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**RESOLUTION 2017-66**

**A RESOLUTION SUPPORTING REIMBURSEMENT FROM THE KENAI PENINSULA BOROUGH TO CENTRAL PENINSULA HOSPITAL IN THE AMOUNT OF \$44,555.00 FROM THE KENAI HEALTH CENTER MAJOR MAINTENANCE FUND FOR EMERGENCY BOILER REPLACEMENT**

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1. **WHEREAS**, the Kenai Health Center was constructed jointly between the Kenai Peninsula Borough and the State of Alaska utilizing local grant funds and is approximately 17 years old; and
2. **WHEREAS**, the Kenai Health Center was constructed using \$989,500 from the Central Peninsula Hospital Plant Expansion and Replacement Fund and \$1,700,000 in grant funds from the State of Alaska; and,
3. **WHEREAS**, as part of the grant acceptance requirement, the Borough and the State signed a shared service agreement which required that funds be set aside every year for the purpose of funding major repairs to the property; and
4. **WHEREAS**, the Borough and CPGH, Inc signed a sublease agreement on October 26, 2001 addressing occupancy and future maintenance responsibilities; and
5. **WHEREAS**, in the sublease agreement, the Borough agreed to pay for major repairs, while CPGH, Inc. was responsible for minor repairs to the property; and,
6. **WHEREAS**, as of November 17, 2017, \$608,988.59 has been set aside for major repairs as stipulated in the shared service agreement with the State of Alaska; and,
7. **WHEREAS**, CPGH Inc. recently completed major repairs due to a complete boiler failure which included replacement of two boilers and other repairs associated with the boiler system at a total cost of \$44,555; and,
8. **WHEREAS**, the Kenai Peninsula Borough Purchasing Department Project Manager has labeled the boiler failure and replacement as a “major repair” under the sublease agreement; and
9. **WHEREAS**, CPGH Inc is seeking reimbursement for paid expenses associated with the major repairs performed at the Kenai Health Center through the Kenai Health Center Major Maintenance Fund.

**NOW THEREFORE, BE IT RESOLVED, BY THE BOARD OF DIRECTORS OF CENTRAL PENINSULA GENERAL HOSPITAL, INC., A NOT-FOR-PROFIT ALASKA CORPORATION, THAT:**

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**SECTION 1.** The CPGH, Inc. Board of Directors supports the introduction and passage of an ordinance to reimburse Central Peninsula Hospital in the amount of \$44,500.00 from the Kenai Health Center Major Maintenance Fund for costs paid by Central Peninsula Hospital to replace the boiler system at the Kenai Health Center Building located on Barnacle Way in Kenai.

**SECTION 2.** This resolution takes effect immediately upon its adoption.

I certify that the above resolution was approved by vote of the Board of Directors of Central Peninsula General Hospital, Inc. at the 12/14/17 Board meeting.

Irv Carlisle, Secretary  
CPGH, Inc. Board of Directors