



# County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 713, Los Angeles, California 90012  
(213) 974-1101  
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA  
Chief Executive Officer

December 14, 2010

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**DEPARTMENT OF HEALTH SERVICES:  
HUBERT H. HUMPHREY COMPREHENSIVE HEALTH CENTER X-RAY  
REPLACEMENT AND ROOM RENOVATION (CAPITAL PROJECT NO. 87116)  
(SECOND DISTRICT) (4 VOTES)**

**SUBJECT**

Establish Capital Project No. 87116 for the Hubert H. Humphrey Comprehensive Health Center X-Ray Replacement and Room Renovation Project, approve the project budget, approve the appropriation adjustment, and authorize equipment acquisition.

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Find that the proposed project is categorically exempt under the California Environmental Quality Act for reasons stated herein and in the project files.
2. Establish and approve Capital Project No. 87116 in the amount of \$233,000 to renovate existing space as a turnkey project to support the installation of the new X-Ray equipment for Hubert H. Humphrey Comprehensive Health Center.
3. Approve the appropriation adjustment to reallocate \$20,000 from the Southwest Network (King) Fiscal Year 2010-11 Services and Supplies Budget and \$213,000 from its Capital Assets – Equipment Budget to Capital Project No. 87116 to fully fund the Hubert H. Humphrey X-Ray Replacement and Room Renovation Project.
4. Authorize the County Purchasing Agent to proceed with the project, which includes soliciting and award of a vendor for the renovation work at an estimated cost of \$233,000, acquisition of X-Ray equipment with an estimated cost of \$198,000 and

*"To Enrich Lives Through Effective And Caring Service"*

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Intra-County Correspondence Sent Electronically Only***

Board of Supervisors  
GLORIA MOLINA  
First District  
MARK RIDLEY-THOMAS  
Second District  
ZEV YAROSLAVSKY  
Third District  
DON KNABE  
Fourth District  
MICHAEL D. ANTONOVICH  
Fifth District

an extended warranty with an estimated cost of \$47,000 for years two through five. Any amendments/changes to the Project as awarded by the Purchasing Agent shall be processed by the Purchasing Agent.

5. Authorize the Director of Health Services, or his designee, in conjunction with the Purchasing Agent, to execute change orders in an amount not to exceed \$31,000; conduct all negotiations; execute and submit all documents including, but not limited to, contracts, amendments and payment requests; and to comply with all applicable State and Federal laws necessary for completion of the project.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Approval of the recommended actions will establish Capital Project (C.P.) No. 87116 to complete the necessary renovation work to accommodate the installation of the new X-Ray equipment for the Hubert H. Humphrey Comprehensive Health Center (Humphrey Center), and authorize the Internal Services Department (ISD) to proceed with the project.

The proposed room renovation will include, but not be limited to, mechanical, electrical, plumbing, fire alarm and structural improvements in order to accommodate the installation of the new equipment.

Currently, there are four X-Ray systems, all over 30 years old, at the Humphrey Center. One of the systems is inoperable and cannot be fixed because parts are no longer available. The other three systems require constant and costly repairs and generally operate at half of their capacity. In Fiscal Year 2009-2010, there were approximately 15,000 diagnostic procedures performed. Ten percent of these procedures were retakes as the film produced by the aging equipment is unreadable. Furthermore, patient wait-time for diagnostic procedures has increased from an average of one hour to three or four hours depending upon how many of the three systems are operable. On some occasions, patients have been referred to Martin Luther King, Jr. Multi-Service Ambulatory Care Center for service. In addition, the facility has been cited in the last two annual surveys by Public Health/Environmental Health/Radiation and California Department of Public Health because of the non/malfunctioning systems.

Although this new X-Ray system will improve patient wait-time and flow, a second X-Ray system is needed to replace the remaining old systems and effectively handle all of the Humphrey Center's diagnostic needs. Unfortunately, due to budgetary constraints, the Department of Health Services (DHS) must return to your Board at a later date to request approval for the second system. The second system will also require renovation of space to accommodate the equipment. DHS will continue to work diligently to identify funds for the second system and the necessary renovation work.

The proposed project is anticipated to be completed within sixteen months following Board approval.

