

Introduced by:	Mayor
Date:	03/13/12
Action:	Adopted as Amended
Vote:	8 Yes, 0 No, 1 Absent

**KENAI PENINSULA BOROUGH
RESOLUTION 2012-016**

**A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AMENDMENT TO
THE CENTRAL PENINSULA HOSPITAL LEASE AND OPERATING AGREEMENT
TO AUTHORIZE CENTRAL PENINSULA GENERAL HOSPITAL, INC. TO
SUBLEASE A PORTION OF THE FACILITY FOR ONCOLOGY SERVICES**

WHEREAS, cancer care services were identified in community health needs assessments conducted in 2004 and 2009 for the Central Kenai Peninsula Hospital Service Area (CKPHSA) as the number one priority of service area residents; and

WHEREAS, radiation oncology medical services are currently not available in the Kenai Peninsula Borough (Borough); and

WHEREAS, the Kenai Peninsula Borough Assembly is considering appropriating funds for the purpose of constructing a radiation oncology facility at Central Peninsula Hospital (CPH); and

WHEREAS, the Central Peninsula General Hospital, Inc. (CPGHI) administration has engaged in discussions with oncologists concerning the provision of cancer treatment services at Central Peninsula Hospital; and

WHEREAS, CPGHI operates the hospital and other medical facilities pursuant to a lease and operating agreement with the Borough effective January 1, 2008 through December 31, 2017; and

WHEREAS, CPGHI and the Borough administration recommend that medical facilities be constructed and subleased to oncologists to provide this service; and

WHEREAS, it is anticipated that the oncologists will invest significant funds for supplies and equipment, and accordingly will need up to twenty-year sublease to recover such costs; and

WHEREAS, paragraph 29 of the lease and operating agreement requires Borough approval of any such sublease;

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

SECTION 1. The Assembly finds that the CKPHSA's best interests are served by authorizing CPGHI to sublease a portion of the medical facilities to radiation oncologists for purposes of providing cancer treatment on the CPH campus for a period of up to 20 years.

SECTION 2. That the mayor is authorized to execute an amendment to the lease and operating agreement authorizing CPGHI to sublease a portion of the hospital campus to a subleasee who is qualified to provide radiation oncology medical services and that the term of the sublease may extend for a period of up to twenty years. Further, if the lease and operating agreement between the Borough and CPGHI is not renewed or is otherwise terminated before the expiration of the lease period then the Borough or the Borough's designee shall assume management of the sublease agreement.

SECTION 3. That this resolution takes effect immediately upon its adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 13TH DAY OF MARCH, 2012.

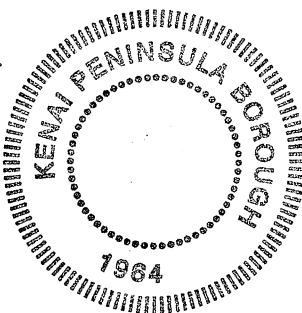


Gary Knopp, Assembly President

ATTEST:



John Blankenship, Borough Clerk



Yes: Haggerty, Johnson, McClure, Murphy, Smalley, Smith, Tauriainen, Knopp
No: None
Absent: Pierce