



KENAI PENINSULA BOROUGH

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**DAVID R. CAREY
BOROUGH MAYOR**

MEMORANDUM

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

FROM: David R. Carey, Mayor *WR Carey*

DATE: June 23, 2011

SUBJECT: Resolution 2011-074 authorizing the mayor to negotiate amendments to the lease and operating agreement with Central Peninsula General Hospital, Inc.

The assembly established a health care task force through adoption of assembly resolution 2010-089. The task force included eight members representing the borough assembly, Central Kenai Peninsula Hospital Service Area (CKPHSA) board, Central Peninsula General Hospital, Inc. (CPGH, Inc.) board, and residents of the CKPHSA. The task force examined and reviewed the six governance and ownership options considered by CPGH, Inc. for Central Peninsula Hospital. Following six meetings which included public hearings and presentations the majority of the task force members recommended that the best interests of the borough would be served by amending the current lease and operating agreement with CPGH, Inc. to address the concerns of CPGH, Inc. and to provide for an environment which would allow CPGH, Inc. to plan for future changes facing the health care industry. This resolution would authorize the mayor to proceed with such negotiations with CPGH, Inc.