



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

Pat McCrory  
Governor

Aldona Z. Wos, M.D.  
Ambassador (Ret.)  
Secretary DHHS

Drexdal Pratt  
Division Director

July 24, 2013

Sandy Godwin, Executive Director of Planning  
Cape Fear Valley Health System  
1638 Owen Drive  
Fayetteville, NC 28304

**No Review**

Facility or Business: Cape Fear Valley Medical Center  
Project Description: Renovate Short Stay Surgical Unit  
County: Cumberland  
FID #: 943057

Dear Ms. Godwin:

The Certificate of Need Section (CON Section) received your letter of May 28, 2013 and email with attachment of July 24<sup>th</sup> regarding the above referenced proposal. Based on the CON law **in effect on the date of this response to your request**, the proposal described in your correspondence is not governed by, and therefore, does not currently require a certificate of need. However, please note that if the CON law is subsequently amended such that the above referenced proposal would require a certificate of need, this determination does not authorize you to proceed to develop the above referenced proposal when the new law becomes effective.

Moreover, you need to contact the Construction Section of the Division of Health Service Regulation 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 Certificate of Need Section. 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; (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.



**Certificate of Need Section**

[www.ncdhhs.gov](http://www.ncdhhs.gov)

Telephone: 919-855-3873 • Fax: 919-733-8139

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

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

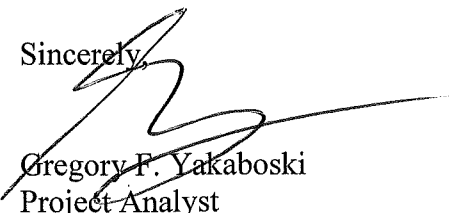
An Equal Opportunity/ Affirmative Action Employer



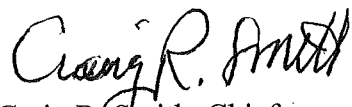
Ms. Godwin  
July 22, 2013  
Page 2

Please contact the CON Section if you have any questions. Also, in all future correspondence you should reference the Facility I.D. # (FID) if the facility is licensed.

Sincerely,



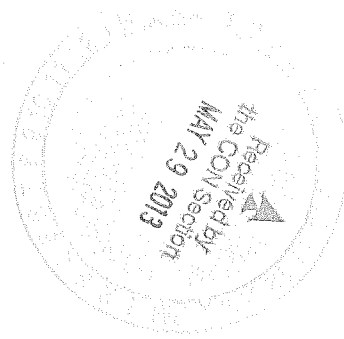
Gregory F. Yakaboski  
Project Analyst



Craig R. Smith, Chief  
Certificate of Need Section

cc: Medical Facilities Planning Section, DHSR  
Construction Section, DHSR (Not Hospice Home Care/ Home Health)

*per*



BEHAVIORAL HEALTH CARE  
BLADEN COUNTY HOSPITAL  
CAPE FEAR VALLEY  
MEDICAL CENTER  
CAPE FEAR VALLEY  
REHABILITATION CENTER  
HEALTH PAVILION NORTH  
HIGHSMITH-RAINEY  
SPECIALTY HOSPITAL

May 28, 2013

Craig Smith, Chief of Certificate of Need  
Greg Yakaboski, Project Analyst  
Division of Health Service Regulation  
Certificate of Need Section  
2704 Mail Service Center  
Raleigh, NC 27699-2704

BLOOD DONOR CENTER  
CANCER CENTER  
CARELINK  
CAPE FEAR VALLEY  
HOMECARE & HOSPICE, LLC  
CUMBERLAND COUNTY EMS  
FAMILY BIRTH CENTER  
HEART & VASCULAR CENTER  
HEALTHPLEX  
LIFELINK  
CRITICAL CARE TRANSPORT  
PRIMARY CARE PRACTICES  
SLEEP CENTER

**SUBJECT: Request for No Review Determination for Cape Fear Valley  
Medical Center Hospital Short Stay Unit**

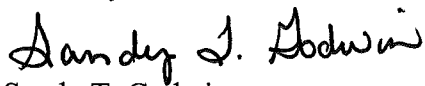
Dear Mr. Yakaboski:

