



KENAI PENINSULA BOROUGH

144 North Binkley Street • Soldotna, Alaska 99669-7520

Toll-free within the Borough: 1-800-478-4441

PHONE: (907) 262-4441 • FAX: (907) 262-1892

www.borough.kenai.ak.us

**MIKE NAVARRE
BOROUGH MAYOR**

MEMORANDUM

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

THRU: Mike Navarre, Mayor *MN*

FROM: Craig Chapman, Finance Director *CChapman*

DATE: January 5, 2017

SUBJECT: Ordinance 2016-19-22, Authorizing the use of \$3,746,800 from the \$10,000,000 that was Appropriated from the Central Peninsula Hospital Plant Replacement and Expansion Fund for the Design and Construction of the Obstetrics and Cardiac Catheterization Laboratory Project at Central Peninsula Hospital (Mayor)

Ordinance 2016-19-12 appropriated \$10,000,000 from the Central Peninsula Hospital Plant Replacement and Expansion Fund ("PREF") and authorized the issuance of debt in an amount not to exceed \$28,955,000 for the design and construction of the obstetrics facilities, cardiac catheterization laboratory ("OB/Cath Lab") and related projects at Central Peninsula Hospital. In addition, ordinance 2016-19-12 only authorized the use of \$3,100,000 of the PREF funds for the estimated design cost of the project and stated that the remaining balance of the PREF funds, \$6,900,000, would only become available for use with the issuance of the bonds.

A portion of the overall project includes site electrical feed (\$323,000), Vine Street utility relocation (\$242,250), helipad (\$726,750), replacement of the support services building (\$268,524) and site work (\$2,186,276) have to be completed prior to the start of the OB/Cath Lab part of the project.

The site work includes paving, sidewalks, storm water controls, sanitary sewer, municipal water, lighting, head bolt heaters, landscaping, signage, parking/protective bollards, heated handicap parking, and site amenities and is required to be completed in advance to avoid impact on traffic and parking flow to most of the site while under construction. This effort will also overlap areas that will be utilized for construction efforts associated with the larger OB/Cath Lab building project that is planned for the fall of 2017. The completion of the site work prior to the start of the OB/Cath Lab building project will eliminate this issue.

In addition to the site work, a support services building currently located at the northeast corner of the CPH campus will be demolished as part of the parking lot expansion. This and a small wood shop currently housed in a space to be renovated for the OB/Cath lab project will be relocated to a new support services building that will be constructed on the southeast corner of the CPH campus.

FINANCE DEPARTMENT FUNDS/ACCOUNT VERIFIED	
Acct. No:	<u>490.20603</u>
Amount: \$	<u>3,746,800.⁰⁰</u>
By: <u>pp</u>	Date: <u>1/3/17</u>