### **Sustainable Design Program**

The proposed project will support your Board's Policy for Green Building/Sustainable Design Program to the extent feasible by using energy efficiency lighting using building materials that are composed of recycled material and reducing the amount of demolition materials that would be disposed in landfills.

### **Implementation of Strategic Plan Goals**

The recommended actions support Operational Effectiveness (Goal 1) and Health and Mental Health (Goal 4) of the County's updated Strategic Plan by ensuring reliable availability of medical services to the community.

### **FISCAL IMPACT/FINANCING**

The total project budget of \$233,000 includes costs for design, base construction, contingency allowance, permit/inspection services and miscellaneous fees, including asbestos abatement, infection control, etc. Approval of the attached appropriation adjustment (Attachment I) will reallocate \$20,000 from the Southwest Network (King) Fiscal Year (FY) 2010-11 Services and Supplies Budget and \$213,000 from its Capital Assets – Equipment Budget to C.P. No. 87116 to fully fund the Humphrey Center X-Ray Replacement and Room Renovation Project.

The project budget does not include funding for the X-Ray equipment and extended warranty costs. The X-Ray equipment cost is estimated at \$198,000 and will be funded through the Los Angeles County Capital Asset Leasing (LAC-CAL) equipment financing program. Repayment of the LAC-CAL financing for the X-Ray equipment will require payments totaling an estimated \$239,000 over five years, including estimated financing costs of \$41,000. The extended service warranty contract is \$47,000 for years two through five, resulting in a total equipment cost of \$286,000. Funding for the lease payments and the extended service warranty is included in the Southwest Network (King) FY 2010-11 operating budget and will be requested in future fiscal years.

The total cost to be incurred as a result of the proposed project, including room renovation and equipment acquisition, as described above, is estimated at \$519,000. The budget and schedule summary are outlined in Attachment II.

### **Operating Budget Impact**

The requested project will not impact the Southwest Network (King) operating budget. Funding for the lease payments and the extended service warranty is included in the Southwest Network (King) FY 2010-11 budget and will be requested in future fiscal years.

DHS has identified this project and installation of the X-Ray equipment as a high priority and will include the ongoing equipment payments in its expenditure forecast over the five-year repayment term.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

In accordance with your Board's Civic Art Policy adopted on December 7, 2004 and subsequently amended, civic art fees do not apply to the proposed project (C.P. No. 87116) as the eligible project cost is less than \$500,000.

ISD will procure a single vendor that will be responsible for all aspects of the turn-key project. This includes all necessary renovation work and incidental design services required to obtain applicable permit approvals for the equipment installation. DHS' Capital Projects Division will oversee the project to ensure that all work is completed on time and within budget.

### **ENVIRONMENTAL DOCUMENTATION**

The proposed project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Sections 15301 (a), because the Project involves the repair and minor alteration of existing facilities and mechanical equipment involving no or negligible expansion of the existing use

### **CONTRACTING PROCESS**

The acquisition of equipment for this project falls under the statutory authority of ISD as the County's Purchasing Agent. However, the renovation costs to install the equipment exceed the statutory authority of the Purchasing Agent; therefore, Board approval is required for the Purchasing Agent to proceed with procurement of the X-Ray equipment.

### **IMPACT ON CURRENT SERVICES**

This project will have no impact on current services as facility operations will continue while the refurbishments are performed.

The Honorable Board of Supervisors  
December 14, 2010  
Page 5

**CONCLUSION**

Please return one adopted copy of this Board letter to the Chief Executive Office, Capital Projects Division; Department of Health Services, Capital Projects Division; and Internal Services Department.

