

St. Mary's Good Samaritan

Incorporated

January 25, 2011

RECEIVED

*Sponsored by Felicitan Services, Inc.
and SSM Health Care*

Ms. Courtney Avery
Administrator
Illinois Health Facilities Planning Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761

JAN 26 2011

**HEALTH FACILITIES &
SERVICES REVIEW BOARD**



Re: 2010 / 2011 Annual Progress Report for Project # 08-051 (replacement hospital)

Dear Ms. Avery,

In accordance with Section 1130.760 of the Administrative Code, this letter serves as the annual Progress Report for Project 08-051, which was approved on January 28, 2009. The information contained in this letter is current as of January 11, 2011.

STATUS REPORT

The following is an outline of progress towards the replacement hospital project:

- A public groundbreaking ceremony was held in April, 2010.
- Kelly Business Consultants was engaged to audit the project's construction expenditures in May, 2010.
- As of July, 2010 (permit obligation deadline), 31 of 44 GMP work categories were committed, for a total of \$105,027,269 or approximately 57% of the total budget. (See letter of attestation attached.)
- Clinical and support department work groups began meeting monthly in August, 2010 for transition planning, identification of patient flow processes, etc.
- The Maintenance Building was completed and occupied in August, 2010.
- A thorough review of medical equipment and furniture with individual departments was completed in September, 2010. The assessment is in-line with the original budget.
- The summary GMP for all 44 work categories was signed in October, 2010. (Only 13 of these 44 categories were not officially committed prior to July, 2010.)
- A standard agreement between Mt. Vernon Physicians, LLC / Frauenshuh and McCarthy Building Companies, Inc. for \$14,466,899 was signed for the attached Medical Office Building in October, 2010. This officially obligates the M.O.B. and Surgery Center (projects 08-050 and 08-070).
- Structural steel work began in November, 2010.
- An internal candidate was selected to lead the new Outpatient Center in December, 2010 and is leading the transition planning work teams in this area.
- As of January, 2011:
 - Miscellaneous storm drains are installed on the south side of the site.
 - Concrete core work is ongoing.
 - Elevated deck pours are in progress.
 - Underground utilities (plumbing and power) are in progress.
 - The project is approximately 18% complete.
 - Subcontractor submittal packages are approximately 55% complete.
- Construction is on-schedule for substantial completion by October 15, 2012.

Attached is a "master schedule" of the construction timeline for your reference, along with images of the current construction site.

605 North 12th Street
Mt. Vernon, IL 62864
618.242.4600

www.smgisi.com

COST & FINANCING

Below is an itemized list of the budgeted costs and expenditures-to-date for this project. The costs remain consistent with those stated in the original Certificate of Need document.

Project Cost & Sources of Funds – Total

<u>Cost</u>	<u>CON Permit Amount</u>	<u>Expenditures-to-Date</u>
Preplanning Costs	\$561,194	\$659,272
Site Survey & Soil Investigation	\$60,000	\$84,380
Site Preparation	\$7,947,117	\$6,697,657
Off Site Work - Demolition	\$1,500,000	--
New Construction Contracts	\$122,606,122	\$16,823,468
Builders' Risk	\$471,527	\$237,981
Contingencies	\$12,307,765	--
Architectural / Engineering Fees	\$10,861,795	\$11,119,390
Consulting and other Fees	\$991,190	\$324,092
Movable / other Equipment	\$17,701,461	\$1,109,864
Total Statement of Probable Cost	\$175,008,171	\$37,056,104
Capitalized Interest	\$6,807,439	\$1,657,859
Bond Issuance Costs	\$3,028,261	--
	\$184,843,871	\$ 38,713,963

ANTICIPATED DATE OF COMPLETION

The anticipated date of project completion remains December 31, 2012 as stated in the Certificate of Need permit.

If you should have any questions about this Progress Report, or would like additional information, feel free to contact me at (618) 241-2201.

