



County of Los Angeles Health and Mental Health Services

FESIA A. DAVENPORT
Chief Executive Officer

DATE: Wednesday, January 19, 2022

TIME: 10:30 a.m.

THIS MEETING WILL CONTINUE TO BE CONDUCTED VIRTUALLY TO ENSURE THE SAFETY OF MEMBERS OF THE PUBLIC AND EMPLOYEES AS PERMITTED UNDER STATE LAW.

TO PARTICIPATE IN THE MEETING, PLEASE CALL AS FOLLOWS:

DIAL-IN NUMBER: 1 (323) 776-6996

CONFERENCE ID: 322130288#

[MS Teams link](#) (Ctrl+Click to Follow Link)

AGENDA

Members of the Public may address the Health and Mental Health Services Meeting on any agenda item. Two (2) minutes are allowed for each item.

THIS TELECONFERENCE WILL BE MUTED FOR ALL CALLERS. PLEASE DIAL *6 TO UNMUTE YOUR PHONE WHEN IT IS YOUR TIME TO SPEAK.

- I. Call to order
- II. **Information Item(s)** (Any Information Item is subject to discussion and/or presentation at the request of two or more Board offices):
 - a. **DHS:** Authorize the Acquisition of a Canon Cartesion Prime Digital PET/CT Scanner and Trailer for Olive View-UCLA Medical Center
- III. **Presentation Item(s):**
 - a. **DPW/CEO/DHS/DMH:** Harbor-UCLA MC Replacement Project - Seeking Board Approval to Certify the Addendum to the Previously Certified Final Environment Impact Report; Approve a Revised Program Budget and Related Appropriation Adjustment; Award and Authorize the Execution of a Stipulated Sum Design-Build Agreement; Award and Authorize the Execution of Supplemental Agreements with Various Consultants; Authorize Delivery of the Remainder of the Make-Ready Work using Job Order

Contracts; and Authorize Issuance of Short-Term Notes to Fund the Recommended Actions for the Harbor-UCLA Medical Center Replacement Program

- b. **ISD/DHS:** Harbor-UCLA Medical Center Computed Tomography Scan Room Remodeling Project - Seeking Board Approval of the Total Project Budget and Authorization to Use a Board-approved Job Order Contract to Deliver the Proposed Project

IV. **Discussion Item(s):**

- a. DMH's Strategic Priorities Discussion

V. Items Continued from a Previous Meeting of the Board of Supervisors or from the Previous Agenda Review Meeting

VI. Items not on the posted agenda for matters requiring immediate action because of an emergency situation, or where the need to take immediate action came to the attention of the Department subsequent to the posting of the agenda

VII. Public Comment

VIII. Adjournment

BOARD LETTER/MEMO CLUSTER FACT SHEET

 Board Letter

 Board Memo

 Other

CLUSTER AGENDA REVIEW DATE	1/19/2022	
BOARD MEETING DATE	2/8/2022	
SUPERVISORIAL DISTRICT AFFECTED	<input type="checkbox"/> All <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input checked="" type="checkbox"/> 3 rd <input type="checkbox"/> 4 th <input type="checkbox"/> 5 th	
DEPARTMENT(S)	Health Services	
SUBJECT	Authorize the Acquisition of a Canon Cartesion Prime Digital PET/CT Scanner and Trailer for Olive View-UCLA Medical Center	
PROGRAM	N/A	
AUTHORIZES DELEGATED AUTHORITY TO DEPT	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
SOLE SOURCE CONTRACT	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	If Yes, please explain why:	
DEADLINES/ TIME CONSTRAINTS	N/A	
COST & FUNDING	Total cost: \$2,550,000	Funding source: DHS' Enterprise Fund
	TERMS (if applicable): N/A	
	Explanation: Funding is included in the DHS' Enterprise Fund-Committed for Department of Health Services and will be transferred to DHS' OV-UCLA MC as capital assets appropriation in the Fiscal Year 2021-22 Mid-Year budget adjustment to fully fund the equipment acquisition.	
PURPOSE OF REQUEST	Authorize the Director of ISD, as the County's Purchasing Agent, to proceed with the sole source acquisition of the Canon Cartesion Prime Digital PET/CT Scanner and trailer from Canon Medical Systems USA, Inc for DHS' OV-UCLA MC.	
BACKGROUND (include internal/external issues that may exist including any related motions)	<p>the Board of Supervisors instructed the Director on February 5, 2013, to report back within 30 days on DHS protocols for prioritizing medical equipment purchases, maintenance and replacement throughout all of its facilities. On March 5, 2013, the Director provided his report to the Board, which described the criteria used to determine the priority and timing for replacement of medical equipment at all DHS facilities. Beginning in FY 2013-14, the Department established a \$10 million ongoing revolving fund to purchase and install the radiology equipment and make the necessary room alterations required to accommodate such equipment throughout DHS. DHS subsequently convened a group of subject matter expert radiologists and supply chain staff to assess DHS patient care needs for the future and thoroughly review available imaging technology in an effort to standardize imaging care across DHS, which will also provide the opportunity for group purchasing discounts; and ensure consistent integration with ORCHID. Approval of the recommended action will allow OV-UCLA MC to replace the rented mobile PET/CT Scanner with a new mobile PET/CT unit to meet the current DHS IT security specifications and perform diagnostic PET/CT studies for oncology, brain, thoracic and cardiac imaging as well perform all diagnostic CT, including multiphase imaging and CT angiography.</p>	

