



Kenai Peninsula Borough

144 North Binkley Street
Soldotna, AK 99669

Meeting Agenda Finance Committee

*Brent Hibbert, Chair
Tyson Cox, Vice Chair
Cindy Ecklund, Member*

Tuesday, October 24, 2023

4:00 PM

Betty J. Glick Assembly Chambers
Meeting ID: 884 7373 9641 Passcode: 671108
[https://us06web.zoom.us/j/88473739641?](https://us06web.zoom.us/j/88473739641?pwd=dW1sY2RYV0F4dURjV25yVW9WUGw3QT09)
[pwd=dW1sY2RYV0F4dURjV25yVW9WUGw3QT09](https://us06web.zoom.us/j/88473739641?pwd=dW1sY2RYV0F4dURjV25yVW9WUGw3QT09)

Meeting ID: 884 7373 9641 Passcode: 671108

PUBLIC HEARINGS ON ORDINANCES

1. [2023-19-21](#) An Ordinance Accepting and Appropriating Pass-Through Grant Funds from the State of Alaska Office of Emergency Medical Services in the Amount of \$250,000 through the Healthy and Equitable Communities Program Grant for the Nikiski Fire Mobile Integrated Healthcare Program (Mayor)

Attachments: [Ordinance 2023-19-21](#)
[Memo](#)
[LAYDOWN Advisory Board Recommendations](#)

2. [2023-19-22](#) An Ordinance Appropriating Supplemental Funding of \$50,000 to Complete the Uninterrupted Power Supply Replacement Project Located in the Emergency Response Center (Mayor)

Attachments: [Ordinance 2023-19-22](#)
[Memo](#)
[Reference Copy O2022-19-21](#)

3. [2023-24](#) An Ordinance Approving the Capital Lease Purchase of the Stryker Mako SmartRobotics System for South Peninsula Hospital (Mayor)

Attachments: [Ordinance 2023-24](#)
[Memo](#)
[South Peninsula Hospital Resolution 2023-24](#)
[South Peninsula Hospital Memo](#)
[South Kenai Peninsula Hospital Service Area Resolution 2023-12](#)

Ordinance for Introduction and Public Hearing on Shortened Time

1. [2023-19-23](#) An Ordinance Appropriating Additional Funds from the Nikiski Fire Service Area Capital Project Fund for a Fire Engine at Station #3 (Mayor) (Hearing on Shortened Time on 10/24/23)

Attachments: [Ordinance 2023-19-23](#)
[Memo](#)

NEW BUSINESS

1. Resolutions

- *a. [2023-066](#) A Resolution Authorizing a Sole Source Contract Award for the Acquisition of Epic Electronic Medical Software for South Peninsula Hospital (Mayor)

Attachments: [Resolution 2023-066](#)
[Memo](#)
[South Kenai Peninsula Hospital Service Area Board Resolution 2023-14](#)
[South Peninsula Hospital Board Resolution 2023-26](#)
[Reference Copy O2023-19-11](#)

- *b. [2023-067](#) A Resolution Adding an Additional Landfill Laborer Position at Central Peninsula Landfill (Mayor)

Attachments: [Resolution 2023-067](#)
[Memo](#)

Ordinances for Introduction

- *a. [2023-19-24](#) An Ordinance Appropriating \$80,516 to the Disaster Response Fund for Expenditures Responding to the Recent Local Disaster Emergency Declaration (Mayor) (Hearing on 11/7/23)

Attachments: [Ordinance 2023-19-24](#)
[Memo](#)

Introduced by:	Mayor
Date:	10/10/23
Hearing:	10/24/23
Action:	
Vote:	

**KENAI PENINSULA BOROUGH
ORDINANCE 2023-19-21**

AN ORDINANCE ACCEPTING AND APPROPRIATING PASS-THROUGH GRANT FUNDS FROM THE STATE OF ALASKA OFFICE OF EMERGENCY MEDICAL SERVICES IN THE AMOUNT OF \$250,000 THROUGH THE HEALTHY AND EQUITABLE COMMUNITIES PROGRAM GRANT FOR THE NIKISKI FIRE MOBILE INTEGRATED HEALTHCARE PROGRAM

WHEREAS, the State of Alaska Office of Emergency Medical Services (“SOEMS”) received funds from the “Healthy and Equitable Communities Program,” a federal pass-through program under the Centers for Disease Control and Prevention; and

WHEREAS, SOEMS is supporting Mobile Integrated Health Services across the state; and

WHEREAS, the Nikiski Fire Service Area meets the qualifications to be a pass-through recipient of the funds in the amount of \$250,000 by providing this service to the citizens within the Nikiski Fire Service Area; and

WHEREAS, at its meeting held on October 11, 2023, the Nikiski Fire Service Area Board recommended approval by unanimous consent; and

WHEREAS, it is in the best interests of the Borough to accept the grant and assist in ongoing Mobile Integrated Healthcare efforts that build Healthy and Equitable Communities;

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

SECTION 1. The Mayor is authorized to accept the Healthy and Equitable Communities Program award in the amount of \$250,000 from the State of Alaska for the Healthy and Equitable Communities program on behalf of the Nikiski Fire Service Area.

SECTION 2. That \$250,000 in grant funds will be appropriated to account 206.51110.24MIH.49999 for the Nikiski Fire Department Mobile Integrated Health Program.

SECTION 3. That appropriations made in this ordinance are of a project length nature and as such do not lapse at the end of any particular fiscal year.

SECTION 4. That the Mayor is authorized to execute any documents, including document amendments, deemed necessary to accept and expend the funds and to fulfill the intents and purposes of this ordinance.

SECTION 5. That this ordinance shall be effective immediately upon enactment.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY
* 2023.**

Assembly President

ATTEST:

Michele Turner, CMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough

Nikiski Fire Service Area

MEMORANDUM

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

THRU: Peter A. Micciche, Mayor *PM*
Brandi Harbaugh, Finance Director *Bit*
Brenda Ahlberg, Emergency Manager *GA*

FROM: Trent Burnett, NFSA Fire Chief *TB*
Harrison Deveer, Senior Captain, EMS *HD*

DATE: September 28, 2023

RE: Ordinance 2023-19-21, Accepting and Appropriating Pass-Through Grant Funds from the State of Alaska Office of Emergency Medical Services in the Amount of \$250,000 through the Healthy and Equitable Communities Program Grant for the Nikiski Fire Mobile Integrated Healthcare Program (Mayor)

The State of Alaska Office of Emergency Medical Services (SOEMS) received funding through the Healthy and Equitable Communities Program Grant, a federal pass-through grant administered by the Alaska Department of Health, to "pilot" rural Mobile Integrated Healthcare (MIH) Programs. The SOEMS has expanded the rural MIH program to include the Nikiski Fire Department. The Nikiski Fire Department MIH program will be awarded **\$250,000** for the grant period ending May 31, 2024.

