAWINGS, SKETCHES, AND PHOTOGRAPHS

Attached to this report are exhibits:

ITEM H: CONSTRUCTION PROBLEMS

There are no anticipated issues that may affect construction, as these are normally addressed or anticipated during the course of design. For example, the soils report conducted in 2013 indicate moisture in the soils at levels 10 feet below grade. This is not a high level of concern since the moisture is attributed to fluctuations in seasonal characteristics. The report further recommends a foundation system of auger piles and grade beam system, which is how the facility has been designed.

ITEM I: CONCLUSION AND RECOMMENDATIONS

The proposed TCRHCC Long Term Care Facility will be an asset to the community and Navajo Nation. The building, as designed and continued design, will enable TCRHCC to continue its' mission in providing quality healthcare for Navajo Nation residents. The approach and oversight by TCRHCC staff and Board of Directors has been highly conducive to a successful project.

EXHIBIT C

Tuba City Long Term Care Facility

Construction Cost Estimate w/Increases

		TGFA SF	Cost/SF	Orginal Est Date 7.6.21 Total Cost	Updated Est Date 8.4.21 Total Cost
BUILDING INCLUDING CONNECTED CORRIDORS		71,063	$ 545.00	$ 22,076,789	$ 22,076,789
Oncology Center Construction		10,500	$ 600.00	$ 6,300,000	$ 6,300,000
1st Floor Tenant Improvements		4,200	$ 250.00	$ 1,890,000	$ 1,890,000
FF& E Package		71,063	$ 30.00		$ 2,131,890
Subtotal Construction				$ 30,266,789	$ 32,398,679
Site Work (Base Bid)					
Site Preparation				$ 537,967	$ 581,004
Site Improvements				$ 1,339,510	$ 1,446,671
Site Work Base Bid				$ 1,877,477	$ 2,027,675
Site Work (Alternates)					
Utilities				$ 275,447	$ 297,483
Site Work Alternates				$ 275,447	$ 297,483
ESTIMATED NET COST				$ 32,419,713	$ 34,723,837
Historical Inflation Factor (4/17-7/19)	*4.7%*			$ 990,258	$ 990,258
Historical Inflation Factor (8/19-6/20)	*1.9%*			$ 400,317	$ 400,317
Projected Inflation Factor (7/20-5/22)	*10.0%*			$ 2,106,932	$ 3,241,971
ESTIMATED NET COST		156,826	$ 229.03	$ 35,917,219	$ 39,356,383
General Conditions incl. Temporary Requirements	6.0%			$ 2,155,033	$ 2,361,383
erformance & Payment Bonds, General Liability Insurance	2.0%			$ 718,344	$ 787,128
& Builder's Risk Insurance				$ -	
General Contractor's Overhead and Profit	10.0%			$ 3,591,722	$ 3,935,638
Construction Contingency	10.0%			$ -	$ 3,935,638
Navajo Nation Tax	6.0%			$ 2,155,033	$ 2,361,383
Total Estimated Probable Construction Cost		71,063	$ 410.76	**$ 44,537,352**	**$ 52,737,553**
			$ 742.12		