EQUITY INDEX OR LENS WAS UTILIZED	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please explain how: The Van Nuys (91405) community, considered as Highest need in the Index, has an adjusted death rate of 447 compared to the unincorporated community of Santa Monica Mountains (90265), categorized as Lowest need in the Index, with an adjusted death rate of 71. We are meeting the following Countywide Equity Guiding principles by purchasing the PET CT unit for OVMC: 1. Reduce racial disparities in life outcomes as well as disparities in public investment to shape those outcomes 4. Seek to improve long-term outcomes both intergenerationally and multi-generationally . The PET CT will be utilized for pre and post treatment evaluation of cancer patients and adjust treatment based on PET CT results and to diagnose a wide variety of disease processes with CT imaging and improve patient outcomes. PET CT evaluate is standard of care during the treatment of various cancers.
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please state which one(s) and explain how: Board Priority #2. The purchase of a PET/CT scanner and trailer will streamline access to timely PET/CT services for patients residing in the San Fernando valley. Currently, OV-UCLA MC shares the PET/CT trailer with Harbor-UCLA MC. The availability of a full-time PET/CT trailer at OV-UCLA will offer equitable access to both PET/CT and CT services.
DEPARTMENTAL CONTACTS	Name, Title, Phone # & Email: DHS - Jason Ginsberg, Chief, Supply Chain Operations, (323) 914-7926 jginsberg@dhs.lacounty.gov DHS - Jessica Kuo, Chief Operations Officer, jkuo@dhs.lacounty.gov, (747) 210-3300 County Counsel, Kelly Hassel, khassel@counsel.lacounty.gov, (213) 974-1803

February 8, 2022

**DRAFT
DHS Letterhead**

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:

**AUTHORIZE THE ACQUISITION OF A CANON CARTESION PRIME DIGITAL
PET/CT SCANNER AND TRAILER FOR OLIVE VIEW-UCLA MEDICAL CENTER
(SUPERVISORIAL DISTRICT 3)
(3 VOTES)**

SUBJECT

Authorize the Director of the Internal Services Department, as the County Purchasing Agent, to proceed with the sole source acquisition of a Canon Cartesion Prime Digital PET/CT Scanner and trailer from Canon Medical Systems USA, Inc. for the Department of Health Services' Olive View-UCLA Medical Center.

IT IS RECOMMENDED THAT THE BOARD:

Authorize the Director of the Internal Services Department (ISD), as the County's Purchasing Agent, to proceed with the sole source acquisition of the Canon Cartesion Prime Digital PET/CT Scanner (PET/CT Scanner) and trailer from Canon Medical Systems USA, Inc. (Canon) for Department of Health Services' (DHS) Olive View-UCLA Medical Center (OV-UCLA MC), with a total estimated cost of approximately \$2,550,000.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended action will authorize ISD, as the County's Purchasing Agent, to proceed with the sole source acquisition of a PET/CT Scanner and trailer for OV-UCLA MC with a total estimated cost of \$2,550,000. This will allow OV-UCLA MC to replace the rented mobile PET/CT Scanner with a new mobile PET/CT unit to meet the current DHS IT security specifications and perform diagnostic PET/CT studies for oncology, brain, thoracic and cardiac imaging as well perform all diagnostic CT, including multiphase imaging and CT angiography.

By way of background, the Board of Supervisors instructed the Director on February 5, 2013, to report back within 30 days on DHS protocols for prioritizing medical equipment purchases, maintenance and replacement throughout all of its facilities. On March 5, 2013, the Director provided his report to the Board, which described the criteria used to determine the priority and timing for replacement of medical equipment at all DHS

facilities. Beginning in FY 2013-14, the Department established a \$10 million ongoing revolving fund to purchase and install the radiology equipment and make the necessary room alterations required to accommodate such equipment throughout DHS. DHS subsequently convened a group of subject matter expert radiologists and supply chain staff to assess DHS patient care needs for the future and thoroughly review available imaging technology in an effort to standardize imaging care across DHS, which will also provide the opportunity for group purchasing discounts; and ensure consistent integration with the Online Realtime Centralized Health Information Database system (ORCHID, formerly referred to as the Electronic Health Record Information System).