Your consideration is appreciated

FINANCE DEPARTMENT FUNDS/ACCOUNT VERIFIED	
Account:	<u>206.51110.24MIH.49999</u>
Amount:	<u>\$250,000</u>
By:	<u><i>CJ</i></u>
Date:	<u>9/27/2023</u>

Kenai Peninsula Borough
Office of the Borough Clerk

MEMORANDUM

TO: Assembly President
Kenai Peninsula Borough Assembly Members

FROM: Michele Turner, Borough Clerk (MT)

DATE: October 24, 2023

RE: Ordinance 2023-19-21: Accepting and Appropriating Pass-Through Grant Funds from the State of Alaska Office of Emergency Medical Services in the Amount of \$250,000 Through the Healthy and Equitable Communities Program Grant for the Nikiski Fire Mobile Integrated Healthcare Program (Mayor)

Per KPB 22.40.050(F), the borough clerk, or the clerk's designee in his or her absence, has the authority to revise pending resolutions and ordinances prior to assembly action, by filling in any blanks in the legislation stating advisory board recommendations made concerning the legislation. This serves as our memorandum to advise the assembly of same.

Conforming to the advisory boards' actions, the second to last Whereas clause has been updated to read:

"WHEREAS, at its meeting held on October 11, 2023, the Nikiski Fire Service Area Board recommended approval by unanimous consent;"

Thank you.

Introduced by:	Mayor
Date:	10/10/23
Hearing:	10/24/23
Action:	
Vote:	

**KENAI PENINSULA BOROUGH
ORDINANCE 2023-19-22**

**AN ORDINANCE APPROPRIATING SUPPLEMENTAL FUNDING OF \$50,000 TO
COMPLETE THE UNINTERRUPTED POWER SUPPLY REPLACEMENT PROJECT
LOCATED IN THE EMERGENCY RESPONSE CENTER**

WHEREAS, the 2023 fiscal year budget includes an appropriation in the amount of \$115,404 to replace the uninterrupted power supply (“UPS”) located at the Kenai Peninsula Borough (“Borough”) Emergency Response Center; and

WHEREAS, Ordinance 2022-19-21 approved a supplemental appropriation in the amount of \$34,596, totaling \$150,000 for the estimated project completion; and

WHEREAS, the total costs of the project exceed the estimate by \$50,000 due to prolonged challenges to install the UPS; and

WHEREAS, it is in the best interest of the Borough to replace the failing uninterrupted power supply unit to maintain a power source in the event of a commercial power outage for vital communications equipment that supports emergency management and E911 functions;

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

SECTION 1. That \$25,000 is appropriated from the Borough General Government Capital Project Fund, fund balance to account 407-11250-23471-49999 to meet the UPS Power Supply Project total costs.

SECTION 2. That \$25,000 is appropriated from the Borough 911 Communications Capital Project Fund, fund balance to account 455.11255.23431.49999, to meet the UPS Power Supply Project total costs.

SECTION 3. This ordinance shall be effective immediately.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY
OF * 2023.**

Brent Johnson, Assembly President

ATTEST:

Michele Turner, CMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough

Office of Emergency Management

MEMORANDUM

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

THRU: Peter A. Micciche, Mayor *PM*
Brandi Harbaugh, Finance Director *BH*
Tammy Goggia, 911 Emergency Communications Coordinator *TG*
Ben Hanson, IT Director *BH*
John Hedges, Purchasing & Capital Projects Director *JH*

FROM: Brenda Ahlberg, Emergency Manager *BA*

DATE: September 28, 2023

RE: Ordinance 2023-19-22, Appropriating Supplemental Funding of \$50,000 to Complete the Uninterrupted Power Supply Replacement Project Located in the Emergency Response Center (Mayor)

The Borough's approved FY2023 budget appropriated \$115,404 to replace an Uninterrupted Power Supply ("UPS") located at the Emergency Response Center. Additionally, Ordinance 2022-19-21 increased the budget in the amount of \$34,596 to meet estimated cost increases, totaling \$150,000.

Currently, the UPS unit is purchased and staged. Next, the Borough will contract with an electrician certified to install the Eaton UPS unit. Project delays have increased installation costs and costs associated with the need to keep the UPS lithium batteries maintained resulting in a cumulative cost increase of \$50,000. This UPS unit is vital to maintain the communications equipment that supports emergency management and E911 functions in the event of a commercial power outage.

Your consideration is appreciated.

**FINANCE DEPARTMENT
FUNDS/ACCOUNT VERIFIED**

Accounts: 407.00000.00000.27910 Amt: \$25,000

Accounts: 455.00000.00000.27910 Amt: \$25,000

By: *BA* Date: 9/27/2023

Introduced by:	Mayor
Date:	10/11/22
Hearing:	10/25/22
Action:	Enacted
Vote:	9 Yes, 0 No, 0 Absent

**KENAI PENINSULA BOROUGH
ORDINANCE 2022-19-21**

**AN ORDINANCE APPROPRIATING SUPPLEMENTAL FUNDING TO COMPLETE
THE UNINTERRUPTED POWER SUPPLY REPLACEMENT PROJECT LOCATED IN
THE EMERGENCY RESPONSE CENTER**

WHEREAS, the 2023 fiscal year budget includes an appropriation in the amount of \$115,404 to replace the uninterrupted power supply located at the Kenai Peninsula Borough (“Borough”) Emergency Response Center; and

WHEREAS, the total costs of the project exceed the estimate by \$34,596; and

WHEREAS, it is in the best interest of the Borough to replace the failing uninterrupted power supply unit to maintain a power source in the event of a commercial power outage for vital communications equipment that supports emergency management functions;

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

SECTION 1. That \$17,298 is appropriated from the General Government Capital Project Fund fund balance to account 407.11250.23471.49999 to provide additional funds for the uninterrupted power supply project.

SECTION 2. That \$17,298 is appropriated from the 911 Communications Capital Project Fund fund balance to account 455.11255.23431.49999 to provide additional funds for the uninterrupted power supply project.


SECTION 3. That the appropriations made in this ordinance are of a project length nature and as such do not lapse at the end of any particular fiscal year.

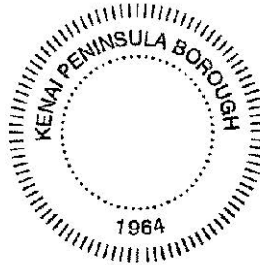
SECTION 4. This ordinance shall be effective immediately upon enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 25TH DAY OF OCTOBER, 2022.


