

**FOURTH AMENDMENT TO THE LEASE AND OPERATING AGREEMENT
FOR CENTRAL PENINSULA HOSPITAL, HERITAGE PLACE, KENAI
HEALTH CENTER, AND OTHER HEALTH FACILITIES**

This agreement is by and between Central Peninsula General Hospital, Inc., an Alaska nonprofit corporation, of 250 Hospital Place, Soldotna, Alaska 99669, hereinafter referred to as “CPGH, Inc.” and the Kenai Peninsula Borough (“KPB”), an Alaska municipal corporation of 144 N. Binkley, Soldotna, Alaska 99669, hereinafter referred to as “Borough,” collectively referred to as the parties.

WHEREAS, effective January 1, 2008, the parties entered into a Lease and Operating Agreement (L&O Agreement) in which CPGH, Inc. leases and operates Central Peninsula Hospital (“CPH), Heritage Place, Kenai Health Center and other health facilities on behalf of the KPB; and

WHEREAS, in community needs assessment surveys conducted in 2004 and 2009, cancer care services were identified as the number one priority of service area residents; and

WHEREAS, through Ordinance 2011-19-72 the KPB Assembly appropriated \$4.7 million from the CPGH, Inc. Plant Expansion and Replacement Fund for construction of a radiation oncology facility; and

WHEREAS, the parties agree that the radiation oncology facility shall be constructed on the CPH campus and subleased to oncologists to provide this service; and

WHEREAS, the L&O Agreement in Paragraph 29 requires borough approval of any sublease;

NOW THEREFORE, for good and valuable consideration including the performance of the conditions herein, the parties do hereby agree as follows:

A. That paragraph 29 of the L&O Agreement is hereby amended to read as follows:

29. ASSIGNMENT AND SUBLEASING.

- a. The Lessee/Operator shall not have any power to assign its rights or interests under this agreement without the prior approval of the Borough. The Lessee/Operator may not lease or sublease all or any part of the property it manages and operates, unless the Borough first approves such lease or sublease, and such lease or sublease is in furtherance of the purposes of this agreement.

- b. Authorization to Sublease Certain Property. CPGH, Inc. is hereby authorized to sublease the portion of the CPH campus to a qualified radiation oncology professional organization for the purpose of providing cancer treatment for a period of up to 10 years after construction of the facility is completed. If the L & O Agreement between the Borough and CPGH, Inc. is not renewed or is otherwise terminated before the termination of that ten year lease then the Borough or the Borough's designee shall assume management of the sublease agreement. This authorization is subject to Assembly approval of the sublease agreement by resolution as required in subparagraph 29 (a) above..

B. All remaining terms and conditions of the L&O Agreement shall remain in full force and effect.

KENAI PENINSULA BOROUGH

CENTRAL PENINSULA GENERAL
HOSPITAL, INC.

Mike Navarre
Borough Mayor

Loren Weimer
CPGH, Inc. Board President

Dated:_____

Dated:_____

ATTEST:

ATTEST:

Borough Clerk

Board Secretary

ACKNOWLEDGMENTS

STATE OF ALASKA)
)
THIRD JUDICIAL DISTRICT) ss.

The foregoing instrument was acknowledged before me this ____ day of _____, 2012 by Mike Navarre, Mayor of Kenai Peninsula Borough, an Alaska municipal corporation, on behalf of the corporation.

Notary Public in and for Alaska
My Commission Expires:_____

STATE OF ALASKA)
)
THIRD JUDICIAL DISTRICT) ss.

The foregoing instrument was acknowledged before me this ____ day of _____, 2012 by Loren Weimer, President, Central Peninsula General Hospital, Inc., an Alaska nonprofit corporation, on behalf of the corporation.

Notary Public in and for Alaska
My Commission Expires: _____