

GRANT AGREEMENT
**BETWEEN THE COUNTY OF HUMBOLDT, HEADWATERS FUND
AND
REDWOOD RURAL HEALTH CENTER, INC.**

Contract #19-GF-01

This Agreement is made and entered into this ____ day of _____, 2019 by and between the County of Humboldt, Headwaters Fund, a political subdivision of the State of California (hereinafter called “the County”) and the Redwood Rural Health Center, Inc., a nonprofit corporation located in Humboldt County, California (hereinafter called “the Grantee”), together referred to as “the Parties”.

WHEREAS, the Grantee has applied for funding through the Headwaters Grant Fund competitive awards process; and

WHEREAS, the Grantee’s proposed project supports the Headwaters Grant Fund’s mission and funding priorities of facilitating economic development for Humboldt County; and

WHEREAS, on 5/14/19 the Headwaters Fund Board (“HFB”) recommended the Grantee’s proposed project for Headwaters Grant Fund funding; and

WHEREAS, on 6/18/19, the Humboldt County Board of Supervisors (“Board”) approved the Grantee’s proposed project for Headwaters Grant Fund funding; and

WHEREAS, HFB and Board are willing to fund the project on the terms and conditions set forth herein.

NOW, THEREFORE, the parties hereto mutually agree as follows:

I. PROJECT DESCRIPTION

A. Grantee shall utilize the grant funds for the expansion of dental facilities in Redway (the “Project”). The specific tasks to be carried out are set forth in Exhibit A- Scope of Work and Exhibit B (Grantee’s grant proposal), both of which are attached hereto and incorporated in full herein.

II. AWARD AMOUNT AND DISBURSEMENT

A. County agrees to pay Grantee from the Headwaters Fund a sum not to exceed Sixty-Five Thousand Dollars (\$65,000) to cover Grantee’s costs in carrying out this part of the Project. Costs for labor and materials shall be as set forth in the Project Budget attached hereto as Exhibit C and incorporated herein full by reference. Grantee shall bear the responsibility for any Project costs in excess of \$65,000.

B. Grantee shall submit an itemized invoice, no less frequently than quarterly and no more frequently than monthly, to the County itemizing all work completed and costs incurred as of the invoice date. Eligible expenses include Project costs beginning on the Agreement

date listed above and ending at the termination date of this Agreement. The invoice will utilize Funds Request Form (Exhibit D) and reference relevant sections and categories of Project Budget (Exhibit C). Payment for work performed will be made within thirty (30) days after receipt of the invoice. Although payment will customarily be made in arrears, Grantee may request prospective payment. Prospective payments must be approved in writing by the Humboldt County Auditor (or his designee), and shall be supported by written justification.

- C. Ten percent (10%) of the total grant amount specified in Section II-A above will not be released to Grantee until Grantee submits the Final Report (*see* Section V(A)(3)) for the Project.
- D. No later than forty-five (45) days after expenditure of all grant funds, or completion of the Project, whichever is sooner, Grantee shall submit adequate written documentation summarizing all costs incurred in connection with performance of services under this Agreement.
- E. Any unspent funds shall be returned to the County with no negative consequences for future grant applications as long as all reasonable efforts were made to execute the Project within the Project Budget (Exhibit C) in a timely manner.
- F. Matching Funds
 - 1. Grantee has documented that required grant matching funds (outlined in Project Budget, Exhibit C) have been received for the Project.
 - 2. If Grantee determines that Project funding from other source(s) can no longer be used, County's funding may be reduced, suspended, or terminated. Grantee must contact Headwaters Fund Executive Director immediately under such conditions.
- G. If Grantee deviates by more than six months from the Project timeline dates outlined in Exhibit A, the Headwaters Fund Board shall have the discretion to modify, terminate, or disencumber unspent funds from the grant.

III. GRANT MODIFICATIONS

- A. Deviations of any single category proposed in the line item budget must receive written approval of the County at the following levels of approval:
 - 1. Headwaters Fund Executive Director may adjust changes in grant timelines, activities, and partners that are consistent with original Project goals, target populations, and geographical focus. Headwaters Fund Executive Director may approve budget changes under \$10,000.
 - 2. The Headwaters Fund Board must approve changes in Project goals, target population, and geographic focus. Budget changes of \$10,000 or more require Headwaters Fund Board approval.
- B. If additional time beyond the timeline provided by the Grantee (listed in Exhibit A) is required and exceptional circumstances warrant, a formal request must be submitted to the Headwaters Fund Executive Director. The request must be submitted at least forty-five (45) days prior to the expiration date of the grant. The request must explain the need for the extension and include an estimate of the unobligated funds remaining and a plan for their

use. Unobligated funds remaining at the expiration of the grant is not sufficient justification for an extension. The plan must adhere to the previously approved objectives of the Project.

IV. GRANT REPORTING AND AUDITING

A. Reporting

1. Grantee will submit Quarterly Reports to Headwaters Staff. Each of these reports covers three months of the calendar year and is due thirty days after the end of the quarter (April 30, July 31, October 31, January 31). Reporting will begin after the first full quarter after the start date of the contract (i.e. if the contract start date is February 1, the first Quarterly Report is not due until July 31). Quarterly reports will utilize the format in Exhibit E and shall include:
 - i. Documentation of activities contracted and completed with grant funds;
 - ii. Financial accountings of grant funds. Grant funds should be tracked separately. Receipts documenting purchases may be requested;
 - iii. Subcontracts signed and/or completed;
 - iv. Narrative of accomplishments to date and schedule of activities and expected completion date;
 - v. Progress on meeting match requirements and fundraising activity report; and
 - vi. Requests for revisions of timeline, budget, and other Project items.
2. County Staff may review any records or documents pertinent to the Project at any time. Such records include information about the Grantee's organization and budget.
3. A Final Report, describing the work accomplished during the entire period of the Agreement, shall be submitted to County no later than the thirtieth (30th) day of the month following the Agreement's termination date. The Final Report will follow the format of Quarterly Reports (Exhibit E) and also include a Grant Evaluation (*see* Section VI and Exhibit F). County may require Grantee to report on other Project activities, processes, and outcomes as needed in the Final Report.
4. County will send a Grant Closeout letter to Grantee after the Final Report. When Grantee returns the letter, the grant is considered closed.

B. Auditing

1. Grantee shall retain, and County Staff shall have access to, any pertinent books, documents, papers and records of the Grantee organization (and of the performing organization, if different) to make audits, examinations, excerpts and transcripts for up to four (4) years after grant termination date. County Staff and its representatives may conduct periodic site visits to review the effectiveness of the grant.
2. Grantee agrees to timely prepare and maintain accurate and complete financial and performance records for a minimum of four (4) years from the date of final payment under this Agreement or until all pending County, State, and Federal audits are completed, whichever is later. The books and records shall be original entry books with a general ledger itemizing all debits and credits for the work.

3. Grantee shall maintain detailed payroll records. Grantee agrees to maintain such records locally and make them available for inspection by County Staff and representatives, during normal business hours, upon one (1) working day notice.
4. Grantee will permit the County to audit all books, account or records relating to this Agreement for the purpose of compliance with applicable audit requirements relative to this Agreement. Grantee shall provide the County with any relevant information required and shall permit access to its premises during normal business hours upon five (5) days' notice.
5. In the event of an audit exception or exceptions, the party responsible for not meeting the program requirement or requirements shall be responsible for the deficiency and for the cost of the audit. If Grantee is the party responsible for the deficiency, the cost of the audit and the deficiency shall be paid by Grantee within thirty (30) days of notice.
6. Grantee assures that it maintains appropriate internal financial controls over grant funds received and disbursed, including procedures for authorizing disbursements, tracking grant expenditures, and reporting grant revenue and expenditures.
7. The County's rights and obligations under this provision shall continue after termination of the Agreement until December 31, 2019. In the event the term of this grant is extended under Paragraph III of this Agreement, the County's rights and obligations under this provision shall be extended for the same period of time.

V. GRANT EVALUATION

- A. At the completion of the Project, Grantee will complete a self-evaluation for the Project using the Project Evaluation Form (Exhibit F). The self-evaluation will be part of the Project's Final Report, and due no later than the thirtieth (30th) day of the month following the Agreement's termination date. County may require Grantee to present Project overview, results, and evaluation to the Headwaters Fund Board. County representatives may also conduct site visits to the Grantee and its Project for the purpose of grant evaluation. County may modify Project evaluation requirements as needed during the Project.
- B. Grantee shall submit quarterly reports and a Final Report to County as specified in Section V(A).
- C. In connection with the Headwaters Fund's mission to facilitate economic development for Humboldt County, Headwaters Fund Staff may conduct follow-up interviews with Grantee after the grant has been closed and/or the termination of this Agreement in order to evaluate the Project's long-term results, outcomes, and effectiveness in supporting the Headwaters Fund's purpose. Grantee agrees to be interviewed and shall cooperate and respond to any requests for information from Headwaters Fund Staff.

VI. FUNDER RECOGNITION AND MEDIA RELEASE

- A. Grantee shall identify The Headwaters Fund as a support organization on all published material relating to the subject matter of the award.
- B. Grantee shall provide information in a timely manner and otherwise cooperate with the County in completing Headwaters Fund reports on grants and other documents related to grants. This cooperation may include Grantee attendance at events publicizing Headwaters Fund grants.

