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August 15, 2014

**RECEIVED**

AUG 18 2014

**FEDERAL EXPRESS**

**HEALTH FACILITIES &  
SERVICES REVIEW BOARD**

Michael Constantino  
Illinois Health Facilities and Services Review  
Board  
525 West Jefferson Street, 2nd Floor  
Springfield, Illinois 62761

**Re: Annual Progress Report – Stony Island Dialysis (Proj. No. 12-008)**

Dear Mr. Constantino:

Pursuant to Section 1130.760 of the Illinois Health Facilities and Services Review Board (“HFSRB”) rules, I am writing on behalf of DaVita HealthCare Partners Inc f/k/a DaVita Inc. and Total Renal Care, Inc. (the “Permit Holders”) to submit the annual progress report for Stony Island Dialysis (Project No. 12-008). As you are aware, on July 24, 2012, HFSRB approved the Permit Holders’ application to add 8 stations to its existing 24-station in-center hemodialysis facility located at 8721 South Stony Island Avenue, Chicago, Illinois 60617 to establish a 32-station in-center hemodialysis facility (the “Project”). Pursuant to Section 1130.760, the Permit Holders submit the following information regarding the progress of Project Permit #12-008.

**1. Status of the Project**

The Project was obligated on November 9, 2012, through the execution of an amendment of a lease to expand the dialysis facility. Due to delays in obtaining permits from the City of Chicago, construction did not commence until November 2013. Construction is expected to be complete in the next few months.

**2. Costs Incurred to Date**

To date, the Permit Holders have incurred \$2,013,908 in project costs.

PROJECT COSTS	Approved	Expended
New Construction Contracts	\$483,133	\$0
Modernization Contracts	\$1,386,000	\$1,060,182
Contingencies	\$186,500	\$0
A & E Fees	\$135,094	\$77,722
Consulting & Other Fees	\$62,500	\$37,383
Moveable Equipment	\$466,655	\$242,997
Fair Market Value of Leased Space & Equipment	\$595,624	\$595,624
<b>Estimated Total Project Cost</b>	<b>\$3,315,506</b>	<b>\$2,013,908</b>

**3. Sources of Funds**

The project will be financed through \$2,719,882 in cash and cash equivalents and \$595,624 lease.

**4. Application and Certification for Payment**

The Application and Certification for Payment (AIA Form G702) is included as Attachment A.

**5. Anticipated Completion Date**

The anticipated completion date for the Project is June 30, 2015. A request for a six month renewal of the Project permit is submitted with this Annual Progress Report.

If you need any additional information or have any questions regarding the status of the project, please feel free to contact me.

Sincerely,



Timothy V. Tincknell

cc: Michael Mills, HFSRB  
Ronny Philip

# APPLICATION AND CERTIFICATION FOR PAYMENT

CONSTRUCTION MANAGER-ADVISER EDITION

AIA DOCUMENT G702/CMA

PAGE ONE OF THREE PAGES

TO OWNER DaVita Healthcare Partners, Inc.  
 2000 16th Street  
 Denver, CO 80202  
 FROM CONTRACTOR:  
 Frontier Construction, Inc.  
 7615 Plaza Court  
 Willowbrook, IL 60527  
 CONTRACT FOR:

PROJECT: Stony Island Dialysis Facility  
 #5579 - Interior Buildout  
 8725 S. Stony Island Ave.  
 Chicago, IL 60617

APPLICATION NC 006  
 PERIOD TO: 6/30/2014  
 PROJECT NOS.:  
 CONTRACT DATE:

Distribution to:  
 OWNER  
 CONSTRUCTION MGR  
 ARCHITECT  
 CONTRACTOR

VIA CONSTRUCTION MANAGER:  
 VIA ARCHITECT: Studio GC / Gilfillan Callahan Nelson Architects

## CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract.  
 Continuation Sheet, AIA Document G703, is attached.

1. ORIGINAL CONTRACT SUM	\$	<u>1,598,072.00</u>
2. Net change by Change Orders	\$	<u>15,551.51</u>
3. CONTRACT SUM TO DATE (Line 1 + 2)	\$	<u>1,613,623.51</u>
4. TOTAL COMPLETED & STORED TO DATE (Column G on G703)	\$	<u>1,060,181.72</u>
5. RETAINAGE:		
a. 10 % of Completed Work (Column D + E on G703)	\$	<u>106,018.17</u>
b. 10 % of Stored Material (Column F on G703)	\$	<u>0.00</u>
Total Retainage (Lines 5a + 5b or Total in Column I of G703)	\$	<u>106,018.17</u>
6. TOTAL EARNED LESS RETAINAGE (Line 4 Less Line 5 Total)	\$	<u>954,163.55</u>
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from prior Certificate)	\$	<u>758,064.62</u>
8. CURRENT PAYMENT DUE	\$	<u>196,098.93</u>
9. BALANCE TO FINISH, INCLUDING RETAINAGE (Line 3 less Line 6)	\$	<u>659,459.96</u>

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

CONTRACTOR:

By: \_\_\_\_\_ Date: \_\_\_\_\_  
 Gregory A. Parr President  
 State of: Illinois County of: Cook  
 Subscribed and sworn to before me this 30th Day of June 2014  
 Notary Public:  
 My Commission expires:

## CERTIFICATE FOR PAYMENT

In accordance with the Contract documents, based on on-site observations and the data comprising this application, the Construction Manager and Architect certify to the owner that to the best of their knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED ..... \$ \_\_\_\_\_

(Attach explanation if amount certified differs from the amount applied. Initial all figures on this Application and on the Continuation Sheet that are changed to conform with the amount certified.)

CONSTRUCTION MANAGER:

By: \_\_\_\_\_ Date: \_\_\_\_\_

ARCHITECT:

By: \_\_\_\_\_ Date: \_\_\_\_\_

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved		
in previous months by Owner	\$41,526.16	\$4,419.00
Total approved this Month		\$21,555.65
TOTALS	\$41,526.16	\$25,974.65
NET CHANGES by Change Order	\$15,551.51	

**CONTINUATION SHEET**

AIA DOCUMENT G703

Page Two of Four Pages

AIA Document G702, APPLICATION AND CERTIFICATION FOR PAYMENT, containing Contractor's signed certification is attached.

APPLICATION NO: 006  
 APPLICATION DATE: 6/25/2014  
 PERIOD TO: 6/30/2014  
 ARCHITECT'S PROJECT NO:

In tabulations below, amounts are stated to the nearest dollar.

Use Column I on Contracts where variable retainage for line items may apply.

