

## Hicks, Alexandria M (HSS)

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**From:** Hicks, Alexandria M (HSS)  
**Sent:** Friday, February 05, 2016 3:07 PM  
**To:** 'Tina Presley'  
**Subject:** RE: response

Good afternoon Tina,

Thank you for the certification from Precise Construction, Inc which provided that after reviewing “the detailed costs of all the major tenant improvement items included in the buildout of AUI’s first floor space . . . [based on its analysis] 65% of the overall tenant improvement cost of \$2,986,439 is an accurate representation of the tenant improvement cost AUI intends to lease to the surgery center.” This is exactly what we needed; however it was not all that we needed. The certification does not validate whether the monthly lease rate of \$15,861.10 is a fair and reasonable estimate of the monthly rental cost for the improved space.

It is important that the certification supports and validates the cost estimates to be true and reasonable. The equipment and space are set because those certifications validate the actual lease amounts. For example, Fairwinds Biomedical, LLC provided AMC with an independent certification that “The proposed lease payment of \$24,996.66 is a fair and reasonable estimate of the monthly rental cost of [the listed] equipment.” Unfortunately, the leasehold improvements costs are not set because the certification only validates the total cost. Please submit a certification stating the costs and proposed lease payment are fair and reasonable estimates of the monthly rental cost for the improved space.

Sorry for the delay, but it is imperative that the language be as clear and accurate as possible.

I look forward to hearing back from you and finalizing the determination as quickly as possible.

Regards,  
Alex

Alexandria Hicks, Coordinator  
DHSS/HCS/ORR/Certificate of Need Program  
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**From:** Tina Presley [<mailto:TPresley@akmed.com>]  
**Sent:** Monday, January 25, 2016 3:29 PM  
**To:** Hicks, Alexandria M (HSS)  
**Subject:** response

Good Afternoon Alexandria,

Per your request, attached is certification from the contractor who constructed the tenant improvements for the space that will be leased by Alaska Medical Center, LLC at 188 W. Northern Lights Blvd. Please let me know if you have any questions.

Thank you,

Tina Presley