

ACTION ITEM #1

WSU Spokane, Spokane Teaching Health Center Project, Design and Construction (Brown/Patterson/Yang)

TO ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: WSU Spokane, Spokane Teaching Health Center Project,
Design and Construction

PROPOSED: That the WSU Board of Regents approve the Spokane Teaching Health Center (STHC) project, with a total budget not to exceed \$16,250,000 and authorize the project to proceed to construction when the President deems it appropriate, using the Design-Build (DB) process pursuant to RCW 39.10 and further delegate authority to the President or his designee to select a Design-Build contractor and enter into any and all contracts necessary to complete the project within the budgeted amount. This project will relocate Providence's family and internal medicine residency programs and clinic to the Spokane campus in order to provide primary care to the underserved and address the lack of medical residency positions in Eastern Washington. This project will also provide inter-professional, team-based clinical and primary care opportunities for the faculty and students in the Colleges of Nursing, Pharmacy and Medical Sciences.

SUBMITTED BY: Roger Patterson, Vice President for Finance and Administration

SUPPORTING INFORMATION: The Spokane Teaching Health Center (STHC) is a Washington non-profit corporation formed to serve as the teaching health center for graduate medical education, provide primary health care services and serves as the institutional sponsor. Members of the consortium include Providence Health and Services (Providence), Washington State University (WSU) and Empire Health Foundation (EHF).

This project aligns with WSU's land grant mission and the Regents' designation of WSU Spokane as the Health Sciences campus by mobilizing faculty and students to provide primary care to the underserved and by addressing a critical state problem: the lack of medical residency positions in Eastern Washington. This project will also relocate Providence's family and internal medicine residency programs and clinic to the Spokane campus. Providence's program currently teaches forty-one residents. The STHC was awarded a federal grant under the Affordable Health Care act to fund six

additional residents with the potential for a total of eighteen additional residents in a three year cohort. The STHC supports the goal to increase Graduate Medical Education admissions, and create and foster University interdepartmental and clinical faculty opportunities, which will enhance the Spokane Campus health science mission. The project provides inter-professional, team-based clinical and primary care opportunities for the faculty and students in the Colleges of Nursing, Pharmacy and Medical Sciences. The STHC will house a clinical portion of Eastern Washington University's Occupational Therapy/Physical Therapy program and Empire Health Foundation's Better Health Together (BHT), a nonprofit subsidiary of EHF designed to promote health to our region's residents through collaborative action around the vision of better health care and reduced costs.

This project is a priority for the University and supports growth in health sciences student enrollment, teaching/clinical faculty and staff. The 42,623 gross square foot new facility will be located on Martin Luther King Way (see Attachment A).

Project Schedule:	
BOR approval of design & construction	September 2014
Design Begins	No later than Spring 2015
Construction Begins (including demo)	No later than Fall 2015

Project Budget:

