



May 6, 2014

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HEALTH FACILITIES &
SERVICES REVIEW BOARD

VIA FEDERAL EXPRESS

Michael Constantino
Supervisor, Project Review Section
Illinois Department of Public Health
Health Facilities and Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761

Re: Final Realized Cost Report – Red Bud Dialysis (Proj. No. 12-034)

Dear Mr. Constantino:

On behalf of DaVita HealthCare Partners Inc. and Total Renal Care Inc. d/b/a Red Bud Dialysis (collectively, “DaVita”), I am writing to submit the final realized project cost report for Project No. 12-034. On September 12, 2012, the Illinois Health Facilities and Services Review Board (“State Board”) approved DaVita’s application for a certificate of need permit to establish an 8-station in-center hemodialysis facility located in Lot 4 in the first addition to the City of Red Bud East Industrial Park, a subdivision of the City of Red Bud, Randolph County, Illinois 62278 (the “Project”). The permit provided for a project completion date of December 31, 2014. On November 28, 2012, the Project was obligated through execution of a lease to establish the dialysis facility. The facility was notified by the Centers for Medicare and Medicaid Services in a letter dated March 31, 2014 that the 8 stations were approved and certified with an effective date of February 10, 2014.

For your review, DaVita submits the following information as its final realized cost report for the establishment of Red Bud Dialysis:

1. Final Realized Project Costs

Red Bud Dialysis Final Realized Project Costs		
	Approved	Expended
New Construction Contracts	\$890,000	\$689,000
Contingencies	\$89,000	\$0
Architectural /Engineering Fees	\$90,000	\$48,408
Consulting and Other Fees	\$50,000	\$0
Movable or Other Equipment (not in construction contracts)	\$315,755	\$198,530
Fair Market Value of Lease Space and Equipment	\$733,919	\$733,919
Other Costs to be Capitalized	\$82,725	\$0
ESTIMATED TOTAL PROJECT COST	\$2,251,399	\$1,669,857

All of the costs reported in the Table above will be reported in the Medicare / Medicaid cost reports.

2. Medicare and Medicaid Cost Reports and Certification of Compliance

Pursuant to 77 Ill. Admin. Code §1130.770, DaVita certifies that no additional or associated costs or capital expenditures related to the Project will be submitted for reimbursement under Title XVIII or Title XIX. I further certify DaVita has complied with all of the terms of the permit to date and all information submitted in this cost report for the facility is true and correct.

3. Final Application and Certification for Payment

Attached as Attachment A is the final Application and Certification for Payment (G702) for the Project.

If you have any questions or need any additional information related to the Project, please feel free to contact Tim Tincknell at 312-649-9289 or timothy.tincknell@davita.com.

Sincerely,

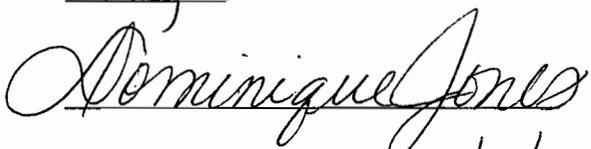


Paul Elliott
Divisional Vice President
DaVita HealthCare Partners Inc.

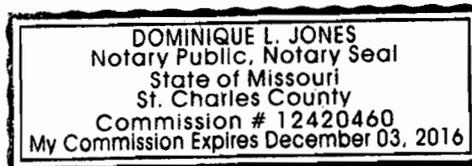
SUBSCRIBED AND SWORN

to before me this 6th day of

May, 2014



My commission expires: 12/3/16



Attachment

cc: Michael Mills, HFSRB
Yoni Danieli
David Geary

APPLICATION AND CERTIFICATION FOR PAYMENT

CONSTRUCTION MANAGER

PAGE ONE OF PAGES

TO (OWNER): **DaVita - David Geary** PROJECT: **Red Bud II - TI**

FROM (CONTRACTOR): **Seakay Construction SE Corp**

940 Dogwood Drive
Delray Beach, FL 33483

VIA ARCHITECT: **Pulse Design Group**
8207 Melrose Dr. Suite 145
Lenexa, Kansas 66214

APPLICATION #: **Seven (7)** Distribution to:
PERIOD TO: **09/30/13** Owner
PROJECT NOS: Const. Mgr
ARCHITECT
CONTRACTOR
CONTRACT DATE: **03/18/13**

CONTRACT FOR:

