

KENAI PENINSULA BOROUGH


Office of the Borough Clerk


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Johni Blankenship, MMC
Borough Clerk

MEMORANDUM

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

THRU: Johni Blankenship, Borough Clerk 

FROM: Michele Turner, Borough Clerk Assistant 

DATE: June 5, 2012

RE: Resolution 2012-051: Approving the Sublease Agreement Between Central Peninsula General Hospital, Inc. and RSB Evolution of Alaska, LLC to Provide Radiation Oncology Medical Services in the Radiation Oncology Addition to be Constructed at the Central Peninsula Hospital

At its meeting on May 31, 2012, the Central Peninsula General Hospital Inc. Board of Directors delegated authority to the Executive Committee to take action on the referenced matter. The Executive Committee approved the sublease in its Resolution 2012-045.

Please amend the 11th Whereas of Resolution 2012-051 and insert a new Whereas to read as follows:

WHEREAS, at its meeting of May 31, 2012, the CPGHI board [considered this sublease agreement and recommended] delegated authority to its Executive Committee to take action on the approval of the proposed sublease; and

WHEREAS, on June 4, 2012 the CPGHI Executive Committee adopted Executive Committee Resolution 2012-045 (amended) approving the sublease with RBS Evolution of Alaska, LLC; and

Thank you.

EXECUTIVE COMMITTEE RESOLUTION 2012-45 (Amended)

**A RESOLUTION APPROVING A SUBLEASE WITH RBS EVOLUTION OF ALASKA, LLC
OF MEDICAL OFFICE SPACE FOR RADIATION ONCOLOGY MEDICAL SERVICES
IN A FACILITY TO BE CONSTRUCTED BY THE KENAI PENINSULA BOROUGH
ON THE CAMPUS OF CENTRAL PENINSULA HOSPITAL**

- 1. WHEREAS**, the Kenai Peninsula Borough has entered into a Lease and Operating Agreement with CPGH, Inc., for the lease and operation of Central Peninsula Hospital and other Medical Facilities, to operate these Medical Facilities on a nonprofit basis in order to ensure the continued availability of the Medical Facilities to the Service Area residents and visitors; and,
- 2. WHEREAS**, in Resolution 2012-02, the CPGH, Inc. Board of Directors determined again that it is in the best interests of the Borough and the residents of the Service Area for radiation oncology medical services to be sited in a new medical office building to be constructed on the campus of Central Peninsula Hospital in Soldotna, Alaska; and
- 3. WHEREAS**, in Resolution 2012-016 as amended, the Borough Assembly authorized the Borough Mayor to amend the Lease and Operating Agreement to allow CPGH, Inc. to sublease medical office space in a new facility to a sublessee who is qualified to provide radiation oncology medical services; and,
- 4. WHEREAS**, the Borough and CPGH, Inc. have entered into the Fourth Amendment to the Lease and Operating Agreement, which authorized CPGH, Inc. to sublease a portion of the Hospital campus to a qualified radiation oncology professional organization for the purpose of providing cancer treatment for a period of up to 20 years after construction of the facility is completed, subject to Assembly approval of the sublease agreement by resolution; and,
- 5. WHEREAS**, in Resolution 2012-26, the CPGH, Inc. Board of Directors determined, per Borough Resolution 2012-016 as amended, that it is in the best interest of CPGH, Inc. to enter into negotiations with RBS Evolution Of Alaska, LLC, a radiation oncology services provider whose members include Anchorage Associates in Radiation Medicine, LLC, John B. Halligan, M.D., Manager, for their participation in the Central Peninsula Radiation Oncology project as the provider of radiation oncology medical services to be located in the new medical office building to be constructed on the campus of the Hospital; and,
- 6. WHEREAS**, in Resolution 2012-26, the CPGH, Inc. Board of Directors also authorized the Chief Executive Officer to negotiate proposed terms for a sublease with RBS Evolution Of Alaska, LLC, in accordance with the Lease and Operating Agreement, Stark Laws, and other laws and regulations

affecting transactions between hospital operators and physician group practices, subject to the approval of the Board and the Borough; and,

