

Holland & Knight

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RECEIVED

DEC 03 2012

HEALTH FACILITIES &
SERVICES REVIEW BOARD

November 30, 2012

Via eMail and Overnight Mail

Courtney Avery
Executive Administrator
HFSRB
525 W. Jefferston Street, 2nd Floor
Springfield, IL. 62761

Re: Project No. 10-077/Second Permit Renewal Request

Dear Ms. Avery:

Please be advised I have been retained by Heartland Regional Medical Center to assist it in its second permit renewal request. Enclosed is the request, with appropriate attachments, along with the permit renewal fee of \$1,000.00. Thank you, and should you have any questions do not hesitate to contact me.

Sincerely yours,

HOLLAND & KNIGHT LLP


Clare Connor Ranalli

CCR:ob

Enclosure

cc: Mike Constantino
Stephen Lunn
James Rayome



Ms. Courtney Avery
Administrator
Illinois Health Facilities and Services Review Board
2nd Floor
525 West Jefferson Street
Springfield, Illinois 62761

RE: CON Project # 10-077
SECOND RENEWAL REQUEST

Dear Ms. Avery:

Heartland Regional Medical Center is requesting a second renewal of CON Permit for Project #10-077. This project is for the construction of an ICU Addition to the Medical Center. The project was approved by the State Board on March 21, 2011 and the Chair approved a Permit Renewal Request in July, 2012 that established the current completion date of December 1, 2012.

The project is substantially complete and has been inspected by IDPH. However, a second Permit Renewal is needed as IDPH has not yet certified the project for occupancy.

The following information is provided as required by Section 1130.740 of the Board's rules.

Requested Completion Date:

- We are requesting a new completion date of February 28, 2013 to allow for the issuance of final approval by the Department of Public Health for occupancy of the addition.

Project Status to Date:

- The construction project was substantially completed in early September of this year. We submitted a binder of required information to IDPH for the closeout of the project. This was deemed complete by IDPH on September 9, 2012.
- On October 23, IDPH completed its final inspection and requested supplemental information. This information has been submitted, and the construction is 100% percent complete.
- We are now awaiting IDPH's certification for occupancy so that we can commence treating patients in the new ICU area.
- An itemization of project funds spent to date is contained in the attachments.

Explanation of the Delay:

- The delay has been primarily attributable to the difficulty in scheduling IDPH inspections and followup, and unexpected work to address IDPH's initial survey. We are confident however that we are in the stage of IDPH review that will not result in

further delay beyond the completion date requested, and in fact are building in ample time to address any unexpected contingency.

Project Scope and Costs:

- The project's scope remains unchanged from that originally approved by the Board.
- The project's costs remain within the Total Estimated Project Cost of \$7 million, and the Cash and Securities to fund the completion of the project are in place (see attachment 3).

We are confident that our project will be completed by February 28, 2013. We appreciate the Board's consideration of this request.

Sincerely,



Stephen Lunn
Chief Executive Officer

CC: Mike Constantino
Jeffrey Mark, Consultant

Attachments:

- Project Uses and Sources of Funds
- Current Application for Payment - AIA G702
- CFO Certification of funding availability
- Application fee \$1,000.00, Check # 344439

CON #10-077 Project Uses and Sources of Funds			
	As Approved	Expended as of Oct 31, 2012	Estimated Project Completion Dec 1, 2012
Project Uses			
Preplanning Costs	\$75,000	\$47,447	\$47,447
Site Survey and Soil Investigation	\$10,000	\$9,150	\$9,150
Site Preparation	\$205,000	\$285,785	\$285,785
New Construction Contracts	\$3,993,255	\$4,014,108	\$4,118,869
Modernization Contracts	--	--	--
Contingencies ¹	\$249,075	0	\$559,153
A & E Fees	\$394,300	\$433,572	\$453,572
Consulting and Other Fees	\$125,000	\$124,857	\$124,857
Movable or Other Equipment	\$1,948,370	\$1,351,167	\$1,401,167
Other Costs to be Capitalized ²	--	\$109,650	--
TOTALS	\$7,000,000	\$6,375,736	\$7,000,000
Sources of Funds			
Cash and Securities	\$7,000,000	\$6,375,736	\$7,000,000
TOTALS	\$7,000,000	\$6,375,736	\$7,000,000
Percent	100%	91%	100%

¹ Contingencies are shown in the estimated project completion for currently unscheduled expenditures.

