SILVER CROSS HOSPITAL
1900 Silver Cross Blvd. • New Lenox, IL 60451
(815) 300-1100 • www.silvercross.org

March 31, 2021

VIA FED EXPRESS AND E-MAIL

Mr. Michael Constantino
Supervisor, Project Review Section
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761

Re: Annual Progress Report for Project No. 18-020
Silver Cross Hospital (Open Heart Surgery Program)

Dear Mr. Constantino:

Pursuant to 77 Ill. Adm. Code 1130.760, I am hereby submitting the annual progress report for the above-captioned Project on behalf of Silver Cross Hospital and Silver Cross Health System (collectively, the "Applicants").

On December 4, 2018, the Review Board approved the Applicants' Certificate of Need ("CON") Application to establish an open heart surgery category of service and expand Silver Cross Hospital's foot print by 32,020 square feet (the "Open Heart Application"). See Project No. 18-020. As set forth in the Open Heart Application, the Applicants originally proposed to add 21,005 square feet of administrative space, public space, staff support space, and storage space to the first floor and basement at Silver Cross Hospital, 1900 Silver Cross Boulevard, New Lenox, Illinois, and proposed to add an 11,015 square foot Open Heart Suite on the second floor, at a total cost of $22,146,300 and a total square footage of 32,020.

On January 26, 2020, by action of its Chairwoman, approved the Applicants' Request to extend the Project completion date for Project No. 18-020 from June 30, 2020 to **June 30, 2021**.

On July 14, 2020, the Review Board, by action of its Chairwoman, approved the Applicants' CON Application to establish a dedicated sixteen (16) bed observation unit (the "Observation Unit") occupying 8,146 square feet of space on the first floor of the Open Heart Addition (i.e., Project No. 18-020); and (b) reducing the square footage on Project No. 18-020 by 8,146 square feet and reducing the costs on Project No. 18-020 by $1,073,250. See Project No. 20-023.

As altered pursuant to the CON Application for Project No. 20-023, Project No. 18-020 now has an approved total square footage of **23,874** and an approved permit amount of **$21,073,050**.

1. CURRENT STATUS OF PROJECT

Project No. 18-020 is on schedule to be completed by June 30, 2021. Project No. 18-020 will also meet the (revised) approved square footage of 23,874.

2. COSTS INCURRED TO DATE

To date, the Applicants have spent $17,911,658 on the Project (and have obligated a total of $18,796,690), as set forth on Exhibit A. Project No. 18-020 is on budget and Project No. 18-020 will not exceed the (revised) approved permit amount of $21,073,050.

3. THE METHOD OF FINANCING THE PROJECT AND SOURCES OF FUNDS

The method of financing and sources of funds for the Project have not changed since the filing of the Application. More specifically, the Project has been, and will continue to be, funded with cash.

4. THE MOST RECENT APPLICATION AND CERTIFICATION FOR PAYMENT FOR THE CONSTRUCTION CONTRACT, AS PER FORM G702 (AIA) OR EQUIVALENT

As set forth in Exhibit A, the "Obligated to Date" column for construction totals $12,861,731. Of that amount, Reed Construction accounts for $12,078,245. Other contractors and construction components account for $783,486 for work not covered under the Reed Construction contract. The other construction category includes areas such as low voltage cabling, upgrades to fire system, HVAC automation controls, alarms and cameras, and overhead paging system.

As set forth in Exhibit A, the "Amounts Paid to Date" column for construction totals $11,999,354. Of that amount, Reed Construction accounts for $11,215,868. Other contractors and construction components account for $783,486 for work not covered under the Reed Construction contract.

See attached G702 forms to date.

5. THE ANTICIPATED DATE OF COMPLETION

Project No. 18-020 is on schedule to be completed by June 30, 2021.

Please contact me directly at (815) 300-7112 if you have any questions or need any additional information.

