



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
REFER TO FILE

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

October 01, 2019

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

37 October 1, 2019

CELIA ZAVALA
EXECUTIVE OFFICER

**CONSTRUCTION CONTRACT
PUBLIC BUILDINGS CORE SERVICE AREA
MARTIN LUTHER KING, JR. MEDICAL CAMPUS
CHILD AND FAMILY WELLBEING CENTER PROJECT
APPROVE PROJECT BUDGET
AWARD DESIGN-BUILD AGREEMENT
APPROVE APPROPRIATION ADJUSTMENT
CAPITAL PROJECT NOS. 69846, 69886, 69887, AND 69888
(SUPERVISORIAL DISTRICT 2)
(4 VOTES)**

SUBJECT

Public Works is seeking Board approval of the total project budget and authorize execution of a design-build agreement with gkkworks Construction Services for the Martin Luther King, Jr. Child and Family Wellbeing Center project.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the recommended actions are within the scope of the certified Final Environmental Impact Report and Addendum for the Martin Luther King, Jr. Child and Family Wellbeing Center project.
2. Approve the total project budget of \$51,540,000 for the Martin Luther King, Jr. Child and Family Wellbeing Center project.
3. Find that gkkworks Construction Services is the responsive and responsible bidder that submitted

the best value and most advantageous proposal for design and construction of the Martin Luther King, Jr. Child and Family Wellbeing Center project.

4. Award the design-build agreement to gkkworks Construction Services, and authorize the Director of Public Works or his designee to execute the design-build agreement with gkkworks Construction Services for a not-to-exceed contract amount of \$24,757,945 plus a \$500,000 design completion allowance and a \$500,000 ground lease allowance for a maximum not-to-exceed contract sum of \$25,757,945, contingent upon submission of acceptable bonds and evidence of required contract issuance filed by the design-build entity.

5. Authorize the Director of Public Works or his designee, in coordination with the Chief Executive Office, to exercise control of the contractual allowances, including the authority to reallocate the allowances into the contract amount, as appropriate, in accordance with the project specifications.

6. Delegate authority to the Director of Public Works or his designee to execute a consultant services agreement for a stipend amount not to exceed \$10,000 with the second highest ranked, qualifying design-build proposer, and enabling the County to use all design and construction ideas and concepts included within their proposal.

7. Approve an appropriation adjustment to reallocate a combined total of \$26,845,000 to fund the Fiscal Year 2019-20 expenditures of the Martin Luther King, Jr. Child and Family Wellbeing Center project.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will find that the award and execution of the design-build (D-B) agreement, consultant services agreement, and related actions are within the scope of the previously certified Final Environmental Impact Report (FEIR) and Addendum; approve the total project budget and related appropriation adjustment; award a D-B agreement to gkkworks Construction Services; and approve related actions for the Martin Luther King, Jr. (MLK) Child and Family Wellbeing Center (CFWC) project.

Background

On December 18, 2018, the Board established the MLK CFWC project, and April 23, 2019, approved the project and the use of Board-approved Job Order Contract (JOC) to deliver the make-ready work.

The existing MLK Medical Hub Clinic (Hub) was constructed in 1974 and provides outpatient clinical services for at-risk pediatric and adolescent patients and families. The existing structure has far exceeded the normal useful life for a modular structure and has a leaking roof and non-functional heating, ventilation, and cooling system which render the building incapable of providing efficient, effective, and safe patient care. The Department of Health Services (DHS) conducted an assessment in January 2015 that identified major deficiencies and recommended construction of a new clinic. The proposed MLK CFWC project would replace the existing Hub with a three-story, 55,000 square feet modular building located at the northwest corner of East 120th Street and Holmes Avenue and will help enhance access to needed services in the Willowbrook and surrounding community.

The MLK Hub will occupy the first floor of the CFWC. It will be expanded for additional staff to provide physical and mental health screening and assessments to the Department of Children and Family Services (DCFS) involved children and youth to meet the 30-day requirement as specified by Office of Child Protection (OCP). The County departments of Mental Health (DMH), Health Services (DHS), Public Health (DPH), Children and Family Services (DCFS) will provide services at the Hub.

