County of Los Angeles
CHIEF EXECUTIVE OFFICE
Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
http://ceo.lacounty.gov

WILLIAM T FUJIOKA
Chief Executive Officer

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES
14 October 16, 2012
SACHI A. HAMAI
EXECUTIVE OFFICER

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First District

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Fifth District

October 16, 2012

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

Dear Supervisors:

DEPARTMENT OF PUBLIC WORKS:
HARBOR-UCLA MEDICAL CENTER
SURGERY/EMERGENCY REPLACEMENT PROJECT
APPROVE EXECUTION OF VARIOUS CHANGE ORDERS
SPECS. 5110; CAPITAL PROJECT NO. 69220
(SECOND DISTRICT) (4 VOTES)

SUBJECT

The recommended actions will allow the Director of Public Works, or her designee, to execute various change orders with Hensel Phelps Construction Co., as part of the Harbor-UCLA Medical Center Surgery/Emergency Replacement Project.

IT IS RECOMMENDED THAT THE BOARD:

1. Approve and authorize the Director of Public Works, or her designee, to finalize and execute a change order with Hensel Phelps Construction Co., in an amount up to $4,875,000, to provide upgrades to existing site electrical equipment.

2. Approve and authorize the Director of Public Works, or her designee, to finalize and execute a change order with Hensel Phelps Construction Co., in an amount up to $1,325,000, to provide for changes to utilities infrastructure and equipment anchorage elements associated with changes in medical equipment within the operating rooms.

3. Approve and authorize the Director of Public Works, or her designee, to finalize and execute a change order with Hensel Phelps Construction Co., in an amount up to $832,000, to furnish and install a sterilizer.

4. Approve and authorize the Director of Public Works, or her designee, to finalize and execute a change order with Hensel Phelps Construction Co., in an amount up to $710,000, to provide diesel particulate filters as required by the South Coast Air Quality Management District.

5. Approve and authorize the Director of Public Works, or her designee, to finalize and execute a change order with Hensel Phelps Construction Co., in an amount up to $480,000, to provide a fire-rated exit shaft and elevator tower stair vestibules as required by the Office of Statewide Health and Planning Development.

6. Approve and authorize the Director of Public Works, or her designee, to finalize and execute a change order with Hensel Phelps Construction Co., in an amount up to $350,000, to provide design and construction services required to upgrade the building structure associated with the Mobile Computed Tomography Scanner.

7. Approve and authorize the Director of Public Works, or her designee, to finalize and execute a change order with Hensel Phelps Construction Co., in an amount up to $325,000, to provide design and construction changes in the Central Sterilization Department.

8. Approve and authorize the Director of Public Works, or her designee, to finalize and execute a change order with Hensel Phelps Construction Co., in an amount up to $245,000, to provide design and construction services to address infrastructure changes associated with the fixed computed tomography scanners.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The following eight recommended change orders, totaling $9,142,000, will be funded by the Harbor-UCLA (H-UCLA) Medical Center Surgery/Emergency (S/E) Replacement Project (Project) contingency fund which has a current balance of $20,692,100. We estimate that the cost to address these changes of scope and/or construction issues, including issues related to modifications of medical equipment will not exceed the $9,142,000 total cost estimate (Attachment B). Total cost negotiations have not been finalized; however, if the final value of any individual change order exceeds the maximum amount authorized for that change order, we will return to the Board for approval of that change order. The Project is approximately 75 percent complete and will be substantially completed within the Board-approved Project budget by March 2013.

Recommendation 1 - Electrical Services Upgrade: On June 17, 2008, the Board approved upgrading the hospital's existing electrical infrastructure, including service breakers, switchgear, conduits, and power surge protection systems that were installed in the 1960s and do not meet current code. $6,500,000 of funding was authorized for this work. At that time, it was not determined how this work would be implemented, and this work was not included in the design-build contract with Hensel Phelps Construction Co., (Hensel Phelps).

