



September 19, 2017

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

RECEIVED

OCT 04 2017

HEALTH FACILITIES &  
SERVICES REVIEW BOARD

**Re: Notice of Project Completion and Final Realized Cost Report – O’Fallon Dialysis (Proj. No. 16-004)**

Dear Mr. Constantino:

On behalf of DaVita Inc. and Total Renal Care Inc. d/b/a O’Fallon Dialysis (collectively, “DaVita”), I am writing to submit the notice of project completion and final realized project cost report for Project No. 16-004. On March 29, 2016, the Illinois Health Facilities and Services Review Board (“State Board”) approved DaVita’s application for a certificate of need permit to establish a 12-station in-center hemodialysis facility located at 1941 Frank Scott Parkway East, Suite B, O’Fallon, Illinois 62269 (the “Project”). The Project was obligated on August 29, 2016 through execution of the construction contract for the dialysis facility. The facility was notified by the Centers for Medicare and Medicaid Services in a letter dated August 29, 2017 that the 12 stations were approved and certified with an effective date of August 16, 2017.

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

**1. Final Realized Project Costs**

<b>O’Fallon Dialysis Final Realized Project Costs</b>		
	<b>Approved</b>	<b>Expended</b>
Modernization Contracts*	\$1,155,000	*\$1,094,203
Contingencies	\$110,000	\$0
Architectural /Engineering Fees	\$82,000	\$73,717
Consulting and Other Fees	\$90,000	\$20,000
Movable or Other Equipment (not in construction contracts)	\$525,577	\$565,156
Fair Market Value of Lease Space and Equipment	\$746,723	\$746,723
<b>ESTIMATED TOTAL PROJECT COST</b>	<b>\$2,709,300</b>	<b>\$2,499,799</b>

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\*The G702 does not include the Permit Holder's purchased lighting package of \$32,441.84 or additional hardware totaling \$14,401.65. This amount was added to the New Construction Costs.

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 773-278-4403 or [timothy.tincknell@davita.com](mailto:timothy.tincknell@davita.com).

Sincerely,

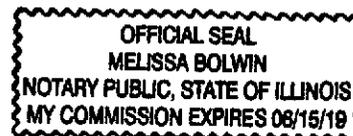


Mary J. Anderson  
Division Vice President  
DaVita Inc.

SUBSCRIBED AND SWORN

to before me this 19 day of

September 2017



My commission expires: 06-15-19

Attachment

cc: Dave Schrader, DaVita Inc.  
Anne Cooper, Polsinelli PC

**DAVITA - APPLICATION FOR PAYMENT: Cover Sheet**

TO OWNER: **DaVita, Inc.** PROJECT: **Ofallon D11533** APPLICATION NO: **7 - Ret**  
 1627 Cole Blvd. bldg 18 02.01 \$104,735.95 DaVita Dialysis O'Fallon, IL  
 Lakewood, CO 1941 Frank Scott Parkway  
 Shiloh, IL 62269

Distribution to:  
 OWNER  
 ARCHITECT  
 CONTRACTOR

FROM CONTRACTOR: **TRK Construction, LLC** VIA ARCHITECT: **Pulse Design Group, Inc.**  
 8350 N St Clair Ave 8207 Melrose Drive, Suite 145  
 Suite 200 Lenexa, KS 66214

PERIOD TO: **03/10/17**  
 PERIOD FROM: **03/04/17**

DVA PROJ NO: **11,533**  
 GC JOB NO: **16,008**  
 CONTRACT DATE: **8/29/16**

DocuSigned by: **Dave Schrader** DocuSigned by: **Mark Morton**  
 F3D4746A0F7B4B3... EB2390912B13456...

CONTRACT FOR: General Construction

**CONTRACTOR'S APPLICATION FOR PAYMENT**

Application is made for payment, as shown below, in connection with the Contract.  
 Continuation Sheet 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, and that current payment shown herein is now due.

1. ORIGINAL CONTRACT SUM	\$	<u>1,005,914.00</u>
2. Net change by Change Orders	\$	<u>41,445.51</u>
3. CONTRACT SUM TO DATE (Line 1 ± 2)	\$	<u>1,047,359.51</u>
4. TOTAL COMPLETED & STORED TO DATE: Column G (TI Tab)	\$	<u>1,047,359.51</u>
5. RETAINAGE:		
a. 0.00 % of Completed Work (Column D + E on TI Tab)	\$	<u>0.00</u>
b. 0.00 % of Stored Material (Column F on TI Tab)	\$	<u>0.00</u>
Total Retainage (Lines 5a + 5b ar Total in Column I of TI Tab)	\$	<u>0.00</u>
6. TOTAL EARNED LESS RETAINAGE (Line 4 Less Line 5 Total)	\$	<u>1,047,359.51</u>
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from prior Certificate)	\$	<u>\$942,623.56</u>
8. CURRENT PAYMENT DUE	\$	<u>104,735.95</u>
9. BALANCE TO FINISH, INCLUDING RETAINAGE (Line 3 less Line 6)	\$	<u>0.00</u>