The purpose of this letter is to notify the Division of Health Service Regulation that Cape Fear Valley Medical Center (CFVMC) plans to renovate its short stay surgical unit. CFVMC requests that the Division of Health Services Regulation issue a letter confirming that this project does not require certificate of need review as it does not meet the criteria set forth in the N.C. General Statute 131E-176(9)(a) or 131E-176(16)(b). No new operating rooms will be developed and no new or existing facilities will be purchased or leased as a result of this project and no on-going CON applications will be effected by this project.

The total project cost is estimated to be \$1.7million and involves renovations to only the existing short stay surgical operating rooms located on 2 North.

If you require additional information concerning this request, please contact me at 910-615-6852.

Sincerely,

  
Sandy T. Godwin  
Executive Director of Planning  
Cape Fear Valley Health System

**Yakaboski, Greg**

---

**From:** Yakaboski, Greg  
**Sent:** Monday, July 22, 2013 10:17 AM  
**To:** 'Sandy Godwin'  
**Subject:** Renovation to Short Stay Surgical Unit-requested no review

Good Morning Sandy,

In your letter of May 28<sup>th</sup> the above referenced project is projected to cost \$1.7 million.

Could you please provide a written cost estimate in support of the projected cost of \$1.7 million?

Thank you,  
Greg

Gregory F. Yakaboski  
N.C. Department of Health and Human Services  
Project Analyst, CON Section - Division of Health Service Regulation  
809 Ruggles Drive  
Raleigh NC 27603  
(Office): 919-855-3873  
[greg.yakaboski@dhhs.nc.gov](mailto:greg.yakaboski@dhhs.nc.gov)  
[www.ncdhhs.gov/dhsr](http://www.ncdhhs.gov/dhsr)

Email correspondence to and from this address is subject to the North Carolina Public Records Law and may be disclosed to third parties by an authorized State official. Unauthorized disclosure of juvenile, health, legally privileged, or otherwise confidential information, including confidential information relating to an ongoing State procurement effort, is prohibited by law. If you have received this e-mail in error, please notify the sender immediately and delete all records of this e-mail.

**Yakaboski, Greg**

---

**From:** Sandy Godwin [stgodwin@capefearvalley.com]  
**Sent:** Wednesday, July 24, 2013 4:03 PM  
**To:** Yakaboski, Greg  
**Subject:** RE: Renovation to Short Stay Surgical Unit-requested no review  
**Attachments:** Short Stay renovation Certified Cost Estimate.pdf; ATT00001.c

As requested, attached is the written cost estimate for the Short Stay Renovation.

Thank you  
Sandy



**Sandy T Godwin** | Executive Director for Corporate Planning  
Cape Fear Valley Health System | 1638 Owen Drive | Fayetteville, NC 28304  
(910) 615-6852 | (910) 818-3079 cell | Fax (910) 615-9741 | [stgodwin@capefearvalley.c](mailto:stgodwin@capefearvalley.c)

---

**From:** Yakaboski, Greg [mailto:greg.yakaboski@dhhs.nc.gov]  
**Sent:** Monday, July 22, 2013 10:17 AM  
**To:** Sandy Godwin  
**Subject:** Renovation to Short Stay Surgical Unit-requested no review

Good Morning Sandy,

In your letter of May 28<sup>th</sup> the above referenced project is projected to cost \$1.7 million.

Could you please provide a written cost estimate in support of the projected cost of \$1.7 million?

Thank you,  
Greg

Gregory F. Yakaboski  
N.C. Department of Health and Human Services  
Project Analyst, CON Section - Division of Health Service Regulation  
809 Ruggles Drive  
Raleigh NC 27603  
(Office): 919-855-3873  
[greg.yakaboski@dhhs.nc.gov](mailto:greg.yakaboski@dhhs.nc.gov)  
[www.ncdhhs.gov/dhsr](http://www.ncdhhs.gov/dhsr)

Email correspondence to and from this address is subject to the North Carolina Public Records Law and may be disclosed to third parties by an authorized State official. Unauthorized disclosure of juvenile, health, legally privileged, or otherwise confidential information, including confidential information relating to an ongoing State procurement effort, is prohibited by law. If you have received this e-mail in error, please notify the sender immediately and delete all records of this e-mail.

