



STATE OF ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD

525 WEST JEFFERSON ST. • SPRINGFIELD, ILLINOIS 62761 • (217) 782-3516 FAX: (217) 785-4111

DOCKET ITEM: A-02	BOARD MEETING: February 16, 2016	PROJECT NUMBER: 12-076
PERMIT HOLDERS(S): Chicago Surgical Clinic, Ltd.		
FACILITY NAME and LOCATION: Chicago Surgical Clinic, Ltd. Arlington Heights		

STATE BOARD STAFF REPORT **PERMIT RENEWAL REQUEST**

I. Background

On December 10, 2012, the State Board approved Project #12-076. The permit authorized the establishment of a multi-specialty Ambulatory Surgery Treatment Center (ASTC), in Arlington Heights. The State Board Staff notes the project is obligated, and the current project completion date is December 31, 2015. Project cost: \$3,879,057.

The State Board Staff notes the permit holders submitted the permit renewal request on December 29, 2015. This submittal was in accordance with 77 IAC 1130.740(d), which states that renewal requests must be received by the State Board Staff at least 45 days prior to the permit expiration date. A \$500.00 late fee accompanied the \$500.00 permit renewal fee for this third renewal request.

II. Findings

The State Board Staff notes this is the **third** renewal request for this project. The chronological history of permit renewals for this project is as follows:

- 12/16/14: 5 month renewal from December 31, 2014 to May 31, 2015
- 6/2/15: 7 month renewal from May 31, 2015 to December 31, 2015
- 12/28/15: 6 month renewal from December 31, 2015 to June 30, 2016

It appears the permit holders have submitted all of the information required in Section 1130.740 for a permit renewal.

III. The Permit Renewal Request

- Requested Completion Date:** The permit holders request a project completion date of June 30, 2016. This would extend the project's completion date by six months, from December 31, 2015 to June 30, 2016.
- Status of the Project and Components Yet to be Finished:** The permit holders state the construction portion of the project commenced on December 13, 2013, and is

essentially complete. Only punch list items remain, to include fireproofing in the attic.

C. Reason(s) Why the Project Has Not Been Completed: The permit holders' state the following events occurred, which delayed completion of the project:

- The permit holders state three unforeseen delays resulted in previous permit renewal requests. This current request stems from the general contractors inability to provide sufficient workers and adequate supervision to complete the project in a timely manner.

D. Evidence of Financial Commitment to Fund the Project: The permit holders indicate \$3,637,915 (93.7% of the total project cost), has been expended to date and can attest to the existence of sufficient financial resources to complete the project.

E. Anticipated Final Cost of the Project: The permit holders estimate the project will not deviate from the original permit amount of \$3,879,057.

IV. **Project Description & Other Background Information**

The permit authorized the establishment of a multi-specialty Ambulatory Surgery Treatment Center (ASTC), in 7,700 GSF of leased space in Arlington Heights. Project cost: \$3,879,057.

Permit Issuance Date: December 10, 2012

Project Obligation Date: August 22, 2013

Original Project Completion Date: December 31, 2014

Proposed Project Completion Date: May 31, 2015
(5-month renewal request-1st renewal)

Proposed Project Completion Date: August 31, 2015
(3-month renewal request-2nd renewal)

Proposed Project Completion Date: June 30, 2016
(6-month renewal request-3rd renewal)

V. **Applicable Rules for Permit Renewal Requests**

77 IAC 1130.740 specifies that a permit holder may request a change in the approved project completion date by applying for a permit renewal.

77 IAC 1130.740(b) states that failure to complete a project or to renew a permit within the prescribed timeframes will subject the permit holders to the sanctions and penalties provided in the Act and this Subpart.

77 IAC 1130.740(c) states that a permit renewal will commence on the expiration date of the original or renewed completion period.

77 IAC 1130.740(d) states that the State Board must be in receipt of a permit renewal request at least 45 days prior to the expiration date of the completion period, and include the following: 1) the requested completion date; 2) a status report on the project detailing what percent has been completed and a summary of project components yet to be finished and the amount of funds expended on the project to date; 3) a statement as to the reasons why the project has not been completed; and 4) confirmatory evidence by the permit holders' authorized representative that the project's costs and scope are in compliance with what the State Board approved and that sufficient financial resources are available to complete the project.

