



3075 Highland Parkway, Suite 600 | Downers Grove, Illinois 60515 | (630) 572-9393 | advocatehealth.com

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April 13, 2022

Via Overnight Carrier

Ms. Debra Savage, Chairwoman  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street  
Springfield, IL 62761

Re: Project #21-003 Advocate Lutheran General Hospital (the "Project")

**Annual Progress Report**

Advocate Lutheran General Hospital, Advocate Health and Hospitals Corporation, Advocate Health Care Network, Advocate Aurora Health  
Construction Project – Modernize Surgery Department

Dear Ms. Savage:

Advocate Lutheran General Hospital is pleased to submit our annual progress report on the Project referenced above in accordance with the requirements of the 77 Ill. Adm. Code 1130.760. The Project includes the modernization of several surgical rooms and pre-operative areas. The Review Board granted the permit for this Project on April 22, 2021.

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

**Obligation:**

- The Project was financially committed (obligated) with a Purchase Order #90016234 to Power Construction on May 7, 2021, in accordance with 77 Ill. Adm. Code 1130.760.

**Components of Project finished:**

- Percentage of the project finished: Construction is approximately 68% complete.
- The modernization of Pre-Op/Phase II Recovery, OR #6, and OR #20 is fully constructed.

**Components yet to be finished:**

- The modernization of ORs #1-5 is in-progress.

**Commitment of Funds:**

- As of March 25, 2022, 69% of the total funds assigned to the project costs were expended by signed contracts.

## Changes in scope and size:

- The project remains substantially consistent with the scope of work of the Project as approved by the Review Board.

## 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.

USE OF FUNDS	COSTS INCURRED TO DATE	PERMIT AMOUNT	DIFFERENCE
Preplanning Costs	233,722	225,086	(8,636)
Site Survey and Soil Investigation	-	-	-
Site Preparation	478,937	273,200	(205,737)
Off Site Work	-	-	-
New Construction Contracts	-	-	-
Modernization Contracts	5,953,906	7,983,850	2,029,944
Contingencies		1,157,786	1,157,786
Architectural/Engineering Fees	239,507	639,470	399,963
Consulting and Other Fees	174,657	715,000	540,343
Movable or Other Equipment (not in construction contracts)	1,368,238	5,138,333	3,770,095
Bond Issuance Expense (project related)	-	140,005	140,005
Net Interest Expense During Construction (project related)	-	324,386	324,386
Fair Market Value of Leased Space or Equipment	-	-	-
Other Costs To Be Capitalized	-	1,450,500	1,450,500
Acquisition of Building or Other Property (excluding land)			
<b>TOTAL USES OF FUNDS</b>	<b>8,448,967</b>	<b>18,047,616</b>	<b>9,598,649</b>

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

See below table for financing breakdown.

<i>SOURCE OF FUNDS</i>	<i>TOTAL</i>
<i>Cash and Securities</i>	<i>\$ 6,847,213</i>
<i>Bond Issues (project related)</i>	<i>\$ 11,200,403</i>
<b><i>TOTAL SOURCES OF FUNDS</i></b>	<b><i>\$ 18,047,616</i></b>

## 4. Anticipated date of completion

The Project completion date in the permit is May 1, 2023. The current project schedule forecasts completion within the time constraints of the approved permit duration.

Please contact me at (630) 278-9180 or Roberto Orozco at (847)723-8520 or via email at [roberto.orozco@aah.org](mailto:roberto.orozco@aah.org) if you have any questions about this report.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott Nelson". The signature is fluid and cursive, with the first name "Scott" being more prominent than the last name "Nelson".

Scott Nelson, AIA ACHA  
System Vice President, Design & Construction

Advocate Health and Hospitals Corporation

CC: Dia Nichols, President, Advocate Lutheran General Hospital  
Roberto Orozco, Director, Design and Construction  
Myndee Balkan, Director, Health Facilities Planning