

Introduced by: Mayor
Date: 07/05/11
Action: Adopted
Vote: 9 Yes, 0 No, 0 Absent

**KENAI PENINSULA BOROUGH
RESOLUTION 2011-074**

**A RESOLUTION AUTHORIZING THE MAYOR TO NEGOTIATE AMENDMENTS
TO THE CURRENT LEASE AND OPERATING AGREEMENT WITH CENTRAL
PENINSULA GENERAL HOSPITAL, INC.**

WHEREAS, the Health Care Task Force was formed upon adoption of Assembly Resolution 2010-89; and

WHEREAS, the task force met regularly beginning in December 2010 for a total of six meetings and considered six governance options that were previously considered by the Central Peninsula General Hospital, Inc. (CPGH, Inc.) board of directors; and

WHEREAS, the task force also heard presentation by Dennis McMillian from Foraker Group regarding future trends of the health care industry and took public testimony at each meeting; and

WHEREAS, at its final meeting of April 26, 2011, the majority of the task force members agreed the borough and residents of the Central Kenai Peninsula Hospital Service Area would be best 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 the future changes facing the health care industry; and

WHEREAS, the task force further presented an alternative option indicating that “in the event the preferred option is not viable to successfully mitigate the concerns of CPGH, Inc. and properly prepare Central Peninsula Hospital for the future, the majority of the members agreed that the Whole Hospital Joint Venture governance option was the next best choice”; and

WHEREAS, the Borough’s best interests would be served by proceeding with the recommended negotiations;

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

SECTION 1. The mayor is authorized to negotiate with CPGH, Inc. to amend the current lease and operating agreement to address the immediate concerns of the current governance structure and anticipate changes in the health care industry.

SECTION 2. That a report regarding the status of the negotiations shall be presented to the assembly by the administration on or before the October 11, 2011 assembly meeting.

SECTION 3. That this resolution shall take effect immediately upon its adoption.

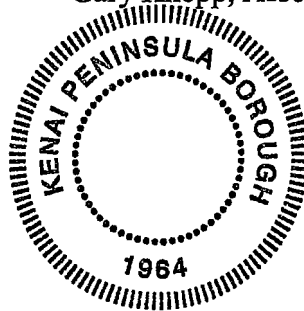
ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 5TH DAY OF JULY, 2011.

Gary Knopp

Gary Knopp, Assembly President

ATTEST:

Johni Blankenship
Johni Blankenship, Borough Clerk



Yes: Haggerty, Johnson, McClure, Murphy, Pierce, Smalley, Smith, Tauriainen, Knopp

No: None

Absent: None