**DaVita Stony Island Dialysis Build-Out**

A ITEM NO.	B DESCRIPTION OF WORK	C SCHEDULED VALUE	D WORK COMPLETED		F MATERIALS PRESENTLY STORED (NOT IN D O R E)	G		H BALANCE TO FINISH (C - G)	I RETAINAGE (IF VARIABLE RATE)
			FROM PREVIOUS APPLICATION (D + E)	THIS PERIOD		TOTAL COMPLETED AND STORED TO DATE (D+E+F)	% (G + C)		
	OH/P	\$95,502.00	\$52,526.00	\$9,552.00		\$62,078.00	65.00%	\$33,424.00	\$6,207.80
	General Conditions	\$135,371.00	\$81,223.00	\$6,768.55		\$87,991.55	65.00%	\$47,379.45	\$8,799.16
	Permit Allowance	\$10,000.00	\$5,129.16			\$5,129.16	51.29%	\$4,870.84	\$512.92
	Contingency Allowance	\$12,500.00						\$12,500.00	\$0.00
	Floor Patch Allowance	\$5,000.00	\$500.00			\$500.00	10.00%	\$4,500.00	\$50.00
	Roof Patch Allowance	\$5,000.00	\$2,766.50			\$2,766.50	55.33%	\$2,233.50	\$276.65
	Floor Prep Allowance	\$7,500.00						\$7,500.00	\$0.00
	Asphalt Patching (Troch-McNeil Paving)	\$13,300.00		\$10,800.00		\$10,800.00	81.20%	\$2,500.00	\$1,080.00
	Selective Demolition (Robinette Demolition)	\$24,400.00	\$20,000.00			\$20,000.00	81.97%	\$4,400.00	\$2,000.00
	Casework (C-V Cabinets)	\$109,500.00	\$20,000.00			\$20,000.00	18.26%	\$89,500.00	\$2,000.00
	Roofing (Dusable Construction)	\$24,000.00	\$24,000.00			\$24,000.00	100.00%		\$2,400.00
	Aluminum Framing & Glazing (CAD)	\$28,200.00	\$5,500.00			\$5,500.00	19.50%	\$22,700.00	\$550.00
	Automatic Operators (Stanley Access)	\$7,425.00						\$7,425.00	\$0.00
	Gypsum Board Systems (Favia)	\$75,000.00	\$42,575.00	\$27,030.00		\$69,605.00	92.81%	\$5,395.00	\$6,960.50
	Acoustical Ceilings (Favia)	\$13,700.00	\$13,700.00			\$13,700.00	100.00%		\$1,370.00
	Resilient Flooring (Superior Flooring)	\$37,000.00	\$12,449.00	\$19,200.00		\$31,649.00	85.54%	\$5,351.00	\$3,164.90
	Resinous Flooring (CCI Flooring)	\$22,432.00	\$13,439.00			\$13,439.00	59.91%	\$8,993.00	\$1,343.90
	Painting (HDS)	\$18,000.00						\$18,000.00	\$0.00
	Toilet Partitions (Specialties Direct)	\$5,596.00	\$5,596.00			\$5,596.00	100.00%		\$559.60
	Lockers (Dearborn Midwest)	\$4,150.00	\$4,150.00			\$4,150.00	100.00%		\$415.00
	Shades (Mavin Feig)	\$1,470.00						\$1,470.00	\$0.00
	Fire Protection (Nelson Fire Protection)	\$16,529.00	\$4,350.00			\$4,350.00	26.32%	\$12,179.00	\$435.00
	Plumbing (Provancal Brothers)	\$334,500.00	\$256,300.00	\$34,000.00		\$290,300.00	86.79%	\$44,200.00	\$29,030.00
	HVAC (Ram Mechanical)	\$163,000.00	\$66,990.00			\$66,990.00	41.10%	\$96,010.00	\$6,699.00
	Electrical (Ranger Electric)	\$206,352.00	\$97,500.00	\$60,191.00		\$157,691.00	76.42%	\$48,661.00	\$15,769.10
<b>PAGE 1 TOTALS</b>		1,375,427.00	728,693.66	167,541.55	0.00	896,235.21		479,191.79	89,623.52

Users may obtain validation of this document by requesting of the license a completed AIA Document D401 - Certification of Document's Authenticity

**CONTINUATION SHEET**

AIA DOCUMENT G703

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AIA Document G702, APPLICATION AND CERTIFICATION FOR PAYMENT, containing Contractor's signed certification is attached

