Northwestern Medicine

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HEALTH FACILITIES &
SERVICES REVIEW BOARD

May 2, 2024

John Kniery
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, IL 62761

RE: Annual Progress Report
Project #22-047
Northwestern Medicine Lake Forest Hospital Expansion Project

Dear Mr. Kniery:

This report summarizes the current status of the NM Lake Forest Hospital's Expansion Project. The project was approved by the HFSRB on May 9, 2023, in the amount of $388,787,687.

Key Milestones

During the past year of the project (from 5/9/23 to date), key accomplishments include the following:

Obligation

- The project was obligated on 9/29/23 with the signing of the construction contract with POWER/UJAMAA 6, LLC, in the amount of $288,630,795 which represents 74.24% of the total project cost.

Construction

- Completed utility relocations – July 2023
- Completed mass excavation – October 2023
- Began concrete superstructure – November 2023
- Completed basement underground utilities – December 2023
- Completed pouring basement slab on grade – January 2024
- Received IDPH approval – February 2024
- Began basement buildout – March 2024
- Began receiving major HVAC equipment – April 2024

Key Actions To Be Completed

Action/Milestone	Target Completion Date
Complete building concrete superstructure	May 2024
Begin buildout of Floors 1 – 3	June 2024
Enclosure weather tight	December 2024
Construction Substantial Completion	August 2027
Project Close-out	April 2028

Sources and Uses of Funds

Attached is a schedule of project expenditures to date. Approximately $63,878,366 has been expended of the $388,787,687 allocated for the project and has been funded from cash and securities. This represents approximately 16.4% of the budget.

Contractual Commitments

NM Lake Forest Hospital has executed contracts for this project. Current total project commitments are $308,818,285. Additionally, a copy of the most recent Application for Payment for the construction contract has been included.

If you have any questions, please feel free to contact me at borth@nm.org or (312) 926-8650.

Sincerely,

Bridget S. Orth
Director, Regulatory Planning

cc: Glenn Kaleta, Finance Director – Capital Planning
Beatriz Santana, Senior Financial Analyst – Capital Planning

Northwestern Medicine Lake Forest Hospital Pavilion Expansion Project
CON Project # 22-047

ANNUAL COST REPORT
to the
Illinois Health Facilities and Services Review Board

Northwestern Memorial Hospital Permit Project Expenditures

Progress Report: March 31, 2024

	Category	CON Approved Budget	Project to Date through March 2024
USE OF FUNDS			
1	PREPLANNING COSTS	$ 2,510,270	1,201,379
2	SITE SURVEY AND SOIL INVESTIGATION	$ 1,000,000	260,306
3	SITE PREPARATION	$ 9,226,552	7,510,223
4	OFF SITE WORK	$ 3,314,139	826,718
5	NEW CONSTRUCTION CONTRACTS	$ 200,155,898	29,811,822
6	MODERNIZATION CONTRACTS	$ 40,575,150	-
7	CONTINGENCIES	$ 24,073,105	-
8	ARCHITECTURAL/ENGINEERING FEES	$ 11,016,307	9,369,705
9	CONSULTING & OTHER FEES	$ 20,795,089	2,370,819
10	MOVABLE CAPITAL EQUIPMENT (not in construction contracts)	$ 59,723,470	19,093
11	BOND ISSUANCE EXPENSE (project related)	$ -	-
12	NET INTEREST EXPENSE DURING CONSTRUCTION (project related)	$ -	-
14	OTHER COSTS WHICH ARE TO BE CAPITALIZED	$ 16,397,707	12,508,301
	GRAND TOTAL	**$ 388,787,687**	**$ 63,878,366**
SOURCE OF FUNDS			
16	CASH & SECURITIES	$ 388,787,687	$ 63,878,366
18	GIFTS & BEQUESTS	$ -	$ -
19	BOND ISSUES (project related)	$ -	$ -
25	TOTAL FUNDS	$ 388,787,687	$ 63,878,366
	CON PERMIT AMOUNT	$ 388,787,687	$ 63,878,366
	% COMPLETE 16.4%		

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APPLICATION AND CERTIFICATE FOR PAYMENT

TO OWNER: Northwestern Memorial Healthcare
541 North Fairbanks Ct.
Suite 1600
Chicago, IL 60611

PROJECT: Lake Forest Hospital Pavilion Expansion Project
1000 Westmoreland Road
Lake Forest, IL

APPLICATION NO.: 9
PERIOD TO : 02/29/2024
PROJECT NOS.: 5223001

Distribution to:
- [ ] OWNER
- [ ] ARCHITECT
- [ ] CONTRACTOR
- [ ]
- [ ]

FROM CONTRACTOR: Power/Ujamaa 6, LLC
8750 W Bryn Mawr
500
Chicago, IL 60631

ARCHITECT: SmithGroup
35 East Wacker
Suite 900
Chicago, IL 60601

CONTRACT DATE : Sep/12/2023

CONTRACT FOR: General Construction

APPLICATION AND CERTIFICATE FOR PAYMENT

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

1. ORIGINAL CONTRACT SUM	$	288,630,795
2. Net change by change orders	$	0
3. CONTRACT SUM TO DATE (Line1 +/- 2)	$	288,630,795
4. TOTAL COMPLETED & STORED TO DATE (Column 4 on G703)	$	53,928,810
5. RETAINAGE: (Column 5 on G703)	$	3,568,288
6. TOTAL EARNED LESS RETAINAGE (Line 4 less Line 5 Total)	$	50,360,522
7. LESS PREVIOUS CERTIFICATES FOR (Line 6 from prior Certificate)	$	45,942,925
8. CURRENT PAYMENT DUE	$	4,417,597
9. BALANCE TO FINISH, INCLUDING RETAINAGE (Line 3 less Line 6)	$	238,270,273

CHANGE ORDER SUMMARY		ADDITIONS	DEDUCTIONS
Change Order approved in previous months by Owner		0	0
APPROVED THIS MONTH			
Number	Date Approved		
	Current Total	0	0
Net Change by Change Orders			0

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: Power/Ujamaa 6, LLC

By: [signature] Date: 03/08/2024

State of: IL

County of: Cook

Subscribed and sworn to before me this 8th day of March 2024

OFFICIAL SEAL
DANIELLE M DICIANNI
NOTARY PUBLIC, STATE OF ILLINOIS
Commission No. [illegible]
My Commission Expires January 6, 2028

Notary Public: [signature]

My Commission expires: January 6, 2028

ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the above application, the Architect certifies to the Owner that to the best of their knowledge, information and belief the Work has progressed as indicated, the quality of Work is in accordance with the Contract Documents, and the Contractor is entitled to the payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED..$ 4,417,597.00

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

ARCHITECT: SmithGroup

By: [signature] Date: 03/08/2024

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.

DocuSigned by:
March 13, 2024