



December 8, 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 – TRC Children’s Dialysis Center (Proj. No. 13-045)

Dear Mr. Constantino:

On behalf of DaVita HealthCare Partners Inc. and Total Renal Care, Inc. d/b/a TRC Children’s Dialysis Center (collectively, “DaVita”), I am writing to submit the final realized project cost report for Project No. 13-045. On August 13, 2013, the Illinois Health Facilities and Services Review Board (“State Board”) approved DaVita’s application for a certificate of need permit to discontinue a 6-station in-center hemodialysis facility located at 2611 North Halsted Street, Chicago, Illinois 60614 and establish an 8-station in-center hemodialysis facility located at 1333 North Kingsbury Street, Suite 100, Chicago, Illinois 60642 (the “Project”). The permit provided for a project completion date of December 31, 2014. The Project was obligated on November 14, 2013 through execution of the lease for the building that houses the dialysis facility. The facility was notified by the Centers for Medicare and Medicaid Services in a letter dated August 25, 2014 that the relocation and additional 2 stations were approved and certified with an effective date of August 8, 2014. A Notice of Project Completion was mailed September 9, 2014.

For your review, DaVita submits the following information as its final realized cost report for the relocation of TRC Children’s Dialysis Center:

1. Final Realized Project Costs

Table with 3 columns: Category, Approved, Expended. Rows include Modernization Construction Contracts, Contingencies, Architectural /Engineering Fees, Consulting and Other Fees, and Movable or Other Equipment (not in construction contracts).

TRC Children's Dialysis Center Final Realized Project Costs		
	Approved	Expended
Fair Market Value of Lease Space and Equipment	\$1,008,755	\$1,008,755
<b>ESTIMATED TOTAL PROJECT COST</b>	<b>\$2,423,791</b>	<b>\$2,256,294</b>

All of the costs reported in the Table above will be reported on 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 the final realized costs are the total costs required to complete the Project and 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](mailto:timothy.tincknell@davita.com).

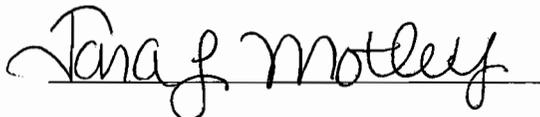
Sincerely,



Steven E. Lieb  
Vice President  
Group Administration & Strategy Development  
DaVita HealthCare Partners Inc.



SUBSCRIBED AND SWORN  
to before me this 8<sup>th</sup> day of  
December, 2014



My commission expires: 6-11

Attachment  
cc: Brent Habitz  
Jim Burke

**APPLICATION AND CERTIFICATE FOR PAYMENT**

**AIA DOCUMENT G702**

Invoice #: 40766

To Owner: **DaVita Inc.**  
 306 Gierz Street  
 Downers Grove, IL 60515

Project 14-0107 **DaVita - Children's Dialysis**

Application No: 4

Period: 05/01/2014 - 07/31/2014

Distribution to:

- Owner
- Architect
- Contractor

From Contractor: **Leopardo Companies, Inc. Via**  
 5200 Prairie Stone Parkway  
 Hoffman Estates, IL 60192

**StudioGC Architecture + B I M**  
 223 W Jackson Blvd, Suite 1200  
 Chicago, IL 60606

Project 14-0107  
 Contract Date:

**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.

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.

1. Original Contract Sum .....	\$ 786,732.00
2. Net Change By Change Orders .....	\$ 49,919.00
3. Contract Sum To Date .....	\$ 836,651.00
4. Total Completed and Stored To Date .....	\$ 836,651.00
5. Retainage:	
a. 0.00% of Completed Work .....	\$ 0.00
(Column D+E on G703)	
b. 0% of Stored Material .....	\$ 0.00
(Column F on G703)	
Total Retainage (Lines 5a + 5b) .....	\$ 0.00

6. Total Earned Less Retainage .....	\$ 836,651.00
(Line 4 Less Line5 Total)	
7. Less Previous Certificates For Payment .....	\$ 701,759.20
(Line 6 from prior Certificate)	
8. Current Payment Due .....	\$ 134,891.80
9. Balance To Finish, Including Retainage 3 Less Line 6) .....	\$ 0.00

