



North Carolina Department of Health and Human Services
Division of Health Service Regulation

Pat McCrory
Governor

Richard O. Brajer
Secretary DHHS

Mark Payne
Assistant Secretary for Audit and
Health Service Regulation

July 25, 2016

Elizabeth V. Kirkman
CHS Management Company
2709 Water Ridge Parkway, Suite 200
Charlotte, NC 28217

Exempt from Review

Record #: 1994
Facility Name: Carolinas HealthCare System Stanly a/k/a Stanly Regional Medical Center
FID #: 953472
Business Name: The Charlotte-Mecklenburg Hospital Authority
Business #: 1716
Project Description: Replacement of Air Handling Equipment/Generators/Upgrade Electrical System
County: Stanly

Dear Ms. Kirkman:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter of July 11, 2016, the above referenced proposal is exempt from certificate of need review in accordance with G.S 131E-184(a)(4). Therefore, you may proceed to offer, develop or establish the above referenced project without a certificate of need.

However, you need to contact the Agency's Construction and Acute and Home Care Licensure and Certification Sections to determine if they have any requirements for development of the proposed project.

It should be noted that this determination is binding only for the facts represented by you. Consequently, if changes are made in the project or in the facts provided in your correspondence referenced above, a new determination as to whether a certificate of need is required would need to be made by the Agency. Changes in a project include, but are not limited to: (1) increases in the capital cost; (2) acquisition of medical equipment not included in the original cost estimate;



Healthcare Planning and Certificate of Need Section

www.ncdhhs.gov

Telephone: 919-855-3873 • Fax: 919-715-4413

Location: Edgerton Building • 809 Ruggles Drive • Raleigh, NC 27603

Mailing Address: 2704 Mail Service Center • Raleigh, NC 27699-2704

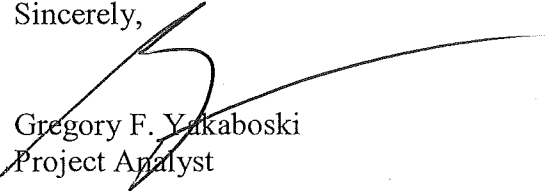
An Equal Opportunity/ Affirmative Action Employer




(3) modifications in the design of the project; (4) change in location; and (5) any increase in the number of square feet to be constructed.

If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,



Gregory F. Yankaboski
Project Analyst



Martha J. Frisone, Assistant Chief
Certificate of Need

cc: Construction Section, DHSR
Acute and Home Care Licensure and Certification Section, DHSR
Paige Bennett, Assistant Chief, Healthcare Planning, DHSR



Carolinus HealthCare System



July 11, 2016

Ms. Martha Frisone, Assistant Section Chief
Healthcare Planning and Certificate of Need Section
Division of Health Service Regulation
N.C. Department of Health & Human Services
809 Ruggles Drive
Raleigh, NC 27603

RE: The Charlotte-Mecklenburg Hospital Authority d/b/a Carolinus HealthCare System Stanly –
Exemption Notice for Replacement of Air Handling Equipment/Generators/Upgrade Electrical
System

Dear Ms. Frisone:

This letter serves as notification of The Charlotte-Mecklenburg Hospital Authority d/b/a Carolinus
HealthCare System Stanly's ("CHS Stanly") intent to implement the following projects:

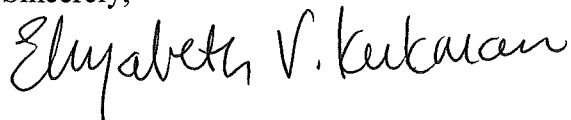
1. Replace three air handling units located on the mezzanine level above the chiller room. One air handling unit (AHU #1) serves the first floor food service area, environmental services area, the pharmacy and the central sterile processing area. The second air handling unit (AHU #3) serves the second floor radiology department and the third air handling unit (AHU #4) serves the laboratory and other support spaces. The estimated capital cost of this project is \$2,300,000.
2. Replace three backup generators and add supportive emergency switchgear which will serve the entire hospital building. The generators are located outside in the loading dock area. The emergency switchgear will require a small addition onto the existing building. The estimated capital cost for this project is \$3,000,000.
3. Upgrade the emergency power electrical systems in order to meet current code requirements for patient care areas. The proposed work will impact the 3rd and 4th floor of the hospital which includes patient rooms and related support spaces for medical/surgical, intensive care and behavioral health services. The estimated capital cost for this project is \$3,000,000.

Pursuant to N.C.G.S. 131E-184(a)(4), these projects are exempt from certificate of need review.

Based upon the projects as described above and pursuant to N.C.G.S 131E-184(a)(4), this letter serves as notification of our intent to proceed with these projects. We would appreciate your written concurrence that these projects are exempt from certificate of need review.

If you have any questions or require further information regarding this project, please contact me at 704-446-8475.

Sincerely,

A handwritten signature in cursive script that reads "Elizabeth V. Kirkman".

Elizabeth V. Kirkman
Assistant Vice President,
CHS Management Company

cc: Al Taylor, President, Carolinas HealthCare System Stanly