



SOUTHERN ILLINOIS HEALTHCARE

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HEALTH FACILITIES &
SERVICES REVIEW BOARD

April 8, 2016

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

Re: IHFSRB Project #13-069

Dear Ms. Avery:

This letter constitutes an Annual Progress Report on the above-referenced project, which was granted a CON permit at the March 11, 2014, meeting of the Illinois Health Facilities and Services Review Board and an alteration on February 16, 2016.

You may recall that this permit is for the expansion and modernization of Memorial Hospital of Carbondale.

The altered permit was approved with project costs of \$56,112,398, the source for which is debt financing in the form of tax-exempt bonds, and cash and securities.

1. The current status of the project is as follows.
 - a. The project has been obligated.
 - b. 50% of the project is finished.
 - c. The following components of the project have been completed:
 - Subsurface work, including storm and sanitary lines
 - Addition for Surgery, PACU and part of Same-Day Surgery
 - Shell of the addition for balance of Same-Day Surgery, Intensive Care Unit, Medical/Surgical Nursing Unit, and shell space for Medical/Surgical beds

d. The following components of the project are not yet finished:

- Build out of the addition for balance of Same-Day Surgery, Intensive Care Unit, Medical/Surgical Nursing Unit, and shell space for Medical/Surgical beds
- Interior work (modernization of existing space for all departments included in this project)
- Paving
- Landscaping

e. The project costs are unchanged from the approved altered permit.

2. The costs incurred to date as of February 29, 2016 are \$25,025,218.

I am enclosing an itemized listing of the costs incurred as of February 29, 2016, total current estimated project costs and a comparison of those costs to the approved alteration amounts.

3. The method of financing the project and the source of funds are debt financing in the form of tax exempt bonds, and cash and securities, as specified in the alteration to our CON permit.

4. We estimate project completion by December 31, 2018, as specified in our permit renewal request and approval.

Please feel free to contact Andrea Rozran of Diversified Health Resources (312-266-0466) if you have any questions.

Sincerely,



Cathy Blythe
System Manager, Planning and Physician Recruitment
Southern Illinois Healthcare

Enclosures

cc: Andrea Rozran
Phil Schaefer

MEMORIAL HOSPITAL OF CARBONDALE EXPANSION AND MODERNIZATION

IHFPP PROJECT # 13-069

PROJECT COSTS AND SOURCES OF FUNDS AS OF 2/29/16

	TOTAL COSTS INCURRED	TOTAL CURRENT ESTIMATED PROJECT COSTS	APPROVED COSTS PER ALTERATION TO CON PERMIT
Preplanning Costs	\$155,991	\$159,231	\$159,231
Site Survey and Soil Investigation	\$23,506	\$33,638	\$33,638
Site Preparation	\$188,631	\$188,631	\$188,631
Off Site Work	\$355,218*	\$395,218	\$395,218
New Construction Contracts	\$19,372,438	\$20,865,371	\$20,865,371
Modernization Contracts	\$910,000	\$6,810,506	\$6,810,506
Contingencies	\$0*	\$2,644,088	\$2,644,088
Architectural/Engineering Fees	\$1,719,029	\$1,963,438	\$1,963,438
Consulting and Other Fees	\$465,240	\$2,003,014	\$2,003,014
Movable or Other Equipment (not in construction contracts)	\$1,432,781	\$10,209,230	\$10,209,230
Bond Issuance Expense (project related)	\$339,736	\$1,055,000	\$1,055,000
Net Interest Expense During Construction (project related)	\$30,027	\$9,680,000	\$9,680,000
Fair Market Value of Leased Space or Equipment	\$0	\$0	\$0
Other Costs to be Capitalized	\$32,621	\$105,033	\$105,033
Acquisition of Building or Other Property (excluding land)	\$0	\$0	\$0
ESTIMATED TOTAL PROJECT COST	\$25,025,218	\$56,112,398	\$56,112,398

*During preparation of materials for the 2016 Annual Progress Report, it was discovered that expenditures for Off Site Work and Contingencies were incorrectly reported higher than the actual amount incurred as of December 30, 2015, in the application for permit renewal.