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----- \$ 689,000.00
2. Net Change by Change Orders----- \$ 0.00
3. CONTRACT SUM TO DATE (Line 1 +/- 2) \$ 689,000.00
4. TOTAL COMPLETED & STORED TO DATE-\$ 689,000.00
(Column G on G703)
5. RETAINAGE:
 - a. % of Completed Work \$ 0.00
(Columns D+E on G703)
 - b. % of Stored Material \$ 0.00
(Column F on G703)

Total Retainage (Line 5a + 5b or
Total in Column 1 of G703----- \$ 0.00)
6. TOTAL EARNED LESS RETAINAGE----- \$ 689,000.00
(Line 4 less Line 5 Total)
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT
(Line 6 from prior Certificate)----- \$ 620,100.00
8. CURRENT PAYMENT DUE----- \$ 68,900.00
(Line 3 less Line 6)
9. BALANCE TO FINISH, INCLUDING RETAINAGE
(Line 3 less Line 6) \$ 0.00

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner		
Total approved this Month		
TOTALS		
NET CHANGES by Change Order		

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 for Payment were issued and Certificates for Payment were issued and shown therein is now due.

CONTRACTOR: **D05282-0** 02.01
10/03/13

By: [Signature] Digitally signed by David Geary
State of: **David** DN: cn=David Geary, o=DaVita,
County of: **David** subscribed and known to me this 10/03/13 day of October 2013
Notary Public: **Geary** ou=Team Genesis, email=david.geary@davita.com, c=US
My Commission expires: Date: 2013.10.03 08:15:49 -05'00'

CERTIFICATE FOR PAYMENT
In accordance with Contract Documents, based on on-site observations and the data comprising application, the Architect certifies to the Owner that to the best of the Architect's 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 for. Initial all figures on this application and on the Continuation Sheet that are changed to conform to the amount certified.)

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 of Contractor under this Contract.

Continuation Sheet		Application No.: Seven (ret.)		Application Date: 30-Sep-13		Period To: 30-Sep-13		Architect's Project No.:		
Red Bud IL										
Schedule of Values - TI										
B	C	D	E	F	G	H	I			
Description of Work	Scheduled Value	Work From Previous Application (D + E)	Completed This Period	Materials Presently Stored (Not in D & E)	Total Completed and Stored (D + E + F)	% (G/C)	Balance to Finish (C - G)	Retainage (If variable Rate)		
General Conditions	\$ 24,000	\$ 24,000	-	\$ -	\$ 24,000	100.0%	\$ -	\$ -		
Concrete	\$ -	\$ -	-	\$ -	\$ -	#DIV/0!	\$ -	\$ -		
Fire Sprinkler	\$ 25,000	\$ 25,000	-	\$ -	\$ 25,000	100.0%	\$ -	\$ -		
Partitions / Ceilings	\$ 59,000	\$ 59,000	-	\$ -	\$ 59,000	100.0%	\$ -	\$ -		
Millwork	\$ 87,000	\$ 87,000	-	\$ -	\$ 87,000	100.0%	\$ -	\$ -		
Glass / Glazing	\$ 15,000	\$ 15,000	-	\$ -	\$ 15,000	100.0%	\$ -	\$ -		
Electrical	\$ 87,000	\$ 87,000	-	\$ -	\$ 87,000	100.0%	\$ -	\$ -		
Plumbing	\$ 149,000	\$ 149,000	-	\$ -	\$ 149,000	100.0%	\$ -	\$ -		
HVAC	\$ 61,000	\$ 61,000	-	\$ -	\$ 61,000	100.0%	\$ -	\$ -		
Specialties	\$ 40,000	\$ 40,000	-	\$ -	\$ 40,000	100.0%	\$ -	\$ -		
Doors / Hardware	\$ 28,000	\$ 28,000	-	\$ -	\$ 28,000	100.0%	\$ -	\$ -		
Flooring	\$ 39,000	\$ 39,000	-	\$ -	\$ 39,000	100.0%	\$ -	\$ -		
Painting	\$ 13,000	\$ 13,000	-	\$ -	\$ 13,000	100.0%	\$ -	\$ -		
Profit & Overhead	\$ 62,000	\$ 62,000	-	\$ -	\$ 62,000	100.0%	\$ -	\$ -		
Change Order	\$ -	\$ -	-	\$ -	\$ -	#DIV/0!	\$ -	\$ -		
Total	\$ 689,000.00	\$ 689,000.00	\$ -	\$ -	\$ 689,000	100.0%	\$ -	\$ -		