Public Works is seeking Board approval of the project budget for the previously approved High Desert Mental Health Urgent Care Center, award of a design-build contract, and approval of an appropriation adjustment.

CONSTRUCTION CONTRACT
PUBLIC BUILDINGS CORE SERVICE AREA
PROPOSED HIGH DESERT MENTAL HEALTH URGENT CARE CENTER PROJECT
APPROVE PROJECT BUDGET AND APPROPRIATION ADJUSTMENT
AWARD DESIGN-BUILD CONTRACT
SPCS. 7557; CAPITAL PROJECT NO. 69875
(SUPERVISORIAL DISTRICT 5)
(4 VOTES)

SUBJECT

Public Works is seeking Board approval of the project budget for the previously approved High Desert Mental Health Urgent Care Center, award of a design-build contract, and approval of an appropriation adjustment.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the recommended actions related to the previously approved High Desert Mental Health Urgent Care Center project are within the scope of the previous finding of exemption from the California Environmental Quality Act for the reasons stated in this letter and in the record of the project.

2. Approve the proposed project budget for the High Desert Mental Health Urgent Care Center project, Capital Project No. 69875, in the amount of $16,522,000.

3. Approve an Appropriation Adjustment in the amount of $6,022,000 to supplement the project's available budget of $10,500,000 to fully fund the High Desert Mental Health Urgent Care Center.
4. Find that The Penta Building Group, LLC is the responsive and responsible proposer that submitted the best value proposal for design and construction of the High Desert Mental Health Urgent Care Center project.

5. Award the design-build contract to The Penta Building Group, LLC and delegate authority to the Director of Public Works or his designee to execute the design-build contract with The Penta Building Group, LLC for the design and construction of the High Desert Mental Health Urgent Care Center project for a not-to-exceed contract amount of $14,001,291 plus a $250,000 design completion allowance and a $40,000 utility connections fees allowance for a not-to-exceed maximum contract sum of $14,291,291.

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

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will find that the High Desert Mental Health Urgent Care Center (HDMHUCC) project is within the scope of the previous finding of exemption for the project under the California Environmental Quality Act (CEQA), approve the project budget, award a design-build (D-B) contract, and approve a related appropriation adjustment.

Project Description and Background

On July 9, 2019, the Board approved the High Desert Mental Health Urgent Care Center (HDMHUCC) project and found the project exempt from CEQA. The project is planned on the 5.98-acre parcel and will provide much needed 24/7 urgent mental health and crisis stabilization services to severely and persistently mentally ill adults and seriously emotionally disturbed children, adolescents, and their families in this area. These mental health services include, but are not limited to, diagnosis, evaluation, treatment, referrals, consultation, community services, crisis intervention/stabilization, medication support, and case management.

The scope of work for the HDMHUCC project includes construction of an approximately 9,900-square-foot new building on the 5.98-acre lot, a surface parking lot, an ambulance drive, and landscaping improvements. The building program will include nurse stations, therapy rooms, seclusion rooms, and offices for the health providers.

Project Delivery Method

The proposed project will be delivered through a D-B project delivery method. The programming and scoping plans were developed by a Board-approved, on-call architect/engineer firm.

Upon the Board's approval of the recommended actions, it is anticipated that the construction of the project will begin in February 2020 with substantial completion is anticipated in the Fall of 2020.

Design Completion Allowance

The maximum contract sum of $14,001,291 includes a $250,000 design completion allowance. While
this allowance is included within the maximum contract sum, the design-builder will not be able to access the allowances without written authorization by Public Works and concurrence of the Chief Executive Officer. The allowance is intended to facilitate the resolution of design refinements or issues identified during the project's design phase, including any design revisions or issues concerning the County's scoping documents, changes required by jurisdictional agencies, or due to unforeseen conditions discovered during design. The design completion allowance would cover any increased design or construction costs associated with the change.

Green Building/Sustainable Design Program

The project will support the Board's Green Building/Sustainable Design Program by incorporating sustainable design features to optimize energy and water use efficiency and to capture and infiltrate storm water runoff on-site.

The proposed HDMHUCC project is exempt from the Board-adopted Leadership in Energy and Environmental Design policy since the building is under 10,000 square feet.