PROJECT SOFT COSTS

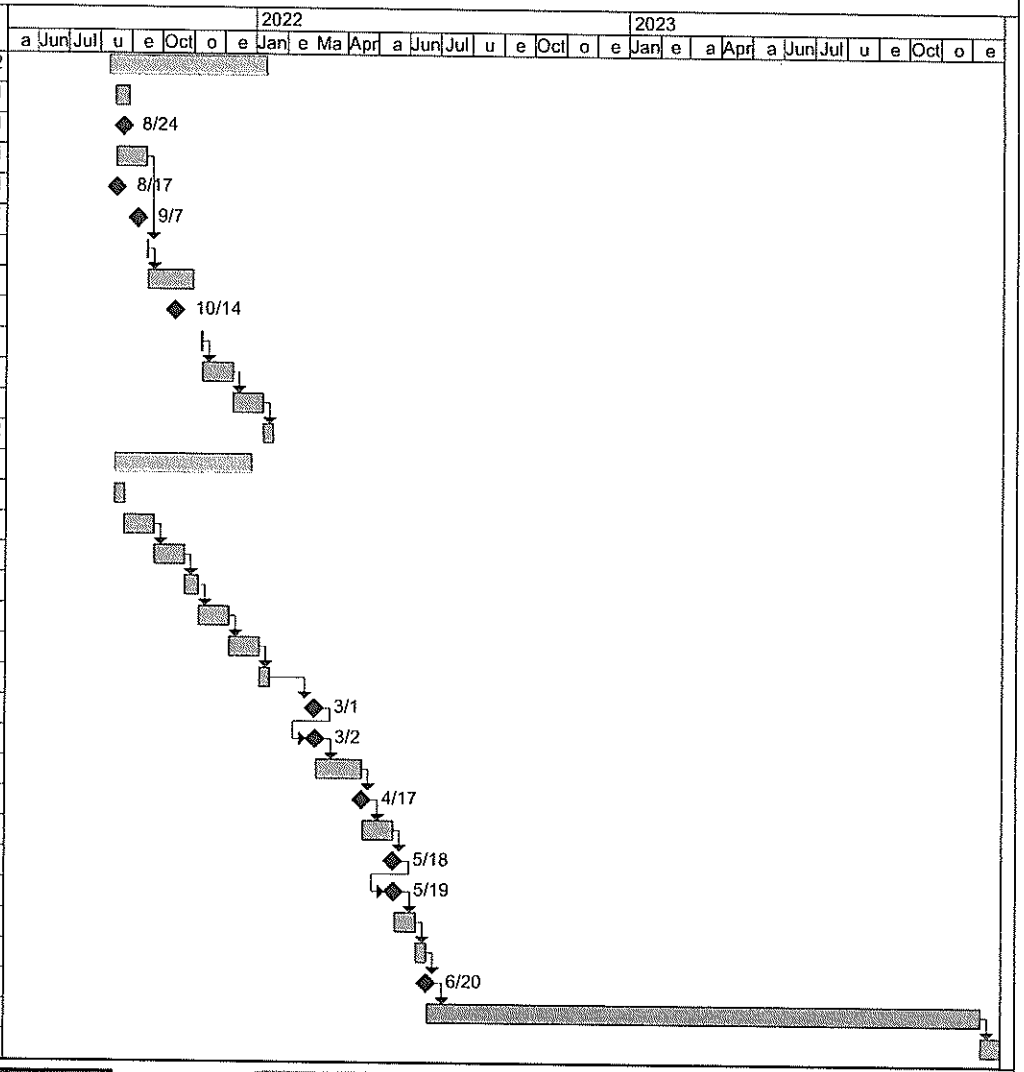
Owner Project Related Expenses				
Quality Control During Construction	1.0%	$ 445,374	$ 527,376	
A/E Fees (Design Updates/Tenant Improvements)		$ -	$ 242,000	
A/E Fees (Construction)		$ -	$ 593,219	
FF&E Package Procurement		$ 4,140,000	$ 80,000	
Warranty	0.2%	$ 56,983	$ 32,000	
SUBTOTAL NET COST		$ 4,642,357	$ 1,474,595	
Navajo Nation Tax	6.0%	$ 278,541	$ 88,476	
Reimbursable Expenses (Est).		$ -	$ 30,000	
TOTAL SOFT COSTS		$ 4,920,898	$ 1,593,071	
Comprehensive Project Budget		$ 49,458,250	**$ 54,330,624**	

Tuba City Regional Health Care Center

LONG TERM CARE FACILITY - PROPOSED PROJECT SCHEDULE

Dyron Murphy Architects, P.C.

ID	Task Name	Duration	Start	Finish
1	**DESIGN PHASE - Oncology Suite**	155 days	Tue 8/10/21	Tue 1/11/22
2	Building Code Compliance Update	14 days	Mon 8/16/21	Sun 8/29/21
3	Utility Review Conference	1 day	Tue 8/24/21	Tue 8/24/21
4	Programming & Conceptual Design	30 days	Tue 8/17/21	Wed 9/15/21
5	On-Site Programming/Concepts Session with TCRHCC	1 day	Tue 8/17/21	Tue 8/17/21
6	Program/Concept Update Work Session with TCRHCC	1 day	Tue 9/7/21	Tue 9/7/21
7	Owner/Design Team Review Conference	1 day	Thu 9/16/21	Thu 9/16/21
8	Design Development	45 days	Fri 9/17/21	Sun 10/31/21
9	Interim DD Phase Mtg w/TCRHCC	1 day	Thu 10/14/21	Thu 10/14/21
10	Owner/Design Team Review Conference	1 day	Tue 11/9/21	Tue 11/9/21
11	Construction Documents	30 days	Wed 11/10/21	**Thu 12/9/21**
12	*Owner/Agency Reviews*	*30 days*	*Fri 12/10/21*	*Sat 1/8/22*
13	Finalize Construction Documents	10 days	Sun 1/9/22	Tue 1/18/22
14	**DESIGN PHASE - Multi-Purpose/DME/Laundry**	135 days	Mon 8/16/21	Tue 12/28/21
15	Building Code Compliance Update	10 days	Mon 8/16/21	Wed 8/25/21
16	Programming & Conceptual Design	30 days	Wed 8/25/21	Thu 9/23/21
17	Design Development	30 days	Fri 9/24/21	Sat 10/23/21
18	Owner Reviews	14 days	Sun 10/24/21	Sat 11/6/21
19	Construction Documents	30 days	Sun 11/7/21	**Mon 12/6/21**
20	*Owner/Agency Reviews*	*30 days*	*Tue 12/7/21*	*Wed 1/5/22*
21	Full Construction Document Review	10 days	Thu 1/6/22	Sat 1/15/22
22	**CONSTRUCTION PHASE**	1 day	Tue 3/1/22	Tue 3/1/22
23	Bid Advertisement By:	1 day	Wed 3/2/22	Wed 3/2/22
24	Bid Phase Period	45 days	Thu 3/3/22	Sat 4/16/22
25	Bid Opening	1 day	Sun 4/17/22	Sun 4/17/22
26	Bid Reviews/Negotiations Stage	30 days	Mon 4/18/22	Tue 5/17/22
27	Contractor Selection By:	1 day	Wed 5/18/22	Wed 5/18/22
28	Pre-Construction Conference	1 day	Thu 5/19/22	Thu 5/19/22
29	Contracts/Bonds/Insurance	21 days	Fri 5/20/22	Thu 6/9/22
30	Mobilization	10 days	Fri 6/10/22	Sun 6/19/22
31	Commence Construction	1 day	Mon 6/20/22	Mon 6/20/22
32	Construction Phase	540 days	Tue 6/21/22	Tue 12/12/23
33	Construction Closeout	45 days	Wed 12/13/23	Fri 1/26/24