- C. All press releases and informational material related to this Agreement shall receive approval from the County prior to being released to the media (television, radio, newspapers, Internet). In addition, Grantee shall inform the County of requests for interviews by media related to this Agreement prior to such interviews taking place. The County reserves the right to have a representative present at such interviews.
- D. Grantee must abide by the specific requirements in the Headwaters Fund Recognition Policy attached as Exhibit G.

VII. INSURANCE REQUIREMENTS:

- A. This Contract shall not be executed by County and the Grantee is not entitled to any rights, unless certificates of insurances (or other sufficient proof that the following provisions have been complied with) and such certificate(s) are filed with the Clerk of the Humboldt County Board of Supervisors.
- B. Without limiting Grantee's indemnification obligations provided for herein, Grantee shall take out and maintain and shall require any of its subcontractors to take out and maintain, throughout the period of this Agreement and any extended term thereof, the following policies of insurance placed with insurers authorized to do business in California and with a current A.M. Best rating of no less than A:VII or its equivalent against injury/death to persons or damage to property which may arise from or in connection with the activities hereunder of Grantee, its agents, officers, directors employees, licensees, invitees, assignees or subcontractors:
 - 1. Comprehensive or Commercial General Liability Insurance at least as broad as Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001), in an amount of Two Million Dollars (\$2,000,000) per occurrence for any one incident, including, personal injury, death and property damage. If a general aggregate limit is used, either the general aggregate limit shall apply separately to this Project or the general aggregate shall be twice the required occurrence limit.
 - 2. Automobile/Motor Liability Insurance with a limit of liability not less than One Million Dollars (\$1,000,000.00) combined single limit coverage. Such insurance shall include coverage of all owned, hired and non-owned vehicles. Said coverage shall be at least as broad as Insurance Service Offices Form Code 1 (any auto).

OR

- As stated in Exhibit A – Scope of Services, CONTRACTOR will not drive an automobile in the performance of services for COUNTY. If that changes, CONTRACTOR will take out and maintain Automobile/Motor Liability Insurance with a limit of liability not less than One Million Dollars (\$1,000,000.00) combined single limit coverage. Such insurance shall include coverage of all owned, hired and non-owned vehicles. Said coverage shall be at least as broad as Insurance Service Offices Form Code 1 (any auto).
- 3. Workers Compensation and Employers Liability Insurance providing workers' compensation benefits as required by the Labor Code of the State of California. Said policy shall contain or be endorsed to contain a waiver of subrogation against County, its officers, agents, employees, and volunteers. In all cases, the above insurance shall include Employers Liability coverage with limits of not less than One Million Dollars (\$1,000,000) per accident for bodily injury and disease.

4. Professional Liability Insurance/Errors and Omission Coverage including coverage in an amount no less than Two Million Dollars (\$2,000,000) for each occurrence (Two Million Dollars (\$2,000,000) general aggregate). Said insurance shall be maintained for the statutory period during which the professional may be exposed to liability. Contractor shall require that the aforementioned professional liability insurance coverage language be incorporated into its contract with any other entity with which it contracts for professional services.

5. Insurance Notices:

County of Humboldt
Economic Development Division
Attn: Headwaters
520 E Street,
Eureka, CA 95501
(707)445-7745
ddamiano@co.humboldt.ca.us

C. Special Insurance Requirements. Said policies shall unless otherwise specified herein be endorsed with, the following provisions:

1. The Comprehensive General Liability Policy shall provide that the County, its officers, officials, employees, agents and volunteers, are covered as additional insured for liability arising out of the operations performed by or on behalf of Grantee. The coverage shall contain no special limitations on the scope of protection afforded to the County, its officers, officials, employees, agents and volunteers. Said policy shall also contain a provision stating that such coverage:
 - i. Includes contractual liability
 - ii. Does not contain exclusions as to loss or damage to property caused by explosion or resulting from collapse of buildings or structures or damage to property underground, commonly referred to “XCU Hazards”
 - iii. Is primary insurance with regards to County of Humboldt
 - iv. Does not contain a pro-rata, excess only, and/or escape clause
 - v. Contains a cross liability, severability of interest or separation of insureds clause
2. The policies shall not be canceled, non-renewed or materially reduced in coverage without thirty (30) days prior written notice being provided to County and in accordance with the Notice provisions set forth under Section XI. It is further understood that Grantee shall not terminate such coverage until it provides County with proof satisfactory to County that equal or better insurance has been secured and is in place.
3. The inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverage afforded shall apply as though separate policies had been issued to each insured, but the inclusion of more than one insured shall not operate to increase the limits of the insurer’s liability.
4. For claims related to this Project, the Grantee’s insurance is primary coverage to the County, and any insurance or self-insurance programs maintained by the County are excess to Grantee’s insurance and will not be called upon to contribute with it.

5. Any failure to comply with reporting or other provisions of the Parties, including breach of warranties, shall not affect coverage provided to County, its officers, officials, employees, agents and volunteers.
6. Grantee shall furnish County with certificates and original endorsements affecting the required coverage prior to execution of this Agreement by County. The endorsements shall be on forms as approved by the County's Risk Manager or County Counsel. Any deductible or self-insured retention over One Hundred Thousand Dollars (\$100,000) shall be disclosed to and approved by County. If Grantee does not keep all required policies in full force and effect, County may, in addition to other remedies under this Agreement, take out the necessary insurance, and Grantee agrees to pay the cost of said insurance. County is also hereby authorized with the discretion to deduct the cost thereof from the monies owed to Grantee under this Contract.
7. County is to be notified immediately if twenty-five percent (25%) or more of any required insurance aggregate limit is encumbered and Grantee shall be required to purchase additional coverage to meet the aggregate limits set forth above.

VIII. HOLD HARMLESS AND INDEMNIFICATION

- A. Grantee shall hold harmless, defend and indemnify the County and its officers, officials, employees, agents and volunteers from and against any and all liability, loss, damage, expense, costs (including without limitation costs and fees of litigation) of every nature arising out of or in connection with Grantee's performance of work hereunder or its failure to comply with any of its obligations contained in the Agreement, except such loss or damage which was caused by the sole negligence or willful misconduct of the County.
- B. Acceptance of insurance required by this Agreement does not relieve Grantee from liability under this indemnification clause. This indemnification clause shall apply to all damages or claims for damages suffered by Grantee's operations regardless if any insurance is applicable or not.

IX. TERMINATION FOR CAUSE

- A. The County, in its sole discretion, may terminate this Agreement immediately upon notice if, in the opinion of the County, Grantee fails to perform the services required under this Agreement within the time limits specified herein, or otherwise fails to comply with the terms of this Agreement, or violates any ordinance, regulation, or other law which applies to its performance herein. In such event, the County may exercise any of its rights under this Agreement or available to it under the law.

X. NOTICES

- A. Notices shall be given to the County at the following address:

Headwaters Fund Director
Economic Development Division
County of Humboldt
520 E Street, Eureka, CA 95501
(707) 445-7745
headwaters@co.humboldt.ca.us

B. Notices shall be given to Grantee at the following address:

Terri Klemetson
Redwood Rural Health Center
PO box 769
Redway, CA, 95560
707-923-2783
terrik@rrhc.org

C. Any and all notice(s) required to be given pursuant to the terms of this Agreement shall be in writing and either served personally or sent by certified mail, return receipt requested, to the respective addresses set forth above. Notice shall be effective upon actual receipt or refusal as shown on the receipt obtained pursuant to the forgoing.

XI. MISCELLANEOUS

A. Grantee Status: Grantee certifies that it is a non-profit corporation or tax-exempt governmental unit located in Humboldt County, California.

B. Restrictions, Limitations or Conditions: This Agreement is subject to any additional restrictions, limitations, or conditions enacted by the Federal and/or State Governments that may affect the provision, terms or funding of this Agreement.

C. Relationship of Parties: Grantee shall perform all work and services as described herein as an independent contractor. No person performing any of the work or services described herein shall be considered an officer, agent, servant or employee of the County nor shall any such person be entitled to any benefits available or granted to employees of the County. Grantee shall be solely responsible for the acts or omissions of its officers, agents, employees, and subcontractors. Nothing herein shall be construed as creating a partnership or joint venture between the County and Grantee.

D. Assignment: Neither Party shall assign its obligations under this Agreement without the prior written consent of the other. Any assignment by Grantee in violation of this provision shall be void, and shall be cause for immediate termination of the Agreement.

E. Subcontracting: Grantee shall not subcontract any portion of the work required by the Agreement without prior written approval of the County.

F. Licensing: If Grantee is required to be licensed by the State of California, Grantee shall maintain the appropriate licenses throughout the life of this Agreement.

G. Nuclear Free Humboldt County Ordinance Compliance: Grantee certifies by its signature below that Grantee is not knowingly or intentionally engaged in the research, development, production, or testing of nuclear warheads, nuclear weapons systems, or nuclear weapons components as defined by the Nuclear Free Humboldt County Ordinance. Grantee agrees to notify County immediately if it becomes a nuclear weapons contractor, as defined above. County may immediately terminate this Agreement if it determines that the forgoing certification is false or if Grantee becomes a nuclear weapons contractor.