CHANGE ORDER SUMMARY		Additions	Deductions
Total changes approved in previous month by Owner		0.00	0.00
Total Approved this Month		49,919.00	0.00
<b>TOTALS</b>		<b>49,919.00</b>	<b>0.00</b>
Net Changes By Change Order		49,919.00	



CONTRACTOR: **Leopardo Companies**

By: *[Signature]* Date: 9/4/2014

State of: Illinois County of: Cook

Subscribed and sworn to before me on 14TH DAY OF AUGUST, 2014

Notary Public: *[Signature]*

My Commission expires: 11/16/2014

**ARCHITECT'S CERTIFICATE FOR PAYMENT**

In accordance with the Contract Documents, based on on-site observations and the data comprising the above 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 \$ 134,891.80**

(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.)

ARCHITECT: \_\_\_\_\_ Date: \_\_\_\_\_

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

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.

**CONTINUATION SHEET**

**AIA DOCUMENT G703**

Application and Certification for Payment, containing Contractor's signed certification is attached.  
 In tabulation below, amounts are stated to the nearest dollar.  
 Use Column I on Contracts where variable retainage for line items may apply.

Application No. : 4  
 Period From : 05/01/2014  
 To : 07/31/2014

Invoice #: 40766 Contract : 14-0107 Davita - Children's Dialysis

A Item No	B Description of Work	C Scheduled Value	D Work Completed		E This Period In Place	F Materials Presently Stored (Not In Use)	G Total Completed and Stored To Date (D+E+F)	H Balance To Finish (C-G)	I Retainage (If Variable Rate)
			From Previous Application (D+E)						
1	General Conditions	40,724.00	37,031.00		3,693.00	0.00	40,724.00	0.00	0.00
2	Building Permit Allowance	0.00	2,919.00		-2,919.00	0.00	0.00	0.00	0.00
3	Insurance	6,158.00	6,158.00		0.00	0.00	6,158.00	0.00	0.00
4	Millwork	35,233.00	33,033.00		2,200.00	0.00	35,233.00	0.00	0.00
5	Doors/Frames/Hardware	19,000.00	19,000.00		0.00	0.00	19,000.00	0.00	0.00
6	Glass and Film	21,500.00	21,500.00		0.00	0.00	21,500.00	0.00	0.00
7	Drywall / Taping / Carp / ACT	171,277.00	165,009.00		6,268.00	0.00	171,277.00	0.00	0.00
8	Floor Prep	0.00	0.00		0.00	0.00	0.00	0.00	0.00
8	Resilient Flooring & Carpet	56,865.00	30,000.00		26,865.00	0.00	56,865.00	0.00	0.00
10	Painting & Wallcovering	12,000.00	12,000.00		0.00	0.00	12,000.00	0.00	0.00
11	Epoxy Flooring	6,000.00	6,000.00		0.00	0.00	6,000.00	0.00	0.00
12	Window Treatments	4,025.00	2,935.00		1,090.00	0.00	4,025.00	0.00	0.00
13	Aquarium Allowance	0.00	4,500.00		-4,500.00	0.00	0.00	0.00	0.00
14	Fire Protection	7,000.00	7,000.00		0.00	0.00	7,000.00	0.00	0.00
15	Plumbing	185,554.00	185,072.00		482.00	0.00	185,554.00	0.00	0.00
16	HVAC	107,522.00	90,000.00		17,522.00	0.00	107,522.00	0.00	0.00
17	Electrical	147,859.00	142,000.00		5,859.00	0.00	147,859.00	0.00	0.00
18	Contractor's Fee	15,934.00	15,575.00		359.00	0.00	15,934.00	0.00	0.00
<b>GRAND TOTALS</b>		<b>836,651.00</b>	<b>779,732.00</b>		<b>56,919.00</b>	<b>0.00</b>	<b>836,651.00</b>	<b>0.00</b>	<b>0.00</b>