During construction of the H-UCLA S/E Replacement Project, the engineers and construction team have become very knowledgeable of the complex, high-voltage and normal-voltage electrical power services of the hospital. The proposed specialized electrical upgrade work requires a skilled contractor in order to minimize the risk of impacting the operations of the hospital. Therefore, we recommend the scope of this change order be assigned to Hensel Phelps.

We estimate that the total cost will not exceed $4,875,000.

Recommendation 2 – Infrastructure and Utility Changes due to Operating Room Equipment: Unforeseeable changes to operating room infrastructure and anchorage elements may result from possible changes in equipment models or vendors during the procurement process. There are significantly different structural and utility requirements for many items of equipment. Until the equipment procurement process is completed the scope of these changes, if any, cannot be fully assessed. In order to avoid possible delays resulting from these potential changes, authority for this change order is requested at this time.

We estimate that the total cost will not exceed $1,325,000.

Recommendation 3 – Sterilizer: The Project originally included reusing the existing bio-hazardous materials sterilizer by relocating it to the permanent loading dock at the end of construction. The existing sterilizer had to be relocated as part of the make-ready phase of construction. During this relocation process, it was determined that the sterilizer is inefficient and not suitable for its planned location on the new loading dock. Therefore, a new sterilizer needs to be purchased and installed as part of the Project. Authorizing Hensel Phelps to procure, permit, and install this equipment will mitigate possible schedule impacts.

We estimate that the total cost will not exceed $832,000.

Recommendation 4 - Diesel Particulate Filters: The Project includes installation of two additional emergency generators. During the permitting process, the South Coast Air Quality Management District required that an enhanced emissions control system be provided for these two generators. This regulation was not in place at the time of bid.

We estimate that the total cost will not exceed $710,000. Public Works, under delegated authority, issued a proceed order in the amount of $210,000 on March 21, 2012, for a portion of this work to avoid delay impact and that amount is included in the recommended $710,000 not-to-exceed amount.

Recommendation 5 - Elevator Tower Stair Vestibules: During construction, the Office of Statewide Health Planning and Development (OSHPD) identified the need to upgrade the emergency exit route between the existing hospital tower and the new elevator tower. It requires construction of a fire-rated exit shaft to prevent spread of a fire and allow for safe exiting of patients and staff during a fire event. This requirement was not identified in the approved and permitted plans.

We estimate that the total cost will not exceed $480,000. To avoid delays to the overall Project schedule, Public Works, under delegated authority, issued a proceed order on July 5, 2012, for $50,000 that allowed Hensel Phelps to proceed with redesign, plan review, and permitting of the requested revisions by OSHPD, the value of which is included in the recommended $480,000 not-to-exceed amount.

Recommendation 6 - Structural Upgrades due to Mobile Computed Tomography (CT) Scanner: The County's design-build criteria documents lacked certain details regarding the mobile CT scanner. The exact criteria of this mobile CT scanner and its substantial weight have now been determined, and structural modifications are required to increase the lateral bracing to support this mobile equipment.

We estimate that the total cost will not exceed $350,000.

Recommendation 7 – Infrastructure and Utility Changes in Central Sterilization Department: Changes to design and construction of structural anchorage, utility lines that feed the sterilizers, washer-disinfector, and related equipment in the Central Sterilization Department may result from potential changes in equipment models or vendors during the procurement process. Until the equipment procurement process is completed the scope of these changes, if any, cannot be fully assessed. In order to avoid possible delays resulting from these potential changes, authority for this change order is requested at this time.

We estimate that the total cost will not exceed $325,000.

Recommendation 8 - Infrastructure Changes for Installation of the fixed CT Scanners: Changes to the power supply, air conditioning system, and framing supports are necessary due to the infrastructure requirements of the Lowest Responsive and Responsible equipment vendor Bidder received by the County for two CT scanners. The determination of the Lowest Responsive and Responsible bidder for the two CT scanners was based on lowest installed cost, including both equipment cost and construction impacts, both of which are paid through Project funds.

