

# Kenai Peninsula Borough

## Office of Borough Mayor

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### MEMORANDUM

**TO:** Brent Johnson, Assembly President  
Members, Kenai Peninsula Borough Assembly

**FROM:** Mike Navarre, Mayor *MN*

**DATE:** January 26, 2023

**SUBJECT:** Resolution 2023-010, Authorizing the Mayor to Execute a First Amendment to the Operating Agreement with CPGH, Inc. (Mayor)

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Ordinance 2022-19-04 authorized the purchase of the Surgery Center of Kenai and authorized the Borough Mayor to amend the Operating Agreement with CPGH, Inc., to include this acquisition as an additional Medical Facility under Exhibit A to the Operating Agreement.

CPGH, Inc., in consultation with Borough Administration, subsequently negotiated a new sublease for the CPH radiation oncology building space between CPGH, Inc. and Aurora Integrated Oncology Foundation (AIOF) (d/b/a Peninsula Radiation Oncology Center) that will require an amendment to Section(b)(ii) of the Operating Agreement to account for a new lease term and lessee reference.

This resolution authorizes the Borough Mayor to execute a single amendment document that incorporates both amendments.

The amendments are:

1. Amend Section 2(b)(ii) to read as follows:  
The approximately 4,570 square feet of the CPH Campus for Providing Cancer Treatment located at 250 Hospital Place, Soldotna, Alaska (“CPH Campus”) until December 31, 2053. This will be in accordance with, and pursuant to, the Sublease Agreement dated January 1, 2023, by and between CPGH, Inc. and Aurora Integrated Oncology Foundation, a non-profit corporation, doing business as Peninsula Radiation Oncology Center, and all amendments to that Agreement.
2. Amend Exhibit A of the Operating Agreement to add the acquisition of a freestanding ambulatory surgery center to the list of borough-owned property or facilities that CPGH, Inc., operates and manages for the Borough pursuant to the terms of the Operating Agreement.

Your consideration is appreciated.