



STATE OF ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD

525 WEST JEFFERSON ST. • SPRINGFIELD, ILLINOIS 62761 • (217) 782-3516 • FAX: 217) 785-4111

DOCKET ITEM: A-04	BOARD MEETING: March 5, 2019	PROJECT NUMBER: 16-034
PERMIT HOLDERS(S): Fresenius Medical Care Holdings, Inc Fresenius Medical Care Naperbrook, LLC		
FACILITY NAME and LOCATION: Fresenius Kidney Care Woodridge, Woodridge		

STATE BOARD STAFF REPORT **PERMIT RENEWAL REQUEST**

I. Background

On March 14, 2017, the State Board approved Project #16-034. The permit authorized the establishment of a 12-station End Stage Renal Dialysis (ESRD) facility in 7,267 GSF of leased space in Woodridge, Illinois. State Board Staff notes the project is obligated and the current project completion date is March 31, 2019. Project cost: \$5,676,179.

State Board Staff notes the permit holders submitted the permit renewal request on February 8, 2019. This submittal was in accordance with 77 IAC 1130.740(d), which states that renewal requests must be received by the State Board at least 45 days prior to the permit expiration date. A \$500.00 permit renewal fee accompanied the renewal request.

II. Findings

State Board Staff notes this is the first renewal request for this project and the permit holders have submitted all of the information required in Section 1130.740 for a permit renewal.

III. The Permit Renewal Request

- A. Requested Completion Date: The permit holders request a project completion date of October 31, 2019. This would extend the project's completion date by seven months, from March 31, 2019 to October 31, 2019.
- B. Status of the Project and Components Yet to be Finished: The permit holders state the project is 99% complete. The construction phase is complete, and the facility began treating patients in December 2018. Medicare certification and licensure are all that remain.
- C. Reason(s) Why the Project Has Not Been Completed: The permit holders' state the following events occurred, which delayed completion of the project:
- The permit holders note multiple delays due to developer/contractor errors combined with a lack of diligence during the construction/build-out phases of the project, delayed the project by several months. These issues have since been resolved.
- D. Evidence of Financial Commitment to Fund the Project: The permit holders indicate \$5,164,871 (90.9%) of the total project funds have been expended to date and can attest to the existence of sufficient financial resources to complete the project.
- E. Anticipated Final Cost of the Project: The permit holders estimate the project will not deviate from the approved permit amount of \$5,676,179.

IV. Project Description & Other Background Information

The permit authorized the establishment of a 12-station ESRD facility in 7,267 GSF of leased space, in Woodridge. Project cost: \$5,676,179.

Permit Issuance Date: March 14, 2017

Project Obligation Date: May 8, 2017

Original Project Completion Date: March 31, 2019

Proposed Project Completion Date: October 31, 2019
(7-month renewal request)

V. Applicable Rules for Permit Renewal Requests

77 IAC 1130.740 specifies that a permit holder may request a change in the approved project completion date by applying for a permit renewal.

77 IAC 1130.230(h)(5) states that failure to complete a project or to renew a permit within the prescribed timeframes will subject the permit holders to the sanctions and penalties provided in the Act and this Subpart.

77 IAC 1130.740(b) states that a permit renewal will commence on the expiration date of the original or renewed completion period.

77 IAC 1130.740(c) states that the State Board must be in receipt of a permit renewal request at least 45 days prior to the expiration date of the completion period, and include the following: 1) the requested completion date; 2) a status report on the project detailing what percent has been completed, a summary of project components yet to be finished and a summary of the amount of funds expended on the project to date; 3) a statement as to the reasons why the project has not been completed; and 4) confirmatory evidence by the permit holders' authorized representative that the project's costs and scope are in compliance with what the State Board approved and that sufficient financial resources are available to complete the project.

77 IAC 1130.740(d) states State Board staff will review the request and prepare a report of its findings. If the findings are that the request is in conformance with all HFSRB criteria, and if this is the first request for this project, then the request, staff's findings, and all related documentation shall be sent to the Chairman. The Chairman, acting on behalf of HFSRB, will approve, deny or refer the request to the HFSRB for action. If staff finds that all criteria are not positive or, if this is not the first request for this project, or if the Chairman refers this to HFSRB for action, then HFSRB will evaluate the information submitted to determine if the project has proceeded with due diligence (as defined in 77 IAC 1130.140). If a request for permit renewal is denied, HFSRB may issue a Notice of Intent to Revoke a permit if the project is not completed by the HFSRB-approved completion date. If such a Notice is issued, the permit holders will be afforded an opportunity for an administrative hearing.