H. Title to Information and Documents: It is understood that any and all documents, information, and reports concerning this Project prepared by and/or submitted by Grantee shall become the property of the County. Grantee may retain copies for its own records. In the event of termination of this Agreement, for any reason whatsoever, Grantee shall

promptly turn over all information, writings and documents to the County without exception or reservation.

- I. Nondiscrimination Clause Compliance (Employment And Services): In connection with the execution of this Agreement, Grantee shall not discriminate in the provision of services or against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical or mental disability (including HIV status and AIDS), medical condition (including cancer and genetic characteristics), marital status, political affiliation, sex (including gender identity and expression, pregnancy, childbirth and related medical conditions), age (over 40 years of age), sexual orientation (including heterosexuality, homosexuality and bisexuality), military service, or any other classifications protected by local, state and federal laws and regulations. Nothing herein shall be construed to require the employment of unqualified persons.

Grantee further assures that it shall abide by the provisions of Title VI and Title VII of the Civil Rights Act of 1974, Section 504 of the Rehabilitation Act of 1973, as amended, the Age Discrimination Act of 1975, United States Executive Order 11246, as amended by United States Executive Order 11375 and as supplemented in 45 CFR, Part 60, and other applicable federal, state, and local laws and regulations to ensure that employment practices and the delivery of services are non-discriminatory. Practices in hiring, compensation, benefits and firing are among the employment practices subject to this requirement.

- J. Entirety of Contract: This Agreement shall constitute the entire Agreement between the parties relating to the subject matter of this Agreement, and shall supersede any previous agreements, promises, representation, understanding and negotiation, whether oral or written, concerning the same subject matter. Any and all acts, which may have already been consummated pursuant to the terms, which are embodied in this Agreement, are hereby ratified.
- K. Amendment: No addition to, or alteration of, the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto.
- L. Compliance with Applicable Laws: Grantee shall comply with any and all applicable federal, state and local laws.
- M. Jurisdiction and Venue: This Agreement shall be construed in accordance with the laws of the State of California. Any dispute arising hereunder or relating to this Agreement shall be litigated in the State of California and venue shall lie in the County of Humboldt, unless transferred by court order pursuant to California Code of Civil Procedure §§ 394 or 395.
- N. Severability: If any provision of this Agreement, or any portion thereof, is found by any court of competent jurisdiction to be unenforceable or invalid for any reason, such provision shall be severable and shall not in any way impair the enforceability of any other provision of this Agreement.
- O. No Waiver: The waiver by either party of any breach or violation of any requirement of this Agreement shall not be deemed to be a waiver of any such breach in the future, or of the breach of any other provision of this Agreement. In no event shall any payment by County constitute a waiver of any breach of this Agreement or any default which may then exist on the part of Grantee. Nor shall such payment impair or prejudice any remedy available to County with respect to any breach of default. County shall have the right to demand repayment of, and Grantee shall promptly refund, any funds disbursed to Grantee, which in the judgment of County were not expended in accordance with the terms of this Agreement.

- P. Confidential Information: In the performance of this Agreement, Grantee may receive information which is confidential information under state or federal law. Grantee agrees to comply with all laws regarding confidentiality and shall advise and require all subcontractors to comply with the laws of confidentiality.
- Q. Public Works: To the extent the Project, or any part thereof, constitutes a public work under the California Labor Code and/or the Public Contract Code, Grantee will abide by the prevailing wage laws and the contracting requirements of the respective codes. Grantee's indemnification and insurance obligations in favor of County under this Agreement specifically extend to these obligations.
- R. Authority to Execute: Each person executing this Agreement represents and warrants that he or she is duly authorized and has legal authority to execute and deliver this Agreement for or on behalf of the parties to this Agreement. Each party represents and warrants to the other that the execution and delivery of the Agreement and the performance of such party's obligations hereunder have been duly authorized.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first herein above written.

(SEAL)

COUNTY OF HUMBOLDT

ATTEST:
CLERK OF THE BOARD

DEPUTY

BY: _____
CHAIR, BOARD OF SUPERVISORS
COUNTY OF HUMBOLDT
STATE OF CALIFORNIA

GRANTEE

BY: _____
(Signature)

TITLE: _____
(Print Title)

BY: _____
(Signature)

TITLE: _____
(Print Title)

APPROVED FOR INSURANCE
REQUIREMENTS

BY: _____
Risk Management

- Exhibit A – Project Description, Activities, Objectives, Deliverables and Timeline
- Exhibit B – Project Application
- Exhibit C – Project Budget
- Exhibit D – Funds Request Form
- Exhibit E – Quarterly Report Form
- Exhibit F – Project Evaluation Form – Final Report
- Exhibit G – Headwaters Fund Recognition Policy

EXHIBIT A
Project Description, Activities, Objectives, Deliverables and Timeline

Project Description

Redwood Rural Health Center, Inc. will be expanding their operation to include a new dental facility in Redway. The building was previously a dentist office and after the practice closed Redwood Rural Health Center saw an opportunity to expand their operation and to renovate the existing structure to meet their needs. The increase in space will allow them to rapidly ramp up the number of visits, clients, and employees working in their operations.

Activities

Purchase and remodel closed dental office to add capacity for an additional 2,000 patients annually. Remodeling the facility will give employment to contractors hired to preform remodel.

Objectives

Workforce training: Additional 1-2 dental assistants trained per year from College of the Redwoods
Improve healthcare: Space will provide opportunity for additional 7,000 dental visits to 2,000 additional patients per year.

Reduction in bottlenecks to business retention and creation: By adding more space redwood rural Health Center can avoid spending almost 1.2 million dollars in regulation compliance for new healthcare buildings.

Job Creation: Redwood Rural Health Center forecasts hiring an additional 9.4 FTE team members to fulfill expanded capacities.

Deliverables

Acquisition, remodeling and operation of additional 2,164 square feet of additional dental offices.

Timeline

Date	Milestone
April 2019-Sept 2019	Financing campaign for the expansion project
Sept 2019-Oct 2019	Purchase dental facility from current owners
Nov 2019-Jan 2020	Order equipment and supplies
Nov 2019-Dec 2019	Complete county permitting process
Jan 2020-May 2020	Renovations on the new facility
Oct 2019-May 2020	Healthcare provider recruitment
June 2020	New dental office fully operational

EXHIBIT B
Project Application

The Headwaters Fund
2018-2019 Grant Fund Application Coversheet

Date of application: 03/25/2019

Organization Name: Redwoods Rural Health

Center, Inc. Director/CEO: Tina Tvedt Schaible

Contact Person Name and Title: Terri Klemetson, Facility

Manager Contact Phone: 707-923-2783 Contact Email:

terrik@rrhc.org Contact Address: PO Box 769, Redway, CA
95560

Total current year organizational budget: \$6,546,555 # of FTE employees: 39.23

Summarize the organization's mission (in the space provided):

To provide responsive, preventive, high quality primary health care services, through a variety of healing disciplines, to all people without regard to social or economic status.

Project title: RRHC Building the Future - Facilities Expansion Project

Please provide a less than 250 word summary of your project which answers the following questions: How will your project lead to improving the local economy and increasing the quality of life for local residents? What exactly are you going to do and for whom? Why is it necessary? What will be accomplished? How will you accomplish this?

RRHC's dental expansion project will benefit the local economy while improving the health of residents in Southern Humboldt. RRHC will expand from 5 dental exam rooms to 10 dental exam rooms. By doubling our operations, we can serve twice as many patients, many of which are low-income, Medicaid or uninsured clients. RRHC is at maximum capacity with our existing facility and we currently have a year-long waiting list for new adult patients. RRHC is going to expand our dental operations by acquiring an existing dental facility. The additional clinic site will require retrofitting the plumbing, electrical and HVAC systems. RRHC will also need to purchase new dental chairs, carts and other dental equipment, including a dental milling machine for creating dentures. We will recruit eleven team members to staff the new dental clinic.

Amount requested: \$65,000 Total project cost: \$1,904,989.72 (includes

staffing) Grant timeline: Period covered: 9/1/2019 to 08/31/2020

Total match amount: \$1,839,989.72 Match amount as % of project budget 97%
(Required 50% match for implementation, 25% for planning or technical assistance)

Cash match: \$1,839,989.72 In-kind match: Cash match as % of budget 97%
(Required: 25% for implementation, 12% for planning or technical assistance)

Number of new FTE jobs created, if funded: 9.4

Number of FTE jobs retained, if funded (jobs that would otherwise be eliminated): 0

Type of project: Planning Implementation Technical Assistance
Geographic focus of project: Southern Humboldt area

Number of permanent, long term, private sector jobs to be created: 11

A. Which Industry is your project working with (check off all that apply):

- Diversified Health Care
- Specialty Food, Flowers and Beverages Building and Systems
- Construction Investment Support
- Services Management and Innovation Services Niche
- Manufacturing
- Tourism
- Forest
- Products
- Arts and Culture
- Alternative Agriculture

B. Strategy being employed to promote economic development (check off all that apply):

- Supporting development of pre-permitted commercial space
- Reducing regulatory bottlenecks for business retention or creation
- Supporting economic development infrastructure
- Developing new strategies for economic development
- Providing access to external markets or plugs the economic leaks
- Retaining and growing existing businesses
- Providing workforce training
- Increasing the number of new businesses
- Leveraging future funding or projects
- Reducing poverty by helping people to develop business skills
- Other (describe):

Are any of the following components required, and if so are they in place already? (check off in left column if required, then check of “yes” or “no” for if they are in place already)

<input checked="" type="checkbox"/> Building permits	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<input type="checkbox"/> Market research	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Legal review	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Regulatory approval	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Consultants hired	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input checked="" type="checkbox"/> Staff hired	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

1) Need for project and how it will improve the economy:

Redwoods Rural Health Center, located in Redway, is facing an overwhelming demand for dental services. This challenge is largely due to the fact that RRHC is 1 of only 3 facilities in Humboldt serving over 55,000 Medi-Cal clients and over 26,000 individuals in poverty who rely on our income-based sliding fee scale program. Since the restoration of adult dental services in 2014, Redwoods Rural Health Center (RRHC) has experienced tremendous demand for services. We turn patients away every day because the dental schedule is completely full. We can’t hire more dentists to meet the community need because our physical operatory space is maxed out. A few years ago, RRHC began operating a school-based dental van, and although we’ve achieved improvements in the oral health outcome for kids, RRHC still has a year-long wait list for new adult dental patients at our main dental clinic in Redway.

