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HEALTH FACILITIES &
SERVICES REVIEW BOARD

July 2, 2013

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

Reference: Permit 10-011, Children's Memorial Outpatient Center/
Annual Progress Report

Dear Ms. Avery:

The purpose of this letter is to provide the Annual Progress Report for Permit 10-011 (the "Project"), in accordance with Section 1130.760 of the Review Board rules. The Review Board approved the Project on June 8th, 2010, which pertains to the modernization of the Outpatient Center located in Lincoln Park at an approved project cost of \$32,256,000.

1) Current status of the Project

The Project remains in compliance with Permit approvals for scope and size. At this point construction is complete and final payments are being made pursuant to closing out all contracts.

2) Project Costs

The Project remains within approval requirements of the Permit with respect to the total Project cost. Attached with this letter is an itemized listing of Project costs in comparison to the approved Permit amounts.

3) Project Funding

The source of funds for the Project was changed from a combination of equity and tax-exempt debt to equity funding only as a result of an alteration notification made on July 5th, 2012. Current funding sources in comparison to the Permit amounts are summarized on the attached table.

Project 10-011 Annual Progress Report – Page Two

4) Application and Certification for Payment

The most recent G702 form, for the period 5/1/13 to 5/31/13, is attached with this letter.

5) Anticipated Date of Completion

The anticipated completion of the Project as defined in Review Board rules remains December 31st, 2013. We anticipate submission of the final Project report prior to that date, following contract closeouts and audit.

Please feel free to contact me at (312) 227-7424 with any questions on this material or on the Project in general.

Sincerely,



Carl Rinder
Senior Business Analyst

cc: Michael Constantino, IDPH
George Roate, IDPH
Donna Wetzler
Reagen Atwood
Roger Johnson
Robert Dowell
Ron Blaustein
Honey Skinner, Sidley Austin LLP
Joe Ourth, Arnstein & Lehr
Valerie Witmer

Permit 10-011 - The Children's Memorial Outpatient Center
Annual Progress Report - June, 2013
Reflects expenditures through May 31, 2013

Summary of Project Costs

	Permit Approval	Current Anticipated Cost	Spent to Date
Preplanning	\$ 70,000	\$ 79,387	\$ 79,387
Site Preparation	\$ 75,000	\$ 35,518	\$ 35,518
Architectural & Engineering Fees	\$ 2,150,000	\$ 2,600,049	\$ 2,600,049
Modernization Contracts	\$ 17,893,700	\$ 18,544,065	\$ 18,544,065
Contingencies	\$ 1,252,800	\$ 10,000	\$ -
Consulting & Other Fees	\$ 922,000	\$ 1,393,950	\$ 1,393,950
Movable or Other Equipment	\$ 6,112,000	\$ 5,783,234	\$ 5,783,234
Other Costs to be Capitalized	\$ 368,000	\$ 248,734	\$ 248,734
Subtotal	\$ 28,843,500	\$ 28,694,937	\$ 28,684,937
Bond Issuance Expense	\$ 975,000	\$ -	\$ -
Net Interest Expense	\$ 2,437,500	\$ -	\$ -
Total	\$ 32,256,000	\$ 28,694,937	\$ 28,684,937

Summary of Project Funding

	Permit Approval	Current Anticipated
Cash and Securities	\$ 7,256,000	\$ 28,694,937
Pledges		
Gifts and Bequests		
Bond Issues (project related)	\$ 25,000,000	\$ -
Mortgages		
Leases (fair market value)		
Government Appropriations		
Grants		
Other Funds and Sources		
Total	\$ 32,256,000	\$ 28,694,937

APPLICATION AND CERTIFICATE FOR PAYMENT

TO : Children's Memorial Hospital PROJECT : Children's Memorial Clark & Deming APPLICATION NO.: 29
 Renovations PERIOD TO : April 30, 2013
 FROM : Power Construction Company, LLC ARCHITECT : Anderson Mikos Architects Ltd. PROJECT NO.: 05-52071
 CONTRACT DATE : September 13, 2010

CONTRACTOR'S APPLICATION FOR PAYMENT

CHANGE ORDER SUMMARY		Additions	Deductions
Change Order approved in previous months by Owner		\$1,696,241	\$(101,532)
TOTAL			
APPROVED THIS MONTH			
Number	Date Approved		
032	05/28/2013	\$0	\$75,047
TOTALS		\$1,696,241	\$(176,579)
Net change by Change Orders			\$1,519,662

Application is made for payment, as shown below, in connection with the Contract.

1. ORIGINAL CONTRACT SUM\$ 16,991,528
2. NET CHANGE BY CHANGE ORDERS.....\$ 1,519,662
3. CONTRACT SUM TO DATE.....\$ 18,511,190
4. TOTAL COMPLETED & STORED TO DATE.....\$ 18,511,190
5. RETAINAGE.....\$ 0
6. TOTAL EARNED LESS RETAINAGE\$ 18,511,190
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (line 6 from prior Certificate).....\$ 18,500,648
8. CURRENT PAYMENT DUE\$ 10,542
9. BALANCE TO FINISH, INCLUDING RETAINAGE.....\$ 0

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.

Contractor : Power Construction Company, LLC

By : John Zarlengo

Date : May 28, 2013

State of : Illinois

County of : Cook

Subscribed and sworn to before me this 28th day of May, 2013

Notary Public R.L. DeLancy

My commission expires: 5th day of December, 2014

State of Illinois, County of Cook

ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the above 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 Work is in accordance with the Contract Documents, and the Contractor is entitled to the payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED\$ 10,542

ARCHITECT : Anderson Mikos Architects Ltd.

By : Brian Ochalek

Date May 28, 2013

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.