APPLICATION NO: 006  
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In tabulations below, amounts are stated to the nearest dollar.  
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A ITEM NO	B DESCRIPTION OF WORK	C SCHEDULED VALUE	D WORK COMPLETED		F MATERIALS PRESENTLY STORED (NOT IN D OR E)	G		H BALANCE TO FINISH (C - G)	I RETAINAGE (IF VARIABLE RATE)
			FROM PREVIOUS APPLICATION (D + E)	THIS PERIOD		TOTAL COMPLETED AND STORED TO DATE (D+E+F)	% (G + C)		
	Doors/Frames/Hardware								
	Material: Classic Hardware	\$29,715.00	\$29,274.00			\$29,274.00	98.52%	\$441.00	\$2,927.40
	Labor: FCI	\$20,527.00	\$4,000.00	\$5,000.00		\$9,000.00	43.84%	\$11,527.00	\$900.00
	Corner Guards								
	Material: InPro Corporation	\$2,275.00	\$2,275.00			\$2,275.00	100.00%		\$227.50
	Labor: FCI	\$1,464.00	\$366.00			\$366.00	25.00%	\$1,098.00	\$36.60
	Frontier Construction, Inc.								
	Selective Demolition								
	Material:	\$5,250.00	\$5,250.00			\$5,250.00	100.00%		\$525.00
	Labor:	\$39,029.00	\$29,271.85	\$9,757.15		\$39,029.00	100.00%		\$3,902.90
	Misc. Metals								
	Material:	\$3,489.00	\$3,489.00			\$3,489.00	100.00%		\$348.90
	Labor:	\$7,194.00	\$7,194.00			\$7,194.00	100.00%		\$719.40
	Rough Carpentry								
	Material:	\$3,410.00	\$3,410.00			\$3,410.00	100.00%		\$341.00
	Labor:	\$9,100.00	\$9,100.00			\$9,100.00	100.00%		\$910.00
	Finish Carpentry								
	Material:	\$13,665.00		\$13,665.00		\$13,665.00	100.00%		\$1,366.50
	Labor:	\$21,924.00		\$21,924.00		\$21,924.00	100.00%		\$2,192.40
	Drywall Systems								
	Material:	\$4,177.00	\$0.00			\$0.00	0.00%	\$4,177.00	\$0.00
	Labor:	\$35,188.00	\$0.00			\$0.00	0.00%	\$35,188.00	\$0.00
	Acoustical Ceilings								
	Material:	\$5,072.00	\$0.00			\$0.00	0.00%	\$5,072.00	\$0.00
	Labor:	\$21,166.00	\$0.00			\$0.00	0.00%	\$21,166.00	\$0.00
	Change Request #2 - Deduct for completed plumbing work	(\$4,419.00)		\$0.00		\$0.00	0.00%	(\$4,419.00)	\$0.00
	Change Request #3 Soil analysis	\$1,837.50	\$1,837.50			\$1,837.50	100.00%		\$183.75
	<b>PAGE 2 TOTALS</b>	\$220,063.50	\$95,467.35	\$50,346.15	\$0.00	\$145,813.50		\$74,250.00	\$14,581.35
	<b>GRAND TOTALS</b>	\$1,595,490.50	\$824,161.01	\$217,887.70	\$0.00	\$1,042,048.71	0.00	\$553,441.79	\$104,204.87

GRAND TOTALS

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			FROM PREVIOUS APPLICATION (D + E)	THIS PERIOD E		TOTAL COMPLETED AND STORED TO DATE (D+E+F)	% (G ÷ C)		
	C.R.#3 Issued for Construcion Changes	\$13,831.65	\$13,831.65			\$13,831.65	100.00%		\$1,383.17
	C.R.#4 Masonry Winter Conditions	\$14,394.68	\$14,394.68			\$14,394.68	100.00%		\$1,439.47
	C.R.#5 Ground Thaw Heating	\$8,570.00	\$8,570.00			\$8,570.00	100.00%		\$857.00
	C.R.#6 Concrete Winter Changes	\$1,827.63	\$1,827.63			\$1,827.63	100.00%		\$182.76
	C.R.#7 Slab on Grade Winter Charges	\$1,064.70	\$1,064.70			\$1,064.70	100.00%		\$106.47
	C.R.#10 Omit Add to Ram Mech. & Ranger Electric in regards to C.R.#3	(\$21,555.65)	(\$21,555.65)			(\$21,555.65)	100.00%		(\$2,155.57)
	<b>PAGE 3 TOTALS</b>	\$18,133.01	\$18,133.01	\$0.00	\$0.00	\$18,133.01		0.00	\$1,813.30
	<b>GRAND TOTALS</b>	\$1,613,623.51	\$842,294.02	\$217,887.70	\$0.00	\$1,060,181.72		\$553,441.79	\$106,018.17