April 24, 2018

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: Notice of Project Completion and Final Realized Cost Report - South Holland (Project No. 15-025)

Dear Mr. Constantino:

On behalf of DaVita Inc., ISD Renal Inc. and Genesis KC Development, LLC (collectively, "DaVita"), I am writing to submit the notice of project completion and final realized project cost report for Project No. 15-025. On August 25, 2015, the Illinois Health Facilities and Services Review Board ("State Board") approved DaVita's application for a certificate of need permit for the relocation and expansion of South Holland Renal Center (the "Project"). The Project was obligated on December 11, 2015 through execution of the construction contract for the dialysis facility. Effective March 13, 2018, the facility was approved and certified by the Centers for Medicare and Medicaid Services.

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

1. <u>**Final Realized Project Costs**</u>

South Holland Dialysis Final Realized Project Costs		
	Approved	Expended
Site Survey and Soil Investigation	$14,000	$0
New Construction Contracts	$2,962,193	$1,496,063
Contingencies*	$275,640	$0
Architectural /Engineering Fees	$244,753	$90,797
Consulting and Other Fees	$297,000	$7,214
Movable or Other Equipment (not in construction contracts)	$525,183	$438,240
Fair Market Value of Lease Space and Equipment	N/A	N/A
Other Costs to be Capitalized Net Book Value of Existing Equipment	$198,819	$198,819
ESTIMATED TOTAL PROJECT COST	**$4,517,588**	**$2,231,133**

63446508.1

*The G702 does not include the Permit Holder's purchased lighting package of $47,857.23, door security of $43,928.11 or core and shell construction totaling $312,299.32. These amounts were added to the Modernization Construction Contingencies 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 Anne Cooper at 312-873-3606 or acooper@polsinelli.com.

Sincerely,

Gaurav Bhattacharyya
Division Vice President
DaVita Inc.

SUBSCRIBED AND SWORN
to before me this 1st day of
~~April~~ May, 2018

DIANE E. LUCIA
Official Seal
Notary Public-State of Illinois
My Commission Expires April 1, 2021

My commission expires: 4-1-21

Attachment
cc: James Burke, DaVita Inc.

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DAVITA - APPLICATION FOR PAYMENT: Cover Sheet

TO OWNER:
DaVita Healthcare Partners Inc.
c/o DaVita Heathcare Partners, Inc.
2000 16th St.
Denver, CO 80202

PROJECT: **DaVita So. Holland TI Buildout**
16135 S. Park Avenue
South Holland, IL 60473-1511

APPLICATION NO: 8

Facility #06821
Project Code: R06821-0

Distribution to:
- [ ] OWNER
- [ ] ARCHITECT
- [ ] CONTRACTOR
- [ ]
- [ ]

Task Code: 02.01 = $122,511.15

DocuSigned by:
James Burke
B03CA56F24E7474...

PERIOD TO: 01/31/17

PERIOD FROM: 01/01/17

FROM CONTRACTOR:
Frontier Construction, Inc.
7615 Plaza Court
Willowbrook, IL 60527

VIA ARCHITECT:
StudioGC, Inc.
233 W. Jackson Blvd.
Chicago, IL 60606

DocuSigned by:
David Geary
2C8CC47FC5D143B...

DVA PROJ NO: 15036
GC JOB NO: 2450-2
CONTRACT DATE: 12/11/15

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.

1. ORIGINAL CONTRACT SUM		$ 1,078,965.00
2. Net change by Change Orders		$ 13,013.14
3. CONTRACT SUM TO DATE (Line 1 ± 2)		$ 1,091,978.14
4. TOTAL COMPLETED & STORED TO DATE: Column G (TI Tab)		$ 1,091,978.14
5. RETAINAGE:		
a. 0.00 % of Completed Work (Column D + E on TI Tab)	$ 0.00	
b. 0.00 % of Stored Material (Column F on TI Tab)	$ 0.00	
Total Retainage (Lines 5a + 5b or Total in Column I of TI Tab)		$ 0.00
6. TOTAL EARNED LESS RETAINAGE (Line 4 Less Line 5 Total)		$ 1,091,978.14
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from prior Certificate)		$ $969,466.99
8. CURRENT PAYMENT DUE		$ 122,511.15
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	$4,703.00	$0.00
Total approved this Month	$14,459.00	$6,148.86
TOTALS	$19,162.00	$6,148.86
NET CHANGES by Change Order	$25,310.86	

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: Frontier Construction, Inc.

By: Date:

OFFICIAL SEAL
JOHN P MARSHALL
Notary Public - State of Illinois
My Commission Expires Jun 29, 2019

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 .... $ $122,511.15

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

Authorized Representative: DaVita, Inc.

By: DocuSigned by: Carl Giometti EB449179E8D94E3... Date: February 13, 2017

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.

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Schedule of Values (Tenant Improvements)

APPLICATION NO: 8
APPLICATION DATE: 1/31/2017
PERIOD TO: 1/31/2017
PERIOD FROM: 1/1/2017
DaVita PROJECT NO: 15036

Cost Categories hown 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.
DaVita So. Holland TI Buildout