Brent Johnson, Assembly President

ATTEST:


John Blankenship, MMC, Borough Clerk



Yes: Bjorkman, Chesley, Cox, Derkevorkian, Ecklund, Elam, Hibbert, Tupper, Johnson
No: None
Absent: None

Introduced by:	Mayor
Date:	10/10/23
Hearing:	10/24/23
Action:	
Vote:	

**KENAI PENINSULA BOROUGH
ORDINANCE 2023-24**

**AN ORDINANCE APPROVING THE CAPITAL LEASE PURCHASE OF THE
STRYKER MAKO SMARTROBOTICS SYSTEM FOR SOUTH PENINSULA
HOSPITAL**

WHEREAS, the Kenai Peninsula Borough (“Borough”) and South Peninsula Hospital, Inc. (“SPH, Inc.”) have entered into a Sublease and Operating Agreement for the operation of South Peninsula Hospital and other Medical Facilities, and to provide other healthcare programs and services, on a nonprofit basis to ensure continued availability to the service area residents; and

WHEREAS, Paragraph 12(b) of the operating agreement provides that major movable equipment including associated capital improvement costing in excess of \$500,000 must be approved by ordinance; and

WHEREAS, SPH, Inc. has performed approximately 48 percent of the total knee replacements (total joint arthroplasty) for residents of the Southern Kenai Peninsula over the past five years; and

WHEREAS, SPH, Inc. reports that a growing number of its surgical patients are leaving the service area to have their total joint arthroplasty procedure performed with a robotic system due to improved outcome and patient satisfaction; and

WHEREAS, the South Peninsula Hospital has been offered an option to enter into a seven- year embedded Capital Lease for a Stryker Mako SmartRobotics System (“Robotics System”) through an implant purchase commitment with Stryker and at the end of the lease commitment period title to the Robotics System will transfer to SPH, Inc., for the sole benefit of the South Kenai Peninsula Hospital Service Area, for \$1.00; and

WHEREAS, the discounted cost of the Robotics System is \$675,000 and the lending rate in the Stryker capital purchase license agreement is approximately prime plus two percent based on the Bloomberg Secured Overnight Funding Rate (“SOFR”) (swap rate); and

WHEREAS, current SOFR rates show a total of \$918,000 will ultimately be paid for the machine through the purchase of implants over the life of the 7-year master agreement; and

WHEREAS, funds will be provided from the SPH, Inc. operating cash to fund the repayment of this lease purchase; and

WHEREAS, during its regular meeting of August 23, 2023, the SPH, Inc. board of directors recommended approval of this expenditure; and

WHEREAS, at its meeting on September 14, 2023, the South Kenai Peninsula Hospital Service Area Board recommended approval by a unanimous vote;

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

SECTION 1. That the assembly approves the seven-year capital lease purchase of the Robotics System for the South Peninsula Hospital, for a cost of \$675,000 plus interest, with the funds for payment to be made from the South Peninsula Hospital operating cash.

SECTION 2. That the Mayor is authorized to execute any documents deemed necessary to fulfill the intents and purposes of this ordinance and that any lease purchase agreements or other documents must provide that South Peninsula Hospital, Inc. is leasing or purchasing the Robotics System, on behalf of the South Kenai Peninsula Hospital Service Area.

SECTION 3. That this ordinance shall be effective upon enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY OF * 2023.

Brent Johnson, Assembly President

ATTEST:

Michele Turner, CMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough

Purchasing and Contracting Department

MEMORANDUM

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

THRU: Peter A. Micciche, Mayor *PM*
Brandi Harbaugh, Finance Director *BH*

FROM: John Hedges, Purchasing and Contracting Director *JH*

DATE: September 28, 2023

RE: Ordinance 2023-*24*, Approving the Capital Lease Purchase of the Stryker Mako SmartRobotics System for South Peninsula Hospital (Mayor)

The Kenai Peninsula Borough, for the benefit of the South Kenai Peninsula Hospital Service Area, and South Peninsula Hospital, Inc. ("SPH, Inc.") have entered into a Sublease and Operating Agreement for the operation of South Peninsula Hospital and other medical facilities, and to provide other healthcare programs and services, on a nonprofit basis, to ensure continued availability to the service area residents.

SPH, Inc. has reported that a growing number of its total surgical knee replacement patients are leaving the service area to have their surgeries performed with a robotic system for improved outcome and satisfaction. SPH, Inc. reports over the past five years it has performed 48% of the total knee replacement surgeries for the residents of the service area.

SPH, Inc. has been offered an option to enter into a 7-year capital lease for the Stryker Mako SmartRobotics System ("Robotics System") through an implant purchase commitment with Stryker. At the end of the capital lease commitment period, the title to the Robotics System will transfer to South Peninsula Hospital Inc., on behalf of and for the sole benefit of the South Kenai Peninsula Hospital Service Area for \$1. The use of the Robotics System would eliminate the need for the navigation system, resulting in cost savings for the South Peninsula Hospital.

SPH, Inc. is requesting assembly approval to enter into a 7-year embedded capital lease for the Robotics System in anticipation of retaining its patient base for total knee replacement surgeries.

Paragraph 12(b) of the operating agreement provides that major movable equipment including associated capital improvement costing more than \$500,000 must be approved by ordinance.

Your consideration is appreciated.

Introduced by:	Administration
Date:	8/23/2023
Action:	Approved
Vote:	Yes -7; No-0; Exc- 4

**SOUTH PENINSULA HOSPITAL
BOARD RESOLUTION
2023-24**

**A RESOLUTION OF THE SOUTH PENINSULA HOSPITAL BOARD OF DIRECTORS
APPROVING THE USE OF OPERATING CASH TO FUND THE CAPITAL LEASE OF
THE STRYKER MAKO SMARTROBOTICS SYSTEM**

WHEREAS, South Peninsula Hospital's Orthopedic Department is an important component of our mission to provide high quality, locally coordinated care; and

WHEREAS, South Peninsula Hospital has demonstrated that it can safely and effectively provide the highest quality healthcare through the use of advanced technology such as advanced imaging and wishes to improve orthopedic throughput, quality, and patient experience with the use of the Stryker Mako SmartRobotics Total Joint Arthroplasty System; and

WHEREAS, South Peninsula Hospital has performed approximately 48% of Total Knee Replacements (Total Joint Arthroplasty) for residents of the Southern Kenai Peninsula over the past five years; and

WHEREAS, a growing number of surgical patients are leaving the service area to have their Total Joint Arthroplasty performed with a robotic system due to improved outcome and patient satisfaction; and

WHEREAS, the 2023 Community Health Needs Assessment highlights a need for broader healthcare services to support our aging demographic and a projected increase in Total Joint Arthroplasty procedures; and

WHEREAS, South Peninsula Hospital has been offered an option to enter into a 7-year Capital Lease of the Stryker Mako SmartRobotics System through an implant purchase commitment with Stryker. At the end of that Capital Lease commitment period, the title to the Mako SmartRobotics System shall transfer to South Peninsula Hospital for \$1; and

WHEREAS, the cost of the Stryker Mako SmartRobotics System with discounts is \$675,000 and the implicit lending rate in the capital purchase commitment master agreement is based on the Bloomberg SOFR Swap rate (approximately prime plus 2%); and

WHEREAS, the projected increase in market share for Total Joint Arthroplasty Surgeries and the associated net income from these procedures shall pay for the Stryker Mako SmartRobotics System from Operating Cash; and

WHEREAS, the South Peninsula Hospital Board Finance Committee reviewed and approved this resolution at their meeting on August 17, 2023.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SOUTH PENINSULA HOSPITAL:

1. That the South Peninsula Hospital Board of Directors approves the use of Operating Cash to fund the 7-year embedded Capital lease for a Stryker Mako SmartRobotics System through an Implant Purchase Commitment Master Agreement with Stryker.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF SOUTH PENINSULA AT ITS MEETING HELD ON THIS 23rd DAY OF AUGUST, 2023.