² Includes the cost of the internal transfer of funds.

APPLICATION AND CERTIFICATE FOR PAYMENT

AIA DOCUMENT G702

Application #: 13
 Period From: 10/1/2012
 Period To: 10/31/2012
 WCCI Project #: 21112
 Application Date: 11/2/2012

TO: Marion Hospital Corporation (IL) db/a Heartland Regional Medical Center I.C.U. Addition
 3333 W. Deyoung St
 Marion, IL 62959

FROM: Walsh Construction Company II, LLC
 929 W. Adams St.
 Chicago, Illinois 60607

CONTRACTOR FOR: General Construction

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract. Continuation Sheet, AIA Document G703, is attached.

1. Original Contract Sum	\$ 4,232,138
2. Net Change by Change Orders	\$ 172,516
3. Contract Sum To Date (Line 1+2)	\$ 4,404,654
4. Total Completed & Stored To Date (Column G on G703)	\$ 4,299,893
5. Retainage	
a. 10% of Completed Work (Columns D+E on G703)	\$ -
b. 10% of Stored Materials (Column F on G703)	\$ -
Total Retainage (Line 5a+5b or Total in Column I on G)	-
6. Total Earned Less Retainage (Line 4 less Line 5 Total)	\$ 4,299,893
7. Less Previous Certificates For Payment (Line 6 from prior Certificate)	\$ 4,192,761
8. Current Payment Due	\$ 107,132
9. Balance To Finish, including Retainage (Line 3 less Line 6)	\$ 104,761

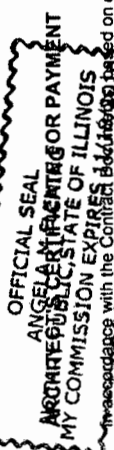
CONTRACTOR: WALSH CONSTRUCTION COMPANY II, LLC

By: Wendy kend Senior Business Group Accountant Date: _____

State of Illinois
 County of Cook

Subscribed and sworn to before me this 11 day of November, 2012

Notary Public: [Signature] My Commission Expires: _____



In accordance with the Contract and based on on-site observations and the data comprising this application, the Architect certifies to the Owner that to the best of the Architect'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: \$ 107,132

(Attach explanation if amount certified differs from the amount applied for. Initial all figures on this Application and on the Continuation Sheet that are changed to conform to the amount certified.)

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved this Month		
Change Order #		Date Approved
see G703		
NET CHANGES BY CHANGE ORDERS	\$ 172,516	

ARCHITECT: Earl Swensson Associates, Inc. richard I. miller, architect
 By: [Signature] Date: 11-19-12

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.

WAIVER OF LIEN TO DATE

STATE OF ILLINOIS
COUNTY OF COOK

211112

Draw #

13

TO WHOM IT MAY CONCERN:

WHEREAS the undersigned has been employed by Marion Hospital Corporation (IL) d/b/a Heartland Regional Medical Center
to furnish General Construction
for the premises known as Heartland Regional Medical Center
of which Marion Hospital Corp (IL) d/b/a Heartland Regional Medical Center is the owner.

THE undersigned, for and in consideration of One Hundred Seven Thousand One Hundred Thirty Two Dollars
107,132 Dollars, and other good and valuable considerations, the receipt whereof is hereby acknowledged, do(es)
hereby waive and release any and all lien or claim of, or right to, lien, under the statutes of the State of Illinois, relating to mechanics' liens,
with respect to and on said above-described premises, and the improvements thereon, and on the material, fixtures, apparatus or
or machinery furnished, and on the moneys, funds or other considerations due or to become due from the owner, on account of labor
services, material fixtures, apparatus or machinery, furnished to this date by the undersigned for the above-described premises.