Sincerely,



Michael Warren, FACHE
President, Good Samaritan Regional Health Center

605 North 12th Street
Mt. Vernon, IL 62864
618-242-4600

www.smsgsi.com

State of Illinois
County of Jefferson

I, hereby attest that before me this 25th day of January, 2011, appeared the person known to me as Michael Warren and that he affixed his hand and seal in my presence to the foregoing document dated January 25, 2011, and addressed to Ms. Courtney Avery of the Illinois Health Facilities Planning Board.

Kelly Emrich

Kelly Emrich
Notary



My commission expires: November 7, 2012

**Good Samaritan Regional Health Center
Hospital Replacement Project - Master Schedule
January 14, 2011**

ID	Task Name	Duration	Start	Finish	2010
					Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec Jan Feb Mar Apr
1	Hospital & Site	787 days	Fri 1/22/10	Mon 1/28/13	
2	Construction	714 days	Fri 1/22/10	Wed 10/17/12	
3	Bid Package 1 - Civil & Structural	7 wks	Fri 1/22/10	Thu 3/11/10	
4	Bid Package 2 - Skin & Fit-Out	30 days	Fri 4/16/10	Thu 5/27/10	
5	Construction	133 wks	Thu 4/1/10	Wed 10/17/12	
6	Substantial Completion	0 days	Wed 10/17/12	Wed 10/17/12	
7	Owner Furnished Items	739 days	Fri 3/12/10	Wed 1/9/13	
8	Furniture & Furnishings	694 days	Fri 3/12/10	Wed 11/7/12	
9	Specify	12 mons	Fri 3/12/10	Thu 2/10/11	
10	Validate Project Documents/Issue Revisions	8 wks	Fri 2/11/11	Thu 4/7/11	
11	Purchase	2 wks	Fri 4/8/11	Thu 4/21/11	
12	Fabrication & Delivery	8 mons	Thu 3/8/12	Wed 10/17/12	
13	Install	3 wks	Thu 10/18/12	Wed 11/7/12	
14	Medical Equipment	699 days	Fri 3/12/10	Wed 11/14/12	
15	Specify/Update Budget	6 mons	Fri 3/12/10	Thu 8/26/10	
16	Purchase Major Equipment Items	22 wks	Fri 8/27/10	Thu 1/27/11	
17	Site Specific Vendor Drawings	8 wks	Fri 1/28/11	Thu 3/24/11	
18	Physicist Review/Shielding Design	4 wks	Fri 3/25/11	Thu 4/21/11	
19	Validate Project Documents/Issue Revisions	8 wks	Fri 4/8/11	Thu 6/2/11	
20	Install New Equipment (Major)	4 wks	Thu 10/4/12	Wed 10/31/12	
21	Install New Equipment (Minor/Moveable)	4 wks	Thu 10/18/12	Wed 11/14/12	
22	Information Technology	739 days	Fri 3/12/10	Wed 1/9/13	
23	Specify	7 mons	Fri 3/12/10	Thu 9/23/10	
24	Purchase	12 mons	Fri 9/24/10	Thu 8/25/11	
25	Install/Training	3 mons	Thu 10/18/12	Wed 1/9/13	
26	EPIC Implementation	13 mons	Mon 1/2/12	Fri 12/28/12	
27	Wayfinding / Signage	679 days	Fri 3/12/10	Wed 10/17/12	
28	Create Plan/Strategy	20 wks	Fri 3/12/10	Thu 7/29/10	
29	Specify	9 mons	Fri 7/30/10	Thu 4/7/11	
30	Validate Project Documents	2 mons	Fri 4/8/11	Thu 6/2/11	
31	Purchase	1 day	Fri 6/3/11	Fri 6/3/11	
32	Install	2 mons	Thu 8/23/12	Wed 10/17/12	
33	Donor Recognition	679 days	Fri 3/12/10	Wed 10/17/12	
34	Create Plan/Strategy	5 wks	Fri 3/12/10	Thu 4/15/10	
35	Specify	6 mons	Fri 4/16/10	Thu 9/30/10	
36	Purchase	1 day	Fri 10/1/10	Fri 10/1/10	
37	Install	2 mons	Thu 9/23/12	Wed 10/17/12	