ATTEST:

DocuSigned by:
Julie Woodworth
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Julie Woodworth, Board Secretary

DocuSigned by:
Kelly Cooper
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Kelly Cooper, Board President

To: SPH Board of Directors
From: Angela Hinnegan, COO
Date: August 16, 2023
Re: Stryker Mako SmartRobotics System

SUMMARY

South Peninsula Hospital's Orthopedic Department is an important component of our mission to provide high quality, locally coordinated care. In today's highly competitive and technology rich healthcare environment the use of advanced technology to perform general and orthopedic surgeries is the new standard. With a growing number of residents leaving the service area to have their surgeries performed with robotic technology. The reason for this outward migration are documented improvements in through-put, quality, shorter recovery, quicker ambulation, and improved patient experience. South Peninsula Hospital's surgery program is one of the backbones of Hospital growth and also an important service to our growing and aging community. This memorandum serves as our business analysis and support for the capital lease of a Stryker Mako SmartRobotics Total Joint Arthroplasty System.

DETAIL

South Peninsula Hospital performs approximately 48% of Total Knee Replacements (Total Joint Arthroplasty or TKA) for residents of the Southern Kenai Peninsula.* Total Knee surgeries for our resident population reached a high of 58% in 2021 and has since dropped to 42% of market share in 2023. Anecdotally we have been informed by our patients that many would prefer to have their knee replacements performed with the use of more advanced robotic technology, rather than using the traditional manual surgery approach. This anecdotal data has been proven out by the Market Share report attached to this memorandum. In 2022, we lost 15% of our market share to Hospital's that offer robotic Total Joint Arthroplasty procedures. In 2023, another 5% of TKAs were lost to Hospital's with robotics.

The Stryker Mako SmartRobotics System works simultaneously with a CT Scan in order to design and plan the exact surgery cuts prior to entering the operating room. The precision of the imagery coupled with the robotics allows the surgeon to know the exact implant size based upon the individual physiological structure of the patient and how the procedure will be best performed before a single cut is made. While traditional surgeries may still be performed in certain instances, the use of the Mako SmartRobotics has the ability to not only recapture market share but provide local surgical procedures at the highest quality with the least downtime, travel, and inconvenience.

In July SPH received the final 2023 Community Health Needs Assessment which speaks to the rate of community population growth (4%) far outpacing State wide growth (1%). Further, the population of the Southern Kenai Peninsula has a large bolus of individuals moving into the 45 to 65 year age group which leads to the need for expanded healthcare services. All of these factors support a projected increase in Total Joint Arthroplasty procedures.

South Peninsula Hospital uses Stryker Implants in all of its Total Knee Replacement Surgeries. A traditional TKA surgery requires the use of a 'navigational system' and technician from Stryker to operate that system. The cost of navigation system is approximately \$1,600 per patient. South Peninsula Hospital

has been offered an option to enter into a 7-year Capital Lease for the Stryker Mako SmartRobotics System through an implant purchase commitment with Stryker. At the end of that Capital Lease commitment period, the title to the Mako SmartRobotics System shall transfer to South Peninsula Hospital for \$1. The use of the SmartRobotics System would eliminate the need for the TKA navigation system, resulting in cost savings to organization. The reduction in navigation charges is projected to be approximately \$800,000 over the next 10 years. Conversely, an increase in CT Scans will result in increased net patient service revenue to cover the remainder of the program costs.

The undiscounted cost of the Stryker Mako SmartRobotics System is approximately \$1 million. After discounts, Stryker has offered the system to South Peninsula Hospital through the 7-year capital lease for \$675,000 plus interest. The implicit lending rate in the capital purchase commitment master agreement is based on the Bloomberg SOFR Swap rate (approximately prime plus 2% or 10.5%). Current SOFR rates show a total of \$918 thousand will ultimately be 'paid' for the machine through the purchase of implants over the life of the 7-year master agreement.

The projected increase in market share for Total Joint Arthroplasty Surgeries, the associated net income from CT Scans, and the reduction TKA Navigation charges results in a projected 10-year net income projection of \$279 thousand (see attached business analysis) after the inclusion of machine costs and implicit interest.

What is not included in this business analysis are the current and future applications of the Mako SmartRobotics unit. Currently the System can also perform total Hip replacements, and in 2024 and 2025 the FDA is scheduled to approve it for Shoulder and Spine surgery. The cost to add these services may be the subject of future capital requests to add both the software and the surgical tools/additions to the Mako System.

*SOURCE: MHA OHDIN Database provided by the Alaska Hospital and Healthcare Association

**SOUTH KENAI PENINSULA HOSPITAL
SERVICE AREA BOARD
RESOLUTION 2023-12**

**A RESOLUTION OF THE SOUTH KENAI PENINSULA HOSPITAL SERVICE AREA
BOARD TO SUPPORT APPROVING THE USE OF OPERATING CASH TO FUND
THE CAPITAL LEASE OF THE STRYKER MAKO SMARTROBOTICS SYSTEM**

WHEREAS, the Kenai Peninsula Borough (Borough) owns and provides for the operation of the South Peninsula Hospital, Inc. (SPHI) through the South Kenai Peninsula Hospital (SKPH) Service Area; and

WHEREAS, the South Peninsula Hospital (SPH) is a non-profit entity founded in 1956 that serves those who live in the southern communities of the Kenai Peninsula from Ninilchik to Nanwalek, Port Graham, and Seldovia; and

WHEREAS, the SPH is a 22-bed acute care critical access hospital, with an attached 28-bed skilled nursing/long-term care facility, that provides healthcare services, including acute care, cancer care, home health, family birthing, imaging, sleep center, rehabilitation, surgery, trauma level IV emergency care, and other services utilized by residents of the SKPH Service Area; and

WHEREAS, the Borough has entered into an Operating Agreement with the SPHI for operation of the SPH and other medical facilities, and to provide other healthcare programs and services, on a nonprofit basis, in order to ensure the continued availability of medical services to SKPH Service Area residents; and

WHEREAS, the SPH's Orthopedic Department is an important component of our mission to provide high quality, locally coordinated care; and

WHEREAS, the SPH has demonstrated that it can safely and effectively provide the highest quality healthcare through the use of advanced technology such as advanced imaging and wishes to improve orthopedic throughput, quality, and patient experience with the use of the Stryker Mako SmartRobotics Total Joint Arthroplasty System; and

WHEREAS, the SPH has performed approximately 48% of Total Knee Replacements (Total Joint Arthroplasty) for residents of the Southern Kenai Peninsula over the past five years; and

WHEREAS, a growing number of surgical patients are leaving the service area to have their Total Joint Arthroplasty performed with a robotic system due to improved outcome and patient satisfaction; and

WHEREAS, the 2023 Community Health Needs Assessment highlights a need for broader healthcare services to support our aging demographic and a projected increase in Total Joint Arthroplasty procedures; and

WHEREAS, the SPH has been offered an option to enter into a 7-year Capital Lease of the Stryker Mako SmartRobotics System through an implant purchase commitment with Stryker. At the end of that Capital Lease commitment period, the title to the Stryker Mako SmartRobotics System shall transfer to South Peninsula Hospital for \$1; and

WHEREAS, the cost of the Stryker Mako SmartRobotics System with discounts is \$675,000 and the implicit lending rate in the capital purchase commitment master agreement is based on the Bloomberg SOFR Swap rate (approximately prime plus 2%); and

WHEREAS, the projected increase in market share for Total Joint Arthroplasty Surgeries and the associated net income from these procedures shall pay for the Stryker Mako SmartRobotics System from Operating Cash; and

WHEREAS, the SPH Board Finance Committee reviewed and approved SPH Resolution 23-24 at their meeting on August 17, 2023; and

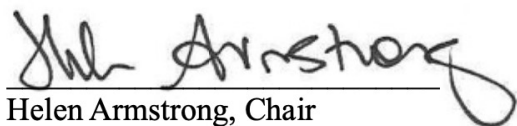
WHEREAS, the SPH Board, at its August 23, 2023 meeting, adopted Resolution 2023-24, which approved the use of Operating Cash to fund the 7-year embedded Capital lease for a Stryker Mako SmartRobotics System through an Implant Purchase Commitment Master Agreement with Stryker.

