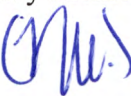


Kenai Peninsula Borough
Office of the Borough Clerk

MEMORANDUM

TO: Peter Ribbens, Assembly President
Kenai Peninsula Borough Assembly Members

FROM: Michele Turner, Borough Clerk 

DATE: May 20, 2025

RE: Ordinance 2024-19-37: Appropriating Funds from the South Peninsula Hospital Service Area Capital Project Fund for Critical Hospital Construction and Infrastructure Repairs (Mayor)

Per KPB 22.40.050(F), the borough clerk, or the clerk's designee in his or her absence, has the authority to revise pending resolutions and ordinances prior to assembly action, by filling in any blanks in the legislation stating advisory board recommendations made concerning the legislation. This serves as our memorandum to advise the assembly of same.

The two last Whereas clauses have been updated to read:

“WHEREAS, the SPHI Board, at its April 30, 2025 meeting recommended approval by the passage of SPHI Resolution 2025-10;

WHEREAS, the South Kenai Peninsula Hospital Service Area Board, at its May 8, 2025 meeting, recommended approval by the passage of SKPHSAB Resolution 2025-05,”

Thank you.

**SOUTH KENAI PENINSULA HOSPITAL
SERVICE AREA BOARD**

RESOLUTION 2025-05

**A RESOLUTION RECOMMENDING THE KPB ASSEMBLY APPROPRIATE FUNDS
IN THE AMOUNT OF \$915,042 FROM THE SOUTH KENAI PENINSULA HOSPITAL
SERVICE AREA CAPITAL PROJECTS FUND FOR CRITICAL HOSPITAL
CONSTRUCTION AND INFRASTRUCTURE REPAIRS**

WHEREAS, the Kenai Peninsula Borough (KPB) has entered into an Operating Agreement with South Peninsula Hospital, Inc. (SPHI) on a nonprofit basis for operation of the South Peninsula Hospital and other related facilities, and to provide other healthcare programs and services in order to ensure their continued availability to the South Kenai Peninsula Hospital Service Area residents; and

WHEREAS, SPHI Administration has identified a grouping of necessary infrastructure repairs related to facility age, to include an overhaul to the hospital service elevator, upgrading multiple electrical and breaker panels, adding air conditioning in the lab, deaerator backup redundancy, and construction work related to the updated fluoroscopy system; and

WHEREAS, due to the recent award of a grant to provide for the power generation system at the hospital, the “Hospital Construction and Infrastructure Repairs Project Grouping” is being requested early to reduce redundancy and save money in areas where the projects intersect; and

WHEREAS, the request to move this project to an FY25 budget project was proposed by the KPB to target efficiencies that can be achieved by simultaneously moving forward with this project and the power generation project (\$5,000,000 CDS grant from the U.S. Department of Health and Human Services); and

WHEREAS, the SPHI Administration estimates the Hospital Construction and Infrastructure Repairs Project Grouping cost to be \$915,042, as shown below, and funds are currently available in the SKPH Service Area Capital Projects Fund to support this expenditure; and

Hospital Construction & Infrastructure Repairs	
Fluoro/Xray Room Construction	\$204,000
Deaerator (Backup)	\$401,064
Service Elevator Repair	\$232,050
Breaker Replacements	\$63,648
Air conditioning for Lab	\$14,280
TOTAL	\$915,042

WHEREAS, the proposed appropriation of funds in SPH Resolution 2025-10 was discussed and recommended for approval at the SPH Board of Directors Finance Committee on April 24, 2025; and

WHEREAS, the proposed appropriation of funds in SPH Resolution 2025-10 was discussed and recommended for approval at the April 30, 2025, meeting of the SPHI Board of Directors;

NOW, THEREFORE, BE IT RESOLVED BY THE SOUTH KENAI PENINSULA HOSPITAL SERVICE AREA BOARD:

SECTION 1. That the board recommends that the KPB Assembly appropriate funds in the amount of \$915,042 from the SKPH Capital Projects Fund to provide funding for the Hospital Construction and Infrastructure Repairs Project Grouping.

SECTION 2. That this resolution take effect immediately.

ADOPTED BY THE SOUTH KENAI PENINSULA HOSPITAL SERVICE AREA BOARD THIS 8th DAY OF MAY 2025.

ATTEST:

A handwritten signature in black ink, appearing to read "Helen Armstrong", is written over a horizontal line.

Helen Armstrong, Chair

South Kenai Peninsula Hospital Service Area Board

Introduced by:

Administration

Date:

04/30/2025

Action:

Approved

Vote:

Yes - 9; No - 0 , Exc - 2 ,

**SOUTH PENINSULA HOSPITAL
BOARD RESOLUTION
2025-10**

**A RESOLUTION REQUESTING FUNDS FROM THE SOUTH PENINSULA HOSPITAL
SERVICE AREA CAPITAL PROJECT FUND FOR CRITICAL HOSPITAL CONSTRUCTION
AND INFRASTRUCTURE REPAIRS**

WHEREAS, the Kenai Peninsula Borough (KPB) has entered into an Operating Agreement with South Peninsula Hospital, Inc. (SPHI) for operation of the South Peninsula Hospital and other related facilities, and to provide other healthcare programs and services, on a nonprofit basis in order to ensure the continued availability to the South Kenai Peninsula Hospital Service Area residents; and

WHEREAS, SPHI Administration has identified a grouping of necessary infrastructure repairs related to facility age, to include an overhaul to the hospital service elevator, upgrading multiple electrical and breaker panels, adding air conditioning in the lab, deaerator backup redundancy, and construction work related to the updated fluoroscopy system; and

WHEREAS, the SPH Operating Board identified these projects as a priority and approved to move these projects forward as part of the FY26 capital budget in Resolution 25-01; and

WHEREAS, due to the recent award of a grant to provide for the power generation system at the hospital, the “Hospital Construction and Infrastructure Repairs Project Grouping” is being requested early to reduce redundancy and save money in areas where the projects intersect; and

WHEREAS, SPHI Administration estimates the Hospital Construction and Infrastructure Repairs Project Grouping cost to be \$915,042 and funds are currently available in the Service Area Capital Project Fund fund balance to support this; and

<u>Hospital Construction & Infrastructure Repairs</u>	
Fluoro/Xray Room Construction	\$ 204,000
Deaerator (Backup)	\$ 401,064
Service Elevator Repair	\$ 232,050
Breaker Replacements	\$ 63,648
Air conditioning for Lab	\$ 14,280
	\$ 915,042.00

WHEREAS, the purchase was discussed at Finance Committee on April 24th, 2025.


NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SOUTH PENINSULA HOSPITAL:

1. That the South Peninsula Hospital Board of Directors approves the use of Service Area Funds in the amount of \$915,042 from the SPH Capital Project Fund fund balance to Account 491.81210.25SHR.49999 to provide funding for the Hospital Construction and Infrastructure Repairs Project Grouping

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF SOUTH PENINSULA HOSPITAL THIS 30th DAY OF APRIL, 2025.

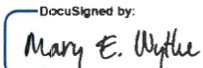
ATTEST:

DocuSigned by:


77EP204282014C3

Aaron Weisser, President

DocuSigned by:



Mary E. Wythe, Secretary