

RECEIVED

MAR 11 2008

STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY

DCH Regional Medical Center
Request For Project Modification

AL-2006-010

CON# 2162-H (Granted 3/30/06)

March 10, 2008

Representing DCH Regional Medical Center

Donna Marrero, VP DCH

David Roberts, Director of Construction, DCH

Wayne Marchand, Architect, FKP

Dr. Curtis Tucker, Radiation Oncologist

1. Total Cost of Project

Original Application	Modified Request	Difference
\$24,850,000	\$35,379,981	Increase of \$10,529,981
Unexpected market conditions added \$6,779,784 to project modification Added non-inflation costs are \$3,750,197 (below CON threshold for a review) *See attached letter from Harrison Construction – Attachment A		

2. Oncology Visits:

The number of oncology visits for 2007 exceeded the projections in the approved application projected for 2009 by 3,303 visits.

Oncology Visits	Projected Oncology Visits	Projected Oncology Visits	Projected Oncology Visits
2007	2009	2012	2015
44,913	41,610	54,407	60,936

3. Square Footage

Original Application	Modified Request	Additional Square Footage
93,055	98,250	5,195

Cost per square footage is modified to \$243/sq ft from \$160.

4. Funding for Modification:

The funding sources of charitable fundraising and bonds will remain the same. The additional funding will be through DCH Healthcare Authority.

5. Project Completion Date:

Original Application	Modified Request
2008	2009



P.O. Box 21300
Tuscaloosa, Alabama 35402

Phone: (205) 333-1120

Fax: (205) 333-2542

Email: info@harrison-const.com

HARRISON CONSTRUCTION CO., INC.

January 22, 2008

David Roberts, Director
DCH Regional Medical Center
809 University Blvd.
Tuscaloosa, AL 35401

Re: DCH Regional Medical Center
Cancer Treatment Center

Dear David,

Per your request, we have reviewed all of our information concerning the DCH Cancer Treatment Budget. The initial budgeting of the new DCH Cancer Center began late 2004, early 2005. Several variations of the DCH Cancer Center budget were looked at since this time frame, specifically concerning location as well as actual square footage of the facility. The original facility on or about July 28, 2004, consisted of approximately 50,300 square feet. This area has since grown to an actual area of approximately 95,000 square feet.

Since 2004, Tuscaloosa geographical area has experienced escalations in actual costs of construction. Several items have affected the escalation in construction costs. Two of the key items that have increased this cost were Hurricane Ivan which hit in September 2004 and again with Hurricane Katrina that hit land in August 2005. These two (2) catastrophic storms affected our area, increasing our labor market values as well as material values and shortages. Obviously the ever growing economy has inched up as is very evident in our geographic area. A case study that can be correlated to show the effects of escalation costs in the Tuscaloosa area can be seen with our work at the University of Alabama.

As you know, Harrison Construction Company has managed the first three (3) phases of the student housing expansion at the University of Alabama and are presently beginning Phase IV, Design Build Work. Below you will find a chart which will list out the itemized facts associated with escalation and construction costs in our area.

<u>Bid Date</u>	<u>Project</u>	<u>Project Size</u>	<u>Project Cost</u>	<u>Cost/sf</u>	<u>% Increase</u>
June 2004	Riverside	400,000 sf	\$25,450,000.00	\$64/sf	
June 2005	Lakeside	224,000 sf	\$19,283,000.00	\$86/sf	29%
Sept. 2006	Ridgecrest - Phase I	225,000 sf	\$24,770,000.00	\$110/sf	71%
Spring 2008 (Projected)	Ridgecrest - Phase II	345,000 sf	\$45,885,000.00	\$133/sf	101%

Over the past calendar year, we have seen tremendous increases in materials associated with construction projects. We are seeing price increases in copper, concrete, steel, drywall, as well as petroleum based building materials. Factors associated with increases in these costs include the ever demanding market in China absorbing a vast amount of our resources, the continuation of oil pricing escalating, as well as other world wide markets utilizing materials that typically would be shipped to the United States for consumption.

The above conditions have increased the costs of not only your project but numerous projects in which we are involved in.

Sincerely,

HARRISON CONSTRUCTION CO., INC.