VI. Other Information

Appended to this report are the following: the permit holders' documents for a permit renewal.



**FRESENIUS
KIDNEY CARE**

Fresenius Kidney Care

3500 Lacey Road, Downers Grove, IL 60515
T 630-960-6807 F 630-960-6812
Email: lori.wright@fmc-na.com

February 7, 2019

RECEIVED

FEB 8 2019

**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

Ms. Courtney Avery
Administrator
Illinois Health Facilities & Services Review Board
525 West Jefferson, 2nd Floor
Springfield, IL 62761

Re: Request for Permit Renewal Section 1130.740
Project #16-034, Fresenius Kidney Care Woodridge
Permit Holder: Fresenius Medical Care Naperbrook, LLC, and Fresenius Medical Care Holdings, Inc.

Dear Ms. Avery:

Fresenius Medical Care Naperbrook, LLC is seeking a permit renewal for Fresenius Kidney Care Woodridge. The \$500 renewal fee will be sent via overnight delivery to arrive February 8, 2018. There has been no change to the size and scope of this project. This report summarizes the status of the project.

Sincerely,

Lori Wright
Fresenius Medical Care
Senior CON Specialist



January 22, 2019

Request for Permit Renewal Section 1130.750

Project #16-034, Fresenius Kidney Care Woodridge

Permit Holder: Fresenius Medical Care Naperbrook, LLC, and Fresenius Medical Care Holdings, Inc.

1. **The requested completion date:** *The requested completion date is October 31, 2019.*
2. **a status report on the project detailing what percent has been completed and a summary of project components yet to be finished and the amount of funds expended on the project date**

This project is for the establishment of a 12-station ESRD facility at 7550 Janes Avenue, Woodridge. The project was obligated on May 8, 2017 with the execution of the lease. The facility began operations on December 19, 2018 and is waiting for Medicare certification. The project is 99% complete. It is expected to be complete prior to October 31, 2019.

3. **a statement as to the reasons why the project has not been completed**

The Woodridge facility experienced multiple delays due to developer/contractor errors and lack of diligence during the construction and interior build-out. It took many months for any remaining problems to be corrected after the building was considered complete by the developer. These issues have been resolved and the facility is operating as of December 19, 2019. We are now just waiting for Medicare certification.



4. evidence of financial commitment to fund the project

Sources and Uses of Funds

Project Costs	Allowance/CON	Realized
Modernization	1,249,924	958,073
Contingencies	123,539	0
Architectural/Engineering	134,600	47,969
Moveable & Other Equipment	375,000	365,713
FMV of Leased Space/Equipment	3,793,116	3,793,116
Total Project Costs	\$5,676,179	\$5,164,871
Funding	Allowance/CON	Realized
Cash & Securities	1,883,063	1,371,755
FMV Lease/Equipment	3,793,116	3,793,116
Total funds	\$5,676,179	\$5,164,871

5. Anticipated final cost of the project: *Final cost will be within the permit amount of \$5,676,179.*

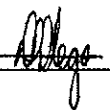


**FRESENIUS
KIDNEY CARE**

Fresenius Medical Care Naperville, LLC

In accordance with Section 1130.740 part c, of the Illinois Health Facilities & Services Review Board rules for renewal of a permit;

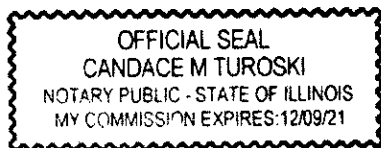
I do hereby certify that the financial resources to fund the project are available and that the project's cost, scope, design, square footage, number of stations are compliant with that which the State Board has approved.

By: 

ITS: Manager

Notarization: Candace M. Turossi
Subscribed and sworn to before me
This 7th day of Feb, 2019

Seal





FRESENIUS KIDNEY CARE

Fresenius Medical Care Holdings, Inc.

In accordance with Section 1130.740 part c, of the Illinois Health Facilities & Services Review Board rules for renewal of a permit;

I do hereby certify that the financial resources to fund the project are available and that the project's cost, scope, design, square footage, number of stations are compliant with that which the State Board has approved.

