

April 10, 2015

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**APR 17 2015**

**HEALTH FACILITIES &  
SERVICES REVIEW BOARD**

Ms. Courtney Avery, Administrator  
Health Facilities and Services Review Board  
Illinois Department of Public Health  
525 West Jefferson Street, 2<sup>nd</sup> Floor  
Springfield, Illinois 62761

Subject Project # 10-073  
Project Title: Master Design, University of Illinois Medical Center at Chicago (UIMCC)  
Infrastructure and Modernization  
Permit Holder: Board of Trustees of the University of Illinois

Dear Ms. Avery:

This is the fourth annual progress report on Project # 10-073. The project was obligated as of September 17, 2012. Attached as Exhibit A, is a schedule showing itemized obligations as compared to the approved permit amount and estimated costs to completion. The project is approximately 82% percent complete.

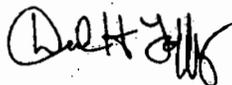
The upgrades to the electrical, mechanical and plumbing infrastructure are complete. The clinical space renovations are complete with the exception of the Hybrid OR. The expenditures to date have been delayed due to the complexity of the work and unforeseen conditions related to the infrastructure. In addition, the increased demand for surgical services especially outpatient procedures warranted a strategic review of the project.

On November 20, 2013, the Illinois Health Facilities and Services Review Board approved a permit renewal for project #10-073. Therefore, the completion date of the project is January 15, 2016. The other information in the certificate of need application regarding the financing of this project has not changed. Our most recent bond rating remains A2.

As previously noted in the above referenced permit renewal, we are also considering an alteration to the permit as it related to the Surgical Suite program as we study the best use of space to support our patients. The need for an additional OR remains. However, the growth in outpatient procedures may warrant an expansion of recovery room beds. In all cases the project will remain within budget as prescribed by the rules and regulations.

If we can provide you with any further information on this project, please contact me at 312-996-3900 or by e-mail at [dhloff@uic.edu](mailto:dhloff@uic.edu).

Sincerely yours,



David H. Loffing  
Chief Operating Officer

cc: Mike Constantino, IHFSRB  
Cynthia Alcantara, University of Illinois Hospital  
Janet Scheuerman, Prism Consulting Services, Inc.  
Ed Parkhurst, Prism Consulting Services, Inc.  
Doug Swill, Drinker, Biddle & Reath LLP

**Exhibit A**

<b>University of Illinois Medical Center</b>			
<b>Fourth Annual Progress Report</b>			
<b>Permit No. 10-073</b>			
<b>Project Cost Information (as of 3/15/15)</b>			
<b>Use of Funds</b>	<b>Approved Permit Amount</b>	<b>Obligated Amount</b>	<b>Estimated Left to Complete</b>
Preplanning Costs	\$ 280,000	\$ 136,102	\$ 43,898
Modernization Contracts	\$ 24,000,000	\$ 25,689,734	\$ 2,413,632
Architecture & Engineering Fees	\$ 1,954,000	\$ 2,274,613	\$ 181,909
Consulting & Other Fees	\$ 558,240	\$ 492,992	\$ 16,928
Contingencies	\$ 2,776,195	\$ 516,383	\$ 415,935
Equipment	\$ 6,000,000	\$ 894,665	\$ 2,625,239
Bond Issuance Expense	\$ 800,000	\$ 664,608	\$ -
Net Interest Expense During Construction	\$ 2,818,125	\$ 1,210,000	\$ 1,608,125
Other Capitalized Costs	\$ 746,463	\$ 748,260	\$ -
<b>Grand Total</b>	<b>\$ 39,933,023</b>	<b>\$ 32,627,357</b>	<b>\$ 7,305,666</b>