To address the community’s needs, over the last two years RRHC has been extensively planning a dental facility expansion. We’ve also been working with the Humboldt County Public Health’s Dental Transformation Initiative and the California Center for Rural Policy to analyze the lack of dental care in our region and develop solutions to increase access to care for the communities’ most vulnerable populations. Initially, RRHC was going to renovate our existing facility to expand dental operations as well as holistic healthcare services. However, the cost of the expansion and the expected revenues were not advantageous and were potentially unsustainable in the long-term.

Fortuitously, a local dental practice closed, and the previous dentist and the building owner approached RRHC to begin utilizing the dental office. The dental office is the same size as RRHC’s current dental clinic, housing 5 dental operatories and is conveniently located a few blocks from RRHC’s facility in Redway. The unoccupied dental practice is nearly a turn-key operation except for the obsolete dental equipment, lack of digital x-ray equipment, non-existent electronic dental charts, and outdated infrastructure. The significant initial investment to bring the neighboring dental clinic up to par has been a deterrent for other dentists who have considered taking over the practice. Nonetheless, the health center’s Leadership Team and Board of Directors remain steadfast on increasing access to necessary healthcare services for our community. RRHC’s Board of Directors selected this option as superior to the expensive and disruptive renovations of our current facility. Moreover, the timeline for expanding services in an existing dental building will be much shorter.

To ensure a successful project, RRHC has already begun consulting realtors, electricians, and

dental supply companies, so we have an accurate estimate of the project expenses. RRHC has also been working with lenders to secure financing for the facility expansion and renovation. Most recently, RRHC began applying for a \$300,000 HRSA grant to support the majority of the equipment purchases. We have also created a financial forecast that includes the expanded dental operations to ensure the long-term profitability of the project given the current funding climate and anticipated mortgage expenses.

The dental service expansion as well as the corresponding financial stimulus is vital to the current economic downturn we're experiencing in Southern Humboldt. By expanding services into the newly renovated dental annex building, RRHC will nearly double the number of RRHC's current providers and will also hire more employees, such as receptionists and dental assistants, to support operations. Healthcare offers some of the best paying careers in our community and employees spend this money in the local economy, on food, gas, cars, clothing, education, and more. Studies published by the National Association of Community Health Clinics say, "every \$1 invested in health centers generates \$8.72 in economic activity".

2) Measurable objectives of the project:

The facility that RRHC is planning to acquire is 2,164 square feet. In the short term, the expansion will give a number of contractor's work. After the remodel is complete, the equipment is installed, and the dental providers and support staff are hired, RRHC will be the sole operator of the dental clinic.

a. Reducing regulatory bottlenecks for business retention and creation:

RRHC is a non-profit health center, regulated under OSHPD and held to the same building standards as much larger hospitals. The very expensive state building requirements for new and expanded health center facilities dramatically reduce RRHC's ability to expand services because the mandated changes to meet code consume most of the budget. Healthcare agencies and their partners have been lobbying to change the strict requirements. HY Architects used the RRHC project as an example of onerous regulation impacting a health center's ability to expand. In 2016, our planned \$3,983,162 dental expansion project would have cost \$2,788,213 without OSHPD regulations, a 15% difference because of the HVAC upgrades and new building code requirements. The clear economic burden was demonstrated so California recently passed legislation which allows health centers to operate under 40 hours a week as an intermittent clinic. Thus, by operating 39.5 hours per week, RRHC will not need to adhere to the burdensome and costly OSHPD 3 building code requirements. Instead, we will work with the local planning and building department to ensure we adhere to local building code.

b. Retaining and growing existing businesses:

By growing RRHC's existing dental operations, we are forecasting an operational budget of \$7,880,056, which is \$1,333,501 higher than RRHC's current operating budget (an increase of 20% from current operations). The growth of our business not only has a significant economic impact, it will also result in improved health outcomes because we'll be able to provide nearly 7,000 dental visits to 2,000 more patients per year. The oral and mental health improvements will be dramatic. A healthy smile empowers everyone.

c. Providing workforce training:

RRHC is known for operating a teaching health center. Each year we have a number of medical assistants, dental assistant, nurse, social work, physician assistant and family nurse practitioner students who train at our facility. The ultimate goal is to encourage these individuals to work in rural and underserved communities after they are finished with school, so we have a pipeline of qualified and skilled employees to work at the health center. By having an additional dental facility site, RRHC will be able to train 1-2 more dental assistants from the College of the Redwoods dental assisting program each year. RRHC typically makes an effort to recruit these student interns. If not, the dental assistants typically go to work in other dental practices in the greater Humboldt Bay area. We've been told that RRHC's training produces some of the best dental assistants in the County.

Measurable outcomes- numbers of businesses and dollars coming into the local economy:

The dental expansion project will create work for local contractors, such as electricians, plumbers, HVAC repair, phone installers, flooring companies and equipment installers. The project will take months of work, dispersing more than \$600,000 to local businesses. Once the building is remodeled, RRHC prides itself on working with local maintenance companies and vendors.

3) Plans to achieve and measure objectives:

To achieve our objectives of expanding our dental operations, RRHC will first work with lenders to secure funding for the majority of the project expenses. After funding is secure, RRHC will purchase the facility and work with local vendors to order the equipment - dental chairs, carts and cabinetry. RRHC's staff will order the computers and dental supplies needed for the operations through existing vendors.

Once the equipment is ordered, RRHC will begin the mini-remodel to make the facility more hygienic and replace the 40-year-old equipment that was in the building. The facility renovations include upgrading the electrical system to accommodate computer workstations in each of the dental exam rooms; replacing the vacuum tubing; upgrading the HVAC ducting; replacing the flooring; and installing a new phone and security system. In order to move forward with the electrical upgrades, RRHC will work with the electrician and the building department to obtain a permit.

Meanwhile, RRHC team members will work with the already contracted dental recruitment agencies to help us find dentists and dental hygienists who want to work in underserved communities. RRHC has established competitive salaries and benefits packages to recruit and retain essential healthcare providers. Our recruitment success has improved since our Board of Directors purchased residential property so that our dentists can live locally. Providers who work at RRHC also qualify for sizeable state and federal loan repayment opportunities. Providing more dental services to southern Humboldt is an immediate need. RRHC has a current year-long waiting list for new adult dental patients, so by opening another dental clinic we will successfully be meeting our goal to serve southern Humboldt residents and we'll immediately be measuring the results in "completed treatment plan" data increases.

4) Work which has already been done to ensure that this project will be a success:

RRHC has been working on the expansion project since 2015. To verify our budget, we've

completed an OSHPD 3 study on our existing facility to see what we would need to do to bring it up to code. We worked with Capital Impact and HY Architects to draft architectural plans and budgets for an on-site facility expansion. RRHC’s Dental Director, Dental Operations Manager and Facilities Manager traveled to Oregon to visit with experts at the ADEC dental equipment factory to learn techniques for dental facility design. In addition, we have been working with Aspen Street Architects and Redwood Dental Supply to create facility drawings and extensive equipment lists for the dental service expansion. To ensure RRHC’s dental program is operating at optimal performance, we hired DentaQuest Institute to conduct a financial, operational and clinical analysis of our current dental clinic which is the foundation for a two-year improvement plan.

RRHC has experience working with the County on zoning changes and other building projects that we have been undertaken in the last few years. RRHC has worked with Cleek Co to remodel a mother-in-law unit where we house healthcare providers. In addition, RRHC is remodeling the health center’s new administrative building and is in the midst of a zoning change/conditional use permit process with the Humboldt Building and Planning Department to create additional parking at our main facility at 101 West Coast Rd. in Redway.

Last fall, the RRHC Board created the “Building the Future” fund at the Humboldt Area Foundation which set-aside dedicated funds for the oral health facilities expansion. Since then, RRHC team members have given numerous presentations about the proposed project with the goal of securing contributions from major donors and local foundations.

5) *Jobs directly created as an outcome of this project:*

RRHC anticipates hiring an additional 9.4 Full Time Equivalent (FTE) team members by bringing on 11 new employees to work in the new dental clinic.