Project: TCRHCC Schedule 08.2021.n
Date: Fri 8/6/21

Task | Progress | Summary | External Tasks | Deadline
Split | Milestone | Project Summary | External Milestone


Regional Health Care Center
Long-Term Care Facility
EXHIBIT D



NORTH-EAST PERSPECTIVE



SOUTH-EAST PERSPECTIVE



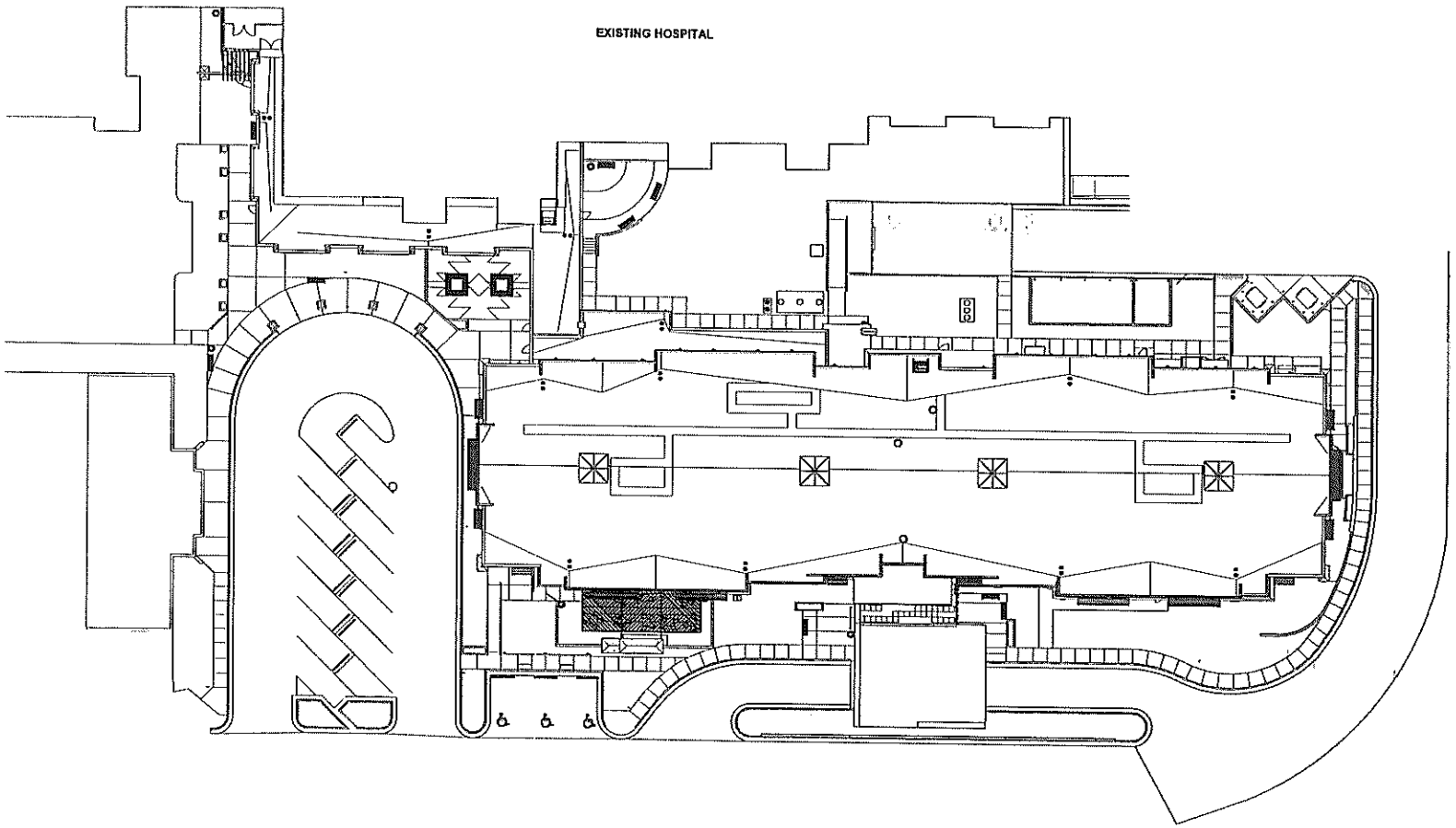
SOUTH-WEST PERSPECTIVE

RENDERINGS

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TUBA CITY LONG TERM CARE

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www.dyronmurphy.com

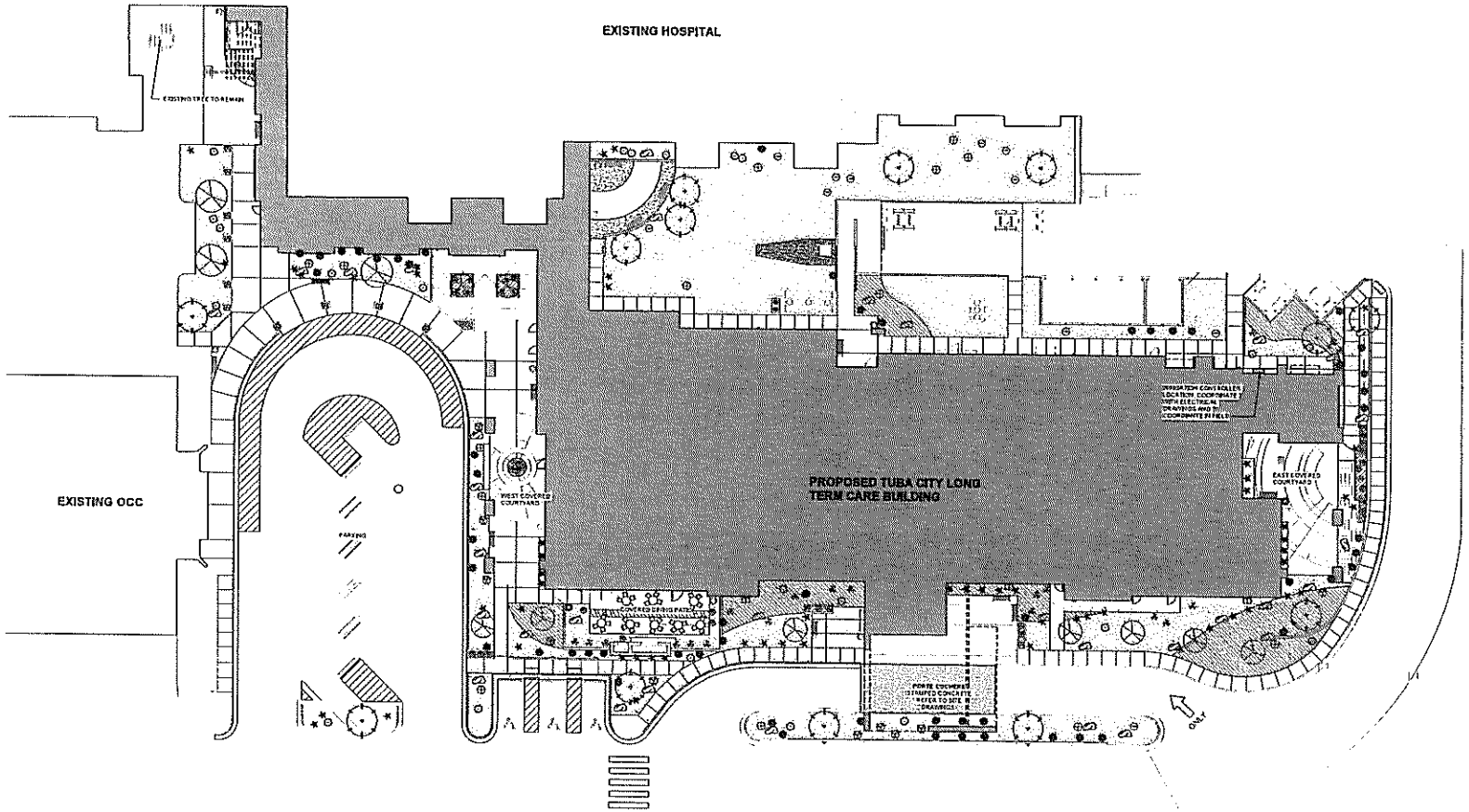


SITE PLAN

