



MARK PESTRELLA, Director

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

"To Enrich Lives Through Effective and Caring Service"

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ADOPTED

IN REPLY PLEASE
REFER TO FILE

November 13, 2018

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

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

24 November 13, 2018

CELIA ZAVALA
EXECUTIVE OFFICER

Dear Supervisors:

**CONSTRUCTION CONTRACT
PUBLIC BUILDINGS CORE SERVICE AREA
UNITED STATES PHARMACOPEIA 800 PHARMACY UPGRADES
ESTABLISH AND APPROVE CAPITAL PROJECTS
APPROVE PROJECT BUDGETS AND
RELATED APPROPRIATION ADJUSTMENTS
CAPITAL PROJECT NOS. 87441, 87442, 87443, AND 87444
(SUPERVISORIAL DISTRICTS 1, 2, 3, AND 5)
(4 VOTES)**

SUBJECT

The Department of Public Works is seeking Board approval to establish and approve various capital projects for the United States Pharmacopeia 800 Pharmacy Upgrades projects at LAC+USC Medical Center, Harbor-UCLA Medical Center, Olive View-UCLA Medical Center, and Martin Luther King, Jr. Outpatient Center; and authorize Public Works to deliver the projects using Board-approved Job Order Contracts.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the United States Pharmacopeia 800 Pharmacy Upgrade projects at LAC+USC Medical Center, Harbor-UCLA Medical Center, Olive View-UCLA Medical Center, and Martin Luther King, Jr. Outpatient Center are exempt from the California Environmental Quality Act for the reasons stated in this Board letter and in the record of the projects.
2. Establish and approve the following United States Pharmacopeia 800 Pharmacy Upgrade capital projects and budgets as follows: LAC+USC Medical Center (Capital Project No. 87441) in the

amount of \$1,666,000, Harbor-UCLA Medical Center (Capital Project No. 87442) in the amount of \$1,669,000, Olive View–UCLA Medical Center (Capital Project No. 87443) in the amount of \$2,200,000, and Martin Luther King, Jr. Outpatient Center (Capital Project No. 87444) in the amount of \$511,000, for a total combined projects budget of \$6,046,000.

3. Approve the Fiscal Year 2018-19 Appropriation Adjustment to reallocate a combined total of \$2,901,000 from the Department of Health Services' Enterprise Fund-Committed for the Department of Health Services to fund the projected Fiscal Year 2018-19 expenditures of the United States Pharmacopeia 800 Pharmacy Upgrades projects at LAC+USC Medical Center (Capital Project No. 87441), Harbor-UCLA Medical Center (Capital Project No. 87442), Olive View–UCLA Medical Center (Capital Project No. 87443), and Martin Luther King, Jr. Outpatient Center (Capital Project No. 87444).

4. Authorize the Director of Public Works or his designee to deliver the projects using Board-approved Job Order Contracts.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will find that the proposed United States Pharmacopeia (USP) 800 Pharmacy Upgrades projects at LAC+USC Medical Center (LAC+USC), Harbor-UCLA Medical Center (H-UCLA), Olive View–UCLA Medical Center (OV-UCLA), and Martin Luther King, Jr. Outpatient Center (MLK), projects are exempt from the California Environmental Quality Act (CEQA); establish and approve the USP 800 upgrades projects and the associated project budgets for a combined total cost of \$6,046,000; approve related Appropriation Adjustments; and authorize Public Works to deliver the projects using Board-approved Job Order Contracts (JOCs).

Background

In February 2016, the California State Board of Pharmacy revised its regulations mandating that the healthcare facilities with personnel handling hazardous drugs, including the receipt, storage, compounding, dispensing, administration, and disposal of sterile and nonsterile products comply with the compounding standards in USP 800. These sterile compounding regulations went into effect in January 1, 2017. However, the Department of Health Services (DHS) obtained an extension in December 30, 2016, for compliance by December 1, 2019.

In October 2016, a USP 800 Feasibility Study was completed for LAC+USC, H-UCLA, OV-UCLA, and MLK. The study identified areas of improvement needed at the inpatient and outpatient pharmacies and provided recommendations to meet USP 800 new requirements.