Tim Harrison

Tim Harrison
President

enclosure

nd

Modified Financials

V.A. Organization Financial Information

V.B. Project Specific Financial Information

V. A. ORGANIZATION FINANCIAL INFORMATION

STATEMENT OF INCOME AND EXPENSE	HISTORICAL DATA (Give information for last 3 years for which complete data are available)			PROJECTED DATA (First 2 years after completion of project)	
	2005	2006	2007	2010	2011
Revenue from Services to Patients					
Inpatient Services	582,055,024	632,656,953	736,240,348	940,783,275	1,022,396,224
Routine	-	-	-	-	-
Other	-	-	-	-	-
Outpatient Services	256,845,726	296,228,480	312,950,090	437,173,856	495,755,153
Emergency Services	58,903,603	54,678,191	64,919,714	83,375,073	92,796,456
Gross Patient Revenue	897,804,353	983,563,624	1,114,120,152	1,461,332,204	1,610,947,833
GROWTH	9.18%	9.55%	13.27%	10.20%	10.24%
Deductions from Revenue					
Contractual Adjustments	573,390,714	636,620,716	726,276,287	967,401,919	1,073,696,730
Discount/Miscellaneous Allowances	9.71%	11.03%	14.08%	10.95%	10.99%
Total Deductions	573,390,714	636,620,716	726,276,287	967,401,919	1,073,696,730
Net Patient Revenue	324,413,639	346,942,908	387,843,865	493,930,285	537,251,102
	8.24%	6.94%	11.79%	8.75%	8.77%
Other Operating Revenue	15,898,851	18,614,082	23,581,185	23,803,571	24,517,679
Net Operating Revenue	340,312,490	365,556,990	411,425,050	517,733,856	561,768,781
	8.10%	7.42%	12.55%	8.47%	8.51%
OPERATING EXPENSES					
Salaries, Wages, and Benefits	137,425,171	152,147,726	163,615,295	205,184,865	221,599,654
	8.40%	10.71%	7.54%	8.00%	8.00%
Physician Salaries and Fees	6,063,489	6,287,430	6,812,749	8,017,900	8,418,795
	-30.12%	3.69%	8.36%	5.00%	5.00%
Supplies and other	86,442,446	94,227,501	102,350,564	120,364,288	128,789,789
	6.06%	9.01%	8.62%	7.00%	7.00%
Uncompensated Care (Free Care)	71,300,177	80,931,872	100,253,595	144,671,888	161,094,783
Other Expenses					
Total Operating Expenses	301,231,283	333,594,529	373,032,203	478,238,941	519,903,021
NON-OPERATING EXPENSES					
Taxes					
Depreciation	15,781,472	17,123,756	19,149,349	23,192,278	23,772,084
Interest (other than mortgage)	2,216,210	2,526,844	3,636,365	4,024,600	4,024,600
Existing Capital Expenditures					
Interest					
Total Non-Operating Expenses					
TOTAL EXPENSES (Operating & Capital)	319,228,965	353,245,129	395,817,917	505,455,819	547,699,705
	4.39%	10.66%	12.05%	8.82%	8.36%
Operating Income (Loss)	21,083,525	12,311,861	15,607,133	12,278,037	14,069,076
Other Revenue (Expense) -- Net					
NET INCOME (Loss)					
Projected Capital Expenditure					
Interest					

B. PROJECT SPECIFIC FINANCIAL INFORMATION

STATEMENT OF INCOME AND EXPENSE	HISTORICAL DATA			PROJECTED DATA	
	(Give information for last 3 years for which complete data are available)			(First 2 years after completion of project)	
	2005	2006	2007	2010	2011
Revenue from Services to Patients					
Inpatient Services					
Routine (nursing service areas)					
Other					
Outpatient Services	58,319,899	58,247,775	70,498,018	90,104,330	96,501,738
Emergency Services					
Gross Patient Revenue	58,319,899	58,247,775	70,498,018	90,104,330	96,501,738
Deductions from Revenue					
Contractual Adjustments	34,863,636	35,577,741	44,195,208	58,107,291	63,002,462
Discount/Miscellaneous Allowances					
Total Deductions	34,863,636	35,577,741	44,195,208	58,107,291	63,002,462
NET PATIENT REVENUE (Gross patient revenue less deductions)	23,456,263	22,670,034	26,302,810	31,997,039	33,499,276
Other Operating Revenue					
NET OPERATING REVENUE	23,456,263	22,670,034	26,302,810	31,997,039	33,499,276
OPERATING EXPENSES					
Salaries, Wages, and Benefits	2,004,782	2,170,838	2,412,805	2,675,120	2,768,749
Physician Salaries and Fees	3,633,290	3,719,746	3,888,392	4,738,393	4,833,161
Supplies and other	7,777,200	8,194,116	10,143,364	12,137,036	12,982,464
Uncompensated Care (less recoveries) per State (Free Care)	4,613,104	4,723,895	6,182,676	8,920,329	9,650,174
Other Expenses					
Total Operating Expenses	18,028,376	18,808,595	22,627,237	28,470,878	30,234,548
NON-OPERATING EXPENSES					
Taxes					
Depreciation	338,300	338,300	338,300	1,968,800	1,968,800
Existing Capital Expenditures					
Interest	-	-	-	627,700	627,700
Total Non-Operating Expenses					
TOTAL EXPENSES (Operating & Capital)	18,366,676	19,146,895	22,965,537	31,067,378	32,831,048
Operating Income (Loss)	5,089,587	3,523,139	3,337,273	929,661	668,228
	27.01%	19.63%	16.59%	4.03%	2.80%
Other Revenue (Expense) – Net					
NET INCOME (Loss)					
Projected Capital Expenditure					
Interest					

IV. COST (continued)

F.	Proposed Finance Charges	
1.	Total Amount to Be Financed	\$ <u>13,949,000</u>
2.	Anticipated Interest Rates	<u>4.5%</u>
3.	Term of Loan	<u>20 year</u>
4.	Method of Calculating Interest on Principal Payment	<u>Rate x Balance</u>

V. ANTICIPATED SOURCE OF FUNDING

A.	Federal	Amount	Source
1.	Grants	\$ _____	_____
2.	Loans	_____	_____
B.	Non-Federal		
1.	Commercial Loan	_____	_____
2.	Tax-exempt Revenue Bonds	<u>13,949,000</u>	<u>Bond Market</u>
3.	General Obligation Bonds	_____	_____
4.	New Earning and Revenues	_____	_____
5.	Charitable Fund Raising	<u>10,000,000</u>	<u>Philanthropy</u>
6.	Cash on Hand	<u>11,430,981</u>	<u>DCH</u>
7.	Other	_____	_____
C.	TOTAL (should equal IV-E on page A-3)		\$ <u>35,379,981</u>

VI. TIMETABLE

A.	Projected Start/Purchase Date	<u>Nov. 2006</u>
B.	Projected Completion Date	<u>April 2009</u>

Text for Modifications



FKP Architects

March 3, 2008

**DCH REGIONAL MEDICAL CENTER
CANCER TREATMENT CENTER
CON RESUBMITTAL –AL 2006-010, CON 2162-H
FKP PROJECT No. 2007.31**

Project Background.