We estimate that the total cost will not exceed $245,000. Public Works, under delegated authority, issued a proceed order on August 23, 2012, in the amount of $40,000 for a portion of this work to avoid delay impact and that amount is included in the recommended $245,000 not-to-exceed amount.

All of the recommended changes described above are nondiscretionary and are required to complete construction of the Project. Authorization of the recommended change orders is requested at this time to allow Public Works to conclude negotiations and execute the change orders in a timely manner to avoid the risk of delay. Funding for all of these recommended change orders, totaling $9,142,000 is available within the Board-approved Project budget of $322,600,000 (Capital Project 69220) as shown in Attachment A.

Green Building/Sustainable Design Program

The H-UCLA S/E Replacement Project was established and permitted by OSHPD prior to the Board's enactment of the policy for Green Building/Sustainable Design Program; therefore, the Project does not require Leadership in Energy and Environmental Design certification for the new building. However, the Project will support the Board's Policy for Green Building/Sustainable Design Program to the extent feasible by using building materials that are composed of recycled materials; strategically designing mechanical, plumbing, and electrical systems to optimize energy efficiency; construction of a solar power system on the parking structure; reducing the amount of demolition materials that would be disposed in landfills; and constructing interior spaces to provide indoor environmental quality and a healthy work environment for staff and public members.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provision of Operational Effectiveness (Goal 1) by investing in public health infrastructure and improving access to surgery and emergency services in the southern and western areas of the County. Completion of this Project will provide much needed improvements to the facility for the residents of the County.

FISCAL IMPACT/FINANCING

Approval of the recommended actions will not affect the overall Project budget approved by the Board on September 8, 2009.

The total Project cost remains at $322,600,000. The recommended change orders will be funded from the Project's change order contingency. The Project Schedule and Budget Summary are included in Attachment A.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Section 20137 of the Public Contract Code allows the Board, with a four-fifths vote, to authorize a change order to a construction contract that is 10 percent or less of the original contract amount without having to obtain bids for the work. The total value of the recommended change orders is well below the 10 percent threshold.

ENVIRONMENTAL DOCUMENTATION

On April 11, 2006, the Board adopted a Mitigated Negative Declaration (MND) for the H-UCLA S/E Replacement Project and an Addendum to the MND on April 13, 2010. The recommended actions are within the scope of the previously adopted MND and the Addendum to the MND, and will have no impact on the environment.

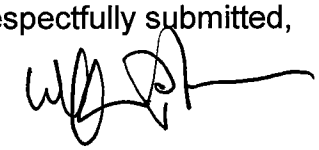
CONTRACTING PROCESS

On September 8, 2009, the Board awarded a design-build contract to Hensel Phelps for a total amount of $170,857,000. To date, the Project is approximately 75 percent complete, and Public Works has executed 127 construction change orders increasing the total contract amount to $174,371,600.

CONCLUSION

Please return one adopted copy of this Board letter to the Chief Executive Office, Capital Projects Division; the Department of Health Services, Capital Projects Division; and the Department of Public Works, Project Management Division I.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF:RLR:DJT
SW:TH:cvb

Attachments

c: Executive Office, Board of Supervisors
County Counsel
Health Services
Public Works

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DEPARTMENT OF PUBLIC WORKS:
HARBOR-UCLA MEDICAL CENTER
SURGERY/EMERGENCY REPLACEMENT PROJECT
APPROVE EXECUTION OF VARIOUS CHANGE ORDERS
SPECS. 5110; CAPITAL PROJECT NO. 69220

I. PROJECT SCHEDULE

Project Activity	Board-Approved Schedule Completion Date	Proposed Schedule Completion Date
Environment Documents	04/11/2006*	04/11/2006*
Make-Ready		
Jurisdictional Approval	06/12/2006*	06/12/2006*
Construction Award	10/18/2006*	10/18/2006*
Construction Start	10/19/2006*	10/19/2006*
Substantial Completion	12/31/2009	12/31/2009*
Surgery/Emergency Building		
Contract Award	09/08/2009	09/08/2009*
Jurisdictional Approvals	12/26/2011	12/26/2011*
Construction Start	11/24/2009	11/24/2009*
Substantial Completion	07/24/2013	07/24/2013

* Indicates actual date.