CONTRACTOR: **TRK Construction, LLC**

By: *[Signature]* Date: 3/10/17

Notary: *Cynthia P. Conner*  
 My Commission Expires: May 2, 2020

**CYNTHIA P. CONNER**  
 Notary Public - Notary Seal  
 State of Missouri  
 Commissioned for Clay County  
 My Commission Expires: May 02, 2020  
 Commission Number: 16352985

**CERTIFICATE FOR PAYMENT**

In accordance with the Contract Documents, based on on-site observations and the data comprising the application, 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 ..... \$ 104,735.95

(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.)  
 Authorized Representative: **DaVita, Inc.**

By: *[Signature]* Date: 3/20/17

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	\$41,445.51	\$0.00
Total approved this Month	\$0.00	\$0.00
<b>TOTALS</b>	<b>\$41,445.51</b>	<b>\$0.00</b>
<b>NET CHANGES by Change Order</b>	<b>\$41,445.51</b>	

\* Note- All items in blue require manual entry



**Schedule of Values (Life Safety)**

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Cost Categories shown below are not to be added to, or deviated from

In tabulations below, state amount for each category

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

APPLICATION NO: 7 - Ret  
 APPLICATION DATE: 3/10/2017  
 PERIOD TO: 3/10/2017  
 PERIOD FROM: 3/4/2017  
 DaVita PROJECT NO: 11,533

A ITEM NO.	B DESCRIPTION OF WORK	C SCHEDULED VALUE	D WORK COMPLETED		F MATERIALS PRESENTLY STORED (NOT IN D OR E)	G TOTAL COMPLETED AND STORED TO DATE (D+E+F)	H % (G ÷ C)	I BALANCE TO FINISH (C - G)	J RETAINAGE (IF VARIABLE RATE) (% * G)
			FROM PREVIOUS APPLICATION (D + E)	THIS PERIOD					
	<b>LIFE SAFETY</b>								
1.1	General Requirements	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00	\$0.00
1.2	Overhead and Profit	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00	\$0.00
10.2	Fire Extinguishers	\$800.00	\$800.00	\$0.00	\$0.00	\$800.00	100.00%	\$0.00	\$0.00
15.3	Fire Protection Piping	\$20,250.00	\$20,250.00	\$0.00	\$0.00	\$20,250.00	100.00%	\$0.00	\$0.00
16.2	Fire Alarm System	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00	\$0.00
	Change Order # ?	\$0.00				\$0.00		\$0.00	\$0.00
	Change Order # ?	\$0.00				\$0.00		\$0.00	\$0.00
	Change Order # ?	\$0.00				\$0.00		\$0.00	\$0.00
	Change Order # ?	\$0.00				\$0.00		\$0.00	\$0.00
	Change Order # ?	\$0.00				\$0.00		\$0.00	\$0.00
	Change Order # ?	\$0.00				\$0.00		\$0.00	\$0.00
	Change Order # ?	\$0.00				\$0.00		\$0.00	\$0.00
	Change Order # ?	\$0.00				\$0.00		\$0.00	\$0.00
	Change Order # ?	\$0.00				\$0.00		\$0.00	\$0.00
	Change Order # ?	\$0.00				\$0.00		\$0.00	\$0.00
	Change Order # ?	\$0.00				\$0.00		\$0.00	\$0.00
	<b>LIFE SAFETY TOTALS</b>	\$21,050.00	\$21,050.00	\$0.00	\$0.00	\$21,050.00	100.00%	\$0.00	\$0.00

