



KENAI PENINSULA BOROUGH

144 North Binkley Street • Soldotna, Alaska 99669-7520

Toll-free within the Borough: 1-800-478-4441

PHONE: (907) 262-4441 • FAX: (907) 262-1892

www.borough.kenai.ak.us

MIKE NAVARRE
BOROUGH MAYOR

MEMORANDUM

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

THRU: Mike Navarre, Mayor *mn*

FROM: Craig Chapman, Director of Finance *C Chapman*
Mark Fowler, Purchasing and Contracting Director *M Fowler*

DATE: July 19, 2012

SUBJECT: Resolution 2012-060, authorizing South Peninsula Hospital, Inc. to purchase a new telephone system

The telephone system at South Peninsula Hospital is more than 15 years old and in need of replacement. The South Kenai Peninsula Hospital Service Area FY2013 capital budget included \$300,000 for replacement of the telephone system. The project would include converting the outbuildings including Home Health and Homer Medical Center, ACS and Mitel services, cabling needs for aged areas of the hospital, server room capacity expansion, additional handsets, and freight and labor.

South Peninsula Hospital, Inc. (SPHI) sent a detailed request for proposals (RFP) to four major telephone system manufacturers and selected a Cisco system. The estimated cost of the project is \$298,700. Section 12(b)(iv) of the sublease and operating agreement requires all capital improvement projects costing \$250,000 or more to be separately approved by the borough assembly.

The SPHI board approved the purchase of the telephone system at its June 27, 2012, meeting. The South Kenai Peninsula Hospital Service Area board at its July 12, 2012, meeting approved the purchase of the telephone system.

**FINANCE DEPARTMENT
FUNDS VERIFIED**

Acct. No. 491.81210.13SHB.48210

Amount \$300,000

By: pc Date: 7/19/12