NOW, THEREFORE, BE IT RESOLVED BY THE SOUTH KENAI PENINSULA HOSPITAL SERVICE AREA BOARD:

1. The South Kenai Peninsula Service Area Board hereby respectfully recommends approval of Resolution 2023-12, to support the use Operating Cash to fund the 7-year embedded Capital lease for a Stryker Mako SmartRobotics System through an Implant Purchase Commitment Master Agreement with Stryker.

PASSED AND ADOPTED BY THE SOUTH KENAI PENINSULA HOSPITAL SERVICE AREA BOARD AT ITS MEETING HELD ON THIS 14th DAY OF SEPTEMBER 2023.

ATTEST:


Helen Armstrong, Chair

South Kenai Peninsula Hospital Service Area Board

Introduced by: Mayor
Date: 10/24/23
Hearing: On Shortened Time 10/24/23
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2023-19-23**

**AN ORDINANCE APPROPRIATING ADDITIONAL FUNDS FROM THE NIKISKI
FIRE SERVICE AREA CAPITAL PROJECT FUND FOR A FIRE ENGINE AT
STATION #3**

WHEREAS, as part of fiscal year 2024 Annual Budget, Nikiski Fire Service Area appropriated \$550,000 in capital funds for a new Fire Engine for Station #3; and

WHEREAS, Nikiski Fire and the Borough Purchasing Department have received a quote from Hughes Fire Equipment of \$578,000 for the new Pierce Fire Engine.; and

WHEREAS, in order to ensure a timely construction and delivery of the new engine Nikiski Fire Service Area needs to appropriate an additional \$31,500 to cover the cost of the engine purchase; and

WHEREAS, hearing on shortened time is justified in order to secure pricing at the current quote which provides cost savings for the service area; and

WHEREAS, at its meeting on October 11, 2023, the Nikiski Fire Service Area Board recommended unanimous approval of this ordinance;

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

SECTION 1. That the sum of \$31,500 is appropriated from the Nikiski Fire Service Area Capital Project Fund balance to account 441.51110.24411.49999 for the purpose of supplementing the acquisition of a fire engine at Station #3.

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

SECTION 3. That this ordinance shall be effective upon enactment.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY
OF * 2023.**

Assembly President

ATTEST:

Michele Turner, CMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough

Nikiski Fire Service Area

MEMORANDUM

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

THRU: Peter A. Micciche, Mayor *PM*
Brandi Harbaugh, Finance Director *BH*

FROM: Trent Burnett, Nikiski Fire Chief *TB*
John Hedges, Purchasing and Contracting Director *JH*

DATE: October 12, 2023

RE: Ordinance 2023-~~19~~-23 Appropriating Additional Funds from the Nikiski Fire Service Area Capital Project Fund for a Fire Engine at Station #3 (Mayor) (Hearing on Shortened Time on 10/24/23)

As part of fiscal year 2024 Annual Budget, Nikiski Fire Service Area (NFSA) appropriated \$550,000 in capital funds for a new Fire Engine for Station #3.

Working with Huston Galveston Area Cooperative (HGAC) contract pricing, Nikiski Fire and the Borough Purchasing Department have received a quote from Hughes Fire Equipment of \$578,000 for the new Pierce Fire Engine.

In order to ensure a timely construction and delivery of the new engine Nikiski Fire Service Area needs to appropriate an additional \$31,500 to cover the cost of the engine purchase, KPB administrative, and registration fees.

A public hearing on shortened time is justified due to the fact that the pricing quote is only valid until October 31, 2023. After that there will be a price increase which will result in more NFSA funds being used to secure the same fire engine. In order to secure current pricing, the KPB must be able to sign a PO by October 31st.

Your consideration is appreciated.

FINANCE DEPARTMENT
FUNDS VERIFIED

Acct. No. 441.27910 FB

Amount \$31,500 (bringing total to \$581,500)

By: *CJ* Date: 10/12/2023

Introduced by:
Date:
Action:
Vote:

Mayor
10/24/23

**KENAI PENINSULA BOROUGH
RESOLUTION 2023-066**

**A RESOLUTION AUTHORIZING A SOLE SOURCE CONTRACT AWARD FOR THE
ACQUISITION OF EPIC ELECTRONIC MEDICAL SOFTWARE FOR SOUTH
PENINSULA HOSPITAL**

WHEREAS, the Kenai Peninsula Borough (“Borough”) has entered into an Operating Agreement with South Peninsula Hospital, Inc. (“SPHI”) for operation of South Peninsula Hospital (“SPH”) 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 residents of the South Kenai Peninsula Hospital Service Area (“SKPHSA”); and

WHEREAS, the SPH is a 22-bed acute care critical access hospital, with an attached 28-bed skilled nursing/long-term care facility, that provides healthcare services, including acute care, cancer care, home health, family birthing, imaging, sleep center, rehabilitation, surgery, trauma level IV emergency care, and other services utilized by residents of the SKPHSA; and

WHEREAS, Ordinance 2023-19-11, authorized and appropriated a \$7,000,000 interfund loan from the general fund to the SKPSHA for the purpose of a capital improvement purchase of an electronic medical records (“EMR”) software system and associated implementation costs; and

WHEREAS, replacement of the EMR software will increase patient access and transferability of medical records as well as provide hospital employees with additional tools for better serving patients; and

WHEREAS, Epic is the EMR used by Central Peninsula Hospital, Providence, and Alaska Regional hospitals, where the SPH transfers patients requiring a higher level of care; and

WHEREAS, using the same system as the SPH’s large regional partners will allow better continuity of care and a better experience for patients; and

WHEREAS, per the SKPHSA board and SPH’s recommendation, Epic would allow better care and easier access for critical care, tele-psych, and tele-stroke programs by allowing physicians to use a program remotely that they will easily be able to access and have solid operational knowledge, and

WHEREAS, at its regularly scheduled meeting on September 14, 2023, the South Kenai Peninsula Hospital Service Area Board supported a sole source purchase of Epic in an amount not to exceed \$5,000,000 and recommended approval; and

WHEREAS, at its regularly scheduled meeting on September 27, 2023, the South Peninsula Hospital, Inc. Board of Directors recommended approval of a sole source purchase of Epic not to exceed \$5,000,000;

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

SECTION 1. That the Mayor is authorized to award a contract without competition to Epic, an electronic medical record software system, to effectuate the intent and purposes of Ordinance 2023-19-11, at an estimated cost of \$5,000,000. The total available project funds are \$7,000,000.