DHS intends to purchase a proprietary PET/CT Scanner from Canon to provide standard of care diagnostic imaging for the oncologic patient population. PET/CT imaging plays a critical role in treatment planning because it allows for more accurate cancer diagnosis and staging. The Canon PET/CT Scanner is the only digital PET/CT that is air-cooled. The air-cooled digital technology provides the smallest siting footprint, allowing for installation on a mobile coach or transportable facility. Compared to analog units a digital PET/CT provides improved resolution, decreased radiation dose and faster scanning times which enhance patient comfort.

Implementation of Strategic Plan Goals

This recommendation support Goal II.2 “Support the Wellness of Our Communities” and III.3, “Pursue Operational Effectiveness, Fiscal Responsibility and Accountability” of the County Strategic Plan.

FISCAL IMPACT/FINANCING

The total estimated cost for the PET/CT Scanner and trailer for DHS’ OV-UCLA MC is approximately \$2,550,000. The estimated cost includes the PET/CT Scanner, trailer, a one-year manufacturer’s warranty, and tax. Funding is included in the DHS’ Enterprise Fund-Committed for Department of Health Services and will be transferred to DHS’ OV-UCLA MC as capital assets appropriation in the Fiscal Year 2021-22 Mid-Year budget adjustment to fully fund the equipment acquisition.

Operating Budget Impact

There is no one-time cost anticipated following acquisition of the PET/CT Scanner and trailer. DHS will request and fund ongoing maintenance cost as needed in future budget phase. There is no net County cost impact associated with the recommendations.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On October 16, 2001, the Board approved the classification categories for fixed assets and new requirements for major fixed asset (now referred to as capital asset) acquisitions requiring County departments to obtain Board approval to acquire or

The Honorable Board of Supervisors
February 8, 2022
Page 3

finance equipment with a unit cost of \$250,000 or greater prior to submitting their requisition to ISD.

CONTRACTING PROCESS

The acquisition of equipment falls under the statutory authority of the County Purchasing Agent and will be accomplished in accordance with the County's purchasing policies and procedures for sole source purchases.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommendation will ensure the continued provision of care and increased accessibility for oncology patients requiring PET CT/studies. Additionally, it will ensure continued care for patients requiring diagnostic CT studies for various disease processes, which will be especially important during the OV-UCLA MC fire alarm project downtime.

Respectfully submitted,

Christina R. Ghaly, M.D.
Director

CRG:jc

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors
Internal Services Department

BOARD LETTER/MEMO CLUSTER FACT SHEET

 Board Letter

 Board Memo

 Other

CLUSTER AGENDA REVIEW DATE	1/19/2022	
BOARD MEETING DATE	2/8/2022	
SUPERVISORIAL DISTRICT AFFECTED	<input type="checkbox"/> All <input type="checkbox"/> 1 st <input checked="" type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd <input type="checkbox"/> 4 th <input type="checkbox"/> 5 th	
DEPARTMENT(S)	Public Works, Health Services, Mental Health	
SUBJECT	Harbor-UCLA Medical Center Replacement Program	
PROGRAM		
AUTHORIZES DELEGATED AUTHORITY TO DEPT	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
SOLE SOURCE CONTRACT	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain why:	
DEADLINES/ TIME CONSTRAINTS	Yes. It is critical to obtain the Board's approval on 2/8/2022 to award DB contract to maintain the project budget and schedule.	
COST & FUNDING	Total cost: \$1,695,000,000	Funding source: Debt-financed through short-term Notes, long-term Bonds, or a combination of both types of financing mechanisms.
	TERMS (if applicable):	
	Explanation:	
PURPOSE OF REQUEST	Public Works is seeking Board approval to Certify the Addendum to the previously certified Final Environment Impact Report; approve the consolidation of the three previous capital projects into a single capital project; approve a revised \$1,695,000,000 project budget and Appropriation Adjustment to fund FY 2021-22 expenditures; award and authorize the execution of a Stipulated Sum Design-Build agreement to Hensel Phelps; award and authorize the execution of supplemental agreements with various consultants; authorize delivery of the remainder of the make-ready work using Job Order Contracts; and authorize issuance of short-term notes to fund the project.	
BACKGROUND (include internal/external issues that may exist including any related motions)	<p>Senate Bill 1953 mandates that all California General Acute-Care Hospitals meet the structural and nonstructural seismic strengthening requirements by the established deadline of January 1, 2030. Of the four County-owned hospitals, Harbor-UCLA Medical Center (H-UCLA MC) is the only remaining hospital not meeting these seismic compliance requirements. Construction of the H-UCLA MC Replacement Program will consolidate inpatient and outpatient services into new buildings and bring the campus into compliance with Senate Bill 1953.</p> <p>The project will be delivered using the Stipulated Sum Design-Build project delivery method. Hensel Phelps, who was found to have submitted the most advantageous and best value proposal, has agreed to deliver the project for the \$1,112,179,000 stipulated sum. The D-B will aspire to carry out a total of at least 50 percent of the total California craft worker hours for construction by local workers (30 percent mandatory and 20 percent aspirational) and at least 10 percent be performed by targeted workers. This is anticipated to create up to 800 local construction jobs.</p>	