**Good Samaritan Regional Health Center
Hospital Replacement Project - Master Schedule
January 14, 2011**

ID	Task Name	Duration	Start	Finish	2010
					Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec Jan Feb Mar Apr
1	Hospital & Site	787 days	Fri 1/22/10	Mon 1/28/13	
2	Construction	714 days	Fri 1/22/10	Wed 10/17/12	
3	Bid Package 1 - Civil & Structural	7 wks	Fri 1/22/10	Thu 3/11/10	
4	Bid Package 2 - Skin & Fit-Out	30 days	Fri 4/16/10	Thu 5/27/10	
5	Construction	133 wks	Thu 4/1/10	Wed 10/17/12	
6	Substantial Completion	0 days	Wed 10/17/12	Wed 10/17/12	
7	Owner Furnished Items	739 days	Fri 3/12/10	Wed 1/9/13	
8	Furniture & Furnishings	694 days	Fri 3/12/10	Wed 11/7/12	
9	Specify	12 mons	Fri 3/12/10	Thu 2/10/11	
10	Validate Project Documents/Issue Revisions	8 wks	Fri 2/11/11	Thu 4/7/11	
11	Purchase	2 wks	Fri 4/8/11	Thu 4/21/11	
12	Fabrication & Delivery	8 mons	Thu 3/8/12	Wed 10/17/12	
13	Install	3 wks	Thu 10/18/12	Wed 1/17/12	
14	Medical Equipment	699 days	Fri 3/12/10	Wed 11/14/12	
15	Specify/Update Budget	6 mons	Fri 3/12/10	Thu 8/26/10	
16	Purchase Major Equipment Items	22 wks	Fri 8/27/10	Thu 1/27/11	
17	Site Specific Vendor Drawings	8 wks	Fri 1/28/11	Thu 3/24/11	
18	Physicist Review/Shielding Design	4 wks	Fri 3/25/11	Thu 4/21/11	
19	Validate Project Documents/Issue Revisions	8 wks	Fri 4/8/11	Thu 6/2/11	
20	Install New Equipment (Major)	4 wks	Thu 10/4/12	Wed 10/31/12	
21	Install New Equipment (Minor/Moveable)	4 wks	Thu 10/18/12	Wed 11/14/12	
22	Information Technology	739 days	Fri 3/12/10	Wed 1/9/13	
23	Specify	7 mons	Fri 3/12/10	Thu 9/23/10	
24	Purchase	12 mons	Fri 9/24/10	Thu 8/25/11	
25	Install/Training	3 mons	Thu 10/18/12	Wed 1/9/13	
26	EPIC Implementation	13 mons	Mon 1/2/12	Fri 12/28/12	
27	Wayfinding / Signage	679 days	Fri 3/12/10	Wed 10/17/12	
28	Create Plan/Strategy	20 wks	Fri 3/12/10	Thu 7/29/10	
29	Specify	9 mons	Fri 7/30/10	Thu 4/7/11	
30	Validate Project Documents	2 mons	Fri 4/8/11	Thu 6/2/11	
31	Purchase	1 day	Fri 6/3/11	Fri 6/3/11	
32	Install	2 mons	Thu 8/23/12	Wed 10/17/12	
33	Donor Recognition	679 days	Fri 3/12/10	Wed 10/17/12	
34	Create Plan/Strategy	5 wks	Fri 3/12/10	Thu 4/15/10	
35	Specify	6 mons	Fri 4/16/10	Thu 9/30/10	
36	Purchase	1 day	Fri 10/1/10	Fri 10/1/10	
37	Install	2 mons	Thu 8/23/12	Wed 10/17/12	

