



**SOUTHERN ILLINOIS  
HEALTHCARE**

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APR 10 2015

**HEALTH FACILITIES &  
SERVICES REVIEW BOARD**

April 9, 2015

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.

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

The permit was approved with project costs of \$52,495,838, the source for all of which is debt financing in the form of tax-exempt bonds.

1. The current status of the project is as follows.
  - a. The project has been obligated.
  - b. 15% of the project is finished.
  - c. The following components of the project have been completed.

Subsurface work, including storm and sanitary lines  
Foundations for expansion of operating rooms  
Concrete slab for operating room floor in two of the three rooms  
Structural roof over the operating room expansion

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

Demolition  
Excavation and grading  
Relocation of utilities  
Building structure  
Interior work  
Paving  
Landscaping

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

There are no changes in the scope of the project and its size from the permit as granted.

2. The costs incurred to date as of February 15, 2015 are \$6,346,951.

I am enclosing an itemized listing of the 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, as specified in our CON application and the CON permit.
4. We estimate project completion by December 31, 2017, as specified in our CON application and the CON permit.

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

**MHC Surgery and Nursing Wing Expansion**  
**IHFPP PROJECT #13-069**  
**PROJECT COSTS AND SOURCES OF FUNDS AS OF February 15, 2015**

	TOTAL COSTS INCURRED	TOTAL CURRENT ESTIMATED PROJECT COSTS	APPROVED COSTS TO CON PERMIT
Preplanning Costs	\$ 112,343	\$ 159,231	\$ 159,231
Site Survey and Soil Investigation	\$ 11,256	\$ 33,638	\$ 33,638
Site Preparation	\$ 156,253	\$ 188,631	\$ 188,631
Off Site Work	\$ 228,996	\$ 395,218	\$ 395,218
New Construction Contracts	\$ 3,729,662	\$ 20,865,371	\$ 20,865,371
Modernization Contracts	\$ 116,266	\$ 5,575,506	\$ 5,575,506
Contingencies	\$ -	\$ 2,644,088	\$ 2,644,088
Architectural/Engineering Fees	\$ 1,681,724	\$ 1,868,438	\$ 1,868,438
Consulting and Other Fees	\$ 39,203	\$ 1,870,639	\$ 1,870,639
Movable or Other Equipment (not in construction contracts)	\$ 254,360	\$ 8,055,045	\$ 8,055,045
Bond Issuance Expense (project related)		\$ 1,055,000	\$ 1,055,000
Net Interest Expense During Construction (project related)	\$ -	\$ 9,680,000	\$ 9,680,000
Fair Market Value of Leased Space or Equipment	\$ -	\$ -	\$ -
Other Costs to be Capitalized	\$ 16,888	\$ 105,033	\$ 105,033
Acquisition of Building or Other Property (excluding land)	\$ -		
<b>ESTIMATED TOTAL PROJECT COST</b>	<b>\$ 6,346,951</b>	<b>\$ 52,495,838</b>	<b>\$ 52,495,838</b>