



KENAI PENINSULA BOROUGH

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**MIKE NAVARRE
BOROUGH MAYOR**

MEMORANDUM

TO: Blaine Gilman, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Mike Navarre, Mayor *MN*

FROM: Scott Walden, CKPHSA Board Chair *SW*
Members, Central Kenai Peninsula Hospital Service Area Board

DATE: April 21, 2016

SUBJECT: CKPHSA Board Amendments to Ordinance 2016-11

At its regular meeting of April 11, 2016, the full Central Kenai Peninsula Hospital Service Area Board (Board) discussed the above ordinance that was considered in the Assembly Policies and Procedures Committee meeting and introduced by the assembly on April 5, 2016.

The Board unanimously recommended the assembly approve the amendments as noted herein. The Board also unanimously recommended the assembly approve the ordinance if amended as noted below.

In the interest of accuracy and clarity, and to provide time to close out remaining business, the Board unanimously recommended the following amendments.

- Amend the sixth Whereas clause by deleting the language **[IN BRACKETS AND BOLD SMALL CAPS]** as follows:

WHEREAS, as the CPGH, Inc. **[PROVIDES ALL SERVICES FOR THE CKPHSA AND]** is consistently available to provide information needed by the administration and assembly concerning CPGH, Inc. matters, the assembly can provide adequate oversight of the service area for the borough at this time; and

- Delete the seventh Whereas clause in its entirety:

[WHEREAS, DURING THESE TIGHT FISCAL TIMES THE ASSEMBLY CAN SAVE FUNDS BY ELIMINATING THIS SERVICE AREA BOARD; AND]

- Insert two new Whereas clauses before the last whereas as follows:

WHEREAS, the Lease and Operating Agreement between the Kenai Peninsula Borough and Central Peninsula General Hospital, Inc. signed in 2008 required CPGH, Inc. to endeavor to operate all of the medical facilities on a self-supporting basis; and

WHEREAS, in FY2011, CPGH, Inc. began paying 100 percent of the annual bond payments and since then the assembly approved a reduced mill levy of .01 which in turn reduced the oversight responsibility of the service area board; and

- Amend the last Whereas clause by inserting the language shown in **bold and underline** below:

WHEREAS, at its meeting of April 11, 2016, the CKPHSA board unanimously recommended the assembly approve Ordinance 2016-11 with the service area board's proposed amendments;

- Amend the effective date in Section 2 by deleting the language [IN BRACKETS AND BOLD SMALL CAPS] and inserting the language shown in **bold and underline** below:

SECTION 2. That this ordinance takes effect [IMMEDIATELY UPON ITS ENACTMENT] at the end of the fiscal year on June 30, 2016.