Sincerely,

Geoffrey Tryon
Vice President, Operations

Attachments

cc: Edward J. Green, Foley & Lardner, LLP
Ruth Colby, Silver Cross Hospital
Mary Bakken, Silver Cross Hospital

EXHIBIT A
ANNUAL REPORT 12/31/2020
PROJECT NO. 18-020
SILVER CROSS HOSPITAL (OPEN HEART SURGERY PROGRAM)

	Project Costs			
USE OF FUNDS	**Approved CON Permit Amount (Original)**	**Approved CON Permit Amount (Revised)***	**Obligated to Date**	**Amounts Paid to Date**
Preplanning Costs	$200,000	$200,000	$0	$0
Site Survey and Soil Investigation	$15,000	$15,000	$28,082	$28,082
Site Preparation	$100,000	$100,000	$8,600	$8,600
Off Site Work				
New Construction Contracts	$14,998,000	$14,032,075	$12,861,731	$11,999,354
Modernization Contracts				
Contingencies	$1,499,800	$1,392,475	$74,078	$74,078
Architectural/Engineering Fees	$759,000	$759,000	$760,000	$737,345
Consulting and Other Fees	$140,000	$140,000	$115,386	$115,386
Movable or Other Equipment (not in construction contracts)	$4,434,500	$4,434,500	$4,948,813	$4,948,813
Bond Issuance Expense (project related)				
Net Interest Expense During Construction (project related)				
Fair Market Value of Leased Space or Equipment				
Other Costs To Be Capitalized				
Acquisition of Building or Other Property (excluding land)				
TOTAL USES OF FUNDS	**$22,146,300**	**$21,073,050**	**$18,796,690**	**$17,911,658**

** We allocated the permit amount reduction across the construction and contingency charges.

APPLICATION AND CERTIFICATE FOR PAYMENT

AIA DOCUMENT G702

TO OWNER:	Silver Cross Hospital 1900 Silver Cross Blvd New Lenox, IL 60451	PROJECT:	SC CVOR Expansion 1900 Silver Cross Blvd New Lenox, IL 60451	APPLICATION NO.: PERIOD TO: PROJECT NO.: PO NUMBER:	14 1/31/2021 69644 0400744	Distribution to: X OWNER X ARCHITECT X CONTRACTOR
FROM CONTRACTOR:	Reed Construction 600 W. Jackson Blvd., 8th Floor Chicago, Illinois 60661	VIA ARCHITECT:	Eckenhoff Saunders Architects 130 E Randolph, Suite 1850 Chicago, IL 60601	CONTRACT DATE: INVOICE #:	9/23/2019	

CONTRACT FOR: General Construction

CONTRACTOR'S APPLICATION FOR PAYMENT

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

1. ORIGINAL CONTRACT SUM		$11,846,991
2. Net change by Change Orders		$231,254
3. CONTRACT SUM TO DATE (Line 1 ÷ 2)		$12,078,245
4. TOTAL COMPLETED & STORED TO DATE (Colulmn G on Continuation Sheet)		$11,798,660
5. RETAINAGE:		
a. 4.94% of Completed Work (Column D + E on Continuation Sheet)	582,792	
b. 0.00% of Stored Material (Column F on Continuation Sheet)	-	
Total Retainage (Line 5a + 5b or Total in Column I of Continuation Sheet)		582,792
6. TOTAL EARNED LESS RETAINAGE (Lines 4 less Line 5 Total)		11,215,868
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from prior Certificate)		10,688,157
8. CURRENT PAYMENT DUE		527,711
9. BALANCE TO FINISH, INCLUDING RETAINAGE (Line 3 less Line 6)		862,377

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner	710,308	(479,054)
Total approved this Month	-	-
TOTALS	710,308	(479,054)
NET CHANGES by Change Order	231,254	

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: Reed Construction

By: Date: 1/31/2021

State of: Illinois

County of: Cook

Subscribed and sworn to before me this 31st day of January, 2021

Notary Public:

My commission expires: 08/02/22

ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the 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 .... $ 527,711.00

(Attach explanation if amount certified differs from the amount applied. Initial all figures on Application and on the Continuation Sheet that are changed to conform to the amount certified.)

ARCHITECT:

By: Date: 2-12-2021

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.