A	B	C	D	E	F	G		H	I	J
ITEM NO.	DESCRIPTION OF WORK	SCHEDULED VALUE	WORK COMPLETED FROM PREVIOUS APPLICATION (D + E)	WORK COMPLETED THIS PERIOD	MATERIALS PRESENTLY STORED (NOT IN D OR E)	TOTAL COMPLETED AND STORED TO DATE (D+E+F)	% (G ÷ C)	BALANCE TO FINISH (C - G)	RETAINAGE (IF VARIABLE RATE) (% * G)	DVA Task Code
	TENANT TOTALS									
1.1	General Requirements	$111,706.00	$111,706.00			$111,706.00	100.00%	$0.00		
1.2	Overhead and Profit	$54,470.00	$54,470.00			$54,470.00	100.00%	$0.00		
2.1	Permit Allowance	$5,000.00	$4,517.54	$482.46		$5,000.00	100.00%	$0.00		
3.1	Contingency Allowance	$6,000.00		$6,000.00		$6,000.00	100.00%	$0.00		
6.1	Rough Carpentry	$5,910.00	$5,910.00			$5,910.00	100.00%	$0.00		
6.2	Finish Carpentry & Cabinetry - Premier Cabinet	$89,400.00	$89,400.00			$89,400.00	100.00%	$0.00		
6.3	Finish Carpentry & Cabinetry - FCI	$25,573.00	$25,573.00			$25,573.00	100.00%	$0.00		
7.1	Metal Fabrications	$11,568.00	$11,568.00			$11,568.00	100.00%	$0.00		
8.1	Doors, Frames & Hardware	$6,192.00	$6,192.00			$6,192.00	100.00%	$0.00		
8.2	Aluminum Entrance/Curtain Walls (D&M Acrh.)	$34,375.00	$34,375.00			$34,375.00	100.00%	$0.00		
8.3	Automatic Operators (Stanley Access Technologies)	$9,475.00	$9,475.00			$9,475.00	100.00%	$0.00		
8.5	Caulking	$1,500.00	$1,500.00			$1,500.00	100.00%	$0.00		
9.1	Drywall and Framing - Esquivel Construction	$93,700.00	$93,700.00			$93,700.00	100.00%	$0.00		
9.2	Acoustical Ceilings - Esquivel Construction	$28,360.00	$28,360.00			$28,360.00	100.00%	$0.00		
9.3	Epoxy Flooring - CCI Flooring	$24,000.00	$24,000.00			$24,000.00	100.00%	$0.00		
9.4	Resilient Flooring - Integral Flooring	$55,000.00	$55,000.00			$55,000.00	100.00%	$0.00		
9.5	Painting - Smith Painting	$12,000.00	$12,000.00			$12,000.00	100.00%	$0.00		
9.6	Wall Protection - Material	$19,421.00	$19,421.00			$19,421.00	100.00%	$0.00		
9.7	Wall Protection - Labor	$17,028.00	$17,028.00			$17,028.00	100.00%	$0.00		
10.1	Signage	$2,066.00	$2,066.00			$2,066.00	100.00%	$0.00		
12.1	Toilet & Bath Accessories	$2,976.00	$2,976.00			$2,976.00	100.00%	$0.00		
15.1	HVAC (Jameson Sheet Metal)	$108,300.00	$108,300.00			$108,300.00	100.00%	$0.00		
15.2	Plumbing (Provancal Brothers)	$242,000.00	$242,000.00			$242,000.00	100.00%	$0.00		
16.1	Electrical (All Suburban Electric, Inc.)	$92,000.00	$92,000.00			$92,000.00	100.00%	$0.00		
	Change Order # 01	$1,445.00	$1,445.00			$1,445.00	100.00%	$0.00		
	Change Order # 02	$3,258.00	$3,258.00			$3,258.00	100.00%	$0.00		
	Change Order # 03	$14,459.00		$14,459.00		$14,459.00	100.00%	$0.00		
	Return Unused Permit Allowance	($148.86)		($148.86)		($148.86)	100.00%	$0.00		
	Return Unused Contingency Allowance	($6,000.00)		($6,000.00)		($6,000.00)	100.00%	$0.00		
	TENANT TOTALS	$1,071,033.14	$1,056,240.54	$14,792.60	$0.00	$1,071,033.14	100.00%	$0.00	$0.00	2.01
	MBBI TOTALS	$0.00	$0.00	$0.00	$0.00	$0.00		$0.00	$0.00	2.02
	LIFE SAFTEY TOTALS	$20,945.00	$20,945.00	$0.00	$0.00	$20,945.00	100.00%	$0.00	$0.00	2.03
	TOTAL	$1,091,978.14	$1,077,185.54	$14,792.60	$0.00	$1,091,978.14	100.00%	$0.00	$0.00	

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Schedule of Values (Life Safety)

Cost Categories hown 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.
DaVita So. Holland TI Buildout

APPLICATION NO: 8
APPLICATION DATE: 1/31/2017
PERIOD TO: 1/31/2017
PERIOD FROM: 1/1/2017
DaVita PROJECT NO: 15036

A	B	C	D	E	F	G		H	I
ITEM NO.	DESCRIPTION OF WORK	SCHEDULED VALUE	WORK COMPLETED		MATERIALS PRESENTLY STORED (NOT IN D OR E)	TOTAL COMPLETED AND STORED TO DATE (D+E+F)	% (G ÷ C)	BALANCE TO FINISH (C - G)	RETAINAGE (IF VARIABLE RATE) (% * G)
			FROM PREVIOUS APPLICATION (D + E)	THIS PERIOD					
	LIFE SAFTEY								
1.1	General Requirements	$1,250.00	$1,250.00		$0.00	$1,250.00	100.00%	$0.00	
1.2	Overhead and Profit	$750.00	$750.00		$0.00	$750.00	100.00%	$0.00	
10.2	Fire Extinguishers (FCI)	$1,654.00	$1,654.00		$0.00	$1,654.00	100.00%	$0.00	
15.3	Fire Protection (Nelson Fire Prot.)	$9,618.00	$9,618.00		$0.00	$9,618.00	100.00%	$0.00	
17.1	Fire Alarm (Tech Electronics)	$7,673.00	$7,673.00		$0.00	$7,673.00	100.00%	$0.00	
	LIFE SAFTEY TOTALS	$20,945.00	$20,945.00	$0.00	$0.00	$20,945.00	100.00%	$0.00	$0.00

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