The proposed projects consist of renovation to the sterile compounding areas of the existing inpatient and outpatient pharmacies at LAC+USC, H-UCLA, OV–UCLA, and MLK to meet USP 800 requirements. The sterile compounding areas include the renovation of a chemotherapy preparation room, an intravenous (IV) room, as well as adjacent rooms. The renovation includes replacement of existing partition, new drywall ceilings, automatic doors, lighting, and eye wash stations; heating, ventilation, and air conditioning ductwork and systems; and pass-thru cabinets; electrical power and data outlets; and new Class II, Type A2 biological safety cabinets (BSC). These proposed projects will also include upgrades necessary to comply with accessibility requirements of the Americans with Disability Act and the Office of Statewide and Health Planning and Development (OSHPD) requirements.

On February 6, 2018, the Board authorized DHS and Internal Services Department to proceed with the acquisition of a mobile sterile compounding pharmacy unit to be utilized during construction at three medical centers. The mobile unit is not required at MLK. The mobile unit was procured and delivered in September 2018. Use of the mobile unit will allow the sterile compounding services to remain operational at each medical center while the space is being renovated. The proposed projects include the required power and utility connections, as well as site preparation to accommodate the mobile pharmacy unit at each site. The projects will be performed in phases allowing the mobile unit to be relocated and connected prior to the construction start at each medical center.

LAC+USC (C.P. 87441)

The proposed scope includes renovation of the existing inpatient pharmacy to meet USP 800, an area of approximately 600 square feet within the chemotherapy preparation room, storage room, ante room, IV room, and work area. The inpatient pharmacy will include four new Class II, Type A2 BSC. In addition, the neonatal intensive care unit satellite pharmacy approximately 240-square-feet, on the 3rd Floor, will require the relocation of the existing BSC to meet code required clearance from existing sink and include new casework, installation of new sheet vinyl flooring and washable acoustical ceiling tile, and epoxy painted walls.

H-UCLA (C.P. 87442)

The proposed scope includes renovation of the existing inpatient pharmacy to meet USP 800, an area of approximately 400 square feet within the chemotherapy preparation room, IV room, and ante room. The inpatient pharmacy will include three new Class II, Type A2 BSC. In addition, the two satellite pharmacies: Intensive Care Unit Pharmacy - 3rd Floor Satellite, approximately 176 square feet; and the Pediatrics Pharmacy - 6th Floor Satellite, approximately 345 square feet, will include new sheet vinyl flooring, washable acoustical ceiling tile, and epoxy painted walls.

OV-UCLA (C.P. 87443)

The proposed scope includes renovation of the existing inpatient pharmacy to meet USP 800, an area of approximately 700 square feet within the chemotherapy preparation room, ante room, and IV room. The inpatient pharmacy will include three new Class II, Type A2 BSC.

MLK (C.P. 87444)

The proposed scope includes renovation of the existing outpatient pharmacy to meet USP 800, an area of approximately 180 square feet within the chemotherapy preparation room, ante room, and IV room. The outpatient pharmacy will include one new Class II, Type A2 BSC.

The designs for the projects have been completed using a Board-approved as-needed architect/engineer consultant. Board approval of the recommended actions will authorize Public Works to deliver the construction project using previously Board-approved JOCs. The total project costs are estimated at \$1,666,000 for LAC+USC; \$1,669,000 for H-UCLA; \$2,200,000 for OV-UCLA; and \$511,000 for MLK.

Upon approval of the plans and specifications, construction is anticipated to take approximately a total of 18 months to complete for all four projects. Construction is anticipated to take approximately 6 months at each medical center and is scheduled in the following construction sequence: OV-UCLA, H-UCLA, and LAC+USC. The construction at MLK is anticipated to take 3 months and will be

completed concurrently with OV-UCLA. The pharmacies at OV-UCLA, H-UCLA, and LAC+USC will remain in compliance while under construction with the use of the licensed temporary mobile pharmacy trailer.