Respectfully submitted,



WILLIAM T FUJIOKA  
Chief Executive Officer

WTF:JS  
DJT:TF:zu

Attachments

c: Executive Office, Board of Supervisors  
Art Commission  
Auditor-Controller  
County Counsel  
Health Services  
Internal Services

**DEPARTMENT OF HEALTH SERVICES:  
HUBERT H. HUMPHREY COMPREHENSIVE HEALTH CENTER X-RAY  
REPLACEMENT AND ROOM RENOVATION (C.P. NO. 87116)  
(SECOND DISTRICT) (4 VOTES)**

**I. PROJECT SCHEDULE**

<b>Project Activity</b>	<b>Scheduled Completion Date</b>
Release of Solicitation Document	January 2011
Issue Purchase Order Contract	April 2011
Vendor Prepares Construction Document	July 2011
Submit and Obtain Planning Approval	October 2011
Construction Substantial Completion	April 2012

**II. BUDGET SUMMARY**

<b>Budget Category</b>	<b>Proposed Budget</b>
<b>Project Budget</b>	
Design	\$23,000
Construction	\$134,000
Change Order Allowance	\$31,000
DPW Permit/Inspection	\$6,000
Consultants/Testing Allowance	\$11,000
Miscellaneous (Hazardous Material Abatement/Infection Control, etc.)	\$28,000
<b>Subtotal Project Budget</b>	<b>\$233,000</b>
<b>Equipment &amp; Warranty One-Time Costs*</b>	
X-Ray Equipment	\$198,000
Equipment Financing	\$41,000
4-Year Extended Service Warranty	\$47,000
<b>Subtotal One-Time Costs*</b>	<b>\$286,000</b>
<b>Total Project and Equipment Costs</b>	<b>\$519,000</b>

\*Note: X-Ray equipment lease payments (including financing) and extended warranty costs are not part of the Project Budget and will be funded through the Southwest Network (King) operating budget.

**DEPARTMENT OF HEALTH SERVICES  
HUBERT H. HUMPHREY CHC X-RAY BUDGET ADJUSTMENT  
FISCAL YEAR 2010-11**

ATTACHMENT I

**4-VOTE**

**SOURCES:**

**Southwest Network**  
MN5-HK-2000-60030  
Services & Supplies \$20,000  
DECREASE APPROPRIATION

**Southwest Network**  
MN5-HK-6030-60030  
Capital Assets - Equipment 213,000  
DECREASE APPROPRIATION

**General Fund Subsidy - (Southwest)**  
A01-AC-21200-21228-6100  
Other Financing Uses 233,000  
DECREASE APPROPRIATION

Total \$ 466,000

**USES:**

**Southwest Network**  
MN5-HK-60030-96-9912  
Operating Subsidy \$233,000  
DECREASE REVENUE

**Health Services - Hubert H. Humphrey CHC  
X-Ray Replacement And Room Renovation**  
A01-CP-6014-65036-87116 233,000  
Capital Assets - Building and Improvements  
INCREASE APPROPRIATION

Total \$ 466,000

**Noted & Approved:**

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*BA# 068 Karen Shikuma 11/17/10*

COUNTY OF LOS ANGELES  
**REQUEST FOR APPROPRIATION ADJUSTMENT**  
DEPARTMENT OF CHIEF EXECUTIVE OFFICE

DEPT'S. NO. 600

December 7, 2010

**AUDITOR-CONTROLLER:**

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

**ADJUSTMENT REQUESTED AND REASONS THEREFOR**

**FY 2010-11**

**4 - VOTES**

**SOURCES**

**USES**

Please see attached detail.

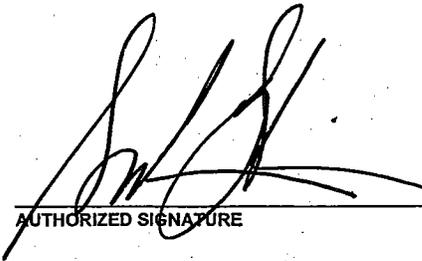
Please see attached detail.

**SOURCES TOTAL: \$ 466,000**

**USES TOTAL: \$ 466,000**

**JUSTIFICATION**

This budget adjustment is necessary to establish and fully fund the Hubert H. Humphrey X-Ray Replacement and Room Renovation project from Southwest Network's operating budget.



AUTHORIZED SIGNATURE

BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)

REFERRED TO THE CHIEF EXECUTIVE OFFICER FOR ---

ACTION

RECOMMENDATION

APPROVED AS REQUESTED

APPROVED AS REVISED

AUDITOR-CONTROLLER

BY Karen Sultana

CHIEF EXECUTIVE OFFICER

BY [Signature]

B.A. NO. 068

Nov 17 20 10

Nov 30 20 10

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