

Introduced by: Mayor
Date: 01/18/05
Action: Adopted as Amended
Vote: 8 Yes, 1 No

**KENAI PENINSULA BOROUGH
RESOLUTION 2005-009**

**A RESOLUTION AUTHORIZING CENTRAL PENINSULA GENERAL
HOSPITAL, INC. TO ENTER INTO A THREE-YEAR LEASE OF SPACE
WITH G&G DEVELOPMENT COMPANY CREATING A DEBT
OBLIGATION NOT TO EXCEED \$188,340**

WHEREAS, Central Peninsula General Hospital has an immediate need to obtain off-site office space to relocate current Physical Medicine offices located in the north wing of the hospital to allow contractors to perform work in conjunction with Phase II of the Expansion Project; and

WHEREAS, G&G Development Company, located at 35551 Kenai Spur Highway, has 3,100 sq. ft. of space CPGH wishes to lease for relocation of Diabetes Education, Speech Therapy, and Occupational Therapy services; and

WHEREAS, in accordance with CPGH corporate policy CP-101, Contract Authority and Review, ¶5, Review and Approval, CPGH has received approval from its legal counsel and the CPGH Compliance Officer as to the content of the lease agreement between G&G Development Company and CPGH, Inc.; and

WHEREAS, in accordance with CPGH corporate policy CP-101, Contract Authority and Review, ¶4, Board Authority, (b)(lii), CPGH, Inc. has authorized the lease of space with G&G Development Company through the approval of CPGH, Inc. Resolution 2004-117; and

WHEREAS, the Lease and Operating Agreement for Central Peninsula General Hospital, Section 13, Finances, ¶(e), Debt Service, requires CPGH, Inc. to obtain authorization from the Borough Assembly prior to entering into the desired lease agreement as it creates a debt obligation greater than \$100,000 and lasting more than one year;

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

SECTION 1. CPGH, Inc. is authorized to enter into a three-year lease, creating a debt obligation in an amount not to exceed \$188,340, of the real property described as follows:

3,100 square feet of space situated at 35551 Kenai Spur Highway, Soldotna, Alaska, 99669, located in the Kenai Recording District, Third Judicial District, State of Alaska.

SECTION 2. The term of the lease is for three years commencing on April 1, 2005. After an initial payment of \$24,000 for renovation costs, lease payments shall be \$3,565 per month. Additional payments of \$1,000 per month shall be made until such time as the cost for renovations are paid. Renovation costs shall not exceed \$60,000. The terms and conditions of the lease shall be substantially in accordance with those of the accompanying lease agreement.

SECTION 3. That expenditures for the lease will be made through CPGH, Inc. Operating Funds.

SECTION 4. That CPGH, Inc. is authorized to execute all documents for a lease agreement substantially similar to the lease agreement submitted with this resolution, and to make all agreements deemed necessary in accordance with this resolution.

SECTION 5. That this resolution takes effect immediately upon its adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 18TH DAY OF JANUARY, 2005.



Gary Superman, Assembly President

ATTEST:



Linda S. Murphy, Borough Clerk

