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HEALTH FACILITIES &  
SERVICES REVIEW BOARD

February 27, 2012

Ms. Courtney Avery, Administrator  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street  
Springfield, IL 62761

Re: Project #08-076

### **Annual Progress Report**

Advocate Health and Hospitals Corporation, dba Advocate BroMenn Medical Center  
Construction Project for an Addition for Obstetrics, Intensive Care, and Medical Surgical Beds.

Dear Ms. Avery:

This letter is to inform you that, in accordance with requirements of the 77 Ill. Adm. Code 1130.760, I am submitting an annual progress report on the project referenced above. The permit for this project was granted January 28, 2009.

You may recall that on October 13, 2009 BroMenn Healthcare System and Advocate Health and Hospitals Corporation received a Change of Ownership Exemption to merge the two organizations. One of the factors in that merger was the opportunity to take advantage of the excellent bond rating in obtaining financing for the planned addition at BroMenn Regional Medical Center. That merger was completed on January 6, 2010.

#### **1. Current status of the project:**

The contract with the General Contractor was signed on February 9, 2010, and the formal Notice of Obligation was submitted March 10, 2010.

Percentage of the Project finished: Overall project completion is approximately 87% complete.

Components finished: Footings, foundation, structural concrete, structural steel, building envelope, roofing, mechanical/electrical/plumbing rough in, metal stud and drywall.

Components yet to be finished: Flooring, mechanical/electrical/plumbing trim out, interior walls finishes, acoustical ceilings, casework, low voltage proprietary systems, medical equipment, furniture fixtures & equipment, landscaping, misc.

Changes in scope and size: The Project remains substantially consistent with the general scope of the Project as approved by the Review Board. A letter detailing some minor changes, essentially to the non-clinical area, was submitted on January 16, 2012. Those changes were acknowledged back by letter dated January 26, 2012, saying the changes did not require submittal to the HFSRB for approval.

## 2. Costs

Costs incurred to date, an itemized listing of the total current estimated project costs, and a comparison of those costs to the approved permit amounts:

PROJECT COST	Costs incurred to date 2012	Total approved in permit	Estimated project costs
Preplanning Costs	\$ 339,988	\$ 340,000	\$ 340,000
Site Survey and Soil Investigation	\$ 70,908	\$ 151,400	\$ 151,400
Site Preparation	\$ 1,735,844	\$ 1,785,431	\$ 1,785,431
Off Site Work		\$ -	\$ -
New Construction Contracts	\$ 30,474,554	\$ 38,107,262	\$ 38,107,262
Modernization Contracts*	\$ 289,700	\$ 331,007	\$ 331,007
Contingencies	\$ 400,000	\$ 3,657,671	\$ 3,657,671
Architectural/Engineering Fees	\$ 2,368,402	\$ 2,493,055	\$ 2,493,055
Consulting and Other Fees	\$ 602,799	\$ 615,000	\$ 615,000
Movable or Other Equipment (Not in Construction Contracts)	\$ 681,834	\$ 6,846,799	\$ 6,846,799
Bond Issuance Expense (project related)	\$ 469,466	\$ 1,800,000	\$ 1,800,000
Net Interest Expense During Construction (project related)	\$ 1,225,100	\$ 8,240,000	\$ 8,240,000
Fair Market Value of Leased Space or Equipment		\$ -	\$ -
Other Costs To Be Capitalized	\$ 230,158	\$ 2,892,340	\$ 2,892,340
Acquisition of Building or other Property (excluding land)		\$ -	\$ -
<b>ESTIMATED TOTAL PROJECT COST</b>	<b>\$ 38,888,753</b>	<b>\$ 67,259,965</b>	<b>\$ 67,259,965</b>

**3. Method of financing the project and sources of funds**

PROJECT SOURCES OF FUNDS		Total approved in permit	Estimated project costs
Cash and Securities		\$5,759,965	\$19,848,965
Pledges		\$8,300,000	\$8,300,000
Gifts & Bequests		\$1,700,000	\$1,700,000
Bond Issues (project related)		\$51,500,000	\$37,411,000
Mortgages			
Leases (fair market value)			
Government Appropriations			
Grants			
Other Funds and Sources			
<b>TOTAL FUNDS</b>		<b>\$67,259,965</b>	<b>\$67,259,965</b>

**4. Payment information:**

The most recent G702 is attached

**5. Anticipated date of completion:**

March 31, 2013.

