

September 5, 2014

Via Overnight Carrier

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

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**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

Re: Project #13-026 Advocate Lutheran General Hospital (the "Project")

Annual Progress Report

Advocate Health and Hospitals Corporation, (dba Advocate Lutheran General Hospital),
and Advocate Health Care Network Modernization Project

Dear Ms. Avery:

Advocate Lutheran General Hospital is pleased to submit to you our annual progress report on the Project referenced above in accordance with requirements of the 77 Ill. Adm. Code 1130.760. The Project is for the Expansion of the Emergency Department and Surgery Department consisting of 50,593SF (New) and 12,263SF (Modernization) for a combined project total of 62,856SF. The Review Board granted the permit for this Project August 13th, 2013.

1. Current status of the Project

Obligation: The Project is not currently obligated; the final general contractor contract amendment is currently being processed with a projected September 30th, 2014 completion. Upon execution of this final contract the project will have met the obligation requirements. The exact date will be specified in the next report as directed.

- IDPH design review was submitted on October 3rd, 2013 and approved on March 3rd, 2014.
- The City of Park Ridge has issued a building permit for this Project. The permit was issued on March 11th, 2014.

Percentage of the project finished: The Project is approximately 30 % complete

Components of Project finished: Site Utilities.

Components yet to be finished: New Emergency Department and Operating Room addition structure Core and Shell, loading dock, interior build-out and interior renovation.



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 are shown below.

	Costs incurred to date	Estimated Project costs	Permit amount
Preplanning Costs	\$ 70,000	\$ 70,000	\$ 113,185
Site Survey and soil Investigation	\$ 39,880	\$ 150,000	\$ 150,000
Site Preparation	\$ 1,274,872	\$ 1,753,000	\$ 1,753,000
New Construction Contracts	\$ 4,793,038	\$ 23,829,764	\$ 22,329,764
Modernization Contracts	\$ 0	\$ 556,076	\$ 556,076
Contingencies	\$ -	\$ 1,618,746	\$ 3,118,746
Architectural/Engineering Fees	\$ 2,235,015	\$ 2,247,735	\$ 2,204,550
Consulting and Other Fees	\$ 271,765	\$ 1,270,226	\$ 1,270,226
Movable or Other Equipment (not in construction contracts)	\$ 56,658	\$ 3,399,974	\$ 3,399,974
Bond Issuance Expense (project related)	\$ 65,773	\$ 359,775	\$ 359,775
Net Interest Expense During Construction (project related)	\$ 79,375	\$ 1,999,711	\$ 1,999,711
Other Costs To Be Capitalized	\$ 768,119	\$ 2,387,449	\$ 2,387,449
TOTAL USES OF FUNDS	\$ 9,654,495	\$ 39,642,456	\$ 39,642,456

3. Method of financing the Project and sources of Funds

See below table for financing breakdown.

SOURCE OF FUNDS	TOTAL
Cash and Securities	\$ 34,653,946
Bond Issues (project related)	\$ 4,988,510
TOTAL SOURCES OF FUNDS	\$ 39,642,456

4. Anticipated date of completion

The Project completion date in the permit is September 30th, 2016. The current project schedule forecasts completion within the time constraints of the approved permit duration. We are currently planning on completing the project in 3Q2015.

Please contact me at (630) 929-5575 or Jim Kokaska at (847) 723-8898 if you have any questions about this report.

Sincerely,



Albert L. Manshum, III
Vice President, Facilities and Construction
Advocate Health and Hospitals Corporation

CC: James Kokaska
Vytas Zemaitaitis
Scott Nelson