

Guadalupe Regional

MEDICAL CENTER



NEWS RELEASE

FOR RELEASE

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**“Building. For Life.” Extensive Expansion and Renovation Project
Begins at Guadalupe Regional Medical Center**

(Seguin, Texas – January 6, 2008) -- Guadalupe Regional Medical Center (GRMC) today announced that construction begins this week on the Medical Center’s plans to renovate and expand its existing facilities into an ultramodern health care complex. When GRMC’s expansion plans are finished, the hospital will have grown into a 260,000-square-foot technologically sophisticated Medical Center with a sleek, contemporary new appearance.

GRMC’s multi-million dollar expansion and renovation project will more than double the size of the Medical Center and expand the hospital’s health care services. A three-story Inpatient Tower, to be located on the current front hospital parking lot on the west side of the campus, will provide completely new Maternity Services and Medical floors, as well as a future inpatient unit. “The project will provide a first-rate facility for the seven county region served by the Medical Center and

allow the hospital to meet the area's anticipated future needs for health care services," explains GRMC's Chief Executive Officer Robert Haynes.

In addition, a multi-story Outpatient Services Center, on top of what is now Leonard Lane, will tremendously expand the Medical Center's campus and connect the main building to the Teaching Center and Wellness Center buildings. The plans also include a new Emergency Department and entrance, with more convenient access from Court Street.

The expected three-year project, slated to conclude during 2010, will encompass new construction, significant remodeling, and technological upgrades. Architects for the project are Perkins + Will, a large international design firm, that obtained input for the project from medical staff, employees and management before drawing plans. Contractor services are provided by Bovis Lend Lease. Also, I.C. Thomasson Associates are the project engineers and the Koehler Company has been contracted for the pharmacy expansion phase and for all cabinetry in the expansion. GRMC's neighbor, Wal-Mart graciously provided an adjacent lot for Bovis' construction trailers for the next three years.

The size of the project prohibited many local contractors from bidding on the project, but construction will have a significant positive impact on Seguin's economy. "At the heaviest point in construction," explains Haynes, "there will be as many as 250 workers on site, all eating, shopping, and lodging in Seguin. As many as eight Bovis workers will move to Seguin for the duration of the project. In addition, the completed project will provide new opportunities for employment for both staff and physician practices as we expand our services and the number of patients we serve."

Guadalupe Regional Medical Center contributes \$32 million per year to the local economy in salaries and benefits and with 700 employees is the fifth largest employer in Guadalupe County. More than 60 local physicians, practicing in 25 specialties, are actively affiliated with the Medical Center.

The expansion will increase:

- ER beds from nine to 25;
- inpatient acute beds from 98 to 117, with potential for up to 154;
- state-of-the-art operating suites from four to six;
- maternity labor rooms from three to seven , and two separate c-section operating suites.

In addition, the project will provide:

- a new inpatient entrance (facing Court Street on the west side of the campus) and outpatient entrance (also facing Court Street);
- all private rooms on the surgical, maternity, and medical floors (except one four-bed suite intended for patients at risk for falls);
- significant expansions to the lab, pharmacy, and imaging areas;
- a public dining room that will be a key feature of the visitor area;
- the Wound Care Center will be moved to the hospital and include a hyperbaric chamber;
- a chemotherapy unit and a large three-suite Endoscopy unit;
- a state-of-the-art security system and upgrades to the facility's utility infrastructure.

The project is the result of a three-year strategic and master planning process that recognized the necessity of the expansion to meet the growing needs of the communities served by the facility, originally built in 1965. In addition, the three-story Inpatient Tower is engineered to allow for future expansion of up to three additional patient room floors for a total of six possible floors.

The total estimated budget for the project exceeds \$100 million and includes 141,000 square feet of new construction, major remodeling of 65,000 square feet, and equipment, technology, and financing fees. The Medical Center's expansion qualified for financing through the U.S. Department of Housing and Urban Development (HUD) and is insured through the Federal Housing Administration (FHA). Revenue bonds were issued to fund the mortgage loan, which enables GRMC to save conservatively more than \$12 million in interest over the 25-year life of the loan. Because the project is insured by the FHA, there is no financial liability to either the City of Seguin or to Guadalupe County or to taxpayers. Instead, the completed Medical Center will provide the City and County with a significantly enhanced asset of greater value. Since 1968, HUD has insured more than 320 hospital mortgages in 41 states.

“We respectfully ask for the patience of the public and our patients as we move through this construction process. At times, it may be inconvenient, cluttered, and noisy, but the end result will be well worth all of the temporary inconveniences,” explains Haynes. “All our employees will strive diligently to make this transition as trouble-free as possible for our patients and physicians. We encourage both inpatients and outpatients patients to call before arriving to determine the most convenient entrance and parking.”

Located in Seguin, Texas, Guadalupe Regional Medical Center is committed to providing excellent and comprehensive health care services for the residents of Guadalupe, Caldwell, Comal, Gonzales, Hays, Karnes, and Wilson counties. Having earned the Joint Commission’s Gold Seal of Approval™, Guadalupe Regional Medical Center is fully accredited. Jointly owned by the City of Seguin and Guadalupe County, GRMC is a not for profit community hospital offering a comprehensive variety of patient services and physician specialties. By providing state-of-the-art surgery and endoscopy facilities, breakthrough imaging technology, and expert clinical support, GRMC partners with physicians to provide superior health care that is available locally. GRMC is one of 49 hospitals, out of 581 licensed hospitals in Texas, to achieve the prestigious Nurse-Friendly™ distinction awarded by the Texas Nurses Association. This award demonstrates a high level of commitment by GRMC’s nursing team to quality patient care and to patient satisfaction. Last year, the hospital admitted 5,500 patients, handled 26,000 Emergency Department visits, 700 births, and performed 3,500 surgeries.



GRMC's expansion will boost the Medical Center's square footage to 260,000 and includes six surgical suites. Acute care and expanded Maternity Services will be located in the new Inpatient Tower, shown above, providing all private rooms, public dining, and a visitors' area that includes a meditation garden.



GRMC's new multi-story Outpatient Services Center, shown at center, will offer a broad range of services including medical imaging, wound care, laboratory services, endoscopy, and outpatient surgery. The new spacious Emergency Department, shown on right of above rendering, will have a convenient entrance off of Court Street and provide 25 private beds.



GRMC's expansion project will connect the hospital's Wellness Center (left) and Teaching Center (center) with the main campus of the Medical Center, eliminating what is now Leonard Lane, the street that runs between the current Teaching Center and ER.