



KENAI PENINSULA BOROUGH

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**DAVE CAREY
BOROUGH MAYOR**

MEMORANDUM

To: Milli Martin, Assembly President
Members, Kenai Borough Assembly

Thru: David R. Carey, Borough Mayor

From: Kevin Lyon, Major Projects Director
Craig Chapman, Finance Director

Date: December 22, 2008

Subject: Ordinance 2008-19-40, appropriating \$642,564 from the Central Kenai Peninsula Hospital Service Area for the purchase and installation of a new heating and hot water system at Central Peninsula Hospital

The heating and hot water system at the River Pavilion of the Central Peninsula Hospital is over 28 years old, and due to its age and poor design is failing and in need of immediate replacement.

The current heating system supports approximately 35 percent of the hospital campus, including imaging, emergency department, OB, wound care, I.T. support, and all other departments adjacent to these areas, and it has no backup.

A study by an independent engineering firm recommended replacement of the heating and hot water system at an estimated cost of \$642,564. The replacement system would have an estimated life of between 20 and 30 years and provide for redundancy.

Attached are copies of the engineer summary, a memo from the maintenance director for the hospital, and the Central Peninsula Hospital Inc., operating board resolution.

Funding for the purchase of the new heating system would come from the Central Kenai Peninsula Hospital Service Area.

Shortened hearing has been requested on this ordinance, as this is a life safety issue.

FINANCE DEPARTMENT - FUNDS VERIFIED
AMOUNT: \$

Account: 600.00000.00000.27910

By: _____ Date: _____