**Good Samaritan Regional Health Center
Hospital Replacement Project - Master Schedule
January 14, 2011**

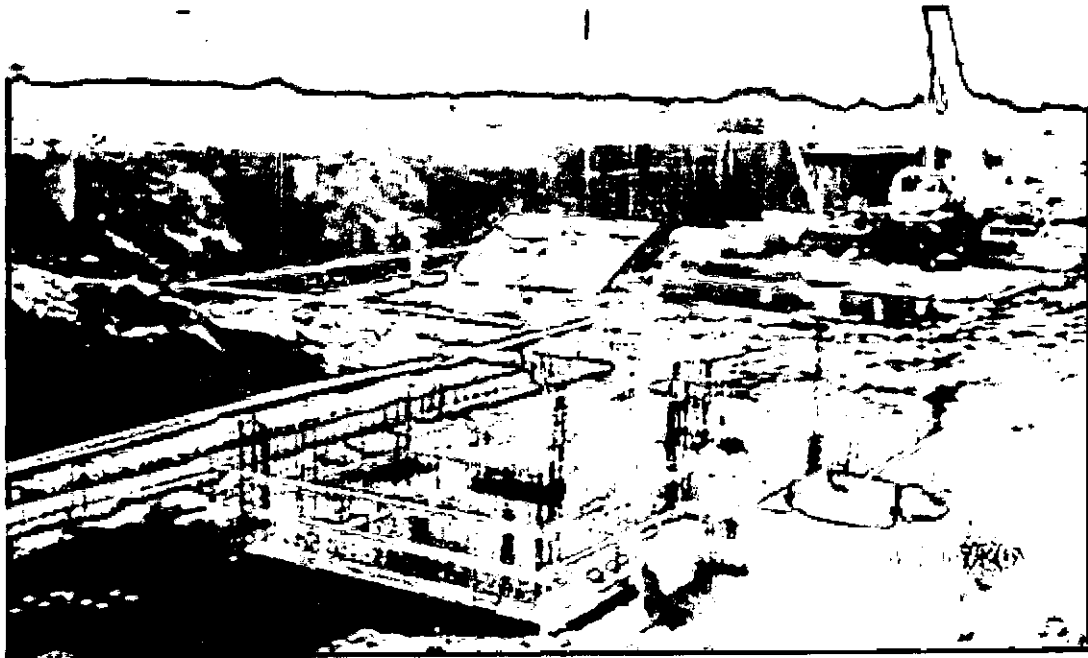
ID	Task Name	Duration	Start	Finish	2010
					Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec Jan Feb Mar Apr
46	Owner Operational Items	385 days	Mon 8/9/10	Fri 1/27/12	
47	Process Improvement/Care Delivery	385 days	Mon 8/9/10	Fri 1/27/12	
48	Planning Details	11 mons	Mon 8/9/10	Fri 6/10/11	
49	Implementation	14 mons	Mon 1/3/11	Fri 1/27/12	
50	Human Resources (Work Force Plan)	385 days	Mon 8/9/10	Fri 1/27/12	
51	Create Plan/Strategy	2 mons	Mon 8/9/10	Fri 10/1/10	
52	Develop Details	4 mons	Mon 1/3/11	Fri 4/22/11	
53	Implementation	10 mons	Mon 4/25/11	Fri 1/27/12	
54	Marketing / Communications	385 days	Mon 8/9/10	Fri 1/27/12	
55	Create Plan/Strategy	2 mons	Mon 8/9/10	Fri 10/1/10	
56	Develop Details	4 mons	Mon 1/3/11	Fri 4/22/11	
57	Implementation	10 mons	Mon 4/25/11	Fri 1/27/12	
58	Medical Staff Development	385 days	Mon 8/9/10	Fri 1/27/12	
59	Create Plan/Strategy	2 mons	Mon 8/9/10	Fri 10/1/10	
60	Develop Details	4 mons	Mon 1/3/11	Fri 4/22/11	