77 IAC 1130.740(e) states IDPH will review the request and prepare a report of its findings. If the findings are that the request is in conformance with all HFPB criteria, and if this is the first request for this project, then the request, IDPH's findings, and all related documentation shall be sent to the Chairman. The Chairman, acting on behalf of HFPB, will approve, deny or refer the request to the HFPB for action. If IDPH finds that all criteria are not positive or, if this is not the first request for this project, or if the Chairman refers this to HFPB for action, then HFPB will evaluate the information submitted to determine if the project has proceeded with due diligence (as defined in 77 IAC 1130.140). Denial of a permit renewal request constitutes HFPB's Notice of Intent to revoke a permit and the permit holders will be afforded an opportunity for an administrative hearing.

VI. Other Information

Appended to this report are the following: the permit holders' documents for a permit renewal.

SULZER & SHOPIRO, LTD.

ATTORNEYS AND COUNSELORS
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**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

JAMES M. SULZER
RICHARD SHOPIRO

KIMBERLY GRIFFIN
TORAL PATEL

DECEMBER 28, 2015

VIA FEDEX

MS. COURTNEY AVERY
ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
525 WEST JEFFERSON STREET
SPRINGFIELD, IL 62761

RE: PERMIT RENEWAL
PROJECT NO: 12-076
CHICAGO SURGICAL CLINIC, LTD

DEAR MS. AVERY:

I REPRESENT CHICAGO SURGICAL CLINIC, LTD, IN ITS REQUEST FOR A PERMIT RENEWAL. THE PROJECT WAS GRANTED A CERTIFICATE OF NEED PERMIT ON DECEMBER 10, 2012 WITH A PROJECT COMPLETION DATE OF DECEMBER 13, 2014. THIS WAS PREVIOUSLY EXTENDED TO DECEMBER 31, 2015.

REQUESTED COMPLETION DATE:

WE RESPECTFULLY REQUEST A PERMIT RENEWAL WITH A COMPLETION DATE OF JUNE 30, 2016. WE BELIEVE THAT DATE WILL ALLOW FOR ADEQUATE TIME TO COMPLETE CONSTRUCTION, PROVIDING FOR UNFORESEEN ADDITIONAL DELAYS AND ALLOW TIME FOR THE FINAL IDPH CERTIFICATION AND INSPECTION PROCESS REQUIRING FOR LICENSURE.

PERCENT PROJECT COMPLETION:

THE PROJECT IS APPROXIMATELY 96% COMPLETED.

REASONS WHY PROJECT HAS NOT BEEN COMPLETED:

OUR GENERAL CONTRACTOR HAS PROVIDED INSUFFICIENT SUPERVISION AND HAS BEEN UNABLE TO PROVIDE SUFFICIENT WORKERS TO COMPLETE THE PROJECT.

WORK COMPLETED AND COMPONENTS YET TO BE FINISHED:

MOST WORK HAS BEEN COMPLETED OTHER THAN THE PUNCH LIST ITEMS FROM THE PROJECT ENGINEER, PUNCH LIST ITEMS FROM OUR PROJECT CONSULTANT, ENRIQUE UNANUE, AND FIREPROOFING IN THE ATTIC. I HAVE ENCLOSED A INTERIM FIELD INSPECTION REPORT DATED DECEMBER 18, 2015 PREPARED BY THOMAS A. BUSSE, STAFF ARCHITECT FROM THE DESIGN AND CONSTRUCTION SECTION, DIVISION OF LIFE SAFETY AND CONSTRUCTION FROM THE ILLINOIS DEPARTMENT OF PUBLIC HEALTH.

AMOUNT EXPENDED TO-DATE:

PROJECT FUNDS EXPENDED AS OF DECEMBER 1, 2015 ARE APPROXIMATELY \$3,637,915. PLEASE SEE ENCLOSED PROJECT COST REPORT.

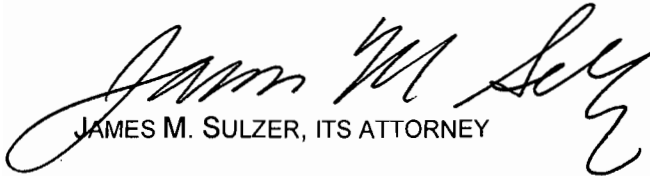
APPLICATION PROCESSING FEE:

I HAVE ENCLOSED A CHECK FOR \$ 1,000 PAYABLE TO THE ILLINOIS DEPARTMENT OF PUBLIC HEALTH AS THE APPLICATION PROCESSING FEE FOR THIS PERMIT RENEWAL REQUEST.