In 2004, DCH Regional Medical Center began the planning process to replace its aging Cancer Center that was built and opened in 1986. The new Cancer Treatment Center (CTC) was based on DCH's strategic plan to provide cancer care to the eleven (11) county areas that includes Tuscaloosa, Bibb, Fayette, Greene, Hale, Lamar, Pickens, Sumter, Marengo, Marion, and Perry Counties. In general, the planning for the new Cancer Center was based on the most current facility master plans developed by FKP Architects, Inc. and updated approximately every five (5) years. Finally, the programs to be provided were based on the current treatment programs offered by DCH, which includes both medical oncology, and radiation therapies. Projections on patient visits and workloads were extended out to the year 2015 and were based on historical volumes as tracked by the DCH Regional Medical Center and projected population growth based on information obtained from the U.S. Census Bureau and Center for Business and Economic Research, the University of Alabama, dated August 2001.

The CON application for the replacement cancer center was submitted to the Alabama State Health Planning and Development Agency on December 15, 2005. AL 2006-010, CON 2162-H was granted to DCH Regional Medical Center on March 30, 2006. Detailed planning for the new cancer center began immediately.

Project Modifications.

In early 2006, the design of the CTC was proceeding on schedule and was meeting the original design intent.

- A. Meet the needs of the community.
- B. Replace the current facility and programs with capability to handle future demands.
- C. Meet the requirements of the approved CON.

Toward the middle of 2006, DCH decided to pause the design process in order to evaluate the services and programs that were being considered for their patients and decided that the CTC, if it were to be successful and truly meet the needs of the patients of West Alabama, needed to do more than just replace the existing facility. At this point, two (2) major exercises began to reshape the design of the CTC.

- A. Staff and physicians of the Cancer Center visited a number of similar projects in the region in order to benchmark their facility against what the market was providing. These facilities included: John B. Amos Cancer Center, Columbus, GA; Nevada Cancer Institute, Las Vegas, NV; North Mississippi Medical Center, Tupelo, MS, and Montgomery Cancer Center, Montgomery, AL.
- B. A new patients' survey, using focus groups, was initiated to determine how the current patients felt about the programs and services being offered by DCH and were asked to comment on the existing facility and what their hopes and dreams were for a new facility.

The additional information and feedback received from these two (2) exercises allowed DCH to refine its programs into a more comprehensive approach based on a patient centered care concept. Further, it became evident that the needs of the patients and the patients' families extended well beyond just healing cancer. The new CTC must provide an environment conducive to the healing of the whole patient; mind, body, and spirit. The Center must seek to enhance the patients' well being through its strong connection to the outdoors, use of ample natural lighting, integrate the outdoors into interior spaces, and provide ample space as required for patients and their families. All of these issues and desires were clearly stated in the patients' own hand in the completed surveys.

In order to address the patients' needs at all three levels; mind, body, and spirit, additional complimentary programs were added to the facility as Patient Amenities. These amenity spaces would further the patients' ability to heal through access to an Appearance Boutique, Wellness Center (providing space for yoga, reiki, tai chi, and other patient therapies), Creativity Center providing art therapy for both patients and families, group therapy rooms, a Café, a Resource Center for individualized patient research, and a Chapel that would allow the patient and their family to meet the spiritual needs that were expressed. In addition, the new approach provided meeting space that would allow community involvement in the CTC and patient counseling services to benefit the entire family.

At the same time, DCH elected to expand it's treatment modalities in the facility by adding High Dose Radiation (HDR), which would be delivered via a mamosite system. This treatment approach would allow for treating certain types of prostate and breast cancers with minimal damage to surrounding healthy tissues. Finally, in order to truly have comprehensive care on one site, the decision was made to bring the Tumor Registry Board on site and discontinue the current approach which was to outsource the program to a consultant in St Louis, MO. Having the Tumor Registry on campus would greatly enhance the interaction with physicians and the patients' ability to participate in clinical trials.

Exceeding Projections.

The original size of the CTC Center was determined utilizing projections based on an estimated 2004 patient volume. Actual data at the time of these projections were only available through fiscal year 2003/2004; therefore, the 2003 data became the springboard for projecting the ultimate workload by which the facility would be designed to accommodate in 2015. By the end of 2007, the CTC had already exceeded its 2009 projections, which was to have been its second year of operation in the new facility.

	2009 CON Projections	2007 Actual Visits
Radiation Oncology	16,653	20,847
Medical Oncology	24,957	24,066
Totals	41,610	44,913

Projecting future patient volumes in healthcare is more of an art than a science. The reasons that DCH has exceeded projections by almost 14% can most likely be tied to two factors.

1. Population growth in 2001 was projected to be approximately 6% between 2000 and 2010. Contrary to population projections, DCH has averaged a 3% per year growth in its' average daily census since 2003.
2. The impact of the Baby Boomers on healthcare systems is just being realized. In 2003, 12% of the US population was over age 65. By 2030, 20% of the US population will be over age 65.

Both of these factors, increased population growth in the area and the impact of Baby Boomers, are contributors to this accelerated growth. At this time, there is no reason to assume that this level of growth will not continue.

Construction Market Conditions.

In the attached letter, written by Tim Harrison, President of Harrison Construction Company, the impact of the construction market conditions, between 2004 through 2007, are detailed. In general, CON prices were based on the mid 2004 construction market. In September 2004 and August 2005 the construction markets were impacted by Hurricanes Ivan and Katrina respectively. The availability of manpower and certain materials such as copper, concrete and steel were adversely affected. There were also world market factors at work with expansions at an unprecedented rate occurring in China and other countries. These factors created a condition in the construction market that was unforeseen and yielded price increases that had a significant impact on the DCH CTC. Refer to the attached letter for more details.