Implementation of Strategic Plan Goals

The County Strategic Plan directs the provision of Strategy II.2, Support the Wellness of our Communities, and Strategy III.3, Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability, Objective III.3.2, Manage and Maximize County Assets. The recommended actions help to achieve these goals by using existing buildings or land that will provide a centralized location for comprehensive and seamless healthcare services to the residents of the County seeking healthcare assistance.

FISCAL IMPACT/FINANCING

The total project budget (Enclosure A) for the HDMHUCC is $16,522,000, which includes costs for construction, change order contingency, plans and specifications, permit fees, consultant services, inspection services, and County services.

The proposed project is fully funded by the Department of Mental Health (DMH) Mental Health Services Act fund in the Committed for Budget Uncertainties account.

Approval of the enclosed appropriation adjustment will provide $6,022,000 in addition to the $10,500,000 available in Fiscal Year 2019-20 Final Adopted Capital Projects budget, Capital Project No. 69875, to fully fund the project.

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 in the amount of $143,063.

In accordance with the Board’s consolidated Local and Targeted Worker Hire Policy the projects 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 design-build contract 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 Services Notice 1015).

ENVIRONMENTAL DOCUMENTATION

On July 9, 2019, the Board approved the HDMHUCC project and found the project exempt from CEQA under State CEQA Guidelines Sections 15303(c) and (d); 15304(a) and (b); and 15311(a) and (b) and Classes 3(a) and (d); 4(a) and (c); and 11(d) and (f) of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G. The currently recommended actions are within the scope of the work of the previous finding of exemption from CEQA. There have been no changes to the project or to the circumstances under which it will be undertaken.

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 21152 of the California Public Resources Code.

CONTRACTING PROCESS

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

On June 4, 2019, Public Works issued a Request for Proposals (RFP) for D-B services on the HDMHUCC. The contract opportunities were listed on the County's "Doing Business with Us" and "Do Business with Public Works" websites. Public Works also informed the local small business enterprises about these business opportunities 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 July 1, 2019, four prequalification questionnaires were received for evaluation for the HDMHUCC project. The prequalification questionnaires were reviewed and evaluated by an evaluation committee comprised of staff from the DMH and Public Works. Based on the review and evaluation of the prequalification questionnaires, one firm was disqualified, and three firms were determined to be prequalified. In accordance with the shortlisting requirements in the RFPs, three firms (The Penta Building Group, LLC; Perera Construction and Design Inc.; and Stronghold Engineering Inc.) were shortlisted and invited to submit technical and cost proposals for the projects.

On October 1, 2019, only two short-listed D-B firms submitted technical and cost proposals for evaluation for the HDMHUCC project. The third short-listed firm, Perera Construction and Design Inc., submitted a letter stating that they will not be submitting a proposal for Part B. The two technical and cost proposals were evaluated by the evaluation committees 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. The Penta Building Group, LLC 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,
IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will have no impact on current services to the existing HighDesert Regional Health Center.

CONCLUSION

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

Respectfully submitted,

MARK PESTRELLA
Director

MP:AKM:jc

Enclosures

c: Department of Arts and Culture
   Auditor-Controller
   Chief Executive Office (Capital Programs Division)
   County Counsel
   Executive Office
   Department of Mental Health
ENCLOSURE A

CONSTRUCTION CONTRACT
PUBLIC BUILDINGS CORE SERVICE AREA
PROPOSED HIGH DESERT MENTAL HEALTH
URGENT CARE CENTER PROJECT
APPROVE PROJECT BUDGET AND APPROPRIATION ADJUSTMENT
AWARD DESIGN-BUILD CONTRACT
SPECS. 7557; CAPITAL PROJECT NO. 69875
(SUPERVISORIAL DISTRICT 5)
(4 VOTES)

I. PROJECT SCHEDULE SUMMARY

<table>
<thead>
<tr>
<th>Project Activity</th>
<th>Scheduled Completion Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Scoping Documents</td>
<td>05/19</td>
</tr>
<tr>
<td>Award Design-Build Contract</td>
<td>11/20</td>
</tr>
<tr>
<td>Construction Documents</td>
<td>By Design-Builder</td>
</tr>
<tr>
<td>Jurisdictional Approvals</td>
<td>By Design-Builder</td>
</tr>
<tr>
<td>Construction Start</td>
<td>01/27/20</td>
</tr>
<tr>
<td>Substantial Completion</td>
<td>08/27/20</td>
</tr>
<tr>
<td>Final Acceptance</td>
<td>09/28/20</td>
</tr>
</tbody>
</table>

* Completed activity.

