

**SOUTH KENAI PENINSULA HOSPITAL  
SERVICE AREA BOARD**

**RESOLUTION 2024-07**

**A RESOLUTION APPROVING THE USE OF \$999,476 OF OPERATING CASH FOR  
THE RENOVATION OF THE 203 WEST PIONEER AVENUE PROPERTY FOR SOUTH  
KENAI PENINSULA HOSPITAL SERVICE AREA PURPOSES TO OPEN A  
CHILDCARE FACILITY**

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**WHEREAS,** the Kenai Peninsula Borough (“Borough”) has entered into an Operating Agreement with South Peninsula Hospital, Inc. (“SPHI”) for operation of South Peninsula Hospital (“SPH”) and other medical facilities, and to provide other healthcare programs and services, on a nonprofit basis in order to ensure the continued availability to the service area residents; and

**WHEREAS,** the Operating Agreement requires Kenai Peninsula Borough (KPB) Assembly approval of Capital Improvement Projects when the expected cost exceeds \$500,000; and

**WHEREAS,** the SPHI Administration and SPH Operating Board have determined that a childcare facility will assist with retention and recruiting of employees and, therefore, is essential to the future growth and sustainability of the South Peninsula Hospital; and

**WHEREAS,** renovations are necessary to get the property at 203 W. Pioneer Ave. up to code to open a childcare facility including the addition of sprinkler systems and upgrades to electrical wiring; and

**WHEREAS,** it is estimated that the total cost of the project to remodel the KPB-owned property at 203 W Pioneer Ave., Homer, Alaska, to open an employer-provided daycare will be \$999,476; and

**WHEREAS,** KPB and SPHI administrations have agreed to allow SPHI to manage this project; and

**WHEREAS,** the SPH Operating Board (aka SPHI Board of Directors) will not be meeting until June 26, 2024, after the SAB meets on June 13<sup>th</sup>, and thus will not be able to review its parallel resolution, SPH 2024-17, until its June 26, 2024 meeting.

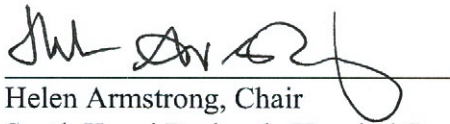
**NOW, THEREFORE, BE IT RESOLVED BY THE SOUTH KENAI PENINSULA  
HOSPITAL SERVICE AREA BOARD:**

**SECTION 1.** That the South Kenai Peninsula Hospital Service Area Board—assuming the above noted South Peninsula Hospital, Inc., Board of Directors approves SPH Resolution 2024-17 as anticipated at its June 26, 2024 meeting—this board recommends KPB Assembly approval of the project and scope of work for the remodel of 203 W. Pioneer Ave., Homer, Alaska, to open an employer-provided daycare. An appropriation is not required because SPH operating cash will be used to pay for the remodel project cost.

**SECTION 2.** That this resolution takes effect immediately.

**PASSED AND ADOPTED BY THE SOUTH KENAI PENINSULA HOSPITAL SERVICE AREA BOARD AT ITS MEETING HELD ON THIS 13TH DAY OF JUNE 2024.**

ATTEST:



Helen Armstrong, Chair  
South Kenai Peninsula Hospital Service Area Board

June 13, 2024