Conclusion.

Due to the factors listed above, a) a change in the approach to patient care; b) patient volumes exceeding projections; and c) unexpected construction market conditions, the DCH Cancer Center has increased in size from the original CON version of 93,055 SF to a current gross square footage of 98,250 SF with the total project cost increasing from the CON amount of \$24,850,000 to the current cost of \$35,379,981. In summary this \$10,529,981 overage is allocated as follows:

Cost Overage Summary	CON vs Revised
5,195 Added SF	
\$ 243 Adjusted Cost / SF	
\$ 1,264,362	Cost due to added scope
\$ 1,000,000	Cost due to added utility package
\$ 1,485,035	Cost due to added equip/ furn/ fees
\$ 6,779,784	Cost due to market inflation

Attachments A, B, C, and D provide additional detail on the cost, scope, and square footage increases.

The increased scope and cost of this project, allows the DCH Regional Medical Center to not only meet the needs of its' current patients, but allows them to meet the future growth of their patient population and the needs of the whole patient; ***Mind, Body, and Spirit.***



FKP Architects

DCH Regional Medical Center

Project No. 2007 25

Revised CON Statement of Cost

Cancer Treatment Center & Phelps Center Expansion

February 21, 2008

	CON as Approved			Revised Design			Increase/ (Decrease)	
	Area	Subtotals	Total	Area	Subtotals	Total		
1.00 Construction Cost	93,055		\$ 14,868,000	98,250		\$ 23,912,146	5,195	\$ 9,044,146
Cost per SF			\$ 160			\$ 243		\$ 84
1.01 Building		\$ 14,350,000		\$ 21,817,008	see note 5			
1.02 Tunnel		\$ 518,000		\$ 590,938				
1.03 SW central utility upgrade		not in original scope		\$ 1,000,000	see note 3			
1.04 Amenity Space Build-out		not in original scope		\$ 504,200	see note 4			
2.00 Professional Fees / Permits			\$ 1,487,000			\$ 1,500,000		\$ 13,000
3.00 Medical Equipment / Fixed and Movable			\$ 6,716,000			\$ 6,915,836		\$ 200,836
3.01 Major Medical Equipment		\$ 6,716,000		\$ 6,714,800	see note 1			
3.02 Major Movable Medical Equipment				\$ 204,215				
3.03 Major Med Eq / Added Scope				\$ 996,821	see note 2			
4.00 Furniture / Graphics			\$ 878,000			\$ 1,960,000		\$ 1,072,000
4.01 Furniture		\$ 878,000		\$ 1,700,000				
4.02 Graphics		not in original scope		\$ 150,000				
4.03 Window Treat / Cubicle Curtains		not in original scope		\$ 100,000				
4.00 Contingency		not included	\$ -			\$ 200,000		\$ 200,000
4.00 First Year Operating Cost			\$ 901,000			\$ 901,000		\$ -
TOTAL PROJECT COST			\$ 24,860,000			\$ 35,079,981		\$ 10,529,981

42%

Notes to Statement of Cost

- Two Linear Accelerators. Does not include CT Simulator that was purchased in 2007 as a capital replacement item
- Includes an HDR/Mamosite System, Pharmacy expansion, patient amenity equipment, treatment planning system upgrades, Radiation & Medical Oncology exam table replacements & support space equipment and a patient services kiosk in the main lobby
- Extension of central utility services to the CTC through the logistical support Tunnel.
- Additional build out dollars for added scope of patient amenities.
- Original CON design included 29,440 SF of shell space. Revised design includes 16,425 SF of shell space. Adding the growth of the building plus shell space now built out equals an increase of 15,095 SF of built out space.

FKP Architects, Inc.

R. Wayne Marchand, AIA, ACHA
Principal
Alabama Lic. No. 4720

Cost Overage Summary		CON vs Revised
	5,195	Added SF
\$	243	Adjusted Cost / SF
\$	1,263,562	Cost due to added scope
\$	1,000,000	Cost due to added utility package
\$	1,485,834	Cost due to added equip/ furn/ fees
\$	6,775,784	Cost due to market inflation
\$	23,912,146	Current cost
\$	14,868,000	CON cost
\$	10,529,981	Total Cost Overage



FKP Architects

DCH Regional Medical Center

Revised CON Medical Equipment Cost

Cancer Treatment Center & Phelps Center Expansion

Project No: 2007.25

February 25, 2008

Department Name	Total Cost	Estimate Source	Comments
1.00 Public Services	\$ 22,493	Base Bid	
2.00 Support Services	\$ 31,854	Base Bid	
3.00 Areas	\$ 52,306	Base Bid	
4.00 Medical Records/ Registration	\$ 26,080	Base Bid	
5.00 Social/ Psych Support	\$ 4,766	Base Bid	
6.00 Patient Amenities	\$ 28,558	Base Bid	
7.00 Radiation Oncology Support	\$ 295,882	Base Bid	
8.00 Treatment Planning	\$ 40,017	Base Bid	Does not include CT Simulator, capital purchase in 2007
9.00 HDR Treatment Therapy	\$ 320,000	Base Bid	HDR/ Mamosite System
10.00 Radiation Oncology Treatment	\$ 5,714,393	Base Bid	Linear Accelerator Treatment System and support.
11.00 Medical Oncology Support	\$ 314,716	Base Bid	
12.00 Pharmacy	\$ 65,770	Base Bid	
Total Cost	\$ 6,916,835		
Major Additional Equipment Since Original CON			
HDR Mamosite System	\$ 320,000		Cost included above
Satellite Pharmacy Expansion	\$ 65,770		Cost included above
Patient Amenities/ Wellness	\$ 28,558		Cost included above
Radiation Oncology Support	\$ 295,882		Cost included above
Treatment Planning	\$ 40,017		Cost included above
Public Services Kiosk	\$ 5,000		Cost included above
Medical Oncology Support	\$ 243,000		Cost included above
Total Cost	\$ 998,227		