CONFIRMATION STATEMENT:

ON BEHALF OF THE PERMIT OWNER WE CONFIRM THAT THE SCOPE AND SIZE OF THE PROJECT HAS NOT CHANGED, THAT THE FINAL COSTS ARE STILL BEING CALCULATED DUE TO INSUFFICIENT INFORMATION FROM THE GENERAL CONTRACTOR AND SUFFICIENT FINANCING REMAINS IN PLACE TO COMPLETE THE PROJECT.

CHICAGO SURGICAL CLINIC, LTD BY:

A handwritten signature in black ink, appearing to read "James M. Sulzer", is written over the printed name.

JAMES M. SULZER, ITS ATTORNEY

CC: BILLIE PAIGE, CONSULTANT
YELENA LEVITIN

**CHICAGO SURGICAL CLINIC
PROJECT COST REPORT**

USES OF FUNDS	CON APPROVED		ACTUAL	
	12/10/13		as of 11/30/2015	
Preplanning	\$11,000		\$11,000	MM
Site Survey/Soil Investigation	1,000		1,000	MM
Site Preparation	57,000		54,000	RK
Off Site Work	N/A		N/A	
New Construction Contracts	1,640,000		1,719,101	RK
Modernization Contracts	N/A		N/A	
Contingencies	160,000		97,756	RK
Architect/Engineering Fees	265,000		265,000	MM
Consultants & Other Fees	165,000		145,000	MM
Moveable/Other Equipment	250,000		110,875	RK
New Equipment	206,157		175,000	MM
Bond Issue Expenses	N/A		N/A	
Net Interest During Construction	60,000		44,183	MM
FMV of Space or Equipment	N/A		N/A	
Other Costs to be Capitalized	293,900		245,000	MM
Acquisition of Bldg/Property	770,000		770,000	MM
TOTAL USES OF FUNDS	\$3,879,057		\$3,637,915	93.78%
SOURCES OF FUNDS				
Cash & Securities	\$1,629,057		\$1,629,057	
Pledges				
Gifts & Bequests				
Bond Issues				
Mortgages	2,000,000		2,000,000	
Leases (FMV)				
Government Appropriations				
Grants				
Existing Equipment	250,000		250,000	
Other Funds & Sources				
TOTAL SOURCES OF FUNDS	\$3,879,057		\$3,879,057	

December 18, 2015

Robert W. Kirk
Group A Architecture, Inc.
1100 Landmeier Rd., Ste 202
Elk Grove Village, IL 60007

Re: Chicago Surgical Clinic Ltd, Arlington Heights
New ASTC – Status Inspection
IDPH No: 9870

Dear Robert W. Kirk:

On December 15, 2015, we conducted a cursory interim field inspection of the above project to verify the status of completion of the project pending an extension of the deadline set by CON for completion and for the purpose of determining compliance with the Illinois Ambulatory Surgical Treatment Center Licensing Requirements and the 2000 Edition of the Life Safety Code and offer the following comments. Note that these comments are not intended to be all-inclusive due to the purpose of the inspection.

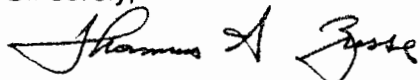
1. A review of the ASTC occupancy separation barrier to comply with NFPA 101-2000, 20.3.7.1 was not conducted during the on-site inspection. Please confirm the location and construction characteristics of the wall which forms this 1-hour barrier. Note that access to all areas necessary to verify the required 1-hour rated construction will be required during the request for occupancy inspection.
2. The 2-story building is identified to be of Type II (000) construction type and fully sprinkler protected. However, sprinkler protection was not provided at the attic loft furnace room which houses two furnace units. The 2nd floor IT closet was observed to be open to the attic space above and not provided with sprinkler protection.
3. Exit discharge lighting in accordance with NFPA 101-2000, 20.2.8, 20.2.9, 7.8.1.4 & 7.9.1.1 was not yet installed at the exterior doors. It was not confirmed that the proposed fixture will meet the requirements for redundant lamps or that the fixtures are connected to the life safety branch of the emergency generator system.
4. The emergency generator location was not confirmed to be provided with battery powered emergency lighting to comply with NFPA 110-1999, 5-3.1. Normal power lighting within the generator enclosure was provided, but battery powered lighting was not found.
5. The emergency generator starting batteries were not confirmed to be provided with battery warmers to comply with NFPA 110-1999, 3-3.1.
6. A remote manual stop station in accordance with NFPA 110-1999, 3-5.5.6 did not appear to be provided. Only a manual stop at the controls within the generator enclosure was observed to be provided (which is not remote from the generator).
7. The medical gas zone valve for the outlets located at the Anesthesia/Meds alcove does not comply with NFPA 99-1999, 4-3.1.2.3(d). An intervening wall is not provided between the valves and the outlets.
8. The electrical circuit providing power to the Fire Alarm Control Panel (FACP) is not provided with red markings and a lock-on device to comply with NFPA 72-1999, 1-5.2.5.2. It was not confirmed that the FACP had labeling to identify the electrical circuit from which it was fed.
9. The Recovery room lacked the installation of individual privacy curtains and window blinds/coverings for patient privacy.
10. The pair of doors from the Waste Storage room on the Soiled Utility room side is not provided with closers to comply with 20.7.5.5, 20.3.2, 38.3.2.1, 8.4.1.2 & 8.2.4.3.5.

