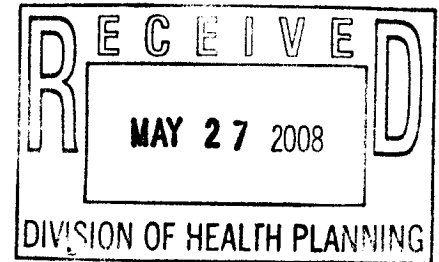




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THOMASTON, GEORGIA 30286 706/647-8111



May 21, 2008

Clyde L. Reese, III, Esq.
General Counsel
Georgia Department of Community Health
2 Peachtree Street, N.W., 5th Floor
Atlanta, Georgia 30303

RE: Determination of Exemption of Kitchen/Dietary Services Project from Certificate of Need Based on Senate Bill 433

Dear Mr. Reese:

Upson County Hospital, Inc. d/b/a Upson Regional Medical Center (URMC) requests a determination regarding the applicability of Senate Bill (SB) 433 to a Kitchen/Dietary Services project URMC proposes to undertake. Thank you for the opportunity to submit this request.

SB 433 includes a provision which exempts expenditures for nonclinical projects. Specifically, SB 433 includes *31-6-47.(a) Notwithstanding the other provisions of this chapter, this chapter shall not apply to: (16) Expenditures for nonclinical projects, including parking lots, parking decks, and other parking facilities; computer systems, software, and other information technology; medical office buildings; and state mental health facilities.*

URMC proposes to undertake a facility project which will replace its antiquated kitchen and dietary services areas. The proposed project does not include any clinical areas.

The current Kitchen/Dietary Services space and equipment are obsolete and suffer from numerous problems. The current Kitchen/Dietary Services areas have been located in its original space in the original hospital building since the hospital was built in the mid-1950s. This space is undersized with limited expansion capability, and suffers from a highly dysfunctional and inefficient layout. In addition, the existing equipment is antiquated and in need of replacement.

The proposed project will involve only the relocation and replacement of URMC's existing Kitchen/Dietary Services areas and equipment, and include approximately 6,500 square feet of renovation and 5,000 square feet of new construction. The project will include relocation and much-needed expansion of the following Kitchen/Dietary Services areas:

- Kitchen and Food Preparation;
- Serving;
- Seating;
- Food Storage, including Freezer, Cooler, and Dry Storage;
- Dish Washing;

- Staff Lockers;
- Administrative Offices; and
- Dietary Support Utilities.

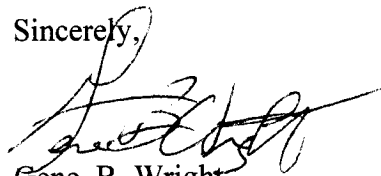
In addition, the project will enable URMC to provide “just in time” food service for its inpatients, which will significantly enhance patient satisfaction.

The areas in which the existing Kitchen/Dietary Services are located are to be vacated as a result of the project, and will likely be converted for use by Medical Records in the future.

The total project cost is expected to be approximately \$4,000,000 and includes construction/renovation, food service equipment, architectural/engineering fees, and other miscellaneous costs. The schematic design of the project is expected to be completed by mid-July. Construction documents are scheduled to be completed in August with construction and renovation to begin by end of September 2008. This project is expected to be completed by late 2009.

Thank you for your response to this determination request. If you have any questions or require any additional information, please call me at (706) 647-5590.

Sincerely,



Gene. B. Wright
Chief Executive Officer

cc: Keith Alexander