7. WHEREAS, the Sublease shall include a provision that at the time that the radiation oncology center opens for business, James B. Halligan, M.D, and Dan Moore, both duly-authorized persons of RBS Evolution Of Alaska, LLC, or their duly-appointed successors, will certify on behalf of RBS Evolution of Alaska, LLC that it is qualified to provide radiation oncology medical services; and,

8. WHEREAS, CPGH, Inc. Administration, the Borough Administration, and RBS Evolution Of Alaska, LLC, have negotiated the terms and conditions of a proposed Sublease of certain medical office space which is deemed to be approximately 4,570 square feet of leaseable area in the new medical office building to be constructed by the Borough for radiation oncology medical services on the campus of the Hospital, with CPGH, Inc. as the Sublandlord and RBS Evolution Of Alaska, LLC as the Subtenant, subject to the approval of the Board and the Borough, and subject to the Borough's written consent to the Sublease as Prime Landlord; and,

9. WHEREAS, pursuant to corporate policy CP-101 Contract Authority and Review, corporate legal counsel reviewed and has approved the proposed Sublease as to legal form and content; and,

10. WHEREAS, CPGH, Inc. Administration recommends that the Board of Directors:

(a) Approve the form and content of the Sublease between CPGH, Inc., as the Sublandlord, and RBS Evolution Of Alaska, LLC, as the Subtenant, subject to the approval of the Borough, and subject to the Borough's written consent as Prime Landlord; and,

(b) Authorize the Chief Executive Officer or designee to execute a Sublease between CPGH, Inc., as the Sublandlord, and RBS Evolution Of Alaska, LLC, as the Subtenant, that is substantially the same as the proposed Sublease submitted for the Board's review and action, after the approval of the Borough and the Borough's written consent to the Sublease as Prime Landlord;

11. WHEREAS, at its May 31, 2012 meeting, the Board of Directors considered Resolution 2012-45; postponed action on Resolution 2012-45 to the June 28, 2012 board meeting; and delegated authority to the Executive Committee to take action on the approval of the proposed Sublease; and

12. WHEREAS, the Board's Executive Committee has the power to act for CPGH, Inc. in between Board meetings;

NOW, THEREFORE, BE IT RESOLVED, BY THE EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS OF CENTRAL PENINSULA GENERAL HOSPITAL, INC., A NOT-FOR-PROFIT ALASKA CORPORATION, THAT:

SECTION 1. The CPGH, Inc. Executive Committee approves the form and content of the Sublease between CPGH, Inc., as the Sublandlord, and RBS Evolution Of Alaska, LLC, as the Subtenant, subject to the approval of the Borough, and subject to the Borough's written consent as Prime Landlord.

SECTION 2.

The CPGH, Inc. Executive Committee authorizes the Chief Executive Officer or designee to execute a Sublease between CPGH, Inc., as the Sublandlord, and RBS Evolution Of Alaska, LLC, as the Subtenant, that is substantially the same as the proposed Sublease submitted for the Board's review and action, after the approval of the Borough and the Borough's written consent to the Sublease as Prime Landlord.

SECTION 3.

This resolution takes effect immediately upon its adoption.

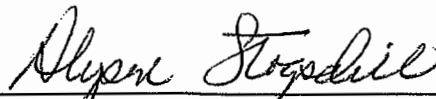
SECTION 4.

This resolution will be presented to the Board of Directors for ratification at the next meeting.

I certify that the above resolution was approved by vote of the Executive Committee of the Board of Directors of Central Peninsula General Hospital, Inc. at the Committee's 06/04/12 meeting.

DATED: _____

6/4/12



Alyson Stogsdill, Secretary/Treasurer
CPGH, Inc. Board of Directors