<u>Direct Salaries & Wages</u>	
Dentist (1.0 FTE)	\$ 160,000
Dentist (1.0 FTE)	\$ 160,000
Registered Dental (.9 FTE)	\$ 90,848
RDA (.9 FTE)	\$ 37,129
RDA (.9 FTE)	\$ 37,129
RDA (.9 FTE)	\$ 37,129
RDA (.6 FTE)	\$ 37,129
RDA (.5 FTE)	\$ 37,129
Back Office Lead (.9 FTE)	\$ 40,322
Front Desk Receptionist (.9 FTE)	\$ 31,599
Front Desk Receptionist (.9 FTE)	\$ 31,599
Sub-total: All Direct Salaries & Wages	\$ 700,015

6) *How the project will provide environmental benefits.*

Redwoods Rural Health Center’s project supports sustainable use of environmental resources by using an existing facility rather than building a new building. We plan to preserve open spaces

and working landscapes instead of adding on to our existing facility.

7) *How the project builds Leadership.*

RRHC's project builds leadership skills by enhancing the knowledge and expertise of the Executive Director, Facility Manager, and Dental Operations Manager. After expanding our operations, RRHC also plans to add a Dental Back Office supervisor position, a new leadership role in the organization. The Back Office supervisor will oversee the dental assistants and ensure accurate ordering of supplies and proper sterilization of equipment.

- ***Project is in an underserved area or serves an underserved community***

Redwoods Rural Health Center is located in a Health Provider Shortage Area (HPSA). Moreover, Southern Humboldt is an underserved community due to the tremendous lack of services and resources for low-income and vulnerable populations.

- ***Revitalizes community/infrastructure***

RRHC's proposed project will convert a 40 year old dental operation into a state of the art facility with high quality equipment. There also a number of patients who lost their Dentist when the private practice closed. After we open the new dental facility, RRHC plans to offer care to these individuals as well as the low-income, Medi-Cal patients who rely on RRHC for services.

- ***Utilizes existing buildings***

RRHC's project will use an existing building and remodel it to current medical building standards.

- ***Contributes to Humboldt County being a desirable place to live***

Healthcare is a vital service and is often one of the most important deciding factors for people to move to or stay in an area. Without sufficient local healthcare services, many people need to expend considerable amounts of time and money to access healthcare out of the area and some decide to move out of the area all together.

8) *Capacity of organization, staff and project partners to implement this project:*

RRHC's Facility Manager has been working with a number of vendors on a regular basis that have experience with dental facility expansions, building regulations and permits, as well as dental equipment. She also has connections at the local building and planning departments. Each of these project partners will help RRHC achieve our project goals. RRHC's Executive Director has been with the health center for 7 years and in that time she has created a number of new programs and significantly improved the financial performance of the organization to ensure long-term viability of the organization.

9) *List the consultants or firms you are considering:*

Beyond RRHC's dental equipment vendors, Redwood Dental and Henry Schein, RRHC doesn't plan to hire any consultants.

10) How RRHC will acknowledge the Headwaters Fund in our work:

RRHC will acknowledge the Headwaters Fund by announcing the grant award on our website, include the funding source in an article featured in our quarterly newsletter and have a banner posted outside of our dental clinic that thanks all of our donors.

**Redwoods Rural Health Center
Board of Directors List
March 2019**

1. Erica Boyd, President
2. Christina Huff, Vice President
3. Janet Fitzgerald, Treasurer
4. Marcia Marie Mendels, Secretary
5. Pamela Moore
6. Ralph Emerson
7. Elise Sauer
8. Sheila O'Toole
9. Scott Bliss

COMMITTEES
CHAIR: HEALTH
BUDGET
JOINT LEGISLATIVE AUDIT
WATER, PARKS, AND WILDLIFE

SUBCOMMITTEE
BUDGET SUBCOMMITTEE NO. 1 ON HEALTH
AND HUMAN SERVICES

Assembly California Legislature



JIM WOOD
ASSEMBLYMEMBER, SECOND DISTRICT

STATE CAPITOL
P.O. BOX 942849
SACRAMENTO, CA 94249-0002
(916) 319-2002
FAX (916) 319-2102

DISTRICT OFFICES
200 S SCHOOL STREET, SUITE D
UKIAH, CA 95482
(707) 463-5770
FAX (707) 463-5773

50 D STREET, SUITE 450
SANTA ROSA, CA 95404
(707) 576-2526
FAX (707) 576-2297

1036 5TH STREET, SUITE D
EUREKA, CA 95501
(707) 445-7014
FAX (707) 455-6607

March 14, 2019

Headwaters Fund
520 E St.
Eureka, CA 95501

Re: Letter of Support for RRHC Dental Expansion – Headwaters Fund Application

Dear Headwaters Fund Board of Directors,

I am writing this letter in support of Redwoods Rural Health Center's (RRHC) application to obtain Headwaters funding for the Dental Facilities Expansion Project.

Years ago, the immediate need for more pediatric dental care in Humboldt County was identified. According to data collected by California Center for Rural Policy, "The Pediatric Dental Institute (PDI) in Windsor reported in spring 2011 that 142 children from Humboldt used their services at their clinic with full anesthesia (called hospital based care) within the prior year. This very intensive and expensive treatment process is an indicator of missed opportunities for oral health education, preventive services, and early restoration."

Redwoods Rural Health Center has been a part of the countywide solution, taking part in the Dental Transformation Initiative. RRHC staff bring the mobile dental van to rural schools from Petrolia to Casterlin and from Rio Dell to Redway. By adding dental operatories, RRHC will provide much needed preventive and restorative oral health care to underserved populations of all ages in the southern Humboldt County area.

It's important we expand dental services through healthcare facilities, like RRHC, that provide care for everyone regardless of their social or economic status. There are more than 55,000 people in Humboldt County using Medi-Cal insurance but only three dental offices in the whole county accepting Medi-Cal payment and these practices are overwhelmed by the number of patients who need dental care.

As aligned with the Humboldt County's pediatric oral health initiative's goal to expand access to preventive dental care, I fully support RRHC's efforts to expand and meet the community need for dental services for adults and children.

Sincerely,

A handwritten signature in black ink that reads "Jim Wood".

JIM WOOD
Assemblymember, 2nd District





phone 707-826-3400
email ccrp@humboldt.edu
web ccrp.humboldt.edu

1 Harpst Street, Arcata, California 95521

Headwaters Fund
520 E St.
Eureka, CA 95501

March 18, 2019

Re: Letter of Support for RRHC Dental Expansion – Headwaters Fund Application

Dear Headwaters Fund Board of Directors,

I'm writing this letter on behalf of the California Center for Rural Policy to strongly support Redwoods Rural Health Center's (RRHC) application for the Dental Facilities Expansion Project. Access to health care is critical to Humboldt County's economic future!

The California Center for Rural Policy conducts research to inform policy, build community, and promote the health and well-being of rural people and environments. In 2018, CCRP conducted a Humboldt County Oral Health Needs Assessment that recommends the expansion of oral health services for our low income children and families. In order to address the service gap Humboldt County will need to invest in both the dental workforce and expansion of facilities.

There are more than 51,000 people in Humboldt County using Medi-Cal insurance but there are only four dental offices accepting Medi-Cal. Many of the schools in the RRHC service area have children that have been identified as having the highest levels of untreated cavities. By adding dental operatories, Redwoods Rural Health Center (RRHC) will provide much needed preventive and restorative oral health care to underserved populations of all ages in the southern Humboldt County area.

CCRP fully supports RRHC's efforts to expand and meet the community need for dental services for adults and children and urge the Headwaters Fund to support this important community effort. We really need to expand dental services through healthcare facilities, like Redwoods Rural Health Center.

Sincerely,

Connie Stewart
Executive Director

HUMBOLDT STATE UNIVERSITY

THE CALIFORNIA STATE UNIVERSITY • Bakersfield • Channel Islands • Chico • Dominguez Hills • East Bay • Fresno • Fullerton • Humboldt • Long Beach • Los Angeles • Maritime Academy
Monterey Bay • Northridge • Pomona • Sacramento • San Bernardino • San Diego • San Francisco • San Jose • San Luis Obispo • San Marcos • Sonoma • Stanislaus



Community Health Centers

- Administration, Finance, and Human Resources**
1275 Eighth Street
Arcata, CA 95521
(707) 826-8633
- Administration**
670 Ninth Street, Suite 203
Arcata, CA 95521
(707) 826-8633
- Billing**
1385 Eighth Street
Arcata, CA 95521
(707) 826-8642
- **Burre Dental Center Mobile Dental Services**
959 Myrtle Avenue
Eureka, CA 95501
- **Del Norte Community Health Center**
550 East Washington Boulevard
Crescent City, CA 95531
- **Eureka Community Health & Wellness Center**
2200 Tydd Street
Eureka, CA 95501
- **Ferndale Community Health Center**
638 Main Street (PO Box 1157)
Ferndale, CA 95536
- **Fortuna Community Health Center**
3750 Rohnerville Road
Fortuna, CA 95540
- **Humboldt Open Door Clinic**
770 Tenth Street
Arcata, CA 95521
- **McKinleyville Community Health Center**
1644 Central Avenue
McKinleyville, CA 95519
- **Mobile Health Services/ Telehealth & Visiting Specialists Center**
2426 Buhne Street
Eureka, CA 95501
- **NorthCountry Clinic**
785 18th Street
Arcata, CA 95521
- **NorthCountry Prenatal Services**
3800 Janes Road, Suite 101
Arcata, CA 95521
- **Redwood Community Health Center**
2350 Buhne Street
Eureka, CA 95501
- **Willow Creek Community Health Center**
38883 Highway 299
Willow Creek, CA 95573
- **Member Services**
550 E Washington Blvd, Suite 100
Crescent City, CA 95531
963 Myrtle Ave
Eureka, CA 95501

March 7, 2019

Tina Tvedt Schaible, MHA
Executive Director
Redwoods Rural Health Center
101 West Coast Rd./PO Box 769
Redway, CA 95560

Re: Letter of Support for Headwaters Fund – RRHC Dental Expansion

Dear Ms. Tvedt,

We offer this letter in support of your application to obtain Headwaters funding for RRHC’s Dental Facilities Expansion Project. Open Door Community Health Centers (ODCHC) supports your efforts to expand access to dental care and improve oral health outcomes in Southern Humboldt. Your efforts to help disadvantaged individuals establish relationships with a dental home are critical to positive long-term health outcomes.

