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HEALTH FACILITIES &
SERVICES REVIEW BOARD

July 17, 2013

Mr. Mike Constantino
Supervisor of Project Review
Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Dear Mr. Constantino:

The purpose of this letter is to advise you of pending actions by Trinity Rock Island.

On March 26, 2013, the Health Facilities and Services Review Board approved the Hospital's application, Project 12-101, to construct an addition to the Hospital that will include a new Heart Center and expanded emergency services.

The Hospital needs to expand the scope of the electrical work that will be done in the Hospital's Central Plant. The Heart Center/ Emergency Department (HC/ED) Project will be served from the same Central Plant. The additional work is not something that is required for the Project, but that is best done in conjunction with the HC/ED Project. There is an approved routine capital improvement budget of \$1.3 million separate from the approved Project budget to do this work. By doing the expanded work at the same time as the Project, the Hospital is expected to reduce the total cost by \$463,761.

As part of the approved HC/ED Project, the Hospital would install a 1,500 KVA transformer, but this would be replaced with a 3,000 KVA transformer to provide the overall campus additional capacity. By combining this larger transformer with the Project, the Hospital would up size the transformer and pay the difference in material and labor with the capital improvement budget funds. Furthermore, the Hospital would have a more favorable warranty on the equipment with a single purchase.

The alternative would be for the Hospital to pay for the 1,500 KVA transformer approved in the Project, then need to remove and replace it with the 3,000 KVA transformer in the foreseeable future. The purchase and installation of the larger transformer involves only nonclinical elements and will neither affect the approved Project cost nor its financing. The costs related to the larger transformer and related installation will be funded with capital replacement funds. In other words, there will be two sources of funds for the larger transformer expansion – Project funds and routine capital replacement funds. The work related to the larger transformer would be completed under the same construction contract as the Project; however, the Hospital will account for and bill the upsizing and related costs separately from the Project.

If you require additional information or would like to discuss this matter further, please call me at 219-464-3969 or e-mail me at prismjanet@AOL.com. The goal of the Hospital is to save substantial non-clinical costs without in anyway compromising or invalidating the current permit.

Thank you for your attention to this matter,

Sincerely,



Janet L. Scheuerman
CON Consultant to UnityPoint Health Rock Island
PRISM Healthcare Consulting