

MEMORANDUM

To: Grace Merkes, Assembly President
Members, Kenai Borough Assembly

Thru: John J. Williams, Borough Mayor

From: Craig Chapman, Finance Director

Date: October 15, 2008

Subject: Ordinance 2008-19-32, appropriating \$848,075 from the Central Kenai Peninsula Hospital Service Area for purchase of Equipment at Central Peninsula Hospital

As part of its continuing review of the capital needs of its facilities and capital plan, Central Peninsula General Hospital, Inc. (CPGH) has identified a number of items that need to be repaired, replaced, upgraded, or acquired.

At its September 15, 2008 meeting, the CPGH operating board approved a resolution requesting use of Central Kenai Peninsula Hospital Service Area (Service Area) funds for three items that are not currently in the Service Area's capital plan, which are as follows:

IT Infrastructure replacement and upgrade	\$726,845
Parking lot resurface and expansion	90,000
Bioness Ness H200 (Hand rehab system) & L300 (Foot drop system)	<u>31,230</u>
Total	\$848,075

Attached are copies of the project request summaries explaining the description of the projects, financial implications, alternatives, implementation requirements and time frame, and impact on quality of care.

Funding for the purchase of this equipment would come from the amount distributed to the Service Area from the dissolution of the Central Peninsula General Hospital Liability Trust.

Shortened hearing is requested on this ordinance to coincide with Ordinance 2008-19-25 regarding the Service Area's operating and capital budget, as this equipment was part of the reassessment of the hospital's capital plan.