ODCHC is very much aware of the extensive level of unmet need for oral health care in the region, especially preventive care for children. There are more than 55,000 people in Humboldt County using Medi-Cal insurance and RRHC and ODCHC are the only organizations in the whole county accepting these patients. The lack of dental providers for low-income populations results in poorer health outcomes and more missed days in school and at work.

We appreciate RRHC’s plans to address the community’s oral healthcare needs by expanding their dental facility in Redway. By adding dental operatories, Redwoods Rural Health Center (RRHC) will provide much needed preventive and restorative oral health care to underserved populations in the southern Humboldt County area.

RRHC and ODCHC share a mission to provide services to everyone regardless of ability to pay or insurance type. ODCHC has 13 medical and dental health center sites in rural Del Norte and Humboldt Counties. We partner and collaborate with RCHC on many vital health care initiatives, including Quality Improvement projects, regional peer training and support, and sharing of best practices in order to collectively meet the health care needs of our remote community.

We have enjoyed a long and mutually beneficial relationship with RRHC. We look forward to continued collaboration in seeking the best means of addressing the wide and differing range of needs among our low-income, and uninsured individuals and families. We are particularly pleased that this grant will allow you to expand much needed preventive and restorative dental services to individuals and families regardless of their social or economic status.

Sincerely,

Sarah Ross
South Region Director


Cheyenne Spetzler
Chief Executive Officer



Southern Humboldt Unified School District

Board of Trustees

Barbara Lindsay
Thomas Mulder
Dennis O'Sullivan
Michelle Bushnell
Collett Fenske

Administration

Don Boyd
District Superintendent

Principals

Cyndi Aguiar
Stephanie Steffano-Davis

March 15, 2019

Headwaters Fund
520 E St.
Eureka, CA 95501

Re: Letter of Support for RRHC Dental Expansion – Headwaters Fund request

Dear Headwaters Fund Board,

I am writing this letter in support of Redwoods Rural Health Center's (RRHC) application to obtain Headwaters funding to support the Dental Facilities Expansion Project. Our school system coordinates with Redwoods Rural every year. RRHC brings their mobile dental van to our school sites around the county to provide dental care to children. It's important that we continue and expand the program by expanding the facility at RRHC. Recruiting more dentists and staff will help the robust school-based services thrive.

Meanwhile, there are more than 55,000 people in Humboldt County using Medical insurance but only 3 dental offices in the whole county accepting Medical payment. As a result, Redwoods Rural has a year waiting list for new adult patients (including the parents of our students). The non-profit health center has been planning the Dental Building Expansion for two years, their Board of Directors put the organization in good financial standing so that the project can move forward. By adding dental operatories, Redwoods Rural Health Center (RRHC) will provide much needed preventive and restorative oral health care to underserved populations in the southern Humboldt County area.

As aligned with the Humboldt County's pediatric oral health initiative's goal to expand access to preventive dental care, Public Health fully supports RRHC's efforts to expand and meet the community need for dental services for adults and children.

Sincerely,

Don Boyd
Superintendent

110 School Rd; P.O. Box 650, Miranda, California 95553
Telephone: (707) 943-1789 Fax: (707) 943-1921
www.humboldt.k12.ca.us/sohumb_usd/school/index.html

"Intelligence plus character – that is the goal of true education." – Martin Luther King Jr.



Public Health
Michele Stephens, LCSW, Director
529 I Street, Eureka, CA 95501
phone: (707) 445-6200 | fax: (707) 445-6097

March 15, 2019

Headwaters Fund
520 E St.
Eureka, CA 95501

Re: Letter of Support for RRHC Dental Expansion

Dear Headwaters Fund Board of Directors,

I am writing this letter in support of Redwoods Rural Health Center's (RRHC) application to obtain Headwaters funding to support the Dental Facilities Expansion Project. There are more than 55,000 people in Humboldt County using Medi-Cal insurance but only 4 dental offices in the whole county accepting Medi-Cal payment. As a result, Redwoods Rural has a year long waiting list for new adult patients. The non-profit health center has been planning the Dental Building Expansion for two years. Their Board of Directors put the organization in good financial standing so that the project can move forward. By adding dental operatories, Redwoods Rural Health Center (RRHC) will provide much needed preventive and restorative oral health care to underserved populations in the southern Humboldt County area.

As aligned with Humboldt County's Pediatric Oral Health Initiative's goal to expand access to preventive dental care, Public Health fully supports RRHC's efforts to expand and meet the community need for dental services for adults and children. Their efforts are in no way duplicative of our activities; they are bringing a new level of service and expanding dental care to this underserved community.

We look forward to working with RRHC to expand primary healthcare services in our community.

Sincerely,

Michele Stephens, LCSW
Director



DHHS Administration
phone: (707) 441-5400
fax: (707) 441-5412

Mental Health
phone: (707) 268-2990
fax: (707) 476-4049

Social Services
phone: (707) 476-4700
fax: (707) 441-2096



Department of the Treasury
Internal Revenue Service

P.O. Box 2508
Cincinnati OH 45201

In reply refer to: 0248667583
Aug. 03, 2010 LTR 4168C E0
94-2337367 000000 00

00014339
BODC: TE

REDWOODS RURAL HEALTH CENTER INC
PO BOX 769
REDWAY CA 95560-0769



025255

Employer Identification Number: 94-2337367
Person to Contact: Ms. Mosley
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This is in response to your July 23, 2010, request for information regarding your tax-exempt status.

Our records indicate that your organization was recognized as exempt under section 501(c)(3) of the Internal Revenue Code in a determination letter issued in October 1976.

Our records also indicate that you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section(s) 509(a)(1) and 170(b)(1)(A)(vi).

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Beginning with the organization's sixth taxable year and all succeeding years, it must meet one of the public support tests under section 170(b)(1)(A)(vi) or section 509(a)(2) as reported on Schedule A of the Form 990. If your organization does not meet the public support test for two consecutive years, it is required to file Form 990-PF, Return of Private Foundation, for the second tax year that the organization failed to meet the support test and will be reclassified as a private foundation.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

