

Via FedEx

December 2, 2016

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

RECEIVED

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**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

RE: Annual Progress Report - Hospital Project # 15-040

Dear Ms. Avery:

Please accept this document in response to the annual progress reporting requirements for the above-referenced project, consistent with the provisions of Section 1130.760.

This project was approved by the State Board on November 18, 2015 and involves a major modernization project at Rockford Memorial Hospital – East Riverside Blvd. An alteration to the Permit was granted on October 25, 2016.

The project is currently approximately 0.02% complete, and the anticipated completion date remains June 2019. To date, it is estimated that a total of approximately \$2,308,512.73 has been incurred, related to project.

The attached table identifies the anticipated project costs, as identified in the *Application*, the currently-anticipated project cost, and costs incurred to date. The sources of funds are not anticipated to change from that identified in the *Application*. Also attached is a copy of the latest Mortenson Construction application for payment under the construction contract.

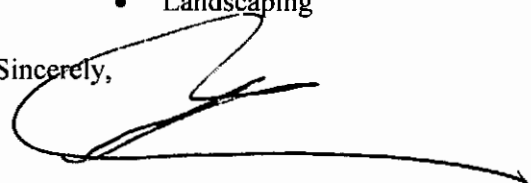
The major project components completed to date include:

- Mass grading
- Foundation excavation
- Partial installation of storm drainage, water and sanitary systems
- Establishment of temporary jobsite facilities

The major project components yet to be completed include:

- Foundations
- Structural steel
- Envelope
- Interior construction
- Sitework
- Landscaping

Sincerely,


Paul T. Van Den Heuvel
Vice President of Legal Affairs & General Counsel

Attachment

Riverside MOB

	<u>Approved Amount</u>	<u>Current Estimate</u>	<u>Incurred to Date*</u>
PROJECT COSTS			
	\$	\$	
Preplanning Costs	275,000	275,000	
	\$	\$	\$
Site Survey & Soil Investigation	30,000	30,000	24,867
	\$	\$	
Site Preparation	785,000	785,000	
	\$	\$	
Off Site Work	25,340,316	25,340,316	
	\$	\$	\$
New Construction Contracts	19,241,738	19,241,738	1,196,718
Modernization Contracts			
	\$	\$	
Contingencies	927,984	927,984	
	\$	\$	\$
A & E Fees	1,190,600	1,190,600	1,059,852
	\$	\$	\$
Consulting & Other Fees	3,929,400	3,929,400	25,205
	\$	\$	
Moveable Equipment	11,667,353	11,667,353	
	\$	\$	\$
Bond Issuance Expense	669,945	669,945	1,870
	\$	\$	
Net Interest Expense	8,969,745	8,969,745	
FMV of Leased Space/Equip.			
Other Costs to be Capitalized			
Acquisition of Bldg. or Other Property			
	\$	\$	\$
TOTAL	73,027,081	73,027,081	2,308,512
 SOURCES OF FUNDS			
	\$	\$	
Cash and Securities	15,000,000	15,000,000	
Pledges			
Gifts and Bequests			
	\$	\$	\$
Bond Issues	58,027,081	58,027,081	2,308,512
Leases (FMV)			
Depreciated Value of Equip.			
Grants			
Other Funds			
	\$	\$	\$
TOTAL	73,027,081	73,027,081	2,308,512

*estimate, as of 11/18/16