

North Oaks Medical Center Expansion Plans Reinstated

October 12, 2009



The new tower will adjoin the Signature Building and Office Plaza on the Medical Center campus.

OVERVIEW

The North Oaks Board of Commissioners and Administration are pleased to announce that the first phase of expansion plans for North Oaks Medical Center has been reinstated and funded through a \$99 million bond issuance.

Major components of the 200,000-square-foot, five-story hospital addition include 14 new operating room suites and 67 new private patient rooms.

Sixteen of the new rooms have been designated for critical care patients, and 51 will be used as medical/surgical and telemetry beds. With the addition of the 67 new private patient rooms, the hospital's inpatient bed count will increase to 326 and the private room ratio from 51% to 60%.

According to Executive Vice President/Chief Operating Officer Michele Sutton, expansion phasing has been prioritized to maintain a financially responsible course of action. "With extremely high average occupancy rates, this first phase will alleviate our immediate need for additional inpatient beds to take care of our patients," In addition, the new OR Suites will address growing schedule demands for both emergent and elective surgical procedures."

Infrastructure enhancements, such as a new central mechanical plant, medical gas farm, generator enclosure and helipad, along with site work and an entry tie-in to North Oaks Office Plaza also are components of the project. In addition, nearly 30,000 square feet of space adjoining the Emergency Department, along with 20,000 square feet of adjoining the new operating room suites, will be shelled in for future expansion needs in phase two.

"Since December 2008, when the economic downturn caused us to delay our expansion plans, we have closely monitored the municipal bond market for more favorable conditions to fund and reinstate the project," explains North Oaks Senior Vice President/Chief Financial Officer Shirley Hsing. "Due to the significantly lower interest rate of 4 percent, we believe this is an opportune time to proceed with expansion."

The expansion project represents \$74 million in design and construction costs and a \$25 million in equipment, furniture and fixture costs for a total community investment of \$99 million. It has been designed by Washer Hill Lipscomb Cabaniss Architecture, LLC.

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“The reinstatement of these expansion plans upholds our commitment to meeting the health care needs of the communities we serve,” affirms North Oaks President/Chief Executive Officer James E. Cathey Jr.



1st Floor:

- 27,000 square feet of shelled space for Emergency Department expansion in Phase 2
- Entry tie-in to Office Plaza

2nd Floor:

- 61,000 square feet for 14 new OR Suites and associated support space
- 20,000 square feet of shelled space adjoining the new OR Suites for future needs

3rd Floor:

- 26 private surgical patient rooms

4th Floor:

- 25 private telemetry patient rooms

5th Floor:

- 30 private medical/surgical patient rooms
- Signature Building Renovation:
- Conversion of existing Surgery Unit to ICU South to bring total critical care patient room count from 18 to 34

Physical Plant

- New central mechanical plant, medical gas farm, generator enclosure, helipad and associated site work

*For more information, please contact:
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