



April 11, 2013

SwedishAmerican Hospital
SwedishAmerican
Medical Group/Belvidere
SwedishAmerican
Medical Group/Byron
SwedishAmerican
Medical Group/Davis Junction
SwedishAmerican
Medical Group/Five Points
SwedishAmerican
Medical Group/Midtown
SwedishAmerican
Medical Group/Northwest
SwedishAmerican
Medical Group/Roscoe
SwedishAmerican
Medical Group/Valley
SwedishAmerican
Medical Group/Woodside
SwedishAmerican Ambulatory
Rehabilitation Therapy
SwedishAmerican
Camelot OB/GYN
SwedishAmerican
Center For Women
SwedishAmerican
Health Alliance
SwedishAmerican Health
Management Corporation
SwedishAmerican
Home Health Care
SwedishAmerican
Infusion Services/DME
SwedishAmerican MSO
SwedishAmerican
Medical Foundation
SwedishAmerican
Regional Cancer Center
SwedishAmerican Realty
SwedishAmerican
Reference Laboratory
Brookside Immediate
And Occupational Care
Brookside Specialty Center
Roscoe Immediate
And Occupational Care
The Heart Hospital
at SwedishAmerican
TriRivers
Health Partnership

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

Reference: Permit # 12-013, SwedishAmerican Regional Cancer Center-
Rockford, IL Annual Progress Report

Dear Ms Avery:

The purpose of this letter is to meet the requirements for submitting the Annual Progress Report for Project # 12-013 (Project) as defined by the Health Facilities and Services Review Board (State Board) regulations under 77 Ill. Adm. Code 1130.760.

The State Board approved the Project on April 17, 2012, which pertains to the construction of free-standing comprehensive cancer treatment center in Rockford, IL at an approved project cost of \$38,643,937.

1) Current status of Project

The Project remains in compliance with Permit approvals for size and scope. Based on spending through February, the Project is approximately 61% complete with respect to construction related project cost. The structure is enclosed, the roof is completed and windows are installed. Build out for the Linear Accelerators and the PET/CT are on schedule less equipment delivery scheduled for late July. The anticipated completion of construction is in the fourth quarter of 2013.

2) Project Costs

The Project remains within approval requirements of the Permit. Adjustments were made due to negotiating better pricing on the acquisition of the Trubeam Linear Accelerator. The ability to stay within the original CON permit amount was due to a reduction in the Contingency fund for various items including the CON and NRC application cost, as well as an increase in Other Equipment cost

including IT infrastructure. Attached with this letter is an itemized listing of Project costs in comparison to the approved Permit amounts.

3) Project Funding

The Sources and Uses of funds are anticipated to remain the same as the permit. 100% tax exempt bonds were issued to fund the project on September 27, 2012. Total spend to date: \$13,485,625

4) Application and Certification for Payment

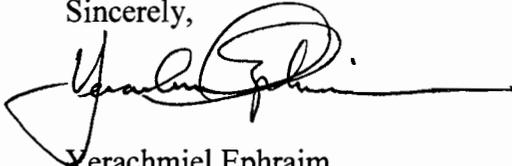
The most recent AIA document G702, for the period to February 28, 2013 is attached with this letter.

5) Anticipated Date of Completion

The anticipated completion of the Project as defined in the approved application for permit remains June 30, 2014.

Please feel free to contact me at (815) 966-2085 with any questions on this submission or on the Project in general.

Sincerely,



Yerachmiel Ephraim
Director Performance Improvement

cc: Michael Constantino, IDPH
Alexis Murono Kendrick, IDPH
Thomas Myers, SAHS
Patti Dewane, SAHS
Glenn Evans, SAHS

Permit #12-013-SwedishAmerican Regional Cancer Center
Annual Progress Report - April 2013
Reflects expenditures thru 3/8/13

