

DIALYSIS CLINIC, INC.

Ravindranath V. Kantamneni, M.D.
Medical Director

(A Non-Profit Corporation)
1546 E. Main Street
Dothan, Alabama 36301
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Kyle Weaver
Administrator/CEO

August 21, 2007

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STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY

Mr. Alva Lambert, Executive Director
State Health Planning & Development Agency
100 North Union Street, Suite 870
Montgomery, AL 36104

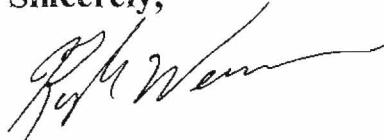
Re: AL2007-006, CON 2195-ESRD
Dialysis Clinic, Inc.-Enterprise

Dear Mr. Lambert,

We received CON Approval on 3/8/07 to relocate and build a new 26 station dialysis facility in Enterprise. Our general contractor has informed us that the \$1,761,278.00 construction cost has now inflated to 2.2 million. This increase is due to the heavy demand for labor and materials in the Enterprise area. In March of this year, Enterprise experienced a devastating tornado that destroyed approximately 10% of Enterprise. In addition to that storm, heavy demand for labor and materials already existed due to the gulf states rebuilding and the unprecedented construction in Panama City.

We respectfully request a project modification to reflect the new 2.2 million construction cost.

Sincerely,



Kyle Weaver
Administrator

KW/dh