Please contact me at 630-990-5546 if you have any questions about this report.

Sincerely,



Albert L. Manshum, III  
Vice President  
Facilities and Construction

cc: Colleen Kannaday

Attachment

# AIA<sup>®</sup> Document G702<sup>™</sup> – 1992

## Application and Certificate for Payment

<b>TO OWNER:</b> Advocate Health & Hospitals Corp. 2025 Windsor Drive Oak Brook, Illinois 60523  <b>FROM CONTRACTOR:</b> PJ Hoerr 107 N. Construction Place Peoria, Illinois 61604	<b>PROJECT:</b> Bromann Campus Modernization 1304 Franklin Ave. Normal, Illinois 61761, McLean County  <b>VIA ARCHITECT:</b> VOA 224 South Michigan Avenue, Suite 1400 Chicago, Illinois 60604	<b>APPLICATION NO:</b> 23 <b>PERIOD TO:</b> 12/31/11 <b>CONTRACT FOR:</b> General Construction <b>CONTRACT DATE:</b> 03/11/10 <b>PROJECT NOS:</b> 7675	<b>Distribution to:</b> OWNER <input type="checkbox"/> ARCHITECT <input type="checkbox"/> CONTRACTOR <input type="checkbox"/> FIELD <input type="checkbox"/> OTHER <input type="checkbox"/>
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### CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract. Continuation Sheet, AIA Document G703, is attached.

1. ORIGINAL CONTRACT SUM .....	\$ 38,628,151.00
2. Net change by Change Orders .....	\$ 781,283.25
3. CONTRACT SUM TO DATE (Line 1+2) .....	\$ 39,409,434.25
4. TOTAL COMPLETED AND STORED TO DATE (Column G on G703) .....	\$ 34,527,487.90
5. RETAINAGE:	
a. 5.9% of Completed Work (Column D + E on G703) .....	\$ 2,023,521.87
b. 0.1% of Stored Material (Column F on G703) .....	\$ 3,808.02
Total Retainage (Lines 5a + 5b or Total in Column I of G703) .....	\$ 2,027,329.89
6. TOTAL EARNED LESS RETAINAGE .....	\$ 32,500,098.10
(Line 4 Less Line 5 Total)	
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT .....	\$ 31,430,245.04
(Line 6 from prior Certificate)	
8. CURRENT PAYMENT DUE .....	\$ 1,069,853.06
9. BALANCE TO FINISH, INCLUDING RETAINAGE .....	\$ 0,000,336.15
(Line 3 less Line 6)	

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner	\$4,283,693.92	\$(3,502,410.67)
Total approved this Month	\$0.00	\$0.00
<b>TOTALS</b>	<b>\$4,283,693.92</b>	<b>\$(3,502,410.67)</b>
<b>NET CHANGES by Change Order</b>	<b>\$ 781,283.25</b>	

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

**CONTRACTOR:** PJ Hoerr

By: Mike Kreutz Date: January 02, 2012  
 State of: Illinois County of: Tazewell

Subscribed and sworn to before me this January 02, 2012  
 Notary Public: Viteba Reagan  
 My Commission expires: 01/04/2015, #666695  
 State of Illinois, County of Tazewell

### ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising this application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

**AMOUNT CERTIFIED** ..... \$ 1,069,853.06  
*(Attach explanation if amount certified differs from the amount applied. Initial all figures on this Application and on the Continuation Sheet that are changed to conform with the amount certified.)*

**ARCHITECT:** VOA

By: Peter Messina Date: January 13, 2012

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

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