



MARK PESTRELLA, Director

**COUNTY OF LOS ANGELES
DEPARTMENT OF PUBLIC WORKS**

"To Enrich Lives Through Effective and Caring Service"

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IN REPLY PLEASE
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ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

37 June 12, 2018

CELIA ZAVALA
ACTING EXECUTIVE OFFICER

June 12, 2018

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

Dear Supervisors:

**CONSTRUCTION CONTRACT
PUBLIC BUILDINGS CORE SERVICE AREA
MARTIN LUTHER KING, JR. MEDICAL CAMPUS
OUTPATIENT CENTER CENTRAL STERILE RENOVATION PROJECT
APPROVE REVISED PROJECT BUDGET AND
RELATED APPROPRIATION ADJUSTMENT
CAPITAL PROJECT NO. 87385
(SUPERVISORIAL DISTRICT 2)
(4 VOTES)**

SUBJECT

Public Works is seeking approval to revise the project budget, and approve an Appropriation Adjustment for the Martin Luther King, Jr. Medical Campus Outpatient Center Central Sterile Renovation project.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the recommended actions are within the scope of the previous exemption for the Martin Luther King, Jr. Medical Campus Outpatient Center Central Sterile Renovation project from the California Environmental Quality Act for the reasons stated in this Board letter and in the record of the project.
2. Approve the revised project budget of \$1,798,000 from the previous Board-approved amount of \$1,428,000 for the Martin Luther King Jr. Medical Campus Outpatient Center Central Sterile Renovation project, Capital Project No. 87385.

3. Approve the Fiscal Year 2017-18 Appropriation Adjustment to reallocate \$277,000 from the Department of Health Services' Enterprise Fund - Committed for the Department of Health Services to Capital Project No. 87385 to fund the revised projected Fiscal Year 2017-18 expenditures of the total project budget.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will fund the Martin Luther King, Jr. Medical Campus (MLK MC) Outpatient Center (OC) Central Sterile Renovation project within the scope of the previous exemption finding under the California Environmental Quality Act (CEQA), approve the revised project budget, and related Appropriation Adjustment.

Background

On September 19, 2017, the Board established and approved the project and budget, and authorized the Department of Public Works to deliver the project using a Board-approved Job Order Contract (JOC). The Central Sterile Renovation project located on the 3rd floor of the OC building will allow processing of all surgical instruments for the Ambulatory Surgical Center at MLK MC.

Construction began in November 2017. Prior to the start of construction, the staff at MLK MC requested that the new mechanical heating, ventilation, and air conditioning utility shaft on the 4th floor be relocated to improve functional efficiencies in the physical therapy area. This scope change requires the rerouting of overhead utilities. In addition, during construction, it was discovered that the existing overhead utilities conflict with the installation of structural steel supports for the new sterilizing equipment. This requires revising the structural steel supports on the 2nd floor and the relocation of the existing overhead utility lines that conflict with the new structural steel. Approval of the recommended actions will increase the total project budget by \$370,000 from \$1,428,000 to \$1,798,000, as required to complete the project.

Green Building/Sustainable Design Program

On December 20, 2016, the Board adopted a new Leadership in Energy and Environmental Design policy. The renovation of the proposed project is less than 10 percent of the existing building. The existing building will continue to meet the Leadership in Energy and Environmental Design Silver policy. It is designed to support the Board's policy for Green Building/Sustainable Design Program by incorporating energy conservation features and by recycling disposable material during construction.

Implementation of Strategic Plan Goals

The County Strategic Plan directs the provision of Strategy II.1, Drive Economic and Workforce Development in the County; Strategy II.2, Support the Wellness of our Communities; and Strategy III.3, Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability. The recommended actions support the Strategic Plan by supporting the wellness of our communities and enhancing the delivery of comprehensive and seamless healthcare services to the residents of the County seeking healthcare assistance.

FISCAL IMPACT/FINANCING

Approval of the recommendations will increase the previously Board-approved project budget from \$1,428,000 to \$1,798,000. Of this amount, the Department of Health Services (DHS) has already paid \$147,000 in Fiscal Year (FY) 2016-17 for preliminary assessment fees. The revised project budget of \$1,798,000 includes plans and specifications, plan check, construction, consultant services, civic art fee, inspection, and project management services.

The enclosed FY 2017-18 Appropriation Adjustment will reallocate an additional \$277,000 from the DHS' Enterprise Fund-Committed for DHS to the MLK MC OC Central Sterile Renovation project to fund the revised projected FY 2017-18 expenditures and DHS will provide future funding of \$93,000 during future budget phases, as needed, to fully fund the revised project budget in the amount of \$1,798,000.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In accordance with the Board's Civic Art Policy amended on August 11, 2015, 1 percent of the design and construction costs to be allocated to the Civic Art fund will be increased from \$10,000 to \$13,600.