FKP Architects

Revised CON Statement of Cost

DCH Regional Medical Center

Cancer Treatment Center & Phelps Center Expansion

Project No: 2007-25

February 21, 2008

	CON as Approved			Revised Design			Increase/ (Decrease)	
	Area	Subtotals	Total	Area	Subtotals	Total		
1.00 Construction Cost	93,055		\$ 14,888,000	98,250		\$ 23,912,148	5,195	\$ 9,044,148
Cost per SF			\$ 160			\$ 243		\$ 84
1.01 Building		\$ 14,350,000		\$ 21,817,008	see note 5			
1.02 Tunnel		\$ 518,000		\$ 590,938				
1.03 SW central utility upgrade		not in original scope		\$ 1,000,000	see note 3			
1.04 Amenity Space Build-out		not in original scope		\$ 504,200	see note 4			
2.00 Professional Fees / Permits			\$ 1,487,000			\$ 1,500,000		\$ 13,000
3.00 Medical Equipment / Fixed and Movable			\$ 6,716,000			\$ 6,915,835		\$ 200,835
3.01 Major Medical Equipment		\$ 6,715,000		\$ 5,714,333	see note 1			
3.02 Major Movable Medical Equipment				\$ 204,215				
3.03 Major Med Eq / Added Scope				\$ 998,287	see note 2			
4.00 Furniture / Graphics			\$ 878,000			\$ 1,960,000		\$ 1,072,000
4.01 Furniture		\$ 878,000		\$ 1,700,000				
4.02 Graphics		not in original scope		\$ 150,000				
4.03 Window Treat / Cubicle Curtains		not in original scope		\$ 100,000				
4.00 Contingency		not included	\$ -			\$ 200,000		\$ 200,000
4.00 First Year Operating Cost			\$ 901,000			\$ 901,000		\$ -
TOTAL PROJECT COST			\$ 24,868,000			\$ 35,378,981		\$ 10,529,981

42%

Notes to Statement of Cost

- Two Linear Accelerators. Does not include CT Simulator that was purchased in 2007 as a capital replacement item
- Includes an HDR/Mamosite System, Pharmacy expansion, patient amenity equipment, treatment planning system upgrades, Radiation & Medical Oncology exam table replacements & support space equipment and a patient services kiosk in the main lobby
- Extension of central utility services to the CTC through the logistical support Tunnel.
- Additional build out dollars for added scope of patient amenities.
- Original CON design included 29,440 SF of shell space. Revised design includes 16,425 SF of shell space. Adding the growth of the building plus shell space now built out equals an increase of 15,095 SF of built out space.

FKP Architects, Inc.

R. Wayne Marchand, AIA, ACHA
Principal
Alabama Lic. No. 4720

Cost Overage Summary		CON vs Revised
	5,195	Added SF
\$	243	Adjusted Cost / SF
\$	1,264,382	Cost due to added scope
\$	1,000,000	Cost due to added utility package
\$	1,485,835	Cost due to added equip/ furn/ fees
\$	8,778,784	Cost due to market inflation
\$	23,912,148	Current cost
\$	14,868,000	CON cost
\$	10,529,981	Total Cost Overage



Department / Space or Function	CON Spaces	Revised Plan	Spaces Gained	Approx. Net SF Added	Comments
1.0 Administrative					
1.1 Medical Records Manager Office	0	1	1	168	
1.2 Dietician Office	0	1	1	168	
1.3 Nurse Practitioner Office	1	2	1	154	
1.4 Volunteer Work / Storage	0	1	1	140	
1.5 Tumor Registry Board Meeting Room	0	1	1	1,526	
1.6 Tumor Registry Staff Work Station	0	3	3	336	
1.7 Tumor Registry Supervisor Office	0	1	1	196	
1.8 Administrative Conference room	0	1	1	224	
1.9 Pharmacist Work / Office	0	1	1	112	
1.10 IT Manager Work / Office	0	1	1	112	
2.0 Patient Amenities					
2.1 Resource Center	0	1	1	420	
2.2 Appearance Boutique	0	1	1	1,120	
2.3 Creativity Center / Art Therapy	0	1	1	1,050	
2.4 Café	0	1	1	560	
2.5 Chapel	0	1	1	210	
2.6 Wellness / Exercise Room	0	1	1	1,092	
3.0 Radiation Oncology					
3.1 Pediatric Play Area / Waiting	0	1	1	182	
3.2 Exam rooms	6	7	1	168	
3.3 Dosimetrists Work Stations	2	3	1	140	
3.4 Senior Radiation Therapist Office	0	1	1	161	
3.5 Linear Accelerator Vault	3	3	0		In CON the third vault was only a space allocation, now it is constructed but not equipped
3.6 Physician Office Manager	0	1	1	112	
4.0 Medical Oncology					
4.1 Pediatric Play Area / Waiting	0	1	1	140	
4.2 Blood Draw Stations	3	4	1	140	
4.3 Shot Room / Exam	0	1	1	168	
4.4 Nurse Call Center	0	1	1	154	3 positions
4.5 Nurse Manager Office	0	1	1	168	
4.6 Medical Oncology Infusion Stations	24	28	4	448	
4.7 Patient Toilets	4	6	2	224	
4.8 Medical Oncologist Physician Office	4	6	2	420	
4.9 Physician Office Manager	0	1	1	112	
5.0 Shell Space and Other Miscellaneous Spaces					
5.1 Future Outpatient Imaging Shell Space	7,640	8,233		593	
5.2 Future Outpatient Surgery Shell Space	12,300	8,383		(3,917)	
5.3 Future Other Use Shell Space	9,500	-		(9,500)	
5.4 Other Miscellaneous Space Adds				7,694	
Totals			37	5,195	Includes departmental grossing factor



