



STATE OF CONNECTICUT
OFFICE OF HEALTH CARE ACCESS

M. JODI RELL
GOVERNOR

CRISTINE A. VOGEL
COMMISSIONER

August 3, 2006

Edward Staunton
Director of Business Development
Norwalk Hospital
34 Maple Street
Norwalk, CT 06586

RE: Certificate of Need Determination; Report Number 06-30805-DTR
Norwalk Hospital
Various Maintenance, Energy Conservation, and Facility Improvement Projects

Dear Mr. Staunton:

On July 25, 2006, the Office of Health Care Access ("OHCA") received your Certificate of Need ("CON") Determination request concerning the proposal of Norwalk Hospital ("Hospital") to perform various maintenance, energy conservation, and facility improvement projects, to the Hospital at a total capital expenditure of \$9,674,000.

OHCA has reviewed the information contained in the request and makes the following findings:

1. Norwalk Hospital ("Hospital") is an acute care hospital located at at 34 Maple Street, Norwalk, Connecticut.
2. Limited routine maintenance and repairs have been performed to the buildings and equipment on the Hospital's campus during the past several years.
3. The Hospital proposes to implement various maintenance, energy conservation, and facility improvement projects over the next year to address projects that have been deferred.
4. The Hospital currently has an antiquated and inefficient central cooling plant that causes the facility to experience high utility costs. A significant amount of money is spent to routinely maintain the equipment. Down time to the air conditioning system impacts the manner in which the Hospital provides patient care.
5. A facility assessment by Johnson Controls identified the maintenance, energy conservation, or facility improvement projects that should be completed within the year in order to reduce

An Equal Opportunity Employer

410 Capitol Ave., MS#13HCA, P.O. Box 340308, Hartford, CT 06134-0308
Telephone: (860) 418-7001 Toll-Free: 1-800-797-9688
Fax: (860) 418-7053

energy cost, operations costs, repair the facility and improve the quality of the building environment.

6. The Hospital proposes to purchase a new chiller and replace two existing chillers. Additional projects include improving the overall air conditioning system and upgrading the lighting.
7. The cost of each chiller and each additional project is below three million dollars.
8. Each project is unique, independent of the others, and can be implemented separately.
9. As the Hospital expects to finance the projects with CHEFA financing, it grouped the projects together in order to aggregate the costs and facilitate the funding process.
10. The total projected cost for the various projects is \$9,674,000.
11. Section 19a-639 of the Connecticut General Statutes (“C.G.S.”), as amended by Public Act 06-64, (except as provided in sections 19a-639a to 19a-639c, inclusive) states, in part, that each health care facility or institution...proposing a capital expenditure exceeding three million dollars, or the acquisition of major medical equipment requiring a capital expenditure, as defined in regulations adopted pursuant to section 19a-643, in excess of three million dollars, including the leasing or donation of equipment or a facility, shall submit a request for approval of such expenditure to the office.

Pursuant to Section 19a-639, C.G.S., the capital expenditure associated with each chiller and each additional project is below the three million dollar threshold. Therefore, OHCA has determined that Certificate of Need approval is not required for the Norwalk Hospital to obtain each chiller and implement the separate maintenance, energy conservation, and facility improvement projects.

If you have any questions regarding the above, please contact Laurie K. Greci, Associate Research Analyst, at (860) 418-7001.

Sincerely,

Signed by Cristine A. Vogel
Commissioner