0248667583
Aug. 03, 2010 LTR 4168C E0
94-2337367 000000 00
00014340

REDWOODS RURAL HEALTH CENTER INC
PO BOX 769
REDWAY CA 95560-0769

Sincerely yours,

Michele M. Sullivan

Michele M. Sullivan, Oper. Mgr.
Accounts Management Operations I

Redwoods Rural Health Center							
2018-2019 Budget							
		Medical 45	Dental 30	BH 25	Holistic 10	Admin 15	Totals
	Total Patient Charges	2,839,666	4,027,810	495,344	183,163		7,545,983
	Total Patient Adjustments (Medical Adjustments Includes Capitation Adjustment)	(1,389,926)	(2,176,351)	(69,112)	(35,062)		(3,670,450)
	Total Net Patient Revenue	1,449,740	1,851,459	426,232	148,102		3,875,533
	HRSA Base Grant	702,137	702,137	89,634	-	-	1,493,908
	HRSA AIMS & SUD-MH	-		219,174		56,000	275,174
	HRSA QI	19,748	19,748	2,534			42,030
	Blue Shield						0
	CalFresh	30,000				18,000	48,000
	Delta Dental		10,000				10,000
	DTI-Domain 4 (Humboldt DHHS)		75,000				75,000
	DTI-Domain 1		20,000				20,000
	NCCN					7,500	7,500
	Aegis	18,000		9,000			27,000
	Medicare Cost Report	15,520					15,520
	Other (telehealth, syringe exchange)	10,000					10,000
	Total Grant Revenue	795,405	826,885	320,342	0	81,500	2,024,132
Other Revenue							
	Pay for Performance	40,000	20,845	4,206	799	52,841	118,690
	Donations & Contributions (In-Kind Lab & Rad)	9,000				3,000	12,000
	Interest Income					20,000	20,000
	340B Income					480,000	480,000
	Gain/Loss on Disposal of Assets						
	Rental Income	16,200					16,200
	Total Other Revenue	65,200	20,845	4,206	799	555,841	646,890
	Total Revenue if Based on new PPS Rate	2,310,345	2,699,189	750,780	148,901	637,341	6,546,555
Expenses							
Salaries and Benefits	Salaries & Wages	1,005,847	702,121	171,492	54,860	815,592	2,749,913
	Payroll Taxes = 8%	80,468	56,170	13,719	4,389	65,247	219,993
	Workers Compensation = 2%	20,117	14,042	3,430	1,097	16,312	54,998
	Health insurance = 12%	120,702	84,254	20,579	6,583	97,871	329,990
	Retirement = avg 2.5% match	25,146	17,553	4,287	1,372	20,390	68,748
	Total Salaries and Benefits	1,252,280	874,140	213,508	68,301	1,015,413	3,423,641
Medical Contract Services	Locums (including WOA)	20,000	224,000				244,000
	Lab Services (includes \$10,000k in-kind = \$1.50/visit)	23,950					23,950
	Other Contracted Services (Ptnt Care-nutrition & STRC)	25,000		42,000			67,000
	Radiology Services (includes \$13.4k in-kind)	26,093					26,093
	Dental Laboratory Services (\$6.50/visit)		100,000				100,000
	Total Medical Contract Services	95,043	324,000	42,000	0	0	461,043
Supplies & Drugs	Medical Supplies (\$2.85/visit)	41,100					41,100
	Dental Supplies (\$10.50/visit)		117,495				117,495
	Acupuncture Supplies (\$2.50/visit)				900		900
	Pharmaceutical Supplies (\$6.50/visit)	90,260					90,260
	340B Drugs					160,000	160,000
	Office Supplies (\$850/mo.)					10,477	10,477
	Other Supplies (\$625/mo.)					7,703	7,703
	Maintenance Supplies (\$450/mo.)					10,600	10,600
	Minor Equipment Purchases-Computers, Printers, Etc.	7,500				25,000	32,500
	Total Supplies & Drugs	138,860	117,495	0	900	213,780	471,035
Purchased Services	Billing					178,216	178,216
	Accounting					12,000	12,000
	Audit Fees					25,000	25,000
	Legal					25,678	25,678

Redwoods Rural Health Center							
2018-2019 Budget							
		Medical 45	Dental 30	BH 25	Holistic 10	Adm in 15	Totals
	Computer Services & Support (QSI, i2i,NCHIIN	35,000	15,000	2,456	625	35,000	85,000
	Other Consultant Fees (Non Ptnt Care-mission linen, multicare, PCMSI, Stericycle Apt)	25,510	27,024			23,558	79,174
	Other Consultant Fees (Expansion-Planners & Engineers)					225,000	225,000
	Waste Removal	4,006	4,006			5,177	13,189
	Total Purchased Services	64,516	46,030	2,456	625	529,629	643,257
Communications	Telephone					44,000	44,000
	Internet Service					14,400	14,400
	Total Communications		1,027			58,400	58,400
Dues and Subscriptions	Dues & Memberships	3,081				8,217	12,326
	Subscriptions & Publications	2,568				1,027	3,595
	Total Dues and Subscriptions	5,649	1,027	0	0	9,244	15,920
Repairs & Maintenance	Equipment Repairs	1,541	15,407			3,595	20,543
	Equip & Facility Maintenance (roof, plumb, elect., locs, HVAC)	2,054	3,595			28,760	34,409
	Total Repairs & Maintenance	3,595	19,002		257	32,354	54,951
Travel, Conferences & Mtgs	Travel (student training)			16,000		7,703	23,703
	Education & Training	35,949	6,486	719		6,676	50,087
	Meetings & Conferences	5,136	2,568			20,543	28,246
	Total Travel, Conferences & Meetings	41,085	9,053	16,719	257	34,922	102,037
Insurance	GL & MP Insurance	2,542	2,542	282			5,649
	Property Insurance					16,434	16,434
	Directors & Officers Insurance					8,731	8,731
	Auto - Mobile Van		4,622				4,622
	Total Insurance	2,542	7,164	282	282	25,165	35,436
	Bldg & and Equipment Rent					4,314	4,314
	Utilities	25,650	13,154	2,400	575	15,621	57,400
	Bad Debt Expense					13,875	13,875
Interest Expense	Mortgage Interest (Dental Van Payments)		45,360				45,360
	Total Interest Expense	0	45,360	0	0	0	45,360
	Depreciation & Amortization	35,000	26,000	924	1,000	51,356	114,281
Other Expense	Recruitment	32,000	29,000			8,000	69,000
	Advertising					20,543	20,543
	Taxes, Licenses, Permits & Fees	3,595	3,081			2,568	9,244
	Bank Charges & Fees					3,595	3,595
	Rental Housing Exp	12,000	6,000	1,800			19,800
	Rent Expense (\$10K/mo X 9mos)					90,000	90,000
	Finance Charges (including HAF - 7110)					14,000	14,000
	Postage					10,477	10,477
	Donation Expense					2,054	2,054
	Printing and Reproduction					15,407	15,407
	Other Expenses					2,568	2,568
	Total Other Expenses	47,595	38,081	1,800	0	169,211	256,688
	Total Expenses	1,711,815	1,520,508	280,090	71,940	2,173,285	5,757,638
	NET INCOME (LOSS) with new PPS	598,530	1,178,681	470,689	76,961	(1,535,945)	788,917

RRHC Dental Facility Expansion Timeline (2019-2020)

<u>Activity</u>	<u>Apr-19</u>	<u>May-19</u>	<u>Jun-19</u>	<u>Jul-19</u>	<u>Aug-19</u>	<u>Sep-19</u>	<u>Oct-19</u>	<u>Nov-19</u>	<u>Dec-19</u>	<u>Jan-20</u>	<u>Feb-20</u>	<u>Mar-20</u>	<u>Apr-20</u>	<u>May-20</u>	<u>Jun-20</u>
Financing															
Purchase Facility															
Order Equipment & Supplies															
County Permit															
Renovations															
Provider Recruitment															
															New Dental Office Fully Operational

EXHIBIT C Project Budget

RRHC Building the Future - Facilities Expansion Project Headwaters Grant Application Mar-19

Project Expense Item	Total Cost (\$)	Requested from Headwaters Grant	Amount from Matching Funds	Source of Matching Funds
Direct Salaries & Wages				
Dentist (1.0 FTE)	\$ 160,000.00		\$ 160,000.00	RRHC HRSA Grant & Operating Revenues
Dentist (1.0 FTE)	\$ 160,000.00		\$ 160,000.00	RRHC HRSA Grant & Operating Revenues
Registered Dental (.9 FTE)	\$ 90,848.16		\$ 90,848.16	RRHC HRSA Grant & Operating Revenues
RDA (.9 FTE)	\$ 37,129.25		\$ 37,129.25	RRHC HRSA Grant & Operating Revenues
RDA (.9 FTE)	\$ 37,129.25		\$ 37,129.25	RRHC HRSA Grant & Operating Revenues
RDA (.9 FTE)	\$ 37,129.25		\$ 37,129.25	RRHC HRSA Grant & Operating Revenues
RDA (.6 FTE)	\$ 37,129.25		\$ 37,129.25	RRHC HRSA Grant & Operating Revenues
RDA (.5 FTE)	\$ 37,129.25		\$ 37,129.25	RRHC HRSA Grant & Operating Revenues
Back Office Lead (.9 FTE)	\$ 40,322.10		\$ 40,322.10	RRHC HRSA Grant & Operating Revenues
Front Desk Receptionist (.9 FTE)	\$ 31,599.36		\$ 31,599.36	RRHC HRSA Grant & Operating Revenues
Front Desk Receptionist (.9 FTE)	\$ 31,599.36		\$ 31,599.36	RRHC HRSA Grant & Operating Revenues
Sub-total: All Direct Salaries & Wages	\$ 700,015.22	\$ -	\$ 700,015.22	RRHC HRSA Grant & Operating Revenues
Benefits & Payroll Taxes (26%)	\$ 182,003.96	\$ -	\$ 182,003.96	RRHC HRSA Grant & Operating Revenues
Consultant & professional fees				
HVAC ducting	\$ 4,500.00		\$ 4,500.00	CHFFA Help II Loan
Electrical installation in exam rooms	\$ 4,732.00	\$ 4,732.00	\$ -	
Plumbing for vacuum lines	\$ 2,000.00	\$ 2,000.00	\$ -	
Dental equipment installation	\$ 2,500.00	\$ 2,500.00	\$ -	
NextGen dental record licensing	\$ 27,868.00	\$ 27,868.00	\$ -	
Flooring	\$ 12,000.00	\$ 12,000.00	\$ -	
Building Permits	\$ 2,000.00		\$ 2,000.00	CHFFA Help II Loan
Sub-total: Consulting & Professional	\$ 55,600.00	\$ 49,100.00	\$ 6,500.00	
Travel	\$ -			
Equipment				
PlanMecca Digital X-Ray Equipment	\$ 28,520.00		\$ 28,520.00	HRSA Oral Health Infrastructure Grant (pending)
Exam Chairs (x5)	\$ 56,984.04		\$ 56,984.04	HRSA Oral Health Infrastructure Grant (pending)
Dental Carts (x5)	\$ 47,975.76		\$ 47,975.76	HRSA Oral Health Infrastructure Grant (pending)
Dental Lights	\$ 20,668.20		\$ 20,668.20	HRSA Oral Health Infrastructure Grant (pending)
Dentist and Assistant Chairs/Stools	\$ 11,840.04		\$ 11,840.04	CHFFA Help II Loan
Cabinetry (x5)	\$ 170,675.00		\$ 170,675.00	CHFFA Help II Loan & HRSA Oral Health Infrastructure Grant (pending)
Computers & monitors (x7)	\$ 8,400.00	\$ 8,400.00	\$ -	
Monitor mounts	\$ 13,173.84		\$ 13,173.84	CHFFA Help II Loan
Sterilization-Autoclave	\$ 17,243.00		\$ 17,243.00	HRSA Oral Health Infrastructure Grant (pending)
Compressor	\$ 7,800.00		\$ 7,800.00	HRSA Oral Health Infrastructure Grant (pending)
Vacuum System	\$ 10,000.00		\$ 10,000.00	HRSA Oral Health Infrastructure Grant (pending)
Digital Dental Lab	\$ 114,636.00		\$ 114,636.00	CHFFA Help II Loan
Water Distillation System	\$ 10,452.00		\$ 10,452.00	HRSA Oral Health Infrastructure Grant (pending)
Dental Hygiene Supplies	\$ 1,200.00		\$ 1,200.00	RRHC Operating Revenues
Phones	\$ 7,500.00	\$ 7,500.00	\$ -	
Security System	\$ 8,342.00		\$ 8,342.00	CHFFA Help II Loan
Sub-total: Equipment	\$ 535,409.88	\$ 15,900.00	\$ 519,509.88	
Overhead - non-staff related				
Building Purchase	\$ 350,000.00		\$ 350,000.00	CHFFA Help II Loan & RRHC Building the Future
Utilities (electricity, waste removal and communications)	\$ 24,000.00		\$ 24,000.00	RRHC Operating Revenues
Overhead-staff related (indirect)				
Facilities Manager (.5 FTE)	\$ 27,956.66		\$ 27,956.66	RRHC Operating Revenues
Dental Operations Manager (.5 FTE)	\$ 30,004.00		\$ 30,004.00	RRHC Operating Revenues
Sub-total: Overhead and Indirect	\$ 431,960.66	\$ -	\$ 431,960.66	
All Overhead costs as % of Total Project Costs	\$ 0.23			
Total Project Cost	\$ 1,904,989.72	\$ 65,000.00	\$ 1,839,989.72	