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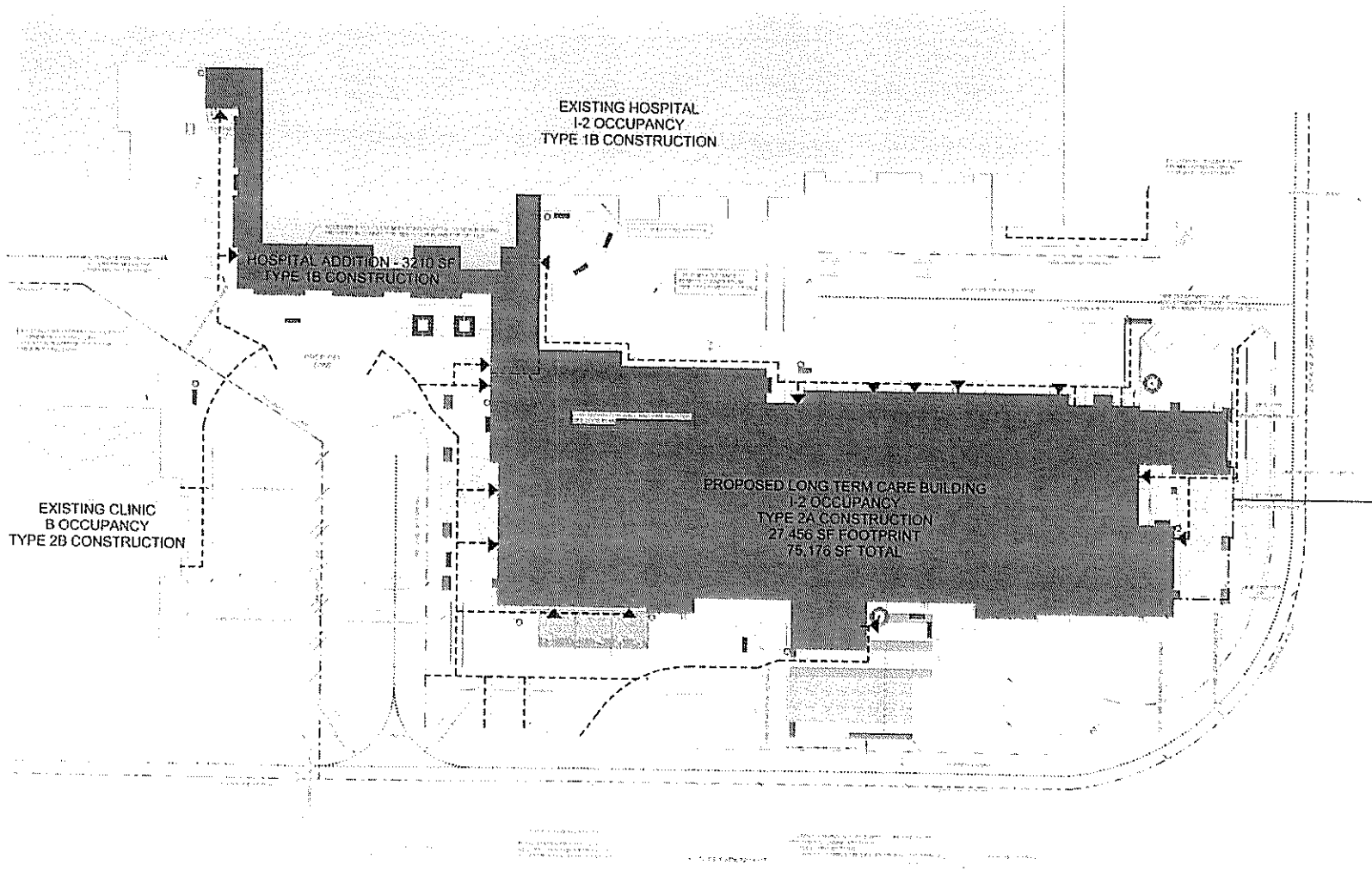


LANDSCAPE PLAN

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TUBA CITY LONG TERM CARE

TUBA CITY, NAVAJO NATION, ARIZONA

ISSUED FOR CONSTRUCTION

FEBRUARY 2, 2017

LEGEND

DYRON MURPHY ARCHITECTS, P.C.

