

Introduced by: Mayor
Date: 01/18/22
Hearing: 02/01/22
Action: Enacted
Vote: 9 Yes, 0 No, 0 Absent

**KENAI PENINSULA BOROUGH
ORDINANCE 2021-19-35**

AN ORDINANCE APPROPRIATING FUNDING FROM THE CENTRAL PENINSULA HOSPITAL PLANT REPLACEMENT AND EXPANSION FUND FOR THE CENTRAL PENINSULA HOSPITAL HOT LAB UPGRADE TO AN ISO CLEANROOM PROJECT

- WHEREAS,** the Kenai Peninsula Borough (“KPB”) has entered into an Operating Agreement with Central Peninsula General Hospital, Inc. (“CPGH, Inc.”) for the operation of Central Peninsula Hospital (“CPH”) 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,** CPH provides a nuclear medicine service that utilizes small amounts of radioactive material or tracer (radiopharmaceuticals), a special gamma camera and a computer to form images; and
- WHEREAS,** the small amount of radioactive material or tracer is generated in a hot lab found within the CPH Imaging Department next to the nuclear medicine gamma camera; and
- WHEREAS,** radiopharmaceuticals fall under the control of the US Nuclear Regulatory Commission, which has updated *US Pharmacopeia (USP) 825 Radiopharmaceuticals – Preparation, Compounding, Dispensing, and Repackaging*, following ISO guidelines; and
- WHEREAS,** USP 825 regulations require increased environmental controls as they relate to radiopharmaceuticals, resulting in the need for CPH to provide for an updated hot lab; and
- WHEREAS,** CPH administration has engaged PDC Engineering to perform a gap analysis and concept scope to bring CPH into compliance with enforceable ISO guidelines; and
- WHEREAS,** CPH administration has developed a project cost estimate of \$568,194 to provide for the scope of the project, which includes: design and construction administration, construction (with contingency), a dose calibrator, a compounding isolator and KPB administrative/project management fees; and

WHEREAS, KPB Purchasing and Contracting released the construction project for bidding and two responsive and responsible bids were received that were significantly higher than original professional cost estimate; and

WHEREAS, actual total costs for the Hot Lab Upgrade Project are expected to be \$869,778, which is \$301,584 over the amount approved in Ordinance 2021-19-04; and

WHEREAS, there are sufficient funds available in the Central Peninsula Hospital Plant Replacement and Expansion Fund (PREF) to fund the additional \$301,584 cost of the Hot Lab Upgrade Project and CPH would like to utilize PREF funds for the additional cost of the project; and

WHEREAS, under Section 16(b) of the Operating Agreement, transfers in or out of the Central Peninsula Hospital's Plant Replacement and Expansion Fund shall first be considered by the CPGH, Inc. Board and its recommendations forwarded to the assembly; and

WHEREAS, at its meeting held on January 27, 2022, the CPH, Inc. Board recommended approval by the passage of CPH Resolution 2022-03 of the transfer of funds from the PREF in the amount of \$301,584 for the project;

NOW, THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

SECTION 1. Funds in the amount of \$301,584 are appropriated from the Central Peninsula Hospital Plant Replacement and Expansion Fund account number 490.20602 to account number 490.81110.22LAB for the purpose of completing the Hot Lab Upgrade to an ISO Cleanroom Project.

SECTION 2. That the appropriations made in this ordinance are project length nature and as such do not lapse at the end of any particular fiscal year.

SECTION 3. This ordinance takes effect immediately upon enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 1ST DAY OF FEBRUARY, 2022.

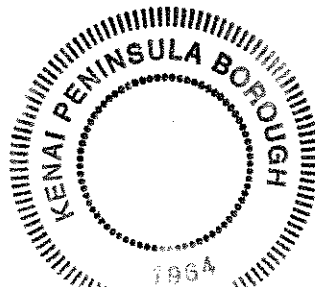
Brent Johnson

Brent Johnson, Assembly President

ATTEST:

Johani Blankenship

Johani Blankenship, MMC, Borough Clerk



Yes: Bjorkman, Chesley, Cox, Derkevorkian, Ecklund, Elam, Hibbert, Tupper, Johnson

No: None

Absent: None