61	Implementation	10 mons	Mon 4/25/11	Fri 1/27/12	
62	Foundation/Public Events	385 days	Mon 8/9/10	Fri 1/27/12	
63	Create List of Events	2 mons	Mon 8/9/10	Fri 10/1/10	
64	Develop Details	4 mons	Mon 1/3/11	Fri 4/22/11	
65	Implementation	10 mons	Mon 4/25/11	Fri 1/27/12	
66	Technology	385 days	Mon 8/9/10	Fri 1/27/12	
67	Create Plan/Strategy	2 mons	Mon 8/9/10	Fri 10/1/10	
68	Implementation	14 mons	Mon 1/3/11	Fri 1/27/12	
69	Medical Office Building	640 days	Fri 3/12/10	Thu 8/23/12	
70	Hospital Functions	365 days	Fri 4/1/11	Thu 8/23/12	
71	Construction	18 mons	Fri 4/1/11	Thu 8/16/12	
72	Occupancy	5 days	Fri 8/17/12	Thu 8/23/12	
73	MOB - Physician Space	640 days	Fri 3/12/10	Thu 8/23/12	
74	Submit Drawings to IDPH	0 days	Thu 4/15/10	Thu 4/15/10	
75	Lease Strategy Developed	5 wks	Fri 3/12/10	Thu 4/15/10	
76	Financing Secured	1 mon	Fri 3/12/10	Thu 4/8/10	
77	Construction (Core & Shell)	18 mons	Fri 4/1/11	Thu 8/16/12	
78	Construction (Tenant Finish)	6 mons	Fri 3/2/12	Thu 8/16/12	
79	Occupancy	5 days	Fri 8/17/12	Thu 8/23/12	
80	Ambulatory Surgery Center	616 days	Thu 4/15/10	Thu 8/23/12	
81	Submit Drawings to IDPH	0 days	Thu 4/15/10	Thu 4/15/10	