Green Building/Sustainable Design Program

The projects are an upgrade to the building systems or a renovation to less than 10 percent of an existing building. For these projects, it is not feasible to upgrade these buildings to the Leadership in Energy and Environmental Design certified level to meet the Board's December 20, 2016, policy. The proposed projects will support the Board's Policy for Green Building/Sustainable Design Program by recycling disposable material, the use of sustainable materials, and by incorporating energy efficient products 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

The total project cost are as follows: \$1,666,000 for LAC+USC (C.P. 87441); \$1,669,000 for H-UCLA (C.P. 87442); \$2,200,000 for OV-UCLA (C.P.87443); and \$511,000 for MLK (C.P. 87444). The total project budgets include plans and specifications, plan check, construction, construction contingency, civic art fee, inspection, testing fees, and County services.

The combined total project budget is at \$6,046,000. DHS has already paid \$944,000 for preliminary assessment fees; the enclosed Fiscal Year 2018-19 Appropriation Adjustment will reallocate \$2,901,000 from DHS' Enterprise Fund-Committed for DHS to fund the projected Fiscal Year 2018-19 expenditures; \$83,000 for LAC+USC (C.P. 87441); \$728,000 for H-UCLA (C.P. 87442); \$1,637,000 for OV-UCLA (C.P.87443); and for \$453,000 MLK (C.P. 87444). DHS will provide funding in future budget phases as needed to fully fund the remaining project budget of \$2,201,000.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In accordance with the Board's Civic Art Policy amended on August 11, 2015, the USP 800 Pharmacy Upgrades for LAC+USC, H-UCLA, OV-UCLA and MLK projects budget will include 1 percent of design and construction costs to be allocated to the Civic Art fund (approximately \$11,000, \$9,000, \$10,500, and \$2,800, respectively).

In accordance with the Board's consolidated Local and Targeted Worker Hire Policy, LAC+USC, H-UCLA, OV-UCLA, and MLK projects will include a best efforts goal that at least 30 percent of the total California craft worker hours for construction of the project be performed by Local Residents and will not include Targeted Workers requirement.

ENVIRONMENTAL DOCUMENTATION

The proposed separate USP 800 Pharmacy Upgrades projects for LAC+USC, H-UCLA, OV-UCLA, and MLK medical campuses are within certain classes of projects that have been determined not to have a significant effect on the environment in that they meet the criteria set forth in Sections 15301 (a), (d), (f); 15302 (c); and 15311 (c) of the State CEQA Guidelines and Classes 1 (c), (d), (h), (i); 2 (e); and 11 (h) of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G. The proposed projects provide for repair and upgrade of existing facilities, replacement of existing systems, and placement of temporary use items. The projects involve negligible or no expansion of an existing use and replacement features will have the same purpose and capacity. In addition, based on the records of the projects, the work will not be located in a sensitive environment; and there are no cumulative impacts, unusual circumstances, damage to scenic highways, listing on hazardous waste sites compiled pursuant to Government Code Section 65962.5, or indications that it may cause a substantial adverse change in the significance of a historic resource that would make the exemptions inapplicable.

Upon the Board's approval of the four projects, Public Works will file a Notice of Exemption for each project with the Registrar-Recorder/County Clerk in accordance with California Public Resources Code section 21152.

CONTRACTING PROCESS

Public Works used a Board-approved, as-needed architect/engineer agreement to complete the design. Upon Board approval, Public Works intends to use Board-approved JOCs to construct the proposed projects.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions may have little or no impact on current services at the pharmacies of LAC+USC, H-UCLA, OV-UCLA, and MLK projects. The acquisition and operation of the mobile pharmacy unit will allow the chemo preparation services to remain operational during construction. The patient care services on the campuses will remain fully operational during construction.

All critical work will be completed in phases and during non-peak periods to minimize disruptions to patient services.

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, with the first name "Mark" and last name "Pestrella" clearly distinguishable.

MARK PESTRELLA

Director

MP:AKM:ms

Enclosures

c: Arts Commission
Auditor-Controller
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

October 22, 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 2018-19

4 - VOTES

SOURCES

USES

BA Detail - See Attachment Page 1.

BA Detail - See Attachment Page 1.

SOURCES TOTAL: \$ 8,703,000

USES TOTAL: \$ 8,703,000

JUSTIFICATION

This budget adjustment is necessary to establish and fund Capital Project Nos. 87441 LAC+USC MC USP 800 Pharmacy Upgrade, 87442 H-UCLA MC USP 800 Pharmacy Upgrade, 87443 OV-UCLA Medical Center USP 800 Pharmacy Upgrade, and 87444 MLK OC USP 800 Pharmacy Upgrade from DHS Enterprise Fund-Committed for DHS for anticipated expenditures in FY 2018-19.