II. PROJECT BUDGET SUMMARY

Project Activity	Approved Project Budget
Land Acquisition	$ 0
Construction	
Low Bid Construction Contract	$ 2,321,654
Design-Build Contract	
(a) S/E Building and Site	161,140,000
(b) Option for Parking Structure	9,717,000
Job Order Contract	16,852,000
Purchase Order Contract	3,500,000
Southern California Edison Contract	285,000
Change Orders Total	18,320,346
Department Crafts	0
Youth Employment	0
Construction Consultants	0
Misc. Expense	
Design-Build Stipends	250,000
Side Plate License	107,000
Builder's Risk Insurance	2,000,000
Other	93,000
Telecomm Equip–Affixed to Building	2,100,000
Medical Equipment	31,026,700
Project Contingency	5,634,000
Civic Arts	0
Subtotal	$253,346,700
Programming/Development	$ 0
Plans and Specs	$ 9,553,650
Consultant Services	
Site Planning	$ 0
Hazardous Materials	490,000
Geotech/Soils Report & Soils Testing	1,006,000
Material Testing	3,960,000
Cost Estimating	560,845
Topographic Surveys	190,000
Construction Mgmt	20,139,834
Equipment Procurement Services	1,735,300
Peer Review	1,801,074
Design Management	1,012,981
Environmental	600,000
Move Management	267,000
Equipment Planning	975,000
Legal	1,682,000
Construction/Change Order	
Other: Document Management	2,926,000
Other: Commissioning	823,266
Subtotal:	$ 38,169,300

II. PROJECT BUDGET SUMMARY (CONT.)

Project Activity	Approved Project Budget
Miscellaneous Expenditures	$ 262,000
Jurisdictional Review/Plan Check/Permit	$ 3,970,000
County Services	
Code Compliance Inspection	$ 3,305,175
Quality Control Inspection	2,857,525
Design Review	150,000
Design Services	100,000
Contract Administration	554,015
Project Management	7,169,958
Project Management Support Services	509,000
ISD Job Order Contract Management	402,000
DPW Job Order Contract Mgmt	673,000
ISD ITS Communications	500,000
Project Security	0
Project Technical Support	581,268
Office of Affirmative Action	346,409
County Counsel	0
Regional Planning	15,000
Other: DPW Materials & Testing	10,000
Other: DPW Land Development	50,000
Other: DPW Traffic & Lighting	45,000
Other: DPW Design Division	10,000
Other: DPW Construction Division	10,000
Other: DPW Flood Maint. Division	10,000
Subtotal	$ 17,298,350
TOTAL	**$322,600,000**

ATTACHMENT B
October 16, 2012

DEPARTMENT OF PUBLIC WORKS:
HARBOR-UCLA MEDICAL CENTER
SURGERY/EMERGENCY REPLACEMENT PROJECT
APPROVE EXECUTION OF VARIOUS CHANGE ORDERS
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SUMMARY OF RECOMMENDED CHANGE ORDERS

Recommendation	Description	Not-to-Exceed Amount
1	Electrical Service Upgrades	$4,875,000
2	Operating Room Equipment Impacts	$1,325,000
3	Autoclave/Sterilizer	$ 832,000
4	Diesel Particulate Filters	$ 710,000
5	Elevator Tower Stair Vestibule	$ 480,000
6	Structural Impacts due to Mobile CT Scanner	$ 350,000
7	Sterilizers, Washer Disinfector and Modular Wall Impacts	$ 325,000
8	Infrastructure Changes for Fixed CT Scanners	$ 245,000
	TOTAL	**$9,142,000**