

Constantino, Mike

From: Timothy Tincknell [Timothy.Tincknell@davita.com]
Sent: Tuesday, February 26, 2013 5:07 PM
To: Constantino, Mike
Cc: Joseph Van Leer
Subject: Red Bud Dialysis - Alteration (Additional Pages)
Attachments: Davita Red Bud.docx; SCAN1257_000.pdf

RECEIVED

FEB 27 2013

**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

Mike,

Attached please find a PDF with the changes that reflect the reduction to the gross square footage, as well as the FMV of the lease.

Thank you,

Tim

From: Constantino, Mike [mailto:Mike.Constantino@Illinois.gov]
Sent: Tuesday, February 26, 2013 2:04 PM
To: 'Timothy Tincknell'
Cc: Yoni Danieli; Joseph Van Leer
Subject: RE: Red Bud Dialysis - Alteration

Tim I am going to need a revised gross square footage chart and a project costs and sources of funds schedule. I have attached the originals that were submitted and approved by the State Board. I need these revised to reflect the alteration changes.

From: Timothy Tincknell [mailto:Timothy.Tincknell@davita.com]
Sent: Tuesday, February 26, 2013 12:14 PM
To: Constantino, Mike
Cc: Yoni Danieli; Joseph Van Leer
Subject: Red Bud Dialysis - Alteration

Mike,

Attached please find a copy of the letter and check regarding an alteration to Red Bud Dialysis (Proj. No. 12-034). The originals should arrive via FedEx to you tomorrow. Please feel free to contact me with any questions.

Thank you,

Tim

*Tim Tincknell, FACHE
Administrator, CON Projects
DaVita HealthCare Partners, Inc
2611 N Halsted St
Chicago, IL 60614
773/549-9412 (office)
773/255-7010 (cell)
866/586-3214 (e-fax)
timothy.tincknell@davita.com*

This email was delivered using either TLS encryption between DaVita's Internet email gateway and with one of the host(s) listed as the Internet email exchanger (MX) for your email domain OR as a last resort, via Cisco envelope encryption if TLS encryption was not available with your Internet email MX.

Please follow up with your organization's email administrator if you have further questions or reservations concerning the secure delivery of this email message.

-DaVita, Inc.-

This electronic mail message contains CONFIDENTIAL information which is (a) ATTORNEY - CLIENT PRIVILEGED COMMUNICATION, WORK PRODUCT, PROPRIETARY IN NATURE, OR OTHERWISE PROTECTED BY LAW FROM DISCLOSURE, and (b) intended only for the use of the Addressee(s) named herein. If you are not an Addressee, or the person responsible for delivering this to an Addressee, you are hereby notified that reading, copying, or distributing this message is prohibited. If you have received this electronic mail message in error, please reply to the sender and take the steps necessary to delete the message completely from your computer system.

IRS CIRCULAR 230 DISCLOSURE: Unless expressly stated otherwise, any U.S. federal tax advice contained in this e-mail, including attachments, is not intended or written by Polsinelli Shughart PC (in California, Polsinelli Shughart LLP) to be used, and any such tax advice cannot be used, for the purpose of avoiding penalties that may be imposed by the Internal Revenue Service.

Project Costs and Sources of Funds

Complete the following table listing all costs (refer to Part 1120.110) associated with the project. When a project or any component of a project is to be accomplished by lease, donation, gift, or other means, the fair market or dollar value (refer to Part 1130.140) of the component must be included in the estimated project cost. If the project contains non-reviewable components that are not related to the provision of health care, complete the second column of the table below. Note, the use and sources of funds must equal.

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs			
Site Survey and Soil Investigation			
Site Preparation			
Off Site Work			
New Construction Contracts	\$890,000		\$890,000
Modernization Contracts			
Contingencies	\$89,000		\$89,000
Architectural/Engineering Fees	\$90,000		\$90,000
Consulting and Other Fees	\$50,000		\$50,000
Movable or Other Equipment (not in construction contracts)	\$315,755		\$315,755
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment	\$733,919		\$733,919
Other Costs To Be Capitalized	\$82,725		\$82,725
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	\$2,251,399		\$2,251,399
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$1,517,480		\$1,517,480
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)	\$733,919		\$733,919
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	\$2,251,399		\$2,251,399
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT-7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

**Section I, Identification, General Information, and Certification
Project Costs and Sources of Funds**

Table 1120.110			
Project Cost	Clinical	Non-Clinical	Total
New Construction Contracts	\$890,000		\$890,000
Contingencies	\$89,000		\$89,000
Architectural/Engineering Fees	\$90,000		\$90,000
Consulting and Other Fees	\$50,000		\$50,000
Moveable and Other Equipment			
Water Treatment	\$90,280		\$90,280
Bio-Medical Equipment	\$9,185		\$9,185
Clinical Equipment	\$152,013		\$152,013
Clinical Furniture/Fixtures	\$14,642		\$14,642
Lounge Furniture/Fixtures	\$2,815		\$2,815
Storage Furniture/Fixtures	\$4,485		\$4,485
Business Office Fixtures	\$24,335		\$24,335
General Furniture/Fixtures	\$18,000		\$18,000
Total Moveable and Other Equipment	\$315,755		\$315,755
Other Costs to be Capitalized			
Communications	\$69,725		\$69,725
Signage	\$13,000		\$13,000
Total Other Costs to be Capitalized	\$82,725		\$82,725
Fair Market Value of Leased Space	\$733,919		\$733,919
Total Project Costs	\$2,251,399		\$2,251,399

**Section I, Identification, General Information, and Certification
Cost Space Requirements**

Cost Space Table							
Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
CLINICAL							
ESRD	\$2,251,399		5,490	5,490			
Total Clinical	\$2,251,399		5,490	5,490			
NON REVIEWABLE							
Total Non-Reviewable							
TOTAL	\$2,251,399		5,490	5,490			

Section IV, Project Scope, Utilization, and Unfinished/Shell Space
Criterion 1110.234(a), Size of the Project

The Applicants propose to establish an 8-station dialysis facility. Pursuant to Section 1110, Appendix B of the HFSRB's rules, the State standard is 450-650 gross square feet per dialysis station for a total of 3,600 to 5,200 gross square feet for 8 dialysis stations. The total gross square footage of the proposed dialysis facility is 5,490 gross square feet, which exceeds the State standard by 290 gross square feet. When selecting a site for a new dialysis facility, the Applicants consider the future growth in the area and prefer sites that can accommodate such growth to ensure residents have continued access to life sustaining dialysis both now and in the future. Importantly, the proposed site will have a flexible floor plan that will allow for modest expansion.

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
ESRD	5,490	3,600 – 5,200	290	Above