SECTION 2. That this resolution takes effect upon adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 24TH DAY OCTOBER, 2023.

Brent Johnson, Assembly President

ATTEST:

Michele Turner, CMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough

Purchasing and Contracting Department

MEMORANDUM

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

THRU: Peter A. Micciche, Mayor *PM*

FROM: John Hedges, Purchasing & Contracting Director *JH*

DATE: October 12, 2023

RE: Resolution 2023-*066* Authorizing a Sole Source Contract Award for the Acquisition of the Epic Electronic Medical Software for South Peninsula Hospital (Mayor)

Ordinance 2023-19-11, authorized and appropriated a \$7,000,000 interfund loan from the general fund to the South Kenai Peninsula Hospital Service Area for the purpose of a capital improvement purchase of an electronic medical records software system (EMR) and associated implementation costs.

Per South Peninsula Hospital (SPH):

- The current EMR software is 20+ years old and has reached end-of-life. Replacement of the EMR software will increase patient access and transferability of medical records as well as provide hospital employees with additional tools for better serving patients;
- Epic is the EMR used by Central Peninsula Hospital, Providence, and Alaska Regional hospitals, where SPH transfers its patients requiring a higher level of care. Using the same system as SPH's large regional partners will allow better continuity of care and a better experience for patients.
- Additionally, replacement of SPH's current systems with Epic's integrated system capable of electronically exchanging information with Anchorage-based and other health facilities will allow for improved care coordination for all SPH's patients.

For these reasons it is in the best interests of the Borough and the residents of South Kenai Peninsula Hospital Service Area to authorize a sole source contract award with an estimated cost of \$5,000,000. There is \$7,000,000 available for the total project cost.

Your consideration is appreciated.

FINANCE DEPARTMENT FUNDS/ACCOUNT VERIFIED	
Account:	491.81210.24EMR.49999
Amount:	\$5,000,000
By: <i>CJ</i>	Date: 10/13/2023
By: <i>BH</i>	

**SOUTH KENAI PENINSULA HOSPITAL
SERVICE AREA BOARD**

RESOLUTION 2023-14

**A RESOLUTION OF THE SOUTH KENAI PENINSULA HOSPITAL SERVICE
AREA BOARD TO SUPPORT SOLE SOURCING THE ACQUISITION OF EPIC, A
NEW ELECTRONIC MEDICAL RECORD SOFTWARE**

WHEREAS, the Kenai Peninsula Borough (Borough) owns and provides for the operation of the South Peninsula Hospital, Inc. (SPHI) through the South Kenai Peninsula Hospital (SKPH) Service Area; and

WHEREAS, the South Peninsula Hospital (SPH) is a non-profit entity founded in 1956 that serves those who live in the southern communities of the Kenai Peninsula from Ninilchik to Nanwalek, Port Graham, and Seldovia; and

WHEREAS, the SPH is a 22-bed acute care critical access hospital, with an attached 28-bed skilled nursing/long-term care facility, that provides healthcare services, including acute care, cancer care, home health, family birthing, imaging, sleep center, rehabilitation, surgery, trauma level IV emergency care, and other services utilized by residents of the SKPH Service Area; and

WHEREAS, the Borough has entered into an Operating Agreement with the SPHI for operation of the SPH and other medical facilities, and to provide other healthcare programs and services, on a nonprofit basis, in order to ensure the continued availability of medical services to SKPH Service Area residents; and

WHEREAS, the SPH relies on multiple electronic medical record (EMR) software programs to operate its many service departments and the primary EMR, the CPSI, has been used by the main SPH departments; and

WHEREAS, the CPSI has been used for 20+ years and the software does not offer many of the functionalities and integrations of other more widely used EMR programs and there is a need for patients and staff to be able to access all records for the hospital and clinics in one system;

WHEREAS, the new EMR software proposed, Epic Systems Software, will facilitate this need; and

WHEREAS, replacement of the EMR software will increase patient access and transferability to medical records as well as provide hospital employees with additional tools for better serving patients; and

WHEREAS, Epic is the EMR used by Central Peninsula, Providence, and Alaska Regional hospitals, where the SPH transfers patients requiring a higher level of care; and

WHEREAS, using the same system as the SPH's large regional partners will allow better continuity of care and a better experience for patients; and

WHEREAS, Epic would allow better care and easier access for critical care, tele-psych, and tele-stroke programs by allowing physicians to use a program remotely that they will easily be able to access and have solid operational knowledge, and

WHEREAS, the SPH Board of Directors (Board) supports the sole source purchase of Epic as the new EMR software; and

WHEREAS, the SPH Board resolution to move forward with a note payable from the Kenai Peninsula Borough will be discussed at SPH Board Finance Committee on September 21, 2023, which is after the SKPH Service Area Board meeting on September 14, 2023; and

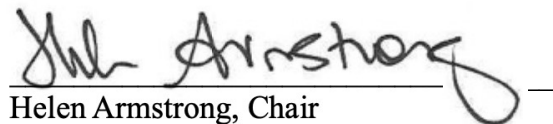
WHEREAS, the SPH Board will be meeting to discuss this resolution on September 27, 2023 after the SKPH Service Area Board meeting on September 14, 2023, the following recommendation of the SKPH Service Area Board is contingent upon support of the SPH Board.

NOW, THEREFORE, BE IT RESOLVED BY THE SOUTH KENAI PENINSULA HOSPITAL SERVICE AREA BOARD:

1. That the South Kenai Peninsula Hospital Service Area Board hereby respectfully recommends the approval of Resolution 2023-14, which supports the sole source purchase of Epic, an electronic medical record software, for a purchase not to exceed \$5,000,000, contingent on the support of the South Peninsula Hospital Board of Directors at their September 27, 2023 meeting.

PASSED AND ADOPTED BY THE SOUTH KENAI PENINSULA HOSPITAL SERVICE AREA BOARD AT ITS MEETING HELD ON THIS 14TH DAY OF SEPTEMBER 2023.

ATTEST:

A handwritten signature in dark ink, appearing to read "Helen Armstrong", is written over a horizontal line.

