



KENAI PENINSULA BOROUGH

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MIKE NAVARRE
BOROUGH MAYOR

MEMORANDUM

TO: Gary Knopp, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Mike Navarre, Mayor *MN*

FROM: Craig Chapman, Director of Finance *C Chapman*
Kevin Lyon, Capital Projects Director *KL*

DATE: July 23, 2012

SUBJECT: Ordinance 2012-19-18, appropriating \$250,000 from the Kenai Health Center Major Maintenance Fund for repairs to the Kenai Health Center

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. As part of the grant acceptance requirement, the borough and the state signed a shared services agreement which required that funds be set aside every year for the purpose of funding major repairs. As of May 31, 2012, \$526,138 has been set aside for these repairs.

The borough's capital projects department, the Central Peninsula Hospital's maintenance department and the State of Alaska Department of Health and Social Services recently did a walkthrough of the facility and determined that a number of major repairs are needed. The State has authorized that up to \$250,000 may be spent from the Kenai Health Center Major Maintenance Fund for these repairs. This ordinance would appropriate \$250,000 for that purpose.

FINANCE DEPARTMENT FUNDS VERIFIED	
Acct. No. <u>490.27910 FB</u>	
Amount <u>\$250,000</u>	
By: <u><i>pc</i></u>	Date: <u>7/19/12</u>