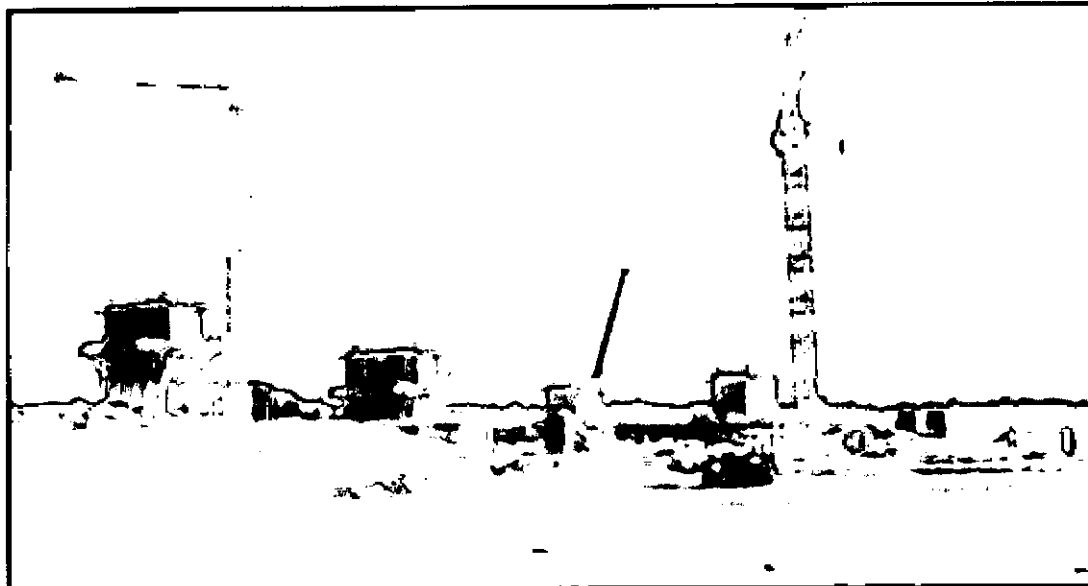
Storms & sanitary sewage



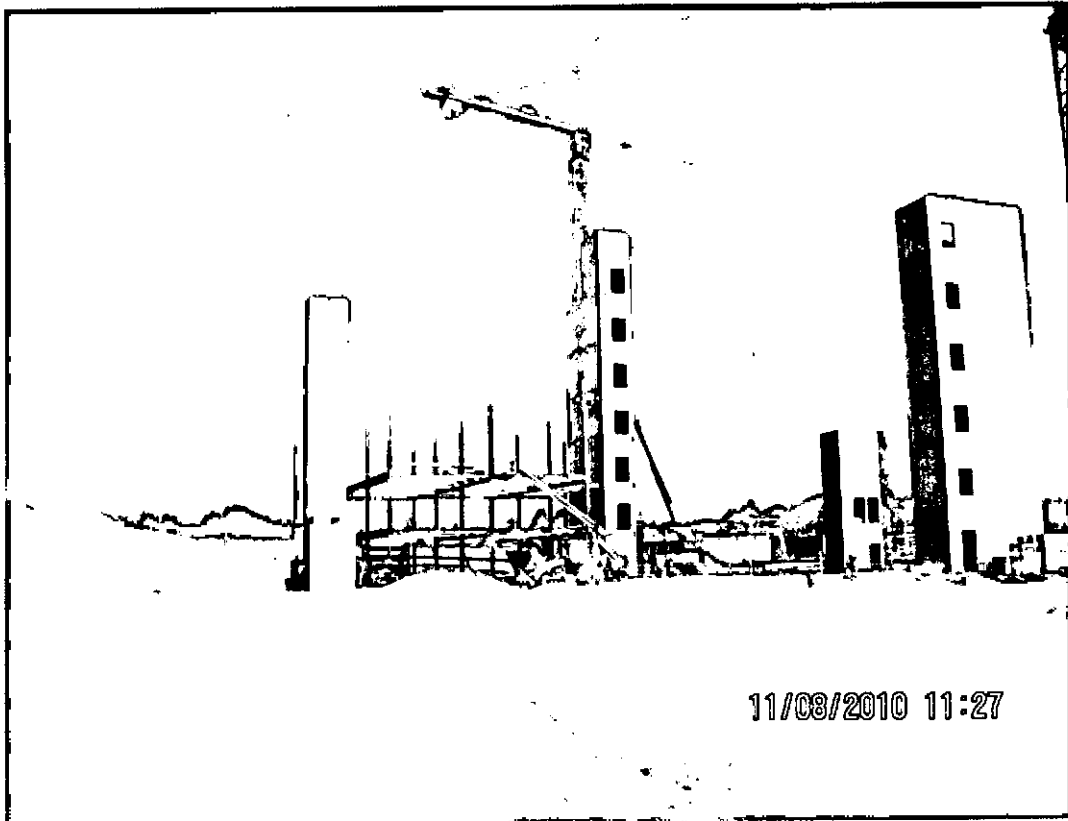
Maintenance Building



Concrete cores



Footings & foundation



Steel



Aerial of construction site

October 1, 2010

Mr. Mike Warren
President
St. Mary's Good Samaritan, Inc.
605 North 12th Street
Mount Vernon, IL 62864

Re: Good Samaritan Regional Health Center – Guaranteed Maximum Price – Amendment No. 1

Dear Mr. Warren,

McCarthy is pleased to present our GMP proposal for the Good Samaritan Regional Health Center. Our GMP is based on the terms and conditions of the Standard Form of Agreement between Owner and Construction Manager (AIA CMC-2003 and AGC Document 565) dated September 6, 2007 and General Conditions of the Contract for Construction (AIA 201-1997) along with the documents, clarifications, and the use of the contractors listed in this proposal.

