



KENAI PENINSULA BOROUGH

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**MIKE NAVARRE
BOROUGH MAYOR**

MEMORANDUM

TO: Kelly Cooper, Assembly President
Members, Kenai Peninsula Borough Assembly

FROM: Mike Navarre, Mayor *MN*

DATE: February 23, 2017

SUBJECT: Resolution 2017-*022* Authorizing the Administration to Give Notice of Termination of the Lease and Operating Agreement with Central Peninsula General Hospital, Inc. to Avoid an Automatic 10-Year Extension of the Agreement (Mayor)

The borough administration and Central Peninsula General Hospital, Inc. ("CPGH, Inc.") have been negotiating a new Lease and Operating Agreement ("Agreement") for the Central Peninsula Hospital and other medical facilities. The current Agreement will expire December 31, 2017, but provides that if no notice of termination is provided before March 31, 2017, then a 10-year extension of the Agreement shall be deemed to have been agreed upon. It is anticipated that a new agreement will be presented to the assembly for approval within the next few months. In order to ensure that the existing Agreement is not automatically extended for an additional 10 years this resolution authorizes the administration to give notice of termination to CPGH, Inc.

Your approval would be appreciated.