Summary of Project Costs

	Permit Approval	Current Anticipated Costs	Spent to Date thru 3/08/13
Use of Funds			
Preplanning Costs	\$ 265,000	\$ 265,000	\$ 265,000
Site Survey and Soil Investigation	\$ 17,500	\$ 15,000	\$ -
Site Preparation	\$ 1,200,000	\$ 1,166,434	\$ 1,166,434
Offsite Work	\$ -	\$ -	\$ -
New Construction Contracts	\$ 22,166,908	\$ 21,839,751	\$ 12,030,515
Modernization Contracts	\$ -	\$ -	\$ -
Contingencies	\$ 2,215,591	\$ 611,284	\$ -
Architectural/Engineering Fees	\$ 1,835,000	\$ 1,735,000	\$ 1,576,801
Consulting and Other Fees	\$ 650,000	\$ 470,531	\$ 288,676
Moveable and Other Equipment	\$ 7,537,000	\$ 9,917,332	\$ 116,865
Bond Issuance Expense	\$ 827,600	\$ 648,001	\$ 648,001
Net Interest Expense During Construction Period	\$ 1,629,338	\$ 1,629,338	\$ 792,410
FMV of leased space or equipment	\$ -	\$ -	\$ -
Other costs to be capitalized	\$ 300,000	\$ 177,500	\$ 156,696
Acquisition of Building or other property (excluding land)	\$ -	\$ -	\$ -
Total Uses	\$ 38,643,937	\$ 38,475,171	\$ 17,041,399
Source of Funds			
Cash and securities	\$ -	\$ -	\$ -
Pledges	\$ -	\$ -	\$ -
Gifts and Bequests	\$ -	\$ -	\$ -
Bond Issues	\$ 38,643,937	\$ 38,475,171	\$ 17,041,399
Mortgages	\$ -	\$ -	\$ -
Leases (FMV)	\$ -	\$ -	\$ -
Government Appropriations	\$ -	\$ -	\$ -
Grants	\$ -	\$ -	\$ -
Other Funds and Sources	\$ -	\$ -	\$ -
Total Sources of Funds	\$ 38,643,937	\$ 38,475,171	\$ 17,041,399

APPLICATION AND CERTIFICATION FOR PAYMENT AIA DOCUMENT G702

To: Swedish American Hospital
1301 E. State Street
Rockford, IL 61104

PROJECT: Regional Cancer Center
Bell School Road
Rockford, IL 61107

APPLICATION NO: 10
PERIOD TO: 2/28/2013

FROM: RINGLAND-JOHNSON, INC.
R-J JOB No.: 212-065
R-J INVOICE NO: 212065-10

AIA: Saavedra Gehlhausen Architects
504 N. Church Street
Rockford, IL 61107

PROJECT NO. C0057319
COST CENTER: 60.1890.11103
CONTRACT DATE: 4/18/2012

CONTRACTOR'S APPLICATION FOR PAYMENT

Continuation Sheet, AIA Document G703, is attached.

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.

- 1. GUARANTEED MAXIMUM PRICE "GMP" \$ 24,088,000
- 2. NET CHANGE BY CHANGE ORDERS..... \$ -
- 3. GUARANTEED MAXIMUM PRICE..... \$ 24,088,000
- 4. TOTAL COMPLETED & STORED TO DATE..... \$ 14,778,232

5. RETAINAGE
Total Retainage..... \$ 1,292,607

6. TOTAL EARNED LESS RETAINAGE..... \$ 13,485,625

7. LESS PREVIOUS CERTIFICATES FOR PAYMENT \$ 12,130,575

8. CURRENT PAYMENT DUE..... \$ 1,355,050

9. BALANCE TO FINISH PLUS RETAINAGE..... \$ 10,602,375

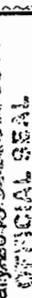
CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner		
TOTALS	\$ -	\$ -
NET CHANGES by Change Order	\$ -	\$ -

CONTRACTOR: Ringland-Johnson, Inc.

By: 
Brent B. Johnson, President & CEO

Date: 2/28/2013

State of Illinois
County of Boone
Subscribed and sworn to before me this 28th day of February, 2013.


DONNA HYSER
Notary Public, State of Illinois
My Commission Expires 09/03/13

Notary Public *Donna Hyser*
My Commission expires: 08/01/13

OWNER'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the above application, the Owner certifies that to the best of the Owner'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 \$ 1,355,050.42
(Attach explanation if amount certified differs from the amount applied for.)

OWNER:

By: 
Glenn Evans, Director Facility Planning, Design, & Construction

Date: 02/28/13

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.