FKP Architects

DCH Regional Medical Center

Revised CON Patient Visit Projections

Cancer Treatment Center & Phelps Center Expansion

Project No. 2007.25

February 21, 2008

Workloads / Actual based on information provided by Bud Baker, RMC/CTC, dated September 7, 2004 & Amanda Baeker dated January 15, 2008

	Actual Patient Visits								CON Projections		40,551	41,610
	2000	2001	2002	2003	2004	2005	2006	2007	Projected	Projected	Projected	Projected
	2008	2009	2012	2015								
Radiation Oncology	16,064	15,905	16,250	14,018	15,465	15,411	17,527	20,847	21,681	22,548	25,254	28,284
Medical Oncology	17,736	19,925	20,331	21,022	21,363	20,964	21,139	24,066	25,029	26,030	29,153	32,652
Total Cases	33,800	35,830	36,581	35,040	36,828	36,375	38,666	44,913	46,710	48,578	54,407	60,936

	Design and Const.								Occupancy March 2009			
									6 yr Growth after Occupancy			
	Projected % growth per year											
Rad Onc % increase	-9.2%	-1.0%	2.2%	13.7%	10.3%	10.3%	13.7%	13.8%	4.0%	4.0%	4.0%	4.0%
Med Onc % increase	-0.7%	12.3%	2.0%	8.4%	1.0%	-1.9%	0.8%	13.8%	4.0%	4.0%	4.0%	4.0%
Average growth for past 5 years prior to 2007: Radiation Oncology	15.8%								→			
Average growth for past 5 years prior to 2007: Medical Oncology	3.6%								Increase due to aging population, cancer awareness, screenings and increased blood disorder cases.			

Projected % increase from previous year based on expected population c Above average due to located in City of Tuscaloosa 1.5% 1.5% 1.5% 1.5% 1.5%

*Tuscaloosa County population will grow 6% from 2000 to 2010. This would be .6% per year. Assume 1.5% growth/ year for city of Tuscaloosa. Source: US Census Bureau & Center for Business & Economic Research, The University of Alabama, August 2001

Treatment Days per Year 255 Based on Monday through Friday every week of the year except holidays, unless noted otherwise

Summary by Department

Treatment Planning

EQUIP NUMBER	DESCRIPTION	ASE.	TYPE	RESP.	TOTAL QTY.	EXIST. QTY.	NEW QTY.	UNIT COST	TOTAL EQUIP. COST
TOTAL FOR DEPT : TREATMENT PLANNING									\$360,017 ✓
BUDGET SOURCE: Base Bid									\$40,017
02300	Defibrillator: with Monitor and Non-Invasiv	<input type="checkbox"/>	N	OFOI	1	0	1	13,900	13,900
06073	Camera: CCTV, 1/3" Color, 6-36MM Moto	<input checked="" type="checkbox"/>	F	CFCI	2	0	2	970	1,940
06074	Camera: CCTV, 1/3" Color, with Varifocal	<input checked="" type="checkbox"/>	F	CFCI	1	0	1	750	750
06465	Stool: Foot, Stainless Steel, w/Hand Rail	<input type="checkbox"/>	N	OFOI	1	0	1	178	178
12023	Chemical Mixer, Standard, 12.5 Gallon Cap	<input type="checkbox"/>	M	OFOI	1	0	1	627	627
12060	Block Cutting System: Floor Mounted, 2D	<input type="checkbox"/>	M	OFOI	2	2	0	8,950	0
12381	Warmer/Water Bath: Digital Control, for he	<input type="checkbox"/>	M	OFOI	1	1	0	1,500	0
12400	Dispenser: Low Melting Alloy, 1.5 Gallon	<input type="checkbox"/>	N	OFOI	1	1	0	0	0
12491	Workstation: Radiation Treatment Planning,	<input type="checkbox"/>	IM	OFOI	4	4	0	40,000	0
12726	Laser Imager: Dry View	<input checked="" type="checkbox"/>	IM	OFOI	1	1	0	30,000	0
12749	Duplicator, Film Duplicating System with S	<input type="checkbox"/>	M	OFOI	1	1	0	26,955	0
12760	Silver Recovery Unit: 1.5 Gallon Capacity	<input type="checkbox"/>	N	OFOI	1	0	1	780	780
13434	Stand: Mayo, Stainless Steel, Push Button	<input type="checkbox"/>	N	OFOI	1	1	0	265	0
14017	Computer: Workstation, Includes 17" Flat P	<input type="checkbox"/>	N	OFOI	1	1	0	2,395	0
14032	Printer: Thermal Ink Jet, 4800x1200 dpi Re	<input type="checkbox"/>	N	OFOI	2	2	0	120	0
14170	Clock: 12-hour, Wall Mounted, Battery Ope	<input type="checkbox"/>	N	OFOI	3	0	3	28	84
15017	Computer Workstation: Includes 17" Flat Pa	<input type="checkbox"/>	IS	OFOI	1	0	1	1,395	1,395
19192	Regulator: Suction, Intermittent and Contin	<input type="checkbox"/>	N	OFOI	1	0	1	750	750
19325	Cart: Emergency, 6 Drawer, Complete with	<input checked="" type="checkbox"/>	N	OFOI	1	0	1	1,300	1,300
19363	Monitor: Physiological, Pre-Configured, 10	<input type="checkbox"/>	M	OFOI	1	0	1	9,100	9,100
19433	Stand: Monitor, Mobile, with Handle and Cl	<input type="checkbox"/>	N	OFOI	1	0	1	650	650
26170	Flowmeter: Air, 1-15 lpm, with Quick Conn	<input type="checkbox"/>	N	OFOI	1	0	1	58	58
26182	Flowmeter: Oxygen, 1-15 lpm, with Quick C	<input type="checkbox"/>	N	OFOI	1	0	1	75	75
29093	Drill Press, 1/2" capacity, 1/3-HP, Benchtop	<input checked="" type="checkbox"/>	N	OFOI	1	1	0	650	0
30106	Hamper: 19" x 19" with Lid, Foot Operated,	<input type="checkbox"/>	N	OFOI	1	0	1	115	115
30403	Receptacle: Waste, Fire Resistant, 40 qt Cap	<input type="checkbox"/>	N	OFOI	7	0	7	52	364
30408	Receptacle: Plastic, Biohazard Waste, Foot	<input type="checkbox"/>	N	OFOI	1	1	0	67	0
30450	Dispenser: Combination C-Fold/Multi-Fold	<input type="checkbox"/>	A	OFCI	1	0	1	0	0
30460	Dispenser: Soap, Wall Mounted	<input type="checkbox"/>	A	OFCI	1	0	1	0	0
E031	Light: Procedure, Ceiling Mounted, Single	<input checked="" type="checkbox"/>	F	OFCI	1	0	1	6,000	6,000
MG04	Medical Gases: Wall Outlets, 1 Air, 1 Oxyg	<input type="checkbox"/>	P	CFCI	1	0	1	0	0
DCH Cancer Treatment Center - 95% Construction Documents									