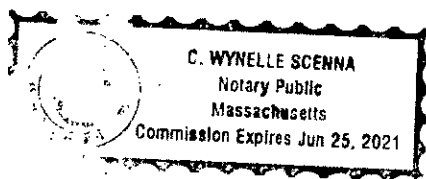
By: _____

Bryan Mello
Assistant Treasurer

ITS: _____

Notarization: C Wynelle Scenna
Subscribed and sworn to before me
This 22 day of Jan 2019

Seal



OWNER: Net3 (Woodbridge), LLC
ADDRESS: 220 North Green Street
Chicago, IL 60607

APPLICATION NO. 5
PERIOD FROM: April 17, 2018
TO: September 1st, 2018
CHANGE ORDERS INCLUDED: #1-8

CONTRACTOR: HAYCON, INC.
ADDRESS: 1919 E Kilgore Service Rd.
Kalamazoo, MI 49001

ARCHITECT: Christopher Todd & Associates, LLC
ADDRESS: N48W16550 Lisbon Road

~~Phone orders to Ennis~~

TRADE	SUBDIVISION	ADJUSTED CONTRACT	% COMPLETION	VALUE SUBMITTED	RECEIVED PAID	TO AMOUNT ACQUIRED	PAYMENTS OUTSTANDING	RETENTION
Site Work								
TOTAL SITE WORK		\$0.00	0.00%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Building Shell								
General Requirements	Mason	\$49,842.50	100.00%	\$49,842.50		\$8,542.50	\$0.00	\$0.00
Misc Steel	Mason	\$4,500.00	100.00%	\$4,500.00	\$5,850.00	\$650.00	\$0.00	\$0.00
Doors/Hardware	Door Pace	\$10,052.00	100.00%	\$28,052.00	\$13,453.10	\$2,805.90	\$0.00	\$0.00
MS/Paint/Trimwork	DRI	\$18,500.00	100.00%	\$167,500.00	\$157,500.00	\$14,750.00	\$0.00	\$0.00
Finish Carpentry	DRI	\$31,300.00	100.00%	\$81,300.00	\$1,170.00	\$1,170.00	\$0.00	\$0.00
Rohr Sealants	Mason	\$5,500.00	100.00%	\$5,500.00	\$4,950.00	\$550.00	\$0.00	\$0.00
Painting	DRI	\$25,500.00	100.00%	\$76,500.00	\$13,650.00	\$2,850.00	\$0.00	\$0.00
Cement Tile	Supplier	\$7,284.00	100.00%	\$7,284.00	\$4,359.20	\$715.80	\$0.00	\$0.00
Vinyl Flooring	Supplier	\$49,000.00	100.00%	\$49,000.00	\$14,000.00	\$4,900.00	\$0.00	\$0.00
Ceramic Tile	Luxury	\$36,787.00	100.00%	\$36,787.00	\$3,678.70	\$3,678.70	\$0.00	\$0.00
Entry Floor	Northwest	\$4,875.00	100.00%	\$4,875.00	\$4,387.50	\$487.50	\$0.00	\$0.00
Lockers F&I	Mason	\$6,000.00	100.00%	\$6,000.00	\$4,310.00	\$990.00	\$0.00	\$0.00
Window Casework/FBI	Mason	\$6,730.00	100.00%	\$6,730.00	\$4,075.00	\$875.00	\$0.00	\$0.00
Yeast Accessories	Mason	\$4,750.00	100.00%	\$4,750.00	\$4,275.00	\$475.00	\$0.00	\$0.00
F&I Brickers	Mason	\$750.00	100.00%	\$750.00	\$675.00	\$75.00	\$0.00	\$0.00
Fire Suppression	RSD	\$15,400.00	100.00%	\$15,400.00	\$13,840.00	\$1,540.00	\$0.00	\$0.00
Pumbing	Pross active	\$8,284.18	100.00%	\$8,284.18	\$5,278.42	\$1,274.42	\$0.00	\$0.00
HVAC	Innovative	\$55,000.00	100.00%	\$55,000.00	\$55,400.00	\$1,400.00	\$0.00	\$0.00
Electrical	Woods Inc	\$152,000.00	100.00%	\$152,000.00	\$138,800.00	\$15,200.00	\$0.00	\$0.00
Fire Alarm	Affiance	\$16,983.00	100.00%	\$26,483.00	\$24,280.16	\$2,688.90	\$0.00	\$0.00
Glazing	Mark Industries	\$4,500.00	100.00%	\$9,500.00	\$4,950.00	\$950.00	\$0.00	\$0.00
TOTAL BUILDING SHELL		\$771,654.08	100.00%	\$771,654.48	\$488,850.68	\$90,403.72	\$0.00	\$0.00
PROJECT SUMMARY								
TRADE WORK - SITE WORK		\$0.00	0.00%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TRADE WORK - BUILDING SHELL		\$771,654.48	100.00%	\$771,654.48	\$488,850.68	\$90,403.72	\$0.00	\$0.00
TOTAL TRADE WORK		\$771,654.48	100.00%	\$771,654.48	\$488,850.68	\$90,403.72	\$0.00	\$0.00
GC - GENERAL CONDITIONS	GT001	\$64,086.00	100.00%	\$64,000.00	\$33,690.00	\$6,400.00	\$0.00	\$0.00
GC - ON & FEE	GT005	\$44,007.72	100.00%	\$44,007.72	\$18,783.42	\$5,824.18	\$0.00	\$0.00
PROJECT TOTAL		\$880,348.20	100.00%	\$880,348.20	\$746,324.58	\$19,077.87	\$0.00	\$0.00