orcutt|winslow

CODE COMPLIANCE SITE PLAN

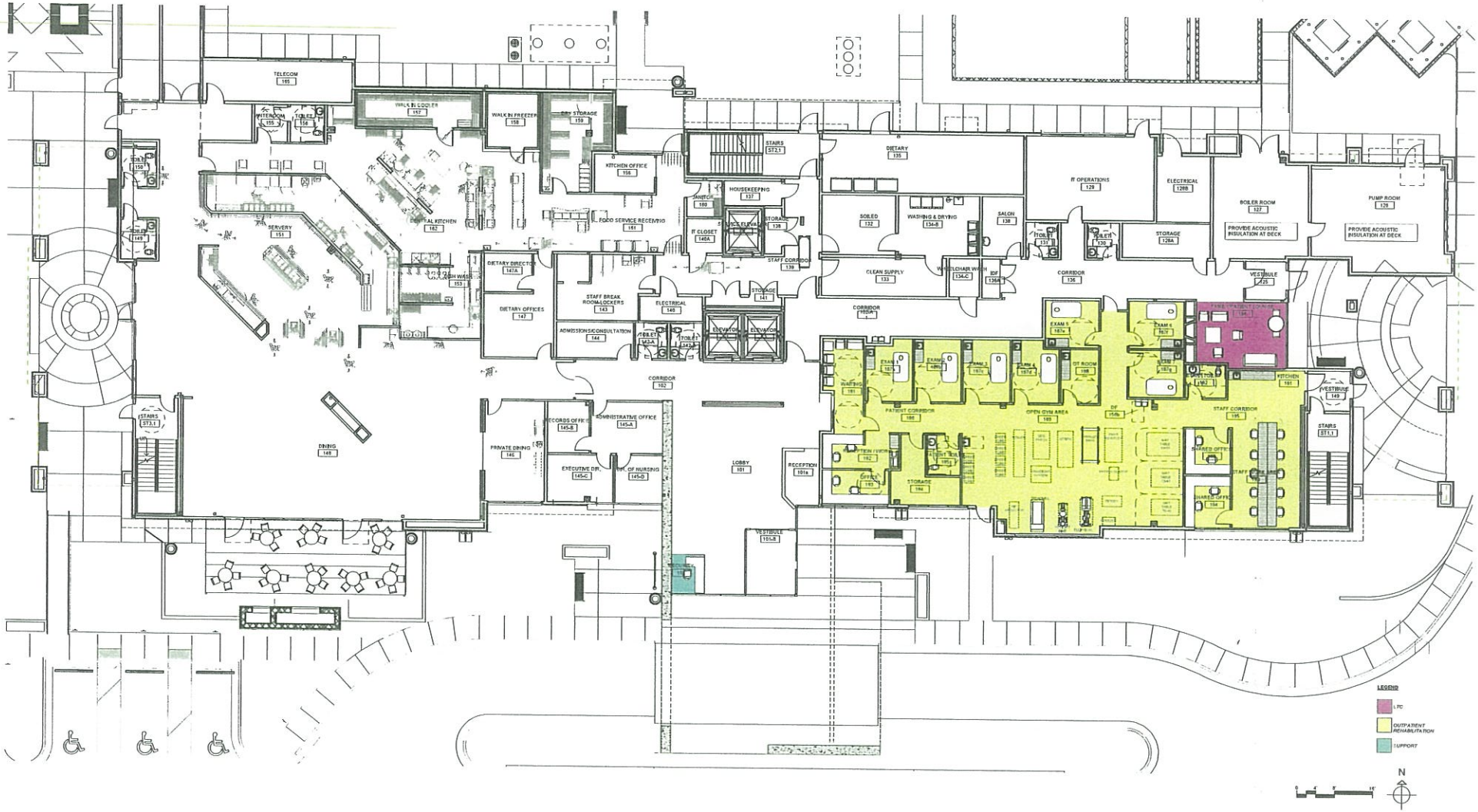
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A6 SITE CODE PLAN