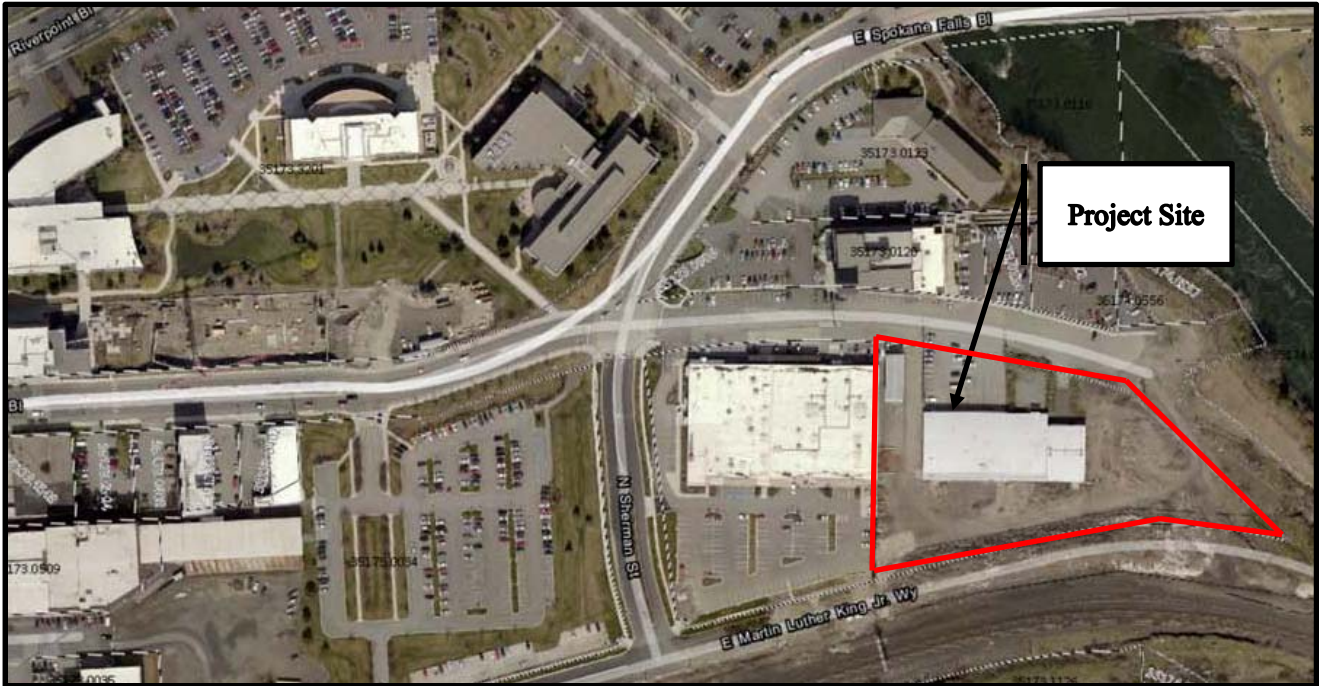
Construction	\$13,939,840
Professional Services	674,410
Project Management	750,000
Moveable Equipment/Furnishings	635,750
Furniture	<u>250,000</u>
Total Project Budget	<u>\$16,250,000</u>

Source of Funds:

Lease Revenues – Note 1	\$16,000,000
Fundraising (Furniture)	<u>250,000</u>
Total Source of Funds	<u>\$16,250,000</u>

Note 1 – To be financed with General Revenue Bonds. The lease payments will be covered by STHC, which has received a grant from the Health Resources and Services Authority; Eastern Washington University, Better Health Together, two external vendors (a food service vendor and a pharmacy) and WSU-Spokane funds.

Attachment A



BOARD OF REGENTS

WSU Pullman, Spokane Teaching Health Center Project,
Design and Construction

Resolution #140912-487

WHEREAS, the Board of Regents of Washington State University by virtue of RCW 28B.10.528 has authority to delegate by resolution to the President of the University, or designee, powers and duties vested in or imposed upon the Board by law and to enable the President, or designee to act on behalf of the Board of Regents in matters relating to the administration and governance of the University.

RESOLVED: That the WSU Board of Regents approve the Spokane Teaching Health Center (STHC) project, with a total budget not to exceed \$16,250,000 and authorize the project to proceed to construction when the President deems it appropriate, using the Design-Build (DB) process pursuant to RCW 39.10 and further delegate authority to the President or his designee to select a Design-Build contractor and enter into any and all contracts necessary to complete the project within the budgeted amount. This project will relocate Providence's family and internal medicine residency programs and clinic to the Spokane campus in order to provide primary care to the underserved and address the lack of medical residency positions in Eastern Washington. This project will also provide inter-professional, team-based clinical and primary care opportunities for the faculty and students in the Colleges of Nursing, Pharmacy and Medical Sciences.

Dated this 12th day of September, 2014.

Chair, Board of Regents

Secretary, Board of Regents