Original Contract	#57,122.00
Current Contract - Fraction Ave.	\$18,744.70
Current Contract - 17th Ave.	\$446.28
Adj. Total Contract	\$69,312.98

[illegible]

Subscribed and sworn before me on this

Stamps

2010
10/10/10
10/10/10

Name: _____
Notary Public

day of Sept 2018
 Named Christian J. Best
 Notary Public

Contracting

NAME	TIME
1. [illegible]	10:00
2. [illegible]	10:15
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4. [illegible]	10:45
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97. [illegible]	34:00
98. [illegible]	34:15
99. [illegible]	34:30
100. [illegible]	34:45

It's Authorized Representative

FINAL CONDITIONAL WAIVER AND RELEASE OF LIEN
(becomes UNCONDITIONAL upon payment)

STATE OF: Missouri
COUNTY OF: Phelps

TO WHOM IT MAY CONCERN:

WHEREAS the undersigned has been employed by:
To furnish:
For the premises known as:
Of which the Owner is:

Net 3 Real Estate
Millwork
Woodridge IL Woodridge FKC
Fresenius Medical Care
Seventy thousand five hundred eighty-two
dollars and twenty-one cents
Written amount
70,582.21

dollars, and other good and valuable considerations, the receipt whereof is hereby acknowledged, do(es) hereby waive and release any and all lien or claim of, or right to, lien, under the statutes of the State in which the premises is located relating to mechanics' liens, with respect to and on said above described premises, and the improvements thereon, and on the material, fixture, apparatus or machinery furnished, and on the money, funds or other considerations due from the Owner, on account of labor, services, material, fixtures, apparatus or machinery heretofore furnished, or which may be furnished at any time hereafter, by the undersigned for the above-described premises.

Given under my hand signed on this 5th day of January, 2018.
Company: Cohen Architectural Woodworking, LLC

Signature of Authorized Representative:

Printed or Typed Name & Title of Authorized Representative: Nate Cohen Owner

NOTE: All waivers must be for the full amount paid. If waiver is for a corporation, corporate name should be used, corporate seal affixed and title of officer signing waiver should be set forth; if waiver is for a partnership, the partnership name should be used, partner should sign and designate himself as partner.

CONTRACTOR'S AFFIDAVIT

TO WHOM IT MAY CONCERN:

WHEREAS the undersigned, being duly sworn, deposes and says that he/she is the:

of the Company named:
who is the contractor for the (trade):
work on the building located at:
Owned by:

Cohen Architectural Woodworking, LLC
Millwork
7550 Janes Avenue, Woodridge, IL
Fresenius Medical Care

The total amount of the contract including extras is:
On which he has received payment prior to this payment of:

\$77,710.21
0.00

That all waivers are true, correct and genuine and delivered unconditionally and that there is no claim either legal or equitable to defeat the validity of said waivers. That the following are the names of all parties who have furnished material or labor, or both for said work and all parties having contracts or subcontracts for specific portions of said work or for material entering into the construction thereof and the amount due to each, and that the items mentioned include all labor and material required to complete said work according to plans and specifications:

Names	What For	Contract Price	Amount Paid	This Payment	Balance Due
Cohen Architectural Woodworking, LLC	Millwork	\$77,710.21	\$7,128.00	\$70,582.21	\$0.00
Total Labor and Material to Complete					

That there are no other contracts for said work outstanding, and that there is nothing due or to become due to any person for material, labor or other work of any kind done or to be done upon or in connection with said work other than above stated.

Given under my hand signed on this 5th day of January, 2018.
Company: Cohen Architectural Woodworking, LLC

Signature of Authorized Representative:

Printed or Typed Name & Title of Authorized Representative: Nate Cohen Owner

Notary
Stamp:

Signature of
Notary: DJB

Subscribed and sworn to before me this 5th day of January, 2018

DAVID BEADLES
Notary Public - Notary Seal
STATE OF MISSOURI
Phelps County
My Commission Expires: March 29, 2021
Commission #17298584

Net3 Form Document
Conditional Final Waiver
All Rights Reserved 2011