E D C B A

6 5 4 3 2 1

N



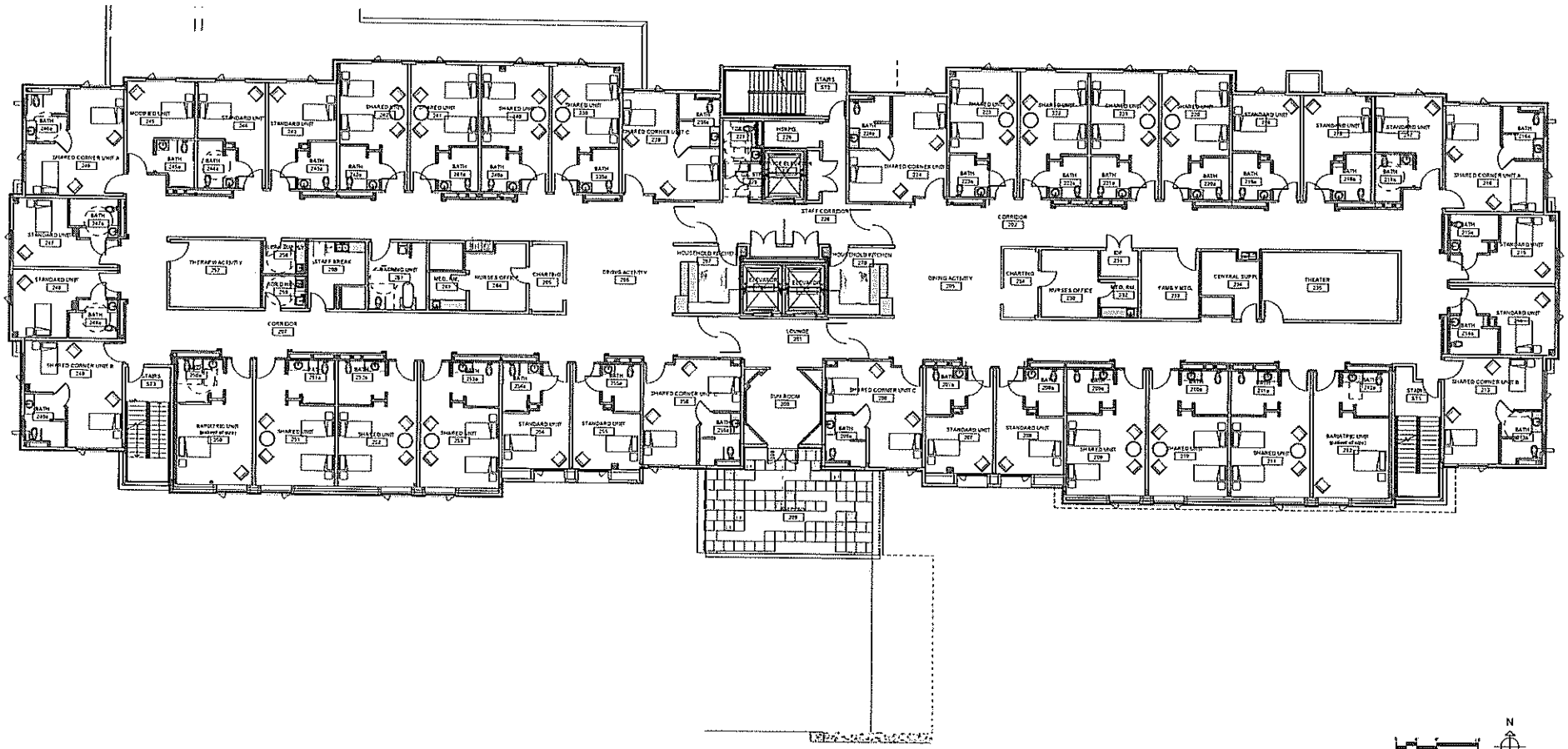
FIRST FLOOR PLAN

0001

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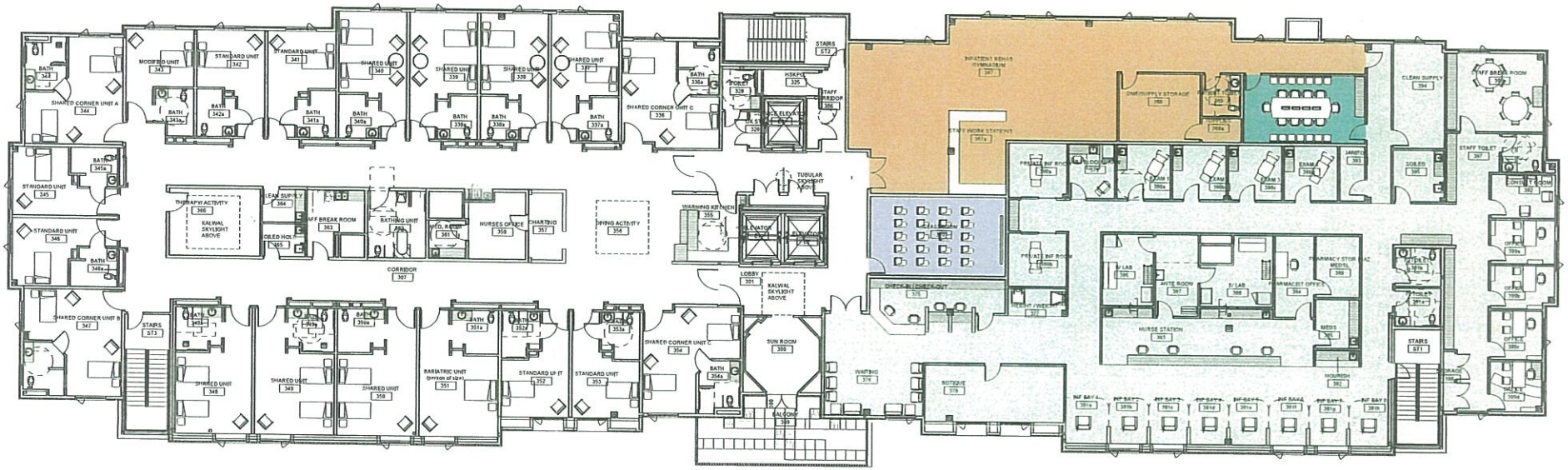
SECOND FLOOR PLAN