The second floor is currently planned to be occupied by the Special Needs Network (SNN), in partnership with St. John's Well Child Center (St. John's), two non-County entities. They will offer programs and services for children diagnosed with autism and their families. St. John's will provide primary and behavioral health care to the SNN clients, as well as vision and dental care to the community. The Chief Executive Office (CEO) will enter into negotiations with St. John's and SNN for the lease of the space on the second floor and will return to the Board for authority to enter into leases. However, if mutually agreeable lease terms are not reached with St. John's and SNN, the CEO will backfill the second floor with other County departments.

The third floor of the CFWC will house a family justice center that will be managed by DPH. It will provide needed support for those who are survivors of trauma and domestic violence. DPH is still working with the CEO, various County partners, and various community-based organizations to secure commitments to fund and operate programs in the space. In the event these commitments are not reached, the CEO will backfill the third floor with other County departments as well.

The make-ready work started in July 2019 and is currently underway. This work includes demolition of the existing APLA Health & Wellness building and site preparation, including leveling the existing grade and certifying the building pad, and is scheduled to be completed prior to the design-builder starting construction.

The gkkworks Construction Services was found to have submitted the best value and most advantageous proposal. The D-B scope of work for the proposed MLK CFWC project includes demolition of the existing MLK Hub building; construction of utility connections; and associated site improvements. Upon approval of the plans and specifications, construction of the building is anticipated to take 11 months to complete.

Design Completion and Ground Lease Allowances

The \$500,000 design completion allowance is intended to facilitate the resolution of issues identified during the design phase. The design completion allowance is reserved for changes required by jurisdictional agencies and other unanticipated design related issues. The inclusion of the design completion allowance will facilitate the design decision process and minimize potential delays that could occur during the design phase.

The \$500,000 ground lease allowance is intended to allow the selected D-B to directly lease property as required to temporarily store and stage modular units delivered to the site during the construction prior to assembly on site. The project site is too limited to accommodate delivery of these modular units.

The use and reallocation of the design completion and ground lease allowances will be controlled by Public Works, with concurrence from the CEO.

Consultant Services Agreement

Upon the Board's approval, the second highest ranked, qualifying D-B proposer for the MLK CFWC

project will be paid a stipend of \$10,000 pursuant to consultant services agreement, which afford the County the right to use the information and ideas submitted by the proposer.

Green Building/Sustainable Design Program

On December 20, 2016, the Board adopted a new Leadership in Energy and Environmental Design (LEED) policy. The project is designed to achieve the United States Green Building Council LEED Gold level and Envision Silver level certifications by incorporating sustainable design features to optimize energy and water use efficiency, enhance the sustainability of the site, improve indoor environmental quality, and maximize the use and reuse of sustainable and local resources.

Implementation of Strategic Plan Goals

The County Strategic Plan directs the provisions 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 investing in public infrastructure that will improve County services and facilities for the residents of the County seeking healthcare assistance.

FISCAL IMPACT/FINANCING

The total project budget (Enclosure A) is \$51,540,000, which includes programming, pre-development activities, scoping documents, permits, construction, make-ready work, change order allowance, civic art fee, consultant services, inspection services, and County services. Of the \$51,540,000, DMH pre-purchased the modular units funded by State Mental Health Services Act, for a total amount of \$18,201,000.

Funding will be provided by each participating department based on their specific allocation of space programmed within the facility. Separate capital project numbers have been established to accurately track project expenditures by department. Approval of the Fiscal Year 2019-20 Appropriation Adjustment will reallocate a total of \$26,845,000 as follows: DHS (C.P. No. 69846) - \$5,916,000 from the DHS Enterprise Fund-Committed for DHS; DMH (C.P. No. 69886) - \$3,124,000 from the Mental Health Services Act Fund; DCFS (C.P. No. 69888) - \$2,124,000 from DCFS – Administration Services and Supplies; and \$15,681,000 from the Committed for Health Services – Tobacco Settlement (C.P. No. 69887) to fund the projected FY 2019-20 project expenditures. The participating departments will provide funding in future budget phases, as needed, to fully fund the remaining project expenditures.

The CEO will enter into negotiations with St. John's and SNN to determine fair market value rental rates to recoup the costs of tenant improvement for each of the respective leases. In the event mutually agreeable terms are not reached, the second floor will be backfilled with other County departments, and funding for the capital costs may be offset by the lease revenue.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In accordance with the Board's Civic Art Policy, the proposed project budget includes 1 percent of the design and construction costs to be allocated to the Civic Art fund. The eligibility Civic Art Allocation is \$270,000.

