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August 22, 2013

**RECEIVED**

**AUG 28 2013**

**HEALTH FACILITIES &  
SERVICES REVIEW BOARD**

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

Re: Project #11-019 Advocate Christ Medical Center (the "Project")

**Annual Progress Report**

Advocate Health and Hospitals Corporation, (dba Advocate Christ Medical Center)  
Construction Project for Ambulatory Pavilion

Dear Ms. Avery:

This letter is to inform you that, in accordance with requirements of the 77 Ill. Adm. Code 1130.760, Advocate Christ Medical Center ("Christ") is submitting an annual progress report on the Project referenced above. The permit for this Project was granted August 16, 2011.

The Project is for the construction of 308,334 gross square foot ambulatory pavilion at 4440 West 95<sup>th</sup> St., Oak Lawn, Illinois. The building will contain surgery, endoscopy, recovery, plus various clinical and non-clinical services.

As you know, Advocate Christ Medical Center has requested an Alteration to the project and that is currently under review. The principle changes to the clinical area are to reduce the number of surgery and procedure rooms, recovery rooms, and imaging rooms. Two planned areas, fetal diagnostics and a cast room, will not be added as they are being provided elsewhere. The remaining minor changes to the clinical departments have been the result of refining the design.

Other changes are non-clinical in nature and involve using the shell space for adding a medical staff area to adjoin an expanded administrative area. Finally retail, engineering support, and storage space were included in the Alteration request. The overall size of the building now measures 308,218 as a result of identifying 116 sf of air handling space that was not usable.

**1. Current status of the Project:**

- The contract with the General Contractor, Pepper Construction, was signed Dec 7, 2011,
- Percentage of the project finished:
  - The project is approx. 75% complete
- Components of project finished:
  - Site work, foundation, steel framing, and exterior skin are 100% complete

- Components yet to be finished:
  - Mechanical systems, all interior build-outs, exterior sidewalks/flat work, signage, and landscaping are 70% complete
- On Sept 7, 2012, 33% of the total funds assigned to the project cost were committed to be expended by signed contracts, thus obligating the project.
- Changes in scope and size:  
The Project remains substantially consistent with the general scope of the Project as approved by the Review Board, with the exception of the changes mentioned in the Alteration proposal.

## 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:

<b>PROJECT COSTS AND SOURCES OF FUNDS</b>			
<b>USE OF FUNDS</b>	<b>Costs Incurred to Date</b>	<b>In Permit</b>	<b>Proposed in Alteration</b>
Preplanning Costs	\$ 1,716,167	\$ 1,725,000	\$ 1,725,000
Site Survey and Soil Investigation	\$ 84,450	\$ 123,000	\$ 123,000
Site Preparation	\$ 1,200,651	\$ 1,280,000	\$ 1,280,000
Off Site Work	\$ 1,036,905	\$ 4,400,300	\$ 4,400,300
New Construction Contracts	\$ 71,021,821	\$ 101,814,825	\$ 99,824,249
Modernization Contracts	\$ 51,609	\$ 195,211	\$ 179,211
Contingencies		\$ 9,610,000	\$ 9,410,000
Architectural/Engineering Fees	\$ 5,035,800	\$ 5,131,000	\$ 5,040,900
Consulting and Other Fees	\$ 2,985,297	\$ 4,773,300	\$ 4,893,300
Movable or Other Equipment (not in construction contracts)	\$ 2,203,654	\$ 48,980,000	\$ 40,737,918
Bond Issuance Expense (project related)	\$ 562,871	\$ 1,692,285	\$ 1,692,285
Net Interest Expense During Construction (project related)	\$ 498,951	\$ 11,275,637	\$ 11,000,500
Fair Market Value of Leased Space or Equipment			
Other Costs To Be Capitalized	\$ 1,468,384	\$ 11,301,000	\$ 11,517,000
Acquisition of Building or Other Property (excluding land)			
<b>TOTAL USES OF FUNDS</b>	<b>\$ 87,866,560</b>	<b>\$ 202,301,558</b>	<b>\$ 191,823,663</b>