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TUBA CITY LONG TERM CARE

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THRID FLOOR PLAN

0003

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Office of Legislative Counsel
Phone: (928) 871-7166
Fax: (928) 871-7576

Hon. Seth Damon, Speaker
24th Navajo Nation Council
2019 - 2023

MEMORANDUM

To: Hon. Otto Tso, Vice-Chairman
Law and Order Committee
24th Navajo Nation Council

From: Luralene D. Tapahe
Luralene D. Tapahe, Principal Advocate
Office of Legislative Counsel

Date: June 16, 2022

Subject: **AN ACT RELATING TO THE RESOURCES AND DEVELOPMENT, HEALTH, EDUCATION, AND HUMAN SERVICES, BUDGET AND FINANCE, AND NAABIK'ÍYÁTI' COMMITTEES, AND TO THE NAVAJO NATION COUNCIL; ALLOCATING $25,000,000 FROM THE SÍHASIN FUND TO THE TUBA CITY REGIONAL HEALTH CARE CORPORATION FOR ITS LONG-TERM CARE, CANCER, AND REHABILITATION FACILITY; APPROVING THE RELATED EXPENDITURE PLAN PURSUANT TO 12 N.N.C. §2501 – §2508**

Per your request, the Office of Legislative Counsel has prepared the above-referenced proposed legislation and related summary sheet. Based on existing Navajo Nation law and other applicable laws, and upon review of all supporting documents regarding your request that were submitted to OLC, this legislation as drafted is legally sufficient. However, as with any action of government, this legislation may be subject to judicial review in the event of a legal challenge.

Please review this legislation to make sure it is drafted to your satisfaction, and that all necessary and appropriate supporting documents have been provided and all attached Exhibits are correct.

OLC has reviewed the appropriate standing committees' authorities to consider this legislation, based on the standing committees' powers and responsibilities set forth in Title 2 of the Navajo Nation Code. Based on its review, OLC has listed those committees in the title of this legislation. However, the Speaker may assign this legislation to any committee(s) other than those shown in the title, pursuant to his authority under 2 N.N.C. §164(A)(5).

If you find anything unacceptable, please let me know immediately and advise me of your desired changes. I can be reached at phone no. (928)871-**7166** or by email at: LuraleneTapahe@navajo-nsn.gov

Thank you for your cooperation.

THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION

LEGISLATION NO: _0104-22__ **SPONSOR:** Otto Tso

TITLE: An Act Relating to the Resources and Development, Health, Education, and Human Services, Budget and Finance, and Naabik'íyáti' Committees, and to the Navajo Nation Council; Allocating $25,000,000 from the Síhasin Fund to the Tuba City Regional Health Care Corporation for its Long-Term Care, Cancer, and Rehabilitation Facility; Approving the Related Expenditure Plan Pursuant to 12 N.N.C. § 2501 - § 2508

Date posted: **June 22, 2022 at 7:11PM**

Digital comments may be e-mailed to comments@navajo-nsn.gov

Written comments may be mailed to:

Executive Director
Office of Legislative Services
P.O. Box 3390
Window Rock, AZ 86515
(928) 871-7586

Comments may be made in the form of chapter resolutions, letters, position papers, etc. Please include your name, position title, address for written comments; a valid e-mail address is required. Anonymous comments will not be included in the Legislation packet.

Please note: This digital copy is being provided for the benefit of the Navajo Nation chapters and public use. Any political use is prohibited. All written comments received become the property of the Navajo Nation and will be forwarded to the assigned Navajo Nation Council standing committee(s) and/or the Navajo Nation Council for review. Any tampering with public records are punishable by Navajo Nation law pursuant to 17 N.N.C. *§374 et. seq.*