Measure “A” General Obligation bond of $108 million was passed in March 2006 to support the upgrade of San Gorgonio Memorial Hospital facilities. The original intent was to build infrastructure facilities, a new Emergency Department and Intensive Care Unit and a six story patient tower. Following the engagement of the architectural firm, HDR, and the construction management firm, ProWest, plans were drawn up, cost estimates were made and a significant shortfall in funding was identified. An announcement to the public in the Record Gazette and Press Enterprise was made in October 2007, stating that the patient tower could not be built with existing funds; however, the rest of the project would be completed. For additional details, please contact Bobbi Duffy in Administration for a copy of the Construction Update documents of May 12, 2009.

In November 2007, the Community Oversight Committee was appointed by the San Gorgonio Memorial Healthcare District board of directors. Volunteers were solicited in newspaper articles as well as the hospital web site. The Oversight Committee is charged with reviewing and reporting on the proper expenditure of Measure “A” bond proceeds and advising the public whether the District is in compliance with requirements for how the bond proceeds are spent. The purposes for which the funds may be expended include construction, reconstruction, rehabilitation, or replacement of hospital facilities. Expenditures may also include development of an infrastructure and installation of equipment and furnishings that will support the new facilities. This annual report will update you on progress to date.

Preconstruction costs for architectural drawings, cost estimates, Office of Statewide Health Planning and Development (OSHPD) and city fees, Inspector of Record (IOR) fees, testing and inspection, and soils report before the construction could begin, totaled $1,619,499.

Three major pieces of hospital equipment were purchased, a 64-slice CT scanner, a fluoroscopy machine and a McKesson information technology system. All are state of art and will help San Gorgonio Memorial Hospital successfully care for patients well into the future. With construction costs for these installations and other fees, the total for this phase was $6,562,176.

Phase 0 was for the new access drive to Ramsey and the helipad. Moving of underground utilities also started during this phase. This was completed at a total cost of $3,330,753.

Phase 1A continued the replacement and moving of underground utilities, as well as building a cooling tower and oxygen farm on the site of a former Quonset hut near the intersection of
Highland Springs Avenue and Wilson Street. A modular building with a lift will serve as a temporary receiving area for all supplies during the remainder of the construction. This phase is in the final close-out and total costs are estimated at $7,921,772.

We are under construction for Phase 1B, the new Central Plant and utility tunnel which will connect the Central Plant to the new buildings yet to come, the Emergency Department/Intensive Care Unit and patient tower. The estimate for this phase is $26,591,975.

Phase 1C is the new Emergency Department (ED) and Intensive Care Unit (ICU). We are awaiting OSHPD approval before construction can begin, projected to start in January 2010. This part of the project is estimated at $50,694,861.

After the new ED/ICU building is occupied, a new loading dock, Phase 1D, will be constructed where the current ED is located, at a cost of $1,100,095.

Internal remodels within the hospital include an expanded kitchen area required in order to open 10 new ICU beds, movement of materials management to current ED, adjacent to new loading dock, and the relocation of displaced departments back to the hospital, which are housed in temporary trailers during construction. This phase, 1E, will complete the expenditures of current funds with an estimated cost of $5,654,677.

Additionally, $4,447,693 was spent on drawings for the patient tower, Phase 2A, before that project was officially halted. Phase 3A called for internal remodels, some of which are now included in Phase 1E. $76,500 was spent on design drawings for this phase.

As of June 30, 2009, $50 million of bonds had been sold. With interest income, $52,027,635.63 was available for the project; $26,266,656.93 had been spent for the first phases and $25,760,978.70 remains to be spent. On July 22, 2009, the remaining $58 million of bonds were sold, in anticipation of commencement of the ED/ICU within the next few months.

Measure “A” funds cannot be used for movable equipment and furnishings which will be needed to open the ED/ICU. There is a requirement of approximately $2.8 million for these items which needs to be raised through other means.

It is the conclusion of the Measure “A” Oversight Committee that San Gorgonio Memorial Healthcare District is in compliance with bond requirements and bond funds for the San Gorgonio Memorial Hospital expansion project are being spent appropriately.

Committee members:
Dorothy Ellis, Chair         Lynn Bogh Baldi         Ted Grady
Vicki Grunewald            Donna Lester           Estelle Lewis
Johnny Russo               Charla Sparks          Jan Wages

Staff:
Kay Lang, Project Manager