

Introduced by: Mayor
Date: 12/05/06
Hearing: 01/02/07
Action: Enacted as Amended
Vote: 9 Yes, 0 No, 0 Absent

**KENAI PENINSULA BOROUGH
ORDINANCE 2006-19-36**

**AN ORDINANCE APPROPRIATING \$1,700,000 OF INTEREST INCOME
TO PAY THE COST OF CAPITAL IMPROVEMENTS AT THE
CENTRAL PENINSULA GENERAL HOSPITAL**

WHEREAS, in the October 7, 2003 election, a majority of Central Kenai Peninsula Hospital Service Area (Service Area) voters approved Proposition No. 2 which authorized the expenditure of \$49,900,000 to pay the cost of capital improvements related to the Central Peninsula General Hospital and the issuance of up to \$49,900,000 in Service Area General Obligation bonds; and

WHEREAS, bond proceeds totaling \$49,900,000 were appropriated through Ordinance 2003-19-33; and

WHEREAS, Phase I of the project has been completed, and Phase II of the project is substantially completed; and

WHEREAS, Phase III of the project, which includes the remodel of 24,670 square feet and construction of 8,080 square feet is scheduled to start January 2007; and

WHEREAS, with the rising cost of energy and materials, bids on Phase III of the project have exceeded available funding by approximately \$1,200,000 not including contingency; and

WHEREAS, interest income of approximately \$1,700,000 has been earned on this project and is available for appropriation to fund the increased cost of Phase III and project contingency; and

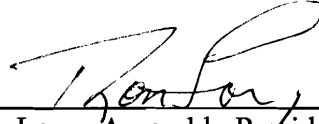
WHEREAS, at its meeting of December 11, 2006, the Service Area board recommended enactment;

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

SECTION 1. That \$1,700,000 is appropriated from the CKPHSA bond capital projects fund balance to account 401.81111.04CHB.49101, CKPHSA bond capital construction, for costs associated with the Central Kenai Peninsula Hospital Service Area expansion project.

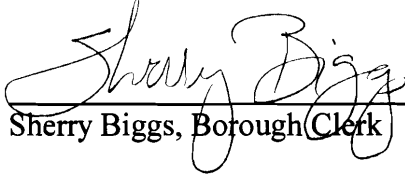
SECTION 2. That this ordinance takes effect immediately upon its enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 2ND DAY OF JANUARY, 2007.

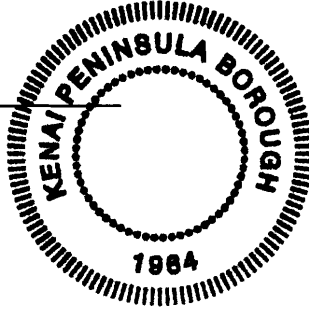


Ron Long, Assembly President

ATTEST:



Sherry Biggs, Borough Clerk



Yes: Fischer, Germano, Gilman, Knopp, Martin, Merkes, Sprague, Superman, Long

No: None

Absent: None