11. The return ventilation system at the ORs is drywall sheathed ducts run to within 8" +/- from the floor. This duct was indicated to have an open bottom in addition to the grilles located on the sidewall. It is not clear why the bottom of the chase is open if the grilles in the side can provide the required volume of return air. Clarify why the bottom of the chases are open rather than being closed completely or being closed chases with a grille in the bottom directly into the return duct. The open bottom of the sheathed duct chase presents a housekeeping issue for the ORs in that the space between the duct and the furring/drywall cannot be cleaned.
12. It was not confirmed that the number of outlets at the Stage 1 recovery bed stations meet NFPA 70-1999, 517-19(b). Six receptacles for each bed location are required. Review of plans appears to indicate only four (two duplex) receptacles for each bed station are provided.
13. The protection of vertical openings was not provided to comply with 20.3.1, 38.3.1.1, 8.2.5.2, & 8.2.5.4(2). Miscellaneous PVC penetrations at the floors of the 1-hour enclosed mechanical rooms were not provided with 1-hour rated protection per tested design assemblies. The identified design of the 1-hour wall was not followed because gypsum board was on one side only. Recently installed fire dampers at the duct penetrations were not complete. The curtain wall assembly near the 2nd floor elevator entry was not complete to provide the required separation between floors.
14. A single step at the floor between the semi-restricted corridor and the 1st floor discharge level of the stair from the 2nd floor locker rooms is a tripping hazard. How will this tripping hazard be negated to adequately warn occupants of the change in floor elevation.
15. The Recovery room toilets and the locker room toilets are not handicap accessible in accordance with the Illinois Accessibility Code 400.320(d)1E which states "*Outpatient facilities. All public use, common use and employee use areas are required to be designed and constructed to be accessible. If the facility has patient bedrooms and toilets, at least 10% must be accessible.*" Although it was indicated that the recovery room toilets are intended to be utilized by patients with the assistance of staff relative to maneuvering clearances, the lack of grab bars at the toilet fixtures does not provide any provisions for stabilization or self-assistance by the users. We request that grab bars be installed at all toilet facilities and that the installed condition of the toilet facilities be reviewed with Mr. Doug Gamble at the Capital Development Board who administers the Illinois Accessibility Code. Provide evidence of his acceptance of the toilet facilities (as constructed with the addition of grab bars).

Please provide a written response to these comments within 10 days of the receipt of this letter. **No permission to occupy any portion of the inspected spaces is implied by this letter.** Permanent occupancy cannot be granted until the project has been completed, all required certifications have been submitted to the Department, and an occupancy inspection has been conducted.

Even though the Illinois Department of Public Health conducts a facility inspection, the facility is totally responsible for meeting the Department's licensure standards. This facility's responsibility is never waived, even if the Department conducts a facility inspection and does not specify all licensure deficiencies. If you have any questions, please do not hesitate to call us at 217/782-4247. The Department's TTY # is 800/547-0466, for use by the hearing impaired.

Sincerely,



Thomas A. Busse, Staff Architect
Design and Construction Section
Division of Life Safety and Construction

cc: Sam Reynish, Office Manager
Chicago Surgery Clinic
201 E. Strong Ave., Suite 7
Wheeling, IL 60090

Mark Mayo
Mark Mayo Health Care Consultants
821 N. Edinburgh Ct., No. 107
Round Lake, IL 60073- 5839