### 3. Method of financing the Project and sources of funds

	Estimated Project Funding To Date	In Permit	Proposed in Alteration
Cash and Securities	\$22,693,593	\$ 66,918,722	\$ 63,493,632
Pledges			
Gifts and Bequests			
Bond Issues (project related)	\$65,172,967	\$ 135,382,836	\$ 128,330,031
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
<b>TOTAL SOURCES OF FUNDS</b>	<b>\$87,866,560</b>	<b>\$ 202,301,558</b>	<b>\$ 191,823,663</b>

### 4. Payment information:

The most recent G702 is attached.

### 5. Anticipated date of completion:

December 31, 2014

Please contact me at 630-929-5575 or Robert Harrison at 708-684-4274 if you have any questions about this report.

Sincerely,



Albert Manshum, III  
VP Facilities and Construction  
Advocate Health Care

CC: Robert Harrison  
Advocate Christ Medical Center

Attachment G-702

# AIA<sup>®</sup> Document G702<sup>™</sup> - 1992

## Application and Certificate for Payment

**TO OWNER:** Advocate Health & Hospitals Corp.  
2025 Windsor Drive  
Oak Brook, Illinois 60453

**FROM CONTRACTOR:** Pepper Construction  
411 Lake Zurich Road  
Barrington, Illinois 60010

**PROJECT:** ACMC Ambulatory Pavilion  
4440 West 95th Street  
Oak Lawn, Illinois 60453  
VIA ARCHITECT:

**APPLICATION NO:** 19  
**PERIOD TO:** 07/31/13  
**CONTRACT FOR:** General Construction  
**CONTRACT DATE:** 01/11/12  
**PROJECT NOS:** 20834

**Distribution to:**  
OWNER   
ARCHITECT   
CONTRACTOR   
FIELD   
OTHER

**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 ..... \$ 101,555,100.00  
2. Net change by Change Orders ..... \$ 0.00  
3. CONTRACT SUM TO DATE (Line 1+2) ..... \$ 101,555,100.00  
4. TOTAL COMPLETED AND STORED TO DATE (Column G on G703) ..... \$ 82,771,867.00

5. RETAINAGE:  
a. 6.2% of Completed Work (Column D + E on G703) ..... \$ 5,101,000.66  
b. 9.7% of Stored Material (Column F on G703) ..... \$ 8,880.34  
Total Retainage (Lines 5a + 5b or Total in Column I of G703) ..... \$ 5,109,881.00

6. TOTAL EARNED LESS RETAINAGE ..... \$ 77,661,786.00 (Line 4 Less Line 5 Total)  
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT ..... \$ 72,884,555.00 (Line 6 from prior Certificate)  
8. CURRENT PAYMENT DUE ..... \$ 4,797,231.00  
9. BALANCE TO FINISH, INCLUDING RETAINAGE (Line 3 less Line 6) ..... \$ 23,893,374.00

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:** Pepper Construction  
By: Jill Stone Date: July 30, 2013  
State of: \_\_\_\_\_ County of: \_\_\_\_\_  
Subscribed and sworn to before me this \_\_\_\_\_  
Notary Public: \_\_\_\_\_  
My Commission expires: \_\_\_\_\_

**ARCHITECT'S CERTIFICATE FOR PAYMENT**  
In accordance with the Contract Documents, 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** ..... \$ 4,797,231.00  
(Attach explanation if amount certified differs from the amount applied. Initial all figures on this Application and on the Continuation Sheet that are changed to conform with the amount certified.)

**ARCHITECT:** \_\_\_\_\_ Date: \_\_\_\_\_  
By: \_\_\_\_\_

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.

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner	\$0.00	\$0.00
Total approved this Month	\$0.00	\$0.00
<b>TOTALS</b>	\$0.00	\$0.00
<b>NET CHANGES by Change Order</b>		\$ 0.00

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