



MARK PESTRELLA, Director

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

"To Enrich Lives Through Effective and Caring Service"

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ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

IN REPLY PLEASE
REFER TO FILE

November 19, 2019

27 November 19, 2019

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

CELIA ZAVALA
EXECUTIVE OFFICER

Dear Supervisors:

**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)**

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

project.

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,

creed, color, or gender.

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,

A handwritten signature in black ink, appearing to read "Mark Pestrella". The signature is fluid and cursive, with the first name "Mark" written in a larger, more prominent script than the last name "Pestrella".

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
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(SUPERVISORIAL DISTRICT 5)
(4 VOTES)**

I. PROJECT SCHEDULE SUMMARY

Project Activity	Scheduled Completion Date
Project Scoping Documents	05/19
Award Design-Build Contract	11/20
Construction Documents	By Design-Builder
Jurisdictional Approvals	By Design-Builder
Construction Start	01/27/20
Substantial Completion	08/27/20
Final Acceptance	09/28/20

* Completed activity.

II. PROJECT BUDGET SUMMARY – MHUCC

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

November 04, 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 \$ 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

James Yun
AUTHORIZED SIGNATURE

JAMES YUN, MANAGER, CEO

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NOV 19 2019

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

Celia Zavala
CELI ZAVALA
EXECUTIVE OFFICER

REFERRED TO THE CHIEF EXECUTIVE OFFICER FOR---

- ACTION
- RECOMMENDATION

- APPROVED AS REQUESTED
- APPROVED AS REVISED

AUDITOR-CONTROLLER

BY *Lapour*

CHIEF EXECUTIVE OFFICER

BY *James Yun*

B.A. NO. 071

DATE Nov. 5, 2019

DATE 11/5/19

COUNTY OF LOS ANGELES
 REQUEST FOR APPROPRIATION ADJUSTMENT
 DEPARTMENT OF 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 6,022,000

MENTAL HEALTH SERVICES ACT (MHSA) FUND
 BT1-MH-6100-41189
 OTHER FINANCING USES
 INCREASE APPROPRIATION 6,022,000

MENTAL HEALTH
 HIGH DESERT MENTAL HEALTH URGENT CARE CENTER
 A01-CP-96-9919-65039-69875
 OPERATING TRANSFERS IN - CAPITAL PROJECTS
 INCREASE REVENUE 6,022,000

MENTAL HEALTH
 HIGH DESERT MENTAL HEALTH URGENT CARE CENTER
 A01-CP-6014-65039-69875
 CAPITAL ASSETS - B & I
 INCREASE APPROPRIATION 6,022,000

SOURCES TOTAL \$ 12,044,000

USES TOTAL \$ 12,044,000

ADOPTED
 BOARD OF SUPERVISORS
 COUNTY OF LOS ANGELES

27

NOV 19 2019

BA # 071
Lawson 11/15/19

Celia Zavala
 CELIA ZAVALA
 EXECUTIVE OFFICER