ADOPTED BOARD OF SUPERVISORS COUNTY OF LOS ANGELES

AUTHORIZED SIGNATURE Mela Guerrero, Controller, DHS

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

CELIA ZAVALA EXECUTIVE OFFICER

REFERRED TO THE CHIEF EXECUTIVE OFFICER FOR ---

- ACTION
RECOMMENDATION

- APPROVED AS REQUESTED
APPROVED AS REVISED

AUDITOR-CONTROLLER

BY [Signature] Oct-26 20 18

CHIEF EXECUTIVE OFFICER

BY [Signature] Oct 29 20 18

B.A. NO. 051

**DEPARTMENT OF HEALTH SERVICES
REQUEST FOR APPROPRIATION ADJUSTMENT
CAPITAL PROJECTS
FISCAL YEAR 2018-19**

4 VOTES

SOURCES:

DHS Enterprise Fund
MN2-3078
Committed for DHS 2,901,000
Decrease Obligated Fund Balance

LAC+USC Medical Center Enterprise Fund
MN4-HG-96-9911-60010
Operating Transfers In 83,000
Increase Revenue

Harbor Care South Enterprise Fund
MN1-HH-96-9911-60020
Operating Transfers In 1,181,000
Increase Revenue

Olive View-UCLA Medical Center Enterprise Fund
MN3-HO-96-9911-60050
Operating Transfers In 1,637,000
Increase Revenue

Total Enterprise Fund \$ 5,802,000

Ent Sub - LAC+USC Medical Center
A01-AC-6100-21200-21224
Other Financing Uses 83,000
Decrease Appropriation

Ent Sub - Harbor Care South
A01-AC-6100-21200-21226
Other Financing Uses 1,181,000
Decrease Appropriation

Ent Sub - Olive View-UCLA Medical Center
A01-AC-6100-21200-21232
Other Financing Uses 1,637,000
Decrease Appropriation

Total General Fund \$ 2,901,000

Total \$ 8,703,000

USES:

DHS Enterprise Fund
MN2-HS-6100-60070
Other Financing Uses 2,901,000
Increase Appropriation

LAC+USC Medical Center Enterprise Fund
MN4-HG-96-9912-60010
Operating Subsidy - General Fund 83,000
Decrease Revenue

Harbor Care South Enterprise Fund
MN1-HH-96-9912-60020
Operating Subsidy - General Fund 1,181,000
Decrease Revenue

Olive View-UCLA Medical Center Enterprise Fund
MN3-HO-96-9912-60050
Operating Subsidy - General Fund 1,637,000
Decrease Revenue

Total Enterprise Fund \$ 5,802,000

LAC+USC Medical Center Capital Improvements
LAC+USC Medical Center USP 800 Pharmacy Upgrade
A01-CP-6014-64010-87441
Capital Assets - Buildings & Improvements 83,000
Increase Appropriation

Harbor-UCLA Medical Center Capital Improvements
Harbor-UCLA Medical Center USP 800 Pharmacy Upgrade
A01-CP-6014-64015-87442
Capital Assets - Buildings & Improvements 728,000
Increase Appropriation

Martin Luther King Jr. Outpatient Ctr Capital Improvements
Martin Luther King Jr. OPC USP 800 Pharmacy Upgrade
A01-CP-6014-64020-87444
Capital Assets - Buildings & Improvements 453,000
Increase Appropriation

Olive View-UCLA Medical Center Capital Improvements
Olive View-UCLA Medical Center USP 800 Pharmacy Upgrade
A01-CP-6014-64030-87443
Capital Assets - Buildings & Improvements 1,637,000
Increase Appropriation

Total General Fund \$ 2,901,000

Total \$ 8,703,000

Noted & Approved:

Mela Guerrero
Mela Guerrero, Controller
Department of Health Services

Ladame 10/26/18
BA# 051

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

24

NOV 13 2018

Celia Zavala
CELIA ZAVALA
EXECUTIVE OFFICER