Summary by Department

Treatment Planning

EQUIP. NUMBER	DESCRIPTION	ASE.	TYPE.	RESP.	TOTAL QTY.	EXIST. QTY.	NEW QTY.	UNIT COST	TOTAL EQUIP. COST
X010	Cassette Passbox: X-Ray Film, Standard, A	<input checked="" type="checkbox"/>	F	CFCI	1	0	1	385	385
X110	Bin: Film Storage, Radiographic Film, with	<input checked="" type="checkbox"/>	F	CFCI	1	0	1	1,100	1,100
X153	Alignment: Laser Isocenter Marking Syste	<input checked="" type="checkbox"/>	F	OFOI	1	1	0	25,300	0
X163	Rack: Aprons, Wall Mounted, Holds 4 Apro	<input checked="" type="checkbox"/>	F	OFCI	1	0	1	150	150
X395	X-Ray: CT Scanner: Large Bore, Oncology	<input checked="" type="checkbox"/>	R	OFOI	1	1	0	1,200,000	0
X604	Illuminator: X-Ray Film, 4 Panel, Surface	<input checked="" type="checkbox"/>	F	OFCI	1	1	0	880	0
X724	Processor: X-Ray Film, Counter Top with	<input checked="" type="checkbox"/>	F	OFCI	1	1	0	12,425	0
X780	Safelight: Darkroom, Double Compartment,	<input checked="" type="checkbox"/>	F	CFCI	1	0	1	316	316

Summary by Department

Treatment Planning

EQUIP NUMBER	DESCRIPTION	ASE.	TYPE.	RESP.	TOTAL QTY.	EXIST QTY.	NEW QTY.	UNIT COST	TOTAL EQUIP COST
BUDGET SOURCE: Future									\$320,000 ✓
X471	Brachytherapy: HDR Afterloader	<input type="checkbox"/>	R	OFOI	1	0	1	320,000	320,000