	<p>Related Board Motions:</p> <p>October 5, 2021, motion by Supervisor Mitchell: Enhancing Local and Targeted Worker Participation for H-UCLA MC Capital Projects, which established a Local and Targeted Worker Hire Program aspirational goal of 20 percent above the mandated 30 percent for a total of 50 percent of California craft worker hours performed by local workers.</p>
<p>EQUITY INDEX OR LENS WAS UTILIZED</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If Yes, please explain how: The project will ensure that medical and mental health services continue to be provided to a community that has been historically underserved.</p>
<p>SUPPORTS ONE OF THE NINE BOARD PRIORITIES</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If Yes, please state which one(s) and explain how: These recommendations support Board Priority No. 2 - Health Integration/Alliance for Health Integration by consolidating all inpatient and outpatient clinical and mental health services on the Harbor-UCLA Medical Campus.</p>
<p>DEPARTMENTAL CONTACTS</p>	<p>Name, Title, Phone # & Email:</p> <p>Luis Ramirez, Assistant Deputy Director, (626) 300-2300, luramire@pw.lacounty.gov</p>

**CONSTRUCTION CONTRACT
CONSTRUCTION MANAGEMENT CORE SERVICE AREA
HARBOR-UCLA MEDICAL CENTER
REPLACEMENT PROGRAM
CERTIFY ENVIRONMENTAL IMPACT REPORT ADDENDUM
APPROVE CONSOLIDATION OF CAPITAL PROJECTS
APPROVE REVISED PROJECT BUDGET AND
RELATED APPROPRIATION ADJUSTMENT
AWARD STIPULATED SUM DESIGN-BUILD AGREEMENT
APPROVE SUPPLEMENTAL AGREEMENTS AND
APPROVE THE USE OF JOB ORDER CONTRACTING
CAPITAL PROJECT NO. 67965
(FISCAL YEAR 2021-2022)
(SUPERVISORIAL DISTRICT 2)
(4 VOTES)**

I. PROJECT SCHEDULE SUMMARY

Project Activity	Scheduled Completion Date
Scoping Documents	June 2021 (Actual)
Design-Build Award	February 2022
Jurisdictional Approvals	Various
Substantial Completion-Parking Structure A	June 2024
Substantial Completion-Outpatient/Support Building	June 2025
Substantial Completion-Central Plant	May 2027
Substantial Completion-Inpatient Tower	August 2027
Project Acceptance	December 2027

II. PROJECT BUDGET SUMMARY

Project Budget Category	Previous Board-Approved Budget	Impact of this Action	Revised Total Project Budget
Design-Build Construction	\$ 979,226,000	\$132,953,000	\$1,112,179,000
Make-Ready Construction	\$ 123,355,000	\$ 43,345,000	\$ 166,700,000
Change Orders Contingency	\$ 93,153,000	\$ (44,653,000)	\$ 48,500,000
Civic Arts	\$ 1,000,000	\$ 1,000,000	\$ 2,000,000
Stipend	\$ 0	\$ 1,000,000	\$ 1,000,000
Medical Equipment Allowance	\$ 148,114,000	\$ (52,114,000)	\$ 96,000,000
Design Completion Allowance	\$ 0	\$ 30,000,000	\$ 30,000,000
Plans and Specifications	\$ 89,940,000	\$ (38,940,000)	\$ 51,000,000
Consultant Services	\$ 137,207,000	\$ (207,000)	\$ 137,000,000
Miscellaneous Expenditures	\$ 4,274,000	\$ (2,624,000)	\$ 1,650,000
Jurisdictional Review/Plan Check/Permits	\$ 18,935,000	\$ 2,746,000	\$ 21,681,000
County Services	\$ 41,826,000	\$ (14,536,000)	\$ 27,290,000
TOTAL	\$1,637,030,000	\$ 57,970,000	\$1,695,000,000