In accordance with the Board's consolidated Local and Targeted Worker Hire Policy adopted on September 6, 2016, the project will require that at least 30 percent of the total California craft worker hours for construction of the project be performed by Local Residents and at least 10 percent be performed by Targeted Workers facing employment barriers.

A standard D-B agreement in a form previously approved by County Counsel will be used that contains terms and conditions supporting the Board's ordinances and policies, including but not limited to, the County's Greater Avenues for Independence and General Relief Opportunities for Work Programs, Contract Language to Assist in Placement of Displaced County Workers, and Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service's Notice 1015).

ENVIRONMENTAL DOCUMENTATION

On October 11, 2011, the Board certified the FEIR for the MLK Medical Center Campus Redevelopment Project. On April 23, 2019, the Board certified an Addendum to the FEIR for the MLK Medical Campus Redevelopment project when it approved the MLK CFWC project. Approval of the recommended actions, including award and execution of the D-B agreement, are within the scope of the previously approved project analyzed in the certified Addendum and FEIR and there have been no changes to the project or the circumstances under which it will be implemented since the time of approval.

Upon the Board's approval of the recommended actions, Public Works will file a Notice of Determination with the Registrar-Recorder/County Clerk in accordance with section 21152(a) of the California Public Resources Code.

The location and custodian of the documents and other materials constituting the record of the proceedings upon which the Board's decision is based in this matter is the County of Los Angeles Public Works, Project Management Division I, 900 South Fremont Avenue, Alhambra, California 91803.

CONTRACTING PROCESS

The D-B procurement was conducted in accordance with the D-B policy adopted by the Board on June 4, 2016.

On February 7, 2019, Public Works issued a Request for Proposal (RFP) for D-B services. The contract opportunity was listed on the County's "Doing Business with Us" and "Public Works Business Opportunities" websites. Public Works also informed the local small business enterprises about this business opportunity for those certified by the County of Los Angeles Department of Consumer and Business Affairs.

The first phase of the RFP process was the submittal of a prequalification questionnaire by all interested D-B firms. On March 5, 2019, two prequalification questionnaires were received for evaluation. The prequalification questionnaires were reviewed by an evaluation committee comprised of staff from the DMH and Public Works. In accordance with the shortlisting requirements in the RFP, two firms (gkkworks Construction Services and Layton Construction Company, LLC) were shortlisted and invited to submit technical and cost proposals for the project.

On July 2, 2019, the two D-B firms submitted technical and cost proposals for evaluation. The technical and cost proposals were evaluated by the evaluation committee based on technical design and construction expertise, team organization and personnel, proposed delivery plans, life cycle cost analysis, skilled labor force availability, cost proposal, proposed design, and design excellence. gkkworks Construction Services was found to have submitted the best value and most advantageous proposal to perform these services under the D-B delivery method, in accordance with the evaluation criteria stated in the RFP. These evaluations were completed without regard to race, creed, color, or gender. A summary of selected firm's Business Utilization and Community Business Enterprise participation is enclosed (Enclosure C).

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will have no impact on current services at the campus. Patient care services on campus will remain fully operational during design and construction.

CONCLUSION

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

Respectfully submitted,



MARK PESTRELLA
Director

M:AKM:jc

Enclosures

- c: Department of Arts and Culture
- Chief Executive Office (Capital Programs Division)
- County Counsel
- Executive Office
- Department of Children and Family Services
- Health Agency
- Department of Health Services (Capital Programs Division)
- Department of Mental Health
- Department of Public Health

**CONSTRUCTION CONTRACT
PUBLIC BUILDINGS CORE SERVICE AREA
MARTIN LUTHER KING, JR. MEDICAL CAMPUS
CHILD AND FAMILY WELLBEING CENTER PROJECT
APPROVE PROJECT BUDGET
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APPROVE APPROPRIATION ADJUSTMENT
CAPITAL PROJECT NOS. 69846, 69886, 69887, 69888
(SUPERVISORIAL DISTRICT 2)
(4 VOTES)**

