



KENAI PENINSULA BOROUGH

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DAVID R. CAREY
BOROUGH MAYOR

MEMORANDUM

TO: Pete Sprague, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: David R. Carey, Mayor *DR Carey*

FROM: Craig Chapman, Finance Director *C Chapman*

DATE: August 26, 2010

SUBJECT: Ordinance 2010-19-16, appropriating additional funding of \$237,000 to the shell space project in the Mountain Tower at Central Peninsula Hospital

The Med/Surg area in the Mountain Tower has 2,218 square feet of unfinished shell space that is currently used for storage of excess equipment and supplies. Due to the changing health care environment and patient needs, the hospital administration is requesting this space be converted to two additional patient rooms, storage, and space for staff rejuvenation.

At its August 7, 2009, meeting, the CPGH, Inc. board of directors authorized the hospital administration to proceed with the buildout plan for the northeast patient wing in the Mountain Tower for an estimated cost of \$743,173.

The Central Kenai Peninsula Hospital Service Area Board, at its meeting of November 16, 2009, approved the hospital's request to convert the shelled space into two additional patient rooms, storage, and space for staff rejuvenation.

Bids on this project were opened on August 24, 2010, and the low bid came in \$237,000 higher than the engineer's estimate.

The CPGH Inc. board, at its August 26, 2010, board meeting recommended

Shortened hearing is requested on this ordinance, as the project needs to be completed by December 31, 2010.

FINANCE DEPARTMENT FUNDS VERIFIED	
\$237,000.00	
ACT #	490.20602
BY: <i>CBW</i>	DATE: 8/26/10