



KENAI PENINSULA BOROUGH

Finance Department

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MIKE NAVARRE
MAYOR

MEMORANDUM

TO: Blaine Gilman, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Mike Navarre, Mayor *P.O. for M.N.*

FROM: Craig Chapman, Finance Director *C Chapman*
Valentina Sustaita, Acting Purchasing and Contracting Director *V Sustaita*

DATE: February 25, 2016

SUBJECT: Ordinance 2015-19-27, An Ordinance Authorizing the Purchase of Imaging Equipment and Associated Service Agreements and Appropriating \$1,575,323 from the CPGH, Inc. Plant Replacement and Expansion Fund (Mayor)

This ordinance would authorize the purchase of three pieces of equipment for Central Peninsula Hospital with funding for the equipment to be provided from the CPH Plant Replacement and Expansion fund. It also authorizes CPGH, Inc. to enter service agreements to support this equipment.

The total proposed capital expenditures are broken down as follows:

Symbia Intevo 6 SPECT/CT camera	\$ 830,000
Aera 1.5T MRI	674,923
Invivo MR breast 16 channel coil	<u>70,400</u>
Total	\$ <u>1,575,323</u>

The service agreements on the equipment take effect after each item's manufacturer's warranty expires and total \$193,933 per year. Appropriation of these funds is not required as they are for operating costs.

This equipment will be placed in areas provided by Phases III & IV of the Imaging Renovation Project.

Attached is an executive summary from the hospital that explains the requested purchase in more detail.

FINANCE DEPARTMENT ACCOUNT / FUNDS VERIFIED	
Acct. No.	<u>490.20602</u>
Amount	<u>\$1,575,323</u>
By:	<u>BH</u> Date: <u>2/25/16</u>