<u>TOTAL Expenses by Funding Source</u>	
RRHC Operating Revenues	\$ 656,473.12
RRHC Building the Future Fund	\$ 300,000.00
HRSA Base Grant (35% Personnel)	\$ 308,706.71
CHFFA Help II Loan	\$ 274,809.88
HRSA Infrastructure Grant	\$ 300,000.00
Headwaters Fund Grant	\$ 65,000.00
TOTAL Project Costs (year 1)	\$ 1,904,989.72

EXHIBIT D Funds Request Form

Exhibit C

Headwaters Funds Request Form

Grantee: _____ Preparer: _____ Grant No.: _____
 Address: _____ Title: _____ Grant Start Date: _____
 _____ Phone: _____ Grant End Date: _____
 _____ E-Mail Address: _____

Request Number:		Report Period: From:					To:	
Contract Activities	Budget Category	HWF Budgeted Amount	HWF Requested in Prior Periods	HW Funds Requested in This Period	HW Funds Remaining	Matching Funds Budgeted	Matching Funds Spent to Date	% HW Funds Spent to Date
					0.00			
					0.00			
					0.00			
					0.00			
					0.00			
					0.00			
					0.00			
					0.00			
					0.00			
					0.00			
Sub-total		0.00	0.00	0.00	0.00	0.00	0.00	
10% Retention				0.00				
Total Payment				0.00				

Grantee Certification:

I certify to the best of my knowledge that this report is true in all respects, that the reported amounts agree with the official accounting records, and that all disbursements have been made for the purposes and conditions of this grant.

Name: _____
 Signature: _____

Date: _____

EXHIBIT E
Quarterly Report Form

The Headwaters Grant Fund
Quarterly Report

The purpose of the Quarterly Report is to keep the Headwaters Fund staff and Board up-to-date on grantee projects. A Quarterly Report is due every 90 days: April 30, July 31, Oct 31, Jan 31. Please complete the following form.

Date: _____ Project Title: Humboldt Business Challenge

Organization: _____ Preparer: _____ Grant No.: _____

Address: _____ Title: _____ Grant Start Date: _____

_____ Phone: _____ Grant End Date: _____

Phone: _____ email: _____

Please respond to the following, using as much space as necessary:

1. Describe your successes on the project to date.

2. Are grant activities proceeding according to planned timeline and budget? If not, state and explain any request for change:
 - Delayed/over budgeted activities
 - Revised timeline/budget
 - Impact of delay/over budget on project

3. Discuss any problems or unforeseen circumstances in implementing the grant project. Address how these problems/circumstances will be overcome, if appropriate and if there is anything Headwaters Fund staff can do to assist you.

4. Is there anything else that the Headwaters Fund staff and Board should know about regarding your project?

I, the undersigned, certify that the information reported in this document is complete and accurate to the best of my knowledge.

Name (print): _____

Title: _____

Signature: _____

Date: _____

EXHIBIT F
Project Evaluation Form- Final Report



HUMBOLDT COUNTY

Headwaters Fund

Grantee Self-Evaluation Final Report

The information requested on this form will allow the Headwaters Fund to better understand its funding and report to the public. Please return this form within 30 days of your project completion. Headwaters Fund staff may contact you with further questions about your project.

Today's Date: Project Start Date: Project End Date:

Organization Name: Redwood Rural Health Center, Inc.

Project Title: RRHC Building the Future - Facilities Expansion Project

Please answer the following questions, using as much space as necessary on separate pages:

1. What was your plan for improving the local economy?
2. Were you successful in filling the need or solving the problem that you set out to solve?
3. How many jobs did you create?
4. What were the challenges you encountered and how did you overcome them?
5. Which industries and businesses did you work with? Please provide any testimonials or quotes from those businesses related to the impact of your project on them.
6. Based on your identified strategy to promote economic development, what were your measurable objectives, and did you achieve those?
7. If your project leveraged outside funds, how much additional funding was brought into the area?
8. Did your project develop knowledge or a product that can be sold outside the area? If so, describe that knowledge or product and its potential market.
9. What are the lasting benefits of the project (provide quantitative and qualitative benefits)?
10. How will you continue the work started by this project?
11. What, if any, are your comments about working with the Headwaters Fund and its staff?
12. Do you have any other comments?
13. Please attach any press releases, stories, or other materials that have been published regarding the project funded by the Headwaters Fund grant or let us know how you have recognized the Fund for the support.

I, the undersigned, certify that the information reported in this document is complete and accurate to the best of my knowledge. I understand that as a community fund, it is important that the Headwaters Fund is able to report concrete results. Because of this, staff may be contacting me in

future years to follow up on project outcomes over time. Please include this signed cover page with your report.

Name (print): _____

Title: _____ Signature: _____

EXHIBIT G
Headwaters Fund Recognition Policy

Purpose

The Headwaters Fund is a public fund of the County of Humboldt. Because of this, it is especially important that our community be made aware of the projects and events we are sponsoring. We request that you honor this need and recognize the Headwaters Fund appropriately on materials and in public announcements which are connected with projects funded by the Headwaters Fund.

Policy

The Headwaters Fund requires that grantees include the fund name and/or logo whenever publicizing events or projects which have been supported by Headwaters grant funds. This is to acknowledge funding and to promote the purpose of the Headwaters Fund.

Implementation

Logo Use

The Headwaters Fund logo should be included on all posters, flyers, invitations, websites and announcements for events sponsored by the Headwaters Fund. Headwaters Fund logo size should be equal to that of other sponsors who have contributed a similar amount of funding. If there is a sponsor section on your website or any associated social media sites, the Headwaters Fund logo should be posted. If possible, the logo should also be a link to the Headwaters Fund website. Contact staff with any questions about appropriate placement or use of the Headwaters Fund logo. Include copies of any materials on which you placed the logo with your Quarterly Grant report.

Press Releases

Press releases related to projects or events sponsored by the Headwaters Fund should mention the Headwaters Fund as a sponsor and should be reviewed and approved by Headwaters Fund staff in advance of being sent.

Public Events

For openings, ribbon cuttings, open houses, or other ceremonial events related to projects funded by the Headwaters Fund, formal mention of the Headwaters Fund's contribution should be included as part of the program. If appropriate, a Headwaters Fund Board member or member of the Board of Supervisors could be asked to comment. Staff can help make these arrangements.

Research

When research or other work generated under the sponsorship of the Headwaters Fund is published or released the contribution should be recognized. (For example: Support provided by the Headwaters Fund.) It is not necessary to include the Headwaters Fund logo unless other sponsor's logos are being included.

Contact

Please contact the fund at headwaters@co.humboldt.ca.us or 707-445-77455 with any questions or for assistance in implementing this policy.