

August 20, 2015

Centegra Corporate Office
385 Millennium Drive
Crystal Lake, IL 60012
815-788-5800

Ms. Courtney Avery, Administrator
Illinois Department of Public Health
Health Facilities and Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761

RECEIVED

AUG 21 2015

**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

Re: Annual Progress Report

Project: #10-090 Centegra Hospital - Huntley
Permit Holders: Centegra Health System, Centegra Hospital - Huntley
Permit Amount: \$233,160,352

Dear Ms. Avery,

Per Illinois Administrative Code Section 1130.760, this letter is being submitted as the Annual Progress Report for project #10-090 for which a permit was issued by the Health Facilities and Services Review Board (HFSRB) on July 24, 2012. Notice of an alteration to the CON Permit was submitted on December 19, 2014, and this alteration was acknowledged by the HFSRB on December 22, 2014.

- 1) Current status of the project, including the percentage of the project finished, components finished and components yet to be finished, and any changes in the scope of the project and size.**
- a. The project was obligated on February 18th, 2014 when contracts were signed committing to spend over 33% of the project cost. As of May 31, 2015, the overall project is approximately 42% complete and construction is approximately 51% complete. A total of \$98,461,523 in costs have been incurred through May 31, 2015 related to the project.
 - b. The following components of the project are finished.
 1. Pre-Planning and site survey
 2. Excavation
 3. Site utility work and relocations
 4. Cast-in-place concrete foundations
 5. Structural steel erection
 6. Metal deck installation
 7. Exterior studs and sheathing
 8. Building enclosure including: windows, roofing, sheet metal, louvers and screen wall
 9. Precast concrete façade installation
 10. Mechanical, electrical and plumbing system rough in work
 11. Major mechanical equipment installation
 - c. The following components of the project are not yet finished.
 1. Elevators and pneumatic tube work
 2. Interior partitions and acoustic ceilings
 3. Interior wall finishes, ruining trim, ceramic tile and casework
 4. Floor finishes
 5. Mechanical, electrical and plumbing trim installation
 6. Site paving
 7. Off-site work
 8. Installation of signage, equipment and furnishings
 9. Landscaping
 - d. The project scope and size remains consistent with the permit.

2) Cost incurred to date and an itemized listing of the total current estimated project costs and a comparison of those costs to the approved permit amounts in the alteration.

Use of Funds	CON Permit Amount as Altered	Cost Incurred Through May 31st, 2015
Preplanning	\$ 2,935,000	\$ 2,932,066
Site Survey & Soil Preparation	\$ 85,000	\$ 84,489
Site Preparation	\$ 2,090,000	\$ 1,952,332
Offsite Work	\$ 10,880,000	\$ 6,793,861
New Construction	\$ 126,732,813	\$ 65,137,850
Modernization Contracts		
Contingencies	\$ 12,039,617	\$ -
A/E Fees	\$ 7,446,160	\$ 4,877,499
Consulting and Other Fees	\$ 12,224,729	\$ 8,934,874
Movable or Other Equipment	\$ 35,684,966	\$ 1,017,342
Bond Issuance Expense	\$ 1,500,000	\$ 1,468,574
Net Interest Expense During Construction	\$ 19,000,000	\$ 4,870,569
Fair Market Value of Leased Space or Equipment	\$ 2,150,000	\$ -
Other Costs	\$ 392,067	\$ 392,067
Total Uses of Funds	\$ 233,160,352	\$ 98,461,523

3) The method of financing the project and sources of funds.

Source of Funds	CON Permit Amount as Altered	Cost Incurred Through May 31st, 2015
Cash & Securities	\$ 48,010,352	\$ 8,273,284
Pledges		
Gifts and Bequests		
Bond Issues (Project Related)	\$ 183,000,000	\$ 90,188,239
Mortgages		
Leases (fair market value)	\$ 2,150,000	\$ -
Governmental Appropriations		
Grants		
Other Funds and Sources		
Total Sources of Funds	\$ 233,160,352	\$ 98,461,523

The method of financing the project and sources of funds have not changed.

4) The anticipated date of completion.

The anticipated project completion date remains September 30, 2016.

If you have any questions, please feel free to contact me at (815)788-5858.

Sincerely,



Hadley Streng
Vice President, Strategy and Development
Centegra Health System