Helen Armstrong, Chair

South Kenai Peninsula Hospital Service Area Board

Introduced by:	Administration
Date:	9/27/2023
Action:	Approved
Vote:	Yes - 9, No - 0, Exc - 2

**SOUTH PENINSULA HOSPITAL
BOARD RESOLUTION
2023-26**

**A RESOLUTION OF THE SOUTH PENINSULA HOSPITAL BOARD OF DIRECTORS TO
SUPPORT SOLE SOURCING THE ACQUISITION OF EPIC, A NEW ELECTRONIC
MEDICAL RECORD SOFTWARE**

WHEREAS, SPH relies on multiple electronic medical record (EMR) software programs to operate its many service departments and the primary EMR, CPSI, has been used by the main SPH departments; and

WHEREAS, CPSI has been used for 20+ years and the software does not offer many of the functionalities and integrations of other more widely used EMR programs and there is a need for patients and staff to be able to access all records for the hospital and clinics in one system;

WHEREAS, the new EMR software proposed, Epic, will facilitate this need; and

WHEREAS, replacement of the EMR software will increase patient access and transferability to medical records as well as provide hospital employees with additional tools for better serving patients; and

WHEREAS, Epic is the EMR used by Central Peninsula, Providence, and Alaska Regional hospitals, where the SPH transfers patients requiring a higher level of care; and

WHEREAS, using the same system as the SPH's large regional partners will allow better continuity of care and a better experience for patients; and

WHEREAS, Epic would allow better care and easier access for critical care, tele-psych, and tele-stroke programs by allowing physicians to use a program remotely that they will easily be able to access and have solid operational knowledge, and

WHEREAS, the South Peninsula Hospital Board of Directors supports the sole source purchase of Epic as the new Electronic Medical Records Software from Community Technologies where the software would be hosted by Providence, and the cost is not to exceed \$5,000,000; and

WHEREAS, the resolution to move forward with a sole source purchase of Epic was discussed and approved at Finance Committee on September 21, 2023.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SOUTH PENINSULA HOSPITAL:

1. That the South Peninsula Hospital Board of Directors approves the sole source purchase of Epic, an electronic medical record software for a purchase not to exceed \$5,000,000.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF SOUTH PENINSULA HOSPITAL AT ITS MEETING HELD ON THIS 27th DAY OF SEPTEMBER, 2023.

ATTEST:

DocuSigned by:

Julie Woodward

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Julie Woodward, Board Secretary

DocuSigned by:

Kelly Cooper

552FEAD016F54B4...

Kelly Cooper, Board President

Introduced by:	Mayor, Johnson, Chesley
Date:	08/01/23
Hearing:	08/15/23
Action:	Enacted
Vote:	9 Yes, 0 No, 0 Absent

**KENAI PENINSULA BOROUGH
ORDINANCE 2023-19-11**

**AN ORDINANCE AUTHORIZING AND APPROPRIATING A \$7,000,000 INTERFUND
LOAN FROM THE GENERAL FUND TO THE SOUTH KENAI PENINSULA
HOSPITAL SERVICE AREA FOR CAPITAL IMPROVEMENT PURPOSES**

- WHEREAS,** the Kenai Peninsula Borough (“Borough”) has entered into an Operating Agreement with South Peninsula Hospital, Inc. (“SPHI”) for operation of the South Peninsula Hospital 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 South Kenai Peninsula Hospital Service Area (“SKPHSA”) residents; and
- WHEREAS,** KPB 5.08.025 authorizes the General Fund to provide loans to service areas on terms and conditions set in the code unless otherwise approved by ordinance; and
- WHEREAS,** South Peninsula Hospital’s (“SPH”) current Electronic Medical Record (“EMR”) Software is 20+ years old and has reached end-of-life; and
- WHEREAS,** replacement of the EMR software will increase patient access and transferability to medical records as well as provide hospital employees with additional tools for better serving patients; and
- WHEREAS,** exhausting the existing Plant Replacement and Expansion Fund (“PREF”) for this expenditure is not in the best interests of the service area because it would put the hospital in a vulnerable financial position and could inhibit the hospital’s ability to respond to unforeseen capital needs over the next year; and
- WHEREAS,** the Borough’s General Fund will provide a five-year loan with a fixed interest rate of 4.81 percent that compounds daily based on the current Alaska Industrial Development and Export Authority (“AIDEA”) five-year lending rate, interest will begin accruing on the date of the first reimbursement draw and payments will be due quarterly starting 90 days after the first draw; and
- WHEREAS,** providing the loan to SKPHSA will allow SPH to purchase the much needed EMR Software and retain adequate funding in operations and PREF to provide for operations and capital needs in the immediate future; and

WHEREAS, providing the interfund loan to SKPHSA will have no external overhead and no long-term cost to the Borough General Fund as it is an internally handled process; and

WHEREAS, the SPHI Board, at its June 28, 2023 meeting, adopted a resolution supporting the interfund loan to SKPHSA and authorizing repayment of loan funds from SPHI operating funds; and

WHEREAS, the South Kenai Peninsula Hospital Service Area Board, at its August 10, 2023 meeting, recommended approval through the adoption of SKPHSA Resolution 2023-09;

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

SECTION 1. That pursuant to KPB 5.08.025 it is in the best interests of the Borough and the South Kenai Peninsula Hospital Service Area taxpayers to approve a loan to the Service Area from the General Fund. The loan will not require an increase in the mill levy for repayment purposes due to the fact that SPHI will repay the loan from operating funds. The loan is hereby approved upon the following terms and conditions:

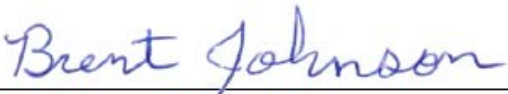
1. Loan amount: \$7,000,000;
2. Purpose: purchase of electronic medical records software and project implementation costs for capital improvement purposes;
3. Term of the loan: 60 months from each date of reimbursement draw, no draws beyond 5 years from date of first draw;
4. Rate of interest: 4.81 percent; and
5. Installment payment frequency: Quarterly, starting 90 days after the first draw.


SECTION 2. That the amount of \$7,000,000 is appropriated from the General Fund fund balance to be transferred and representing a loan from the General Fund to the South Kenai Peninsula Hospital Service Area to account 491.81210.24EMR.49999 for the purchase of Electronic Medical Records Software project and related costs.

SECTION 3. That the Mayor is authorized to execute any agreements, instruments, other documents that may be needed to effectuate this ordinance and such documents may include additional terms or conditions so long as the substantive terms set forth in Section 1 remain in place unless or until the Assembly approves, by ordinance, an adjustment to the substantive terms and conditions.

SECTION 4. That this ordinance shall be effective immediately upon enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 15TH DAY OF AUGUST, 2023.


Brent Johnson, Assembly President

ATTEST:

Michele Turner, CMC, Borough Clerk



Yes: Chesley, Cox, Derkevorkian, Ecklund, Elam, Hibbert, Ribbens, Tupper, Johnson
No: None
Absent: None

Introduced by:
Date:
Action:
Vote:

Mayor
10/24/23

**KENAI PENINSULA BOROUGH
RESOLUTION 2023-067**

**A RESOLUTION ADDING AN ADDITIONAL LANDFILL LABORER POSITION AT
CENTRAL PENINSULA LANDFILL**

WHEREAS, the Central Peninsula Landfill (CPL) has changed operations to be open Sundays year-round as a primary response to the public that often only has weekends available to utilize landfill services; and

WHEREAS, the second Scale Attendant / Clerk position was eliminated when Sunday Closures first started; and

WHEREAS, this additional Landfill Laborer position is needed for operations at the landfill; and the new position will allow for additional duties for this position during overlap days and to reduce overtime costs; and

WHEREAS, it is anticipated that the operating budget for CPL can support the estimated compensation and benefits amount of \$122,088.71 for this position for the remainder of the current fiscal year;

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

SECTION 1. That the Assembly hereby authorizes the addition of one new Landfill Laborer at Central Peninsula Landfill which is a classified position and hereby allowed in Solid Waste.