McCarthy's Guaranteed Maximum Price for the Work, including the estimated Cost of the Work as defined in Article 6 and the Construction Manager's Fee as defined in Article 5 is One Hundred Thirty Nine Million Five Hundred Eighteen Thousand Eight Hundred and Sixty Dollars (\$139,518,860). This Price is for the performance of the Work in accordance with the following Exhibits:

- Exhibit A The Guaranteed Maximum Price Summary, pages 1 through 5, dated October 1, 2010.
- Exhibit B-1 Base Bid Alternates 1 through 39, pages 1 thru 10, dated October 1, 2010.
- Exhibit B-2 Voluntary Alternates 40 through 43, pages 1 of 1, dated October 1, 2010.
- Exhibit C-1 Assumptions, Clarifications, and Allowances made in preparing the Guaranteed Maximum Price, pages 1 through 10, dated October 1, 2010.
- Exhibit C-2 GMP Responsibility Matrix, pages 1 through 3 dated October 1, 2010.
- Exhibit C-3 Change Proposal Requests (CPR's) Log utilized in preparing the Guaranteed Maximum Price, Page 1 of 2, dated October 1, 2010.
- Exhibit D Drawings, Specifications, Addenda of the Contract on which the Guaranteed Maximum Price is based; pages 1 through 33 dated October 1, 2010.
- Exhibit E Design and Construction Schedule, page 1 through 2, dated October 1, 2010.
- Exhibit F-1 General Conditions detail, pages 1 through 2, dated October 1, 2010.
- Exhibit F-2 Supplemental Cost of Work detail pages 1 through 2, dated October 1, 2010.



- Exhibit G-1 Approval of Current Labor/Equipment Rates Letter, pages 1 through 2, dated August 24, 2010.
- Exhibit G-2 Supervisory and Trade Personnel Billing Rates, pages 1 of 1, dated August 2, 2010.
- Exhibit G-3 Miscellaneous Rates, pages 1 of 1, dated October 1, 2010.
- Exhibit G-4 Equipment Rates, pages 1 of 17, dated February 8, 2010.
- Exhibit H Value Analysis Log, pages 1 through 9, dated October 1, 2010.
- Exhibit I Performance Incentive Letter, pages 1 through 3 – Costs for incentives are not included in the GMP.

Within thirty (30) calendar days after submission of this Guaranteed Maximum Price Amendment, the Owner shall accept or reject the offer. Owner acceptance of the Guaranteed Maximum Price Amendment shall occur only upon Owner's execution of the Guaranteed Maximum Price Amendment No. #1 to the Agreement. Should the Owner accept the Guaranteed Maximum Price Amendment within this stated time period, the Construction Manager agrees to execute the Guaranteed Maximum Price Amendment, as provided therein.


Should Owner not accept the Guaranteed Maximum Price Amendment No. #1 offered or should the Owner solicit other proposals within said thirty (30) day period, then the Construction Manager shall have the option of revising or withdrawing said Guaranteed Maximum Price Amendment, but the Construction Manager shall continue to perform its obligations hereunder and be paid by the Owner the Fee and the Cost of the Work as provided under the Agreement.

The date of Substantial Completion established by this GMP Proposal is: October 15, 2012 subject to adjustments of the Contract Time as provided in the Agreement.

Please review the information enclosed in detail and let us know if you have any questions or comments. Should you have any questions, do not hesitate to call me at (314) 919-2270.

A signature block has been included to indicate your acceptance of this GMP Proposal.

Sincerely,
McCarthy Building Companies



Jeffery L. Boyer, P.E.
Project Director
McCarthy Building Companies, Inc.

Cc: Adam Knoebel
Andy Poirot
Josh Lawrence
Ray Elking



OWNER: Good Samaritan Regional Health Center

CONSTRUCTION MANAGER: McCarthy Building Companies, Inc.

[Signature]
(Signature)

[Signature]
(Signature)

M. P. GUSTAFSON
(Printed name and title)

ADAM KNOEBEL - VP OPERATIONS
(Printed name and title)

11-3-10
Date

10/26/10
Date

ATTEST

ATTEST

OK
[Signature]
11-1-10

[Signature]