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



**Project Costing Recap**

TASK NO.	DESCRIPTION OF WORK	TASK NO.	SCHEDULED VALUE	TASK NO.	SCHEDULED VALUE	TASK NO.	SCHEDULED VALUE	TASK NO.	SCHEDULED VALUE	CHANGE ORDER CATEGORY
		<b>MER (MFR)</b>		<b>LIFFESAFETY (MFR)</b>		<b>TP (MFR)</b>		<b>TOTALS BY TASK NO.</b>		
1.1	General Requirements	1.1	\$0.00	1.1	\$0.00	1.1	\$74,150.00	1.1	\$74,150.00	
1.2	Overhead and Profit	1.2	\$0.00	1.2	\$0.00	1.2	\$32,628.00	1.2	\$32,628.00	
1.3	Dismantle	1.3	\$10,300.00	N/A		N/A		1.3	\$10,300.00	
2.1	Site Construction	2.1	\$0.00	N/A		N/A		2.1	\$0.00	
2.2	Site Utilities	2.2	\$0.00	N/A		N/A		2.2	\$0.00	
2.3	Site Remediation	2.3	\$0.00	N/A		N/A		2.3	\$0.00	
3.1	Concrete	3.1	\$0.00	N/A		N/A		3.1	\$0.00	
4.1	Masonry	4.1	\$18,400.00	N/A		N/A		4.1	\$18,400.00	
5.1	Metals	5.1	\$0.00	N/A		5.3	\$10,000.00	5.1	\$10,000.00	
6.1	Rough Carpentry	6.1	\$0.00	N/A		6.1	\$0.00	6.1	\$0.00	
6.2	Finish Carpentry & Cabinetry	N/A		N/A		6.3	\$90,789.00	6.2	\$90,789.00	
7.1	Thermal & Moisture Insulation	7.1	\$11,569.00	N/A		N/A		7.1	\$11,569.00	
7.2	Thermal Protection (Insulation)	7.2	\$0.00	N/A		N/A		7.2	\$0.00	
8.1	Doors, Frames & Hardware	N/A		N/A		8.1	\$0.00	8.1	\$0.00	
8.2	Entrances & Stairwells	8.2	\$22,460.00	N/A		N/A		8.2	\$22,460.00	
8.3	Glass & Glazing	8.3	\$0.00	N/A		N/A	\$21,000.00	8.3	\$21,000.00	
9.1	Drywall and Framing	N/A		N/A		9.1	\$160,780.00	9.1	\$160,780.00	
9.2	Ceilings	N/A		N/A		9.2	\$16,195.00	9.2	\$16,195.00	
9.3	Flooring	N/A		N/A		9.3	\$47,293.00	9.3	\$47,293.00	
9.4	Paints & Coatings	9.4	\$0.00	N/A		9.4	\$13,430.00	9.4	\$13,430.00	
10.1	Specialties	10.1	\$0.00	N/A		10.1	\$3,600.00	10.1	\$3,600.00	
10.2	Fire extinguishers	N/A		10.2	\$900.00	N/A		10.2	\$900.00	
11.1	Equipment	11.1	\$0.00	N/A		11.1	\$0.00	11.1	\$0.00	
12.1	Special Clean & Abrasive treated	12.1	\$0.00	N/A		12.1	\$1,950.00	12.1	\$1,950.00	
14.1	Conveying systems, elevators	14.1	\$0.00	N/A		N/A		14.1	\$0.00	
15.1	HVAC	15.1	\$52,000.00	N/A		15.1	\$46,185.00	15.1	\$118,185.00	
15.2	Plumbing Fixtures & Equipment	15.2	\$0.00	N/A		15.2	\$195,935.00	15.2	\$195,935.00	
15.3	Fire Protection Piping	N/A		15.3	\$20,250.00	N/A		15.3	\$20,250.00	
16.1	Electrical	16.1	\$0.00	N/A		16.1	\$122,300.00	16.1	\$122,300.00	
16.2	Fire Alarm System	N/A		16.2	\$0.00	N/A		16.2	\$0.00	
16.3	Security System	N/A		16.3	\$0.00	N/A		16.3	\$0.00	
16.4	Generator	N/A		16.4	\$0.00	N/A		16.4	\$0.00	
<b>TOTALS (Base Contract)</b>		<b>MFR</b>	<b>\$106,720.00</b>			<b>LI</b>	<b>\$378,132.00</b>	<b>Total</b>	<b>\$1,805,914.00</b>	
<b>Change Orders (TI)</b>										
Change Order # 802 ASI F2&F3, R21 M&LJP							\$17,303.88			
Change Order # 803 Casework, Utilities							\$2,712.51			
Change Order # 7							\$0.00			
Change Order # 7							\$0.00			
Change Order # 7							\$0.00			
Change Order # 7							\$0.00			
Change Order # 7							\$0.00			
Change Order # 7							\$0.00			
Change Order # 7							\$0.00			
Change Order # 7							\$0.00			
<b>TOTALS (TI Change orders)</b>									<b>\$20,055.51</b>	
<b>Change Orders (MFR)</b>										
Change Order # 001 600 Amp Enc			\$21,390.00							
Change Order # 7			\$0.00							
Change Order # 7			\$0.00							
Change Order # 7			\$0.00							
Change Order # 7			\$0.00							
Change Order # 7			\$0.00							
Change Order # 7			\$0.00							
Change Order # 7			\$0.00							
Change Order # 7			\$0.00							
Change Order # 7			\$0.00							
<b>TOTALS (MFR CO's)</b>									<b>\$21,390.00</b>	
<b>Change Orders (Lib Safety)</b>										
Change Order # 7							\$0.00			
Change Order # 7							\$0.00			
Change Order # 7							\$0.00			
Change Order # 7							\$0.00			
Change Order # 7							\$0.00			
Change Order # 7							\$0.00			
Change Order # 7							\$0.00			
Change Order # 7							\$0.00			
Change Order # 7							\$0.00			
<b>TOTALS (Lib Safety CO's)</b>									<b>\$0.00</b>	
Total Base Contract									\$1,005,914.00	
Total Changes (TI) - 21									\$20,055.51	
Total Changes (MFR) - 22									\$21,390.00	
Total Changes (Lib Safety) - 23									\$0.00	
<b>Total Project Cost:</b>									<b>\$1,047,359.51</b>	