In accordance with the Board's consolidated Local and Targeted Worker Hire Policy adopted on September 6, 2016, the project requires that at least 30 percent of the total California craft worker hours for construction of the project be performed by Local Residents. The "Targeted Workers" component will not be included as part of this project.

ENVIRONMENTAL DOCUMENTATION

On September 19, 2017, the Board found the project categorically exempt from CEQA, which includes reconfiguration of the space, removal and installation of new partition walls and ceilings, and heating, ventilation, and air conditioning upgrades to cool the space due to the added sterilization equipment. A Notice of Exemption was filed on September 28, 2017. The project remains to be within certain classes of projects that have been determined not to have a significant effect on the environment in that it meets criteria set forth in Sections 15301(a) and 15302(c) of the State CEQA Guidelines and Classes 1 (d) and 2 (e) of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G. The project consists of minor alterations of existing facilities with no expansion of existing use, replacement of existing utility systems with substantially the same purpose and capacity, and location of new equipment in small structures.

Upon the Board's approval of the recommended actions, Public Works will file a Notice of Exemption with the Registrar-Recorder/County Clerk in accordance with Section 15062 of the State CEQA Guidelines.

CONTRACTING PROCESS

Public Works will continue to deliver the project using a Board-approved JOC as approved by the Board on September 19, 2017.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

MLK MC OC has temporarily transferred sterilizing services to the central sterile department at the King-Drew hospital building during construction of the MLK MC OC Central Sterile Renovation project. Other patient care services on the campus remain fully operational during construction.

CONCLUSION

Please return one adopted copy of this Board letter to the Department of Public Works, Project Management Division I.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mark Pestrella". The signature is fluid and cursive, written in a professional style.

MARK PESTRELLA

Director

MP:AKM:ms

Enclosures

c: Arts Commission
Chief Executive Office (Capital Programs
Division)
County Counsel
Executive Office
Department of Health Services (Capital Projects
Division)

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPARTMENT OF HEALTH SERVICES

DEPT'S. NO. 110

May 24, 2018

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 2017-18

4 - VOTES

SOURCES

USES

BA Detail - See Attachment Page 1.

BA Detail - See Attachment Page 1.

SOURCES TOTAL: \$ 831,000

USES TOTAL: \$ 831,000

JUSTIFICATION

This budget adjustment is necessary to provide additional funding for Capital Project No. 87385 MLK Outpatient Center Central Sterile Renovation project from DHS Enterprise Fund-Committed for DHS for anticipated expenditures in FY 2017-18.

ADOPTED

AUTHORIZED SIGNATURE Mela Guerrero, Controller, DHS

BOARD OF SUPERVISORS COUNTY OF LOS ANGELES BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)

37 JUN 12 2018

Celia Zavala CELIA ZAVALA ACTING EXECUTIVE OFFICER

REFERRED TO THE CHIEF EXECUTIVE OFFICER FOR ---

- ACTION
RECOMMENDATION

- APPROVED AS REQUESTED
APPROVED AS REVISED

AUDITOR-CONTROLLER

BY [Signature] May 29 20 18

CHIEF EXECUTIVE OFFICER

BY [Signature] May 30 20 18

B.A. NO. 238

**DEPARTMENT OF HEALTH SERVICES
REQUEST FOR APPROPRIATION ADJUSTMENT
CAPITAL PROJECTS
FISCAL YEAR 2017-18**

4 VOTES

SOURCES:

DHS Enterprise Fund
MN2-3078
Committed for DHS
Decrease Obligated Fund Balance
277,000

MetroCare Network Enterprise Fund
MN1-HH-96-9911-60020
Operating Transfers In
Increase Revenue
277,000

Total Enterprise Fund
\$ 554,000

Ent Sub - MetroCare Network
A01-AC-6100-21200-21226
Other Financing Uses
Decrease Appropriation
277,000

Total General Fund
\$ 277,000

Total
\$ 831,000

USES:

DHS Enterprise Fund
MN2-HS-6100-60070
Other Financing Uses
Increase Appropriation
277,000

MetroCare Network Enterprise Fund
MN1-HH-96-9912-60020
Operating Subsidy - General Fund
Decrease Revenue
277,000

Total Enterprise Fund
\$ 554,000

Martin Luther King Jr. Outpatient Ctr Capital Improvements
MLK Outpatient Center Central Sterile Renovation
A01-CP-6014-64020-87385
Capital Assets - Buildings & Improvements
Increase Appropriation
277,000

Total General Fund
\$ 277,000

Total
\$ 831,000

Noted & Approved:


Mela Guerrero, Contoller
Department of Health Services

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

37 JUN 12 2018


CELIA ZAVALA
ACTING EXECUTIVE OFFICER

Laram 5/29/18
BA#238