I. PROJECT SCHEDULE SUMMARY

Project Activity	Scheduled Completion Date
CFWC Make-Ready	
Construction Documents	05/28/19
Jurisdictional Approvals	06/25/19
Construction Award	06/26/19
Substantial Completion	09/18/19
CFWC Design-Build Construction	
Scoping Documents	04/15/19
Design-Build Award	10/07/19
Jurisdictional Approvals	12/10/19
Modular Units Completion	10/15/20
Substantial Completion (including demolition of the existing MLK HUB)	03/29/21
Project Acceptance	05/29/21

II. PROJECT BUDGET SUMMARY

Project Budget Category	Proposed Project Budget
Hard Costs	
Design-Build Construction	\$ 22,184,000
Make Ready/Utilities Construction	\$ 1,521,000
Contingency	\$ 1,755,000
Construction Subtotal	\$ 25,460,000
Civic Art	\$ 270,000
Hard Costs Subtotal	\$ 25,730,000
Soft Costs	
Plans and Specifications (Scoping Documents)	\$ 834,000
Plans and Specifications (D-B Design Fee)	\$ 2,574,000
Consultant Services	\$ 840,000
Miscellaneous Expenditures	\$ 80,000
Jurisdictional Review/Plan Check/Permits	\$ 930,000
County Services	\$ 2,351,000
Soft Costs Subtotal	\$ 7,609,000
SUBTOTAL (excluding modular)	\$ 33,339,000
<i>Pre-purchased Modules (DMH)</i>	<i>\$ 18,201,000</i>
TOTAL PROJECT COST	\$ 51,540,000

October 01, 2019

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPARTMENT OF CHIEF EXECUTIVE OFFICE

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 HER RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFORE
FY 2019-20
4 - VOTES

SOURCES	USES
BA DETAIL - SEE ATTACHMENT PAGE 1	BA DETAIL - SEE ATTACHMENT PAGE 1

SOURCES TOTAL	\$ 41,801,000	USES TOTAL	\$ 41,801,000
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JUSTIFICATION

Reflects an increase in appropriation and revenue to fund the MLK Child and Family Wellbeing Center FY 2019-20 project expenditures.

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

37 **OCT 1 2019**

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

James Yun
AUTHORIZED SIGNATURE James Yun, Manager, CEO

Celia Zavala
CELIA ZAVALA
EXECUTIVE OFFICER

REFERRED TO THE CHIEF EXECUTIVE OFFICER FOR---

- ACTION
- RECOMMENDATION

- APPROVED AS REQUESTED
- APPROVED AS REVISED

AUDITOR-CONTROLLER

BY *Larfan*

CHIEF EXECUTIVE OFFICER

BY *James Yun*

B.A. NO. 037

DATE Sept. 25, 2019

DATE 9/25/19

COUNTY OF LOS ANGELES
REQUEST FOR APPROPRIATION ADJUSTMENT
 CHIEF EXECUTIVE OFFICE

FY 2019-20
 4 - VOTES

SOURCES

USES

MENTAL HEALTH SERVICES ACT (MHSA) FUND
 BT1-3047
 COMMITTED FOR BUDGET UNCERTAINTIES
DECREASE OBLIGATED FUND BALANCE **3,124,000**

MENTAL HEALTH
 MLK MC CHILD AND FAMILY WELLBEING CENTER - DMH
 A01-CP-96-9919-65039-69886
 OPERATING TRANSFERS IN - CAPITAL PROJECTS
INCREASE REVENUE **3,124,000**

CHILDREN AND FAMILY SERVICES - ADMINISTRATION
 A01-CH-2000-26200
 SERVICES & SUPPLIES
DECREASE APPROPRIATION **2,124,000**