SECTION 2. That this resolution is effective immediately upon its adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 24TH DAY OF OCTOBER, 2023.

Assembly President

ATTEST:

Michele Turner, CMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough

Solid Waste Department

MEMORANDUM

TO: Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Peter A. Micciche, Mayor *PM*
Justen Huff, Human Resources Director *JH*

FROM: Lee Frey, Solid Waste Director *LF*

DATE: October 12, 2023

RE: Resolution 2023-067, Adding an Additional Landfill Laborer Position at Central Peninsula Landfill (Mayor)

In response to frequent requests from the public often only able to utilize landfill services on weekends, the Central Peninsula Landfill (CPL) has changed operational hours at the facility to be open seven days a week year-round instead of being closed on Sundays during the winter as in the recent past. To accommodate this change, the Scale Attendant / Clerk position that was eliminated due to the past decision to be closed on Sundays in winter, will be reinstated. This position has been revised to a Landfill Laborer to primarily operate the scale house, but also to increase job responsibilities during crew overlap days and to reduce overtime at the facility.

Currently CPL only has one full-time Landfill Laborer position that covers 40 of the 70 weekly operational hours needed for seven day a week operations. Adding the position would cover the remaining 30 hours needed for scale house operations and provide an additional 10 hours during the Wednesday crew overlap to accomplish other tasks onsite and reduce overtime.

The annual cost of adding an addition Range J employee at CPL is \$122,088.71 with expected overtime and benefits. The current operating budget for CPL is expected to cover the wages for this position for the remainder of the fiscal year and the position would be fully budgeted for FY25.

These changes are needed for the year-round Sunday opening at CPL, but will also be beneficial to operations at the facility by having this as a fully staffed position on both crew shifts. Additionally, it will help with staffing during vacations, the reduction of overtime and reduce reliance on temporary labor and retraining of a position that is vital to gathering accurate data on the waste coming into CPL.

Your consideration is appreciated.

Introduced by:	Mayor
Date:	10/24/23
Hearing:	11/07/23
Action:	
Vote:	

**KENAI PENINSULA BOROUGH
ORDINANCE 2023-19-24**

**AN ORDINANCE APPROPRIATING \$80,516 TO THE DISASTER RESPONSE FUND
FOR EXPENDITURES RESPONDING TO THE RECENT LOCAL DISASTER
EMERGENCY DECLARATION**

WHEREAS, the sum of \$100,000 was appropriated in the fiscal year 2024 budget for disaster response efforts; and

WHEREAS, the Mayor issued a declaration of local disaster emergency due to areawide flooding on September 14, 2023, which the Assembly extended to October 24, 2023; and

WHEREAS, of the \$100,000 annual appropriation \$80,516 has been spent or encumbered;

WHEREAS, it is in the best interests of the Borough to appropriate funds from the general fund for expenditures responding to this declared local disaster emergency;

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

SECTION 1. That \$80,516 is appropriated from the Borough General Fund, fund balance to be transferred to account 260.11250.24F1A.49999, to cover expenditures that occurred in response to the declared local disaster. The appropriation will also indirectly replenish disaster response funds to be available in the event of a future local disaster emergency.

SECTION 2. This ordinance shall be effective retroactively to September 14, 2023.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY
OF * 2023.**

Assembly President

ATTEST:

Michele Turner, CMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough

Office of Emergency Management

MEMORANDUM

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

THRU: Peter A. Micciche, Mayor *PM*
Brandi Harbaugh, Finance Director *BH*

FROM: Brenda Ahlberg, Emergency Manager *GA*

DATE: October 12, 2023

RE: Ordinance 2023-19-24, Appropriating \$80,516 to the Disaster Response Fund for Expenditures Responding to the Recent Local Disaster Emergency Declaration (Mayor)

Repairs were made to public infrastructure during the September 2023 areawide flooding event to respond to high water issues impacting public rights-of-way. This Ordinance requests appropriations for the amount spent or encumbered responding to the local emergency declaration.

Your consideration is appreciated.

FINANCE DEPARTMENT FUNDS/ACCOUNT VERIFIED	
Account: 100.27910	
Amount: : \$80,516	
By: <i>CJ</i>	Date: 10/12/2023

Introduced by:	Administration
Date:	8/23/2023
Action:	Approved
Vote:	Yes -7; No-0; Exc- 4

**SOUTH PENINSULA HOSPITAL
BOARD RESOLUTION
2023-24**

**A RESOLUTION OF THE SOUTH PENINSULA HOSPITAL BOARD OF DIRECTORS
APPROVING THE USE OF OPERATING CASH TO FUND THE CAPITAL LEASE OF
THE STRYKER MAKO SMARTROBOTICS SYSTEM**

WHEREAS, South Peninsula Hospital's Orthopedic Department is an important component of our mission to provide high quality, locally coordinated care; and

WHEREAS, South Peninsula Hospital has demonstrated that it can safely and effectively provide the highest quality healthcare through the use of advanced technology such as advanced imaging and wishes to improve orthopedic throughput, quality, and patient experience with the use of the Stryker Mako SmartRobotics Total Joint Arthroplasty System; and

WHEREAS, South Peninsula Hospital has performed approximately 48% of Total Knee Replacements (Total Joint Arthroplasty) for residents of the Southern Kenai Peninsula over the past five years; and

WHEREAS, a growing number of surgical patients are leaving the service area to have their Total Joint Arthroplasty performed with a robotic system due to improved outcome and patient satisfaction; and

WHEREAS, the 2023 Community Health Needs Assessment highlights a need for broader healthcare services to support our aging demographic and a projected increase in Total Joint Arthroplasty procedures; and

WHEREAS, South Peninsula Hospital has been offered an option to enter into a 7-year Capital Lease of the Stryker Mako SmartRobotics System through an implant purchase commitment with Stryker. At the end of that Capital Lease commitment period, the title to the Mako SmartRobotics System shall transfer to South Peninsula Hospital for \$1; and

WHEREAS, the cost of the Stryker Mako SmartRobotics System with discounts is \$675,000 and the implicit lending rate in the capital purchase commitment master agreement is based on the Bloomberg SOFR Swap rate (approximately prime plus 2%); and

WHEREAS, the projected increase in market share for Total Joint Arthroplasty Surgeries and the associated net income from these procedures shall pay for the Stryker Mako SmartRobotics System from Operating Cash; and

WHEREAS, the South Peninsula Hospital Board Finance Committee reviewed and approved this resolution at their meeting on August 17, 2023.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SOUTH PENINSULA HOSPITAL:

1. That the South Peninsula Hospital Board of Directors approves the use of Operating Cash to fund the 7-year embedded Capital lease for a Stryker Mako SmartRobotics System through an Implant Purchase Commitment Master Agreement with Stryker.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF SOUTH PENINSULA AT ITS MEETING HELD ON THIS 23rd DAY OF AUGUST, 2023.

ATTEST:

DocuSigned by:

Julie Woodward

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Julie Woodward, Board Secretary

DocuSigned by:

Kelly Cooper

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Kelly Cooper, Board President