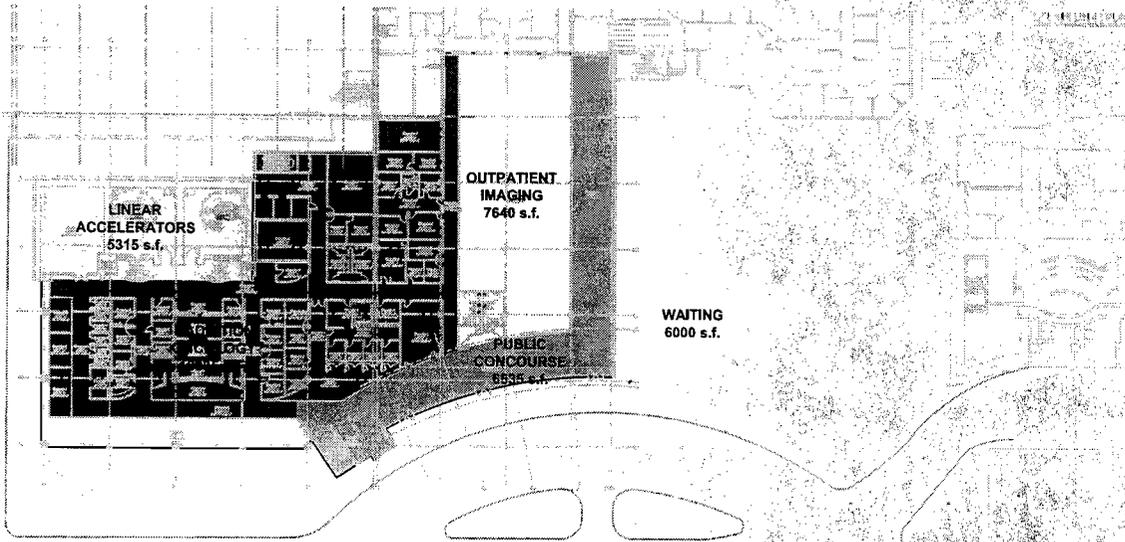
STATEMENT OF PROBABLE CONSTRUCTION COST

CTC & PHELPS CENTER EXPANSION

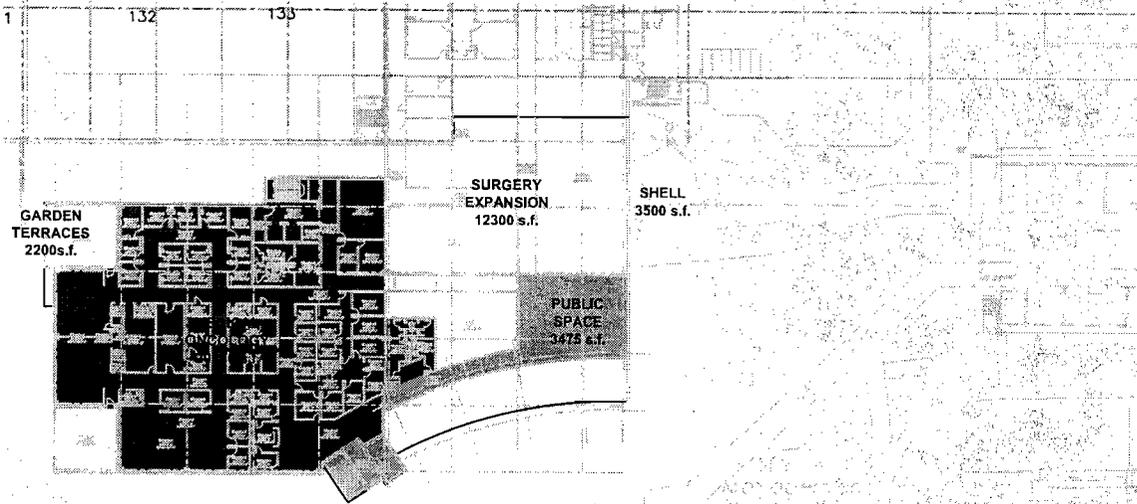
FKP Architects, Inc.

October 25, 2005

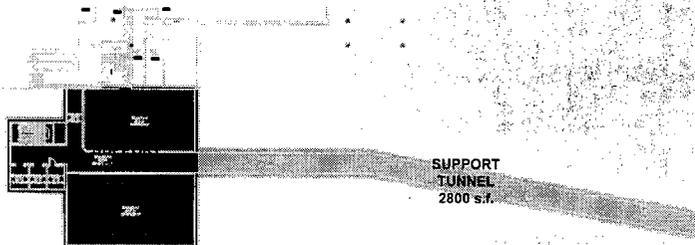
95355 S.F. Total



MAIN FLOOR
44425 S.F. TOTAL



1st FLOOR
41745 S.F. TOTAL



GROUND FLOOR
9185 S.F. TOTAL

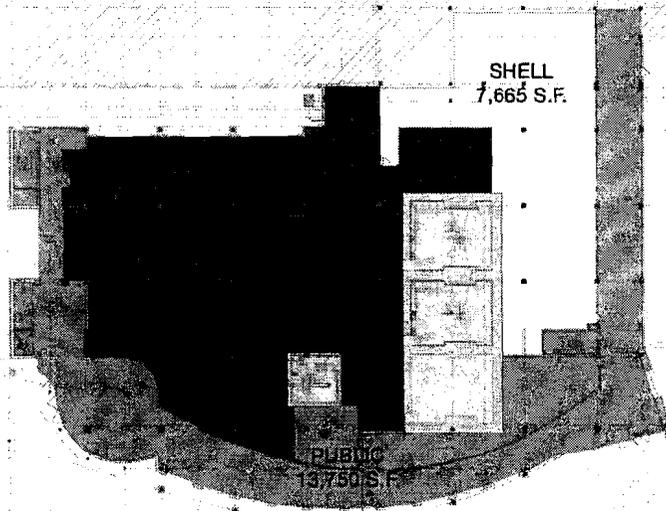
STATEMENT OF PROBABLE CONSTRUCTION COST

CTC & PHELPS CENTER EXPANSION

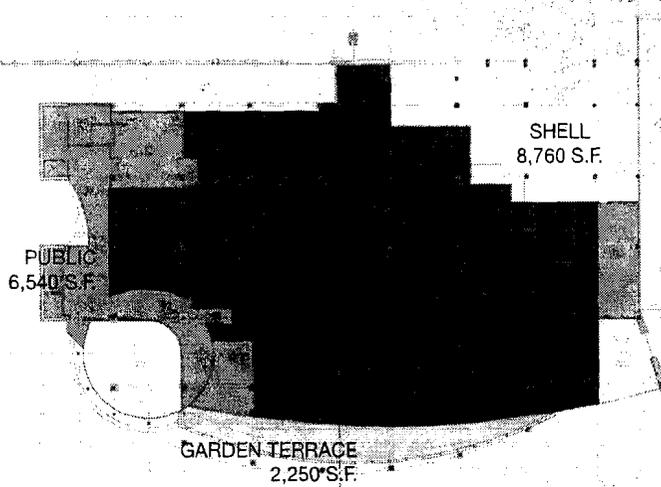
FKP Architects, Inc.

February 6, 2008

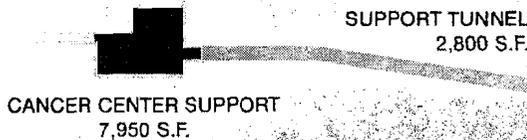
98,250 S.F. Total



MAIN FLOOR
45,800 S.F.



FIRST FLOOR
41,700 S.F. (EXCLUDING THE GARDEN TERRACE)



GROUND FLOOR
10,750 S.F.