MEMORANDUM

TO: Wayne Ogle, Assembly President

Members, Kenai Peninsula Borough Assembly

Charlie Pierce, Borough Mayor THRU:

John Hedges, Purchasing and Contracting Director Brandi Harbaugh, Finance Director FROM:

DATE: September 17, 2019

RE: Resolution 2019-050, Approving the Design, Purchase and Installation

of a CT Scanner for South Peninsula Hospital to be Purchased from the

South Peninsula Hospital Capital Project Fund (Mayor)

The Kenai Peninsula Borough and South Peninsula Hospital, Inc. ("SPHI") have entered into a sublease and operating agreement which requires that all equipment purchases in excess of \$250,000 must be separately approved by the borough assembly. Per this agreement SPHI is required to follow the traditional steps for submitting capital projects to the SPHI Board of Directors, the South Kenai Peninsula Hospital Service Area Board and the Assembly for approval.

In the 2019 capital budget, SPHI requested replacement of its current 64-slice CT scanner. The current CT scanner is 12 years old, outdated and nearing end of life. New scanners provide a significantly lower radiation dose, improved image quality, faster scan times, and hold larger patients.

The CT scanner is a critical piece of equipment for urgent, emergent and scheduled diagnostic procedures. Its use is critical to safe and timely patient care and is a source of revenue for SPHI. The current scanner is outdated technology. Originally, SPHI was interested in a Siemens Somatom go. Top CT scanner. It was an innovative platform but after further consideration, SPHI determined that that CT scanner does not match their needs. The major obstacle is that the scanner is air-cooled, which increased the ambient temperature and noise in the CT suite. Since their radiologists are interventional and conduct many procedures in the CT suite, it is important that they can communicate with staff and patients clearly. In order to achieve this they need to switch to a water-cooled CT scanner. They have selected the Siemens Definition Edge. This is comparable to the 128-slice CT September 17, 2019

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machine that Central Peninsula Hospital currently has. It is water-cooled and with its software package allows for more efficiency and increased capabilities.

Remodeling the central area where the CT scanner resides is requested to address several issues. The current suite cannot safely hold a trauma team. It is difficult to get an ER gurney in the room much less a trauma team with necessary equipment. Bottled oxygen is required due to the lack of medical gas plumbed to the suite. The current location of the CT suite requires Emergency Department patients/trauma teams, and stroke protocol patients to navigate three doorways, five turns and four hallways. The renovation would eliminate four turns and three hallways, putting the CT scanner in close proximity to the Emergency Department, to provide imaging for patients in critical need.

We respectfully request your approval and support for this purchase.

FINANCE DEPARTMENT ACCOUNT / FUNDS VERIFIED

Acct. No. 490. 81210.20SHC.48516

Amount: <u>\$ 931,314.00</u>

By: <u>pp</u> Date: 9/5/19