**EXHIBIT A continued  
PROPOSED TOTAL CAPITAL COST OF PROJECT**

**Project Name: Short Stay Renovation**

**Provider/Company: Cape Fear Valley Health System**

**A. Site Costs**

(1) Full purchase price of land.....		\$ <u>NA</u>	
Acres _____ Price per Acre	\$ <u>NA</u>		
(2) Closing costs.....		\$ <u>NA</u>	
(3) Site Inspection and Survey.....		\$ <u>NA</u>	
(4) Legal fees and subsoil investigation		\$ <u>NA</u>	
(5) Site Preparation Costs			
Soil Borings.....	\$ _____		
Clearing-Earthwork...	\$ _____		
Fine Grade For Slab...	\$ _____		
Roads-Paving.....	\$ _____		
Concrete Sidewalks....	\$ _____		
Water and Sewer.....	\$ _____		
Footing Excavation...	\$ _____		
Footing Backfill.....	\$ _____		
Termite Treatment....	\$ _____		
Other (Specify).....	\$ _____		
Sub-Total Site Preparation Costs		\$ _____	
(6) Other (Specify)		\$ _____	
(7) <b>Sub-Total Site Costs</b>			\$ _____

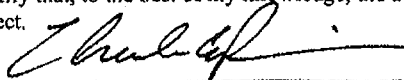
**B. Construction Contract**

(8) Cost of Materials			
General Requirements	\$ <u>230,441</u>		
Concrete/Masonry	\$ <u>0</u>		
Woods/Doors & Windows/Finishes	\$ <u>102,836</u>		
Thermal & Moisture Protection	\$ <u>0</u>		
Equipment/Specialty Items	\$ <u>0</u>		
Mechanical/Electrical	\$ <u>375,502</u>		
Other (Specify) <u>Demolition</u>	\$ <u>35,142</u>		
Sub-Total Cost of Materials.....		\$ <u>743,921</u>	
(9) Cost of Labor.....		\$ <u>717,506</u>	
(10) Other (Specify).....		\$ _____	
(11) <b>Sub-Total Construction Contract</b>			\$ <u>1,461,427</u>

**C. Miscellaneous Project Costs**

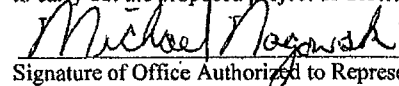
(12) Building Purchase.....		\$ _____	
(13) Fixed Equipment Purchase		\$ _____	
(14) Movable Equipment Purchase/Lease		\$ _____	
(15) Furniture		\$ _____	
(16) Landscaping		\$ _____	
(17) Consultant Fees			
Architect and Engineering Fees	\$ <u>177,000</u>		
Legal Fees.....	\$ _____		
Market Analysis.....	\$ _____		
Other (Specify).... <u>Building Permit</u>	\$ <u>10,808</u>		
Other (Specify).....	\$ _____		
Sub-Total Consultant Fees.....		\$ <u>187,808</u>	
(18) Financing Costs (e.g. Bond, Loan, etc.).		\$ _____	
(19) Interest During Construction.		\$ _____	
(20) Other (Contingency)		\$ <u>10,000</u>	
(21) <b>Sub-Total Miscellaneous..</b>			\$ <u>197,808</u>
(22) <b>Total Capital Cost of Project (Sum A-C above)</b>			\$ <u>1,659,235</u>

I certify that, to the best of my knowledge, the above construction related costs of the proposed project named above are complete and correct.



(signature of Licensed Architect or Engineer)

I assure that, to the best of my knowledge, the above capital costs for the proposed project are complete and correct and that it is my intent to carry out the proposed project as described.



Signature of Office Authorized to Represent Provider/Company (Title of Officer)