II. PROJECT BUDGET SUMMARY – MHUCC

<table>
<thead>
<tr>
<th>Budget Category</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hard Costs</td>
<td></td>
</tr>
<tr>
<td>Construction (Design-Build)</td>
<td>$ 14,001,291</td>
</tr>
<tr>
<td>Contingency</td>
<td>$ 1,010,646</td>
</tr>
<tr>
<td>Construction Subtotal</td>
<td>$ 15,011,987</td>
</tr>
<tr>
<td>Civic Art</td>
<td>$ 143,063</td>
</tr>
<tr>
<td>Hard Costs Subtotal</td>
<td>$ 15,155,000</td>
</tr>
<tr>
<td>Equipment</td>
<td>$ 60,000</td>
</tr>
<tr>
<td>Plans and Specifications</td>
<td>$ 300,000</td>
</tr>
<tr>
<td>Consultant Services</td>
<td>$ 236,000</td>
</tr>
<tr>
<td>Miscellaneous Expenditure</td>
<td>$ 46,000</td>
</tr>
<tr>
<td>Jurisdictional Review, Plan Check and Permit</td>
<td>$ 310,500</td>
</tr>
<tr>
<td>County Services</td>
<td>$ 414,500</td>
</tr>
<tr>
<td>Total</td>
<td>$ 16,522,000</td>
</tr>
</tbody>
</table>
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

<table>
<thead>
<tr>
<th>SOURCES</th>
<th>USES</th>
</tr>
</thead>
<tbody>
<tr>
<td>BA DETAIL - SEE ATTACHMENT PAGE 1</td>
<td>BA DETAIL - SEE ATTACHMENT PAGE 1</td>
</tr>
</tbody>
</table>

| SOURCES TOTAL | $ 12,044,000 | USES TOTAL | $ 12,044,000 |

JUSTIFICATION
Reflects an increase in revenue and appropriation for High Desert Mental Health Urgent Care Center, offset with funding from the Committed for Budget Uncertainties account in the Mental Health Services Act fund.

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

AUTHORIZED SIGNATURE
JAMES YUN, MANAGER, CEO

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

REFERRED TO THE CHIEF EXECUTIVE OFFICER FOR...

AUDITOR-CONTROLLER
B.A. NO. 071
COUNTY OF LOS ANGELES  
REQUEST FOR APPROPRIATION ADJUSTMENT  
DEPARTMENT OF CHIEF EXECUTIVE OFFICE  

<table>
<thead>
<tr>
<th>SOURCES</th>
<th>USES</th>
</tr>
</thead>
<tbody>
<tr>
<td>MENTAL HEALTH SERVICES ACT (MHSA) FUND</td>
<td></td>
</tr>
<tr>
<td>BT1-3047</td>
<td></td>
</tr>
<tr>
<td>COMMITTED FOR BUDGET UNCERTAINTIES</td>
<td></td>
</tr>
<tr>
<td>DECREASE OBLIGATED FUND BALANCE</td>
<td>6,022,000</td>
</tr>
<tr>
<td>MENTAL HEALTH</td>
<td></td>
</tr>
<tr>
<td>HIGH DESERT MENTAL HEALTH URGENT CARE CENTER</td>
<td></td>
</tr>
<tr>
<td>A01-CP-96-9919-65039-69875</td>
<td></td>
</tr>
<tr>
<td>OPERATING TRANSFERS IN - CAPITAL PROJECTS</td>
<td></td>
</tr>
<tr>
<td>INCREASE REVENUE</td>
<td>6,022,000</td>
</tr>
<tr>
<td>MENTAL HEALTH</td>
<td></td>
</tr>
<tr>
<td>HIGH DESERT MENTAL HEALTH URGENT CARE CENTER</td>
<td></td>
</tr>
<tr>
<td>A01-CP-6014-65039-69875</td>
<td></td>
</tr>
<tr>
<td>CAPITAL ASSETS - B &amp; I</td>
<td></td>
</tr>
<tr>
<td>INCREASE APPROPRIATION</td>
<td>6,022,000</td>
</tr>
</tbody>
</table>

| SOURCES TOTAL | $ 12,044,000 |
| USES TOTAL | $ 12,044,000 |

ADOPTED  
BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES  

# 27  
NOV 19 2019  

BA # 071  
11/5/19  

STYLE: EXECUTIVE OFFICER  