Given under my hand and seal this
14 day of November, 2012

Signature and Seal: Wendolyn Reid

NOTE: All waivers must be for the full amount paid. If waiver is for a corporation, corporate name should be used, corporate seal affixed and title of officer signing waiver should be set forth: if waiver is for a partnership, the partnership name should be used, partner should sign and designate himself as partner.

STATE OF ILLINOIS
COUNTY OF COOK

CONTRACTOR'S AFFIDAVIT

TO WHOM IT MAY CONCERN:

THE undersigned, being duly sworn, deposes and says that she is Wendy Reid
Senior Business Group Accountant of the Walsh Construction Company II, LLC
who is the contractor for the General Construction work on the
building located at 3333 W. Deyong St. Marion, IL 62959
owned by Mariona Hosptial Corp (IL) d/b/a Heartland Regional Medical Center

That the total amount of the contract including extras is 4,404,654 on which he has received payment of
4,192,761 prior to this payment. That all waivers are true, correct and genuine and delivered unconditionally and that
there is no claim either legal or equitable to defeat the validity of said waivers. That the following are the names of all parties who have
furnished material or labor, or both, for said work and all parties having contracts or sub contracts for specific portions of said work or for
material entering into the construction thereof and the amount due or to become due each, and that the items mentioned include all labor
and material required to complete said work according to plans and specifications:

NAMES	WHAT FOR	CONTRACT PRICE	AMOUNT PAID	THIS PAYMENT	BALANCE DUE
S-E-E A-T-T-A-C-H-E-D S-W-O-R-N S-T-A-T-E-M-E-N-T					
TOTAL LABOR AND MATERIAL TO COMPLETE		4,404,654	4,192,761	107,132	104,761

That there are no other contracts for said work outstanding, and that there is nothing due or to become due to any person for material, labor or other work of any kind done or to be done upon or in connection with said work other than above stated.

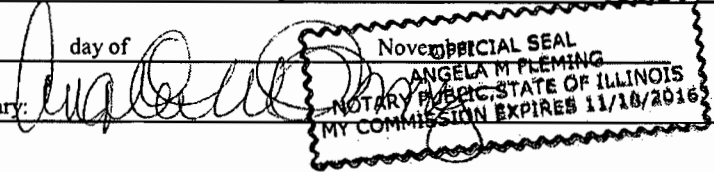
Signed this 14 day of November, 2012

Signature: Wendolyn Reid

Subscribed and sworn to before me this 14

day of

Notary:



2012



HEARTLAND REGIONAL
MEDICAL CENTER

3333 West DeYoung - Marion, Illinois 62959
[618] 998-7000 • Fax [618] 998-7449

November 28, 2012

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

RE: Project # 10-077
Heartland Regional Medical Center
Marion, Illinois
ICU Addition

Dear Ms. Avery:

The source of funds – Cash and Securities- has remained unchanged from that approved in the application and there are sufficient funds to complete the project.

If you have any questions please contact my office at 618-998-7020.

Sincerely,

Loren J. Rials
Chief Financial Officer

HEARTLAND REGIONAL MEDICAL CENTER (143)
3333 W DEYOUNG
MARION, IL

88-156
531
WELLS FARGO BANK

CHECK DATE
11/29/12

CHECK NUMBER
344439

62959

PAY THIS AMOUNT
\$*****1,000.00

PAY EXACTLY *****ONE THOUSAND DOLLARS AND NO CENTS

PAY TO THE ORDER OF
IL DEPT OF PUBLIC HEALTH
525 W JEFFERSON ST
2ND FLR
SPRINGFIELD, IL

62761-0000

James W. Donath
Kevin J. Hemmons

10-077

⑈344439⑈ ⑆053101561⑆ 2079900627350⑈