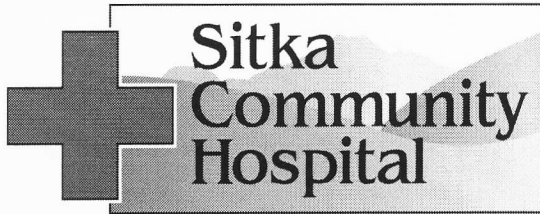


If this item is pulled from the consent agenda the following motion would be in order:

POSSIBLE MOTION

I MOVE TO APPROVE Sitka Community Hospital using the balance (\$97,234.41) of the Cat Scan Unit funds to purchase and fulfill their equipment needs



209 MOLLER AVENUE
SITKA, ALASKA 99835
Phone: (907) 747-3241

May 20, 2010

Mr. Scott McAdams, Mayor
City and Borough of Sitka
100 Lincoln St.
Sitka, AK 99835

Dr. Mayor McAdams:

For the budget year 2009 the City apportioned \$422,800 to Sitka Community Hospital as matching funds for a Denali Commission grant for a new Cat Scan Unit. Through Quorum purchasing agreements the Hospital was able to purchase the unit for less than anticipated. After everything was paid there was a balance left in the City allocation of \$141,234.51. Back in February the Assembly approved using \$44,000 for the Hospital to purchase a new piece of lab equipment. That has left a balance of \$97,234.51.

Sitka Community Hospital would like to formally request that the Assembly approve the Hospital's use of those remaining funds for equipment needs. Our new General Surgeon is familiar with laser surgery which he can do in his office. This allows for better outcomes and is the standard of care for treating lesions, mole removal among other procedures. We are pricing this out but is somewhere in the \$50,000+ range. There are also multiple surgical instruments that need to be purchased. The Hospital is in dire need of additional storage space and would like to put a mezzanine in our storage area to give us greater storage capacity. This is estimated to cost \$27,500. Also with the hiring of our own bio-med tech we can do all our own equipment testing as well as provide some billable services to other healthcare entities in Sitka. In order to fully utilize his services we need to purchase additional testing equipment that will cost around \$18,000. Costs above the \$97,234 would come from Hospital funds or potentially other funding sources.

Thank you for consideration of this request.

If you need any other information please let me know.

Thank you,

Lee

Lee W. Bennett, CFO
Sitka Community Hospital
907-747-176

cc Jim Dinley, Municipal Administrator
Dave Wolff, City Finance Director