DHS ENTERPRISE FUND
 MN2-3078
 COMMITTED FOR DHS
DECREASE OBLIGATED FUND BALANCE **5,916,000**

HARBOR CARE SOUTH ENTERPRISE FUND
 MN1-HH-96-9911-60020
 OPERATING TRANSFERS IN
INCREASE REVENUE **5,916,000**

ENT SUB - HARBOR CARE SOUTH
 A01-AC-6100-21200-21226
 OTHER FINANCING USES
DECREASE APPROPRIATION **5,916,000**

GENERAL FUND
 A01-3096
 COMMITTED FOR HEALTH SERVICES-TOBACCO SETTLEMENT
DECREASE OBLIGATED FUND BALANCE **15,681,000**

SOURCES TOTAL **\$ 41,801,000**

MENTAL HEALTH SERVICES ACT (MHSA) FUND
 BT1-MH-6100-41189
 OTHER FINANCING USES
INCREASE APPROPRIATION **3,124,000**

MENTAL HEALTH
 MLK MC CHILD AND FAMILY WELLBEING CENTER - DMH
 A01-CP-6014-65039-69886
 CAPITAL ASSETS - B & I
INCREASE APPROPRIATION **3,124,000**

HEALTH SERVICES
 MLK MC CHILD AND FAMILY WELLBEING CENTER - DCFS
 A01-CP-6014-65036-69888
 CAPITAL ASSETS - B & I
INCREASE APPROPRIATION **2,124,000**

DHS ENTERPRISE FUND
 MN2-HS-6100-60070
 OTHER FINANCING USES
INCREASE APPROPRIATION **5,916,000**

HARBOR CARE SOUTH ENTERPRISE FUND
 MN1-HH-96-9912-60020
 OPERATING SUBSIDY - GENERAL FUND
DECREASE REVENUE **5,916,000**

MARTIN LUTHER KING JR OUTPATIENT CENTER CAPITAL IMPROVEMENTS
 MLK MC CHILD AND FAMILY WELLBEING CENTER - HS
 A01-CP-6014-64020-69846
 CAPITAL ASSETS - B & I
INCREASE APPROPRIATION **5,916,000**

HEALTH SERVICES
 MLK MC CHILD AND FAMILY WELLBEING CENTER - CEO
 A01-CP-6014-65036-69887
 CAPITAL ASSETS - B & I
INCREASE APPROPRIATION **15,681,000**

USES TOTAL **\$ 41,801,000**

ADOPTED
 BOARD OF SUPERVISORS
 COUNTY OF LOS ANGELES

37

OCT 01 2019

BA#037
Ranjan
 9/25/19

Celia Zavala
 CELIA ZAVALA
 EXECUTIVE OFFICER

**COUNTY OF LOS ANGELES PUBLIC WORKS
 DESIGN-BUILD SERVICES FOR THE
 MLK CHILD AND FAMILY WELLBEING CENTER**

SELECTED FIRM

Consultant Name (Prime with subcontractors* listed below) - *only subcontractors with Utilization Participation were listed.	Local SBE	SBE	Minority	Women	Disadvantaged	Disabled/Vet
gkkworks Construction Services						
C. G. Chaney Company Inc.		X				
T. L. Shield and Associates Inc.		X				
Casamar Group LLC		X			X	X

NON-SELECTED FIRM

Consultant Name (Prime with subcontractors* listed below) - *only subcontractors with Utilization Participation were listed.	Local SBE	SBE	Minority	Women	Disadvantaged	Disabled/Vet
Layton Construction Company, LLC						
Huntington Glass			X			

**PROPOSERS UTILIZATION PARTICIPATION AND COMMUNITY BUSINESS ENTERPRISE
PROGRAM INFORMATION FOR DESIGN-BUILD SERVICES FOR
MLK CHILD AND FAMILY WELLBEING CENTER**

FIRM INFORMATION *	gkkworks Construction Services
BUSINESS STRUCTURE	Corporation
CULTURAL/ETHNIC COMPOSITION:	NUMBER % OF OWNERSHIP
Black/African American	
Hispanic/Latino	
Asian or Pacific Islander	
American Indian	
Filipino	
White	97%
<i>Female (included above)</i>	1%
	NUMBER
Black/African American	1
Hispanic/Latino	4
Asian or Pacific Islander	10
American Indian	0
Filipino	0
White	34
<i>Female (included above)</i>	12
Black/African American	1
Hispanic/Latino	20
Asian or Pacific Islander	33
American Indian	1
Filipino	0
White	40
<i>Female (included above)</i>	38
Total # of Employees (California only provided by gkkworks Construction Services)	151
COUNTY CERTIFICATION	
CBE	
LSBE	
OTHER CERTIFYING AGENCY	

* Information provided by Proposers in response to the RFP. On final analysis and consideration of award, vendors were selected without regard to race, creed, gender or color