PINK

BOARD OF SUPERVISORS
OFFICIAL COPY

BA FORM 11162021

December 29, 2021

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPARTMENT OF CHIEF EXECUTIVE OFFICER

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 2021-22
4 - VOTES

SOURCES	USES
HARBOR MEDICAL CAMPUS CAPITAL IMPROVEMENT Harbor-UCLA Medical Center Replacement Program J25-CP-94-9276-65069-67965 LEASE REVENUE OBLIGATION NOTES PROCEEDS / CAPITAL PROJECTS	HARBOR MEDICAL CAMPUS CAPITAL IMPROVEMENT Harbor-UCLA Medical Center Replacement Program J25-CP-6014-65069-67965 CAPITAL ASSETS - B & I
INCREASE REVENUE 79,650,000	INCREASE APPROPRIATION 79,650,000

SOURCES TOTAL **\$ 79,650,000**

USES TOTAL **\$ 79,650,000**

JUSTIFICATION

Adjustment is required to fund current year projected project expenditure of the Harbor-UCLA Medical Center Replacement Program offset by Lease Revenue Obligation Notes Proceeds.

AUTHORIZED SIGNATURE

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

REFERRED TO THE CHIEF
EXECUTIVE OFFICER FOR---

ACTION

RECOMMENDATION

AUDITOR-CONTROLLER

BY _____

B.A. NO. _____

DATE _____

APPROVED AS REQUESTED

APPROVED AS REVISED

CHIEF EXECUTIVE OFFICER

BY _____

DATE _____

ENCLOSURE C
February 8, 2022

**CONSTRUCTION CONTRACT
CONSTRUCTION MANAGEMENT CORE SERVICE AREA
HARBOR-UCLA MEDICAL CENTER
REPLACEMENT PROGRAM
CERTIFY ENVIRONMENTAL IMPACT REPORT ADDENDUM
APPROVE CONSOLIDATION OF CAPITAL PROJECTS
APPROVE REVISED PROJECT BUDGET AND
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AWARD STIPULATED SUM DESIGN-BUILD AGREEMENT
APPROVE SUPPLEMENTAL AGREEMENTS AND
APPROVE THE USE OF JOB ORDER CONTRACTING
CAPITAL PROJECT NO. 67965
(FISCAL YEAR 2021-2022)
(SUPERVISORIAL DISTRICT 2)
(4 VOTES)**

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will be provided by via a link**

ENCLOSURE D
February 8, 2022

**CONSTRUCTION CONTRACT
CONSTRUCTION MANAGEMENT CORE SERVICE AREA
HARBOR-UCLA MEDICAL CENTER
REPLACEMENT PROGRAM
CERTIFY ENVIRONMENTAL IMPACT REPORT ADDENDUM
APPROVE CONSOLIDATION OF CAPITAL PROJECTS
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CAPITAL PROJECT NO. 67965
(FISCAL YEAR 2021-2022)
(SUPERVISORIAL DISTRICT 2)
(4 VOTES)**

**Enclosure is too large and
will be provided by via a link**

February 8, 2022

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

Dear Supervisors:

**CONSTRUCTION CONTRACT
CONSTRUCTION MANAGEMENT CORE SERVICE AREA
HARBOR-UCLA MEDICAL CENTER
REPLACEMENT PROGRAM
CERTIFY ENVIRONMENTAL IMPACT REPORT ADDENDUM
APPROVE CONSOLIDATION OF CAPITAL PROJECTS
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APPROVE SUPPLEMENTAL AGREEMENTS AND
APPROVE THE USE OF JOB ORDER CONTRACTING
CAPITAL PROJECT NO. 67965
(FISCAL YEAR 2021-2022)
(SUPERVISORIAL DISTRICT 2)
(4 VOTES)**

SUBJECT

Public Works is seeking Board approval to certify the Addendum to the previously certified Final Environment Impact Report; approve a revised project budget and related appropriation adjustment to fund Fiscal Year 2021-22 project expenditures; award and authorize the execution of a stipulated sum Design-Build agreement with Hensel Phelps; award and authorize the execution of supplemental agreements with various consultants; authorize delivery of the remainder of the make-ready work using Job Order Contracts; and authorize issuance of short-term notes to fund the recommended actions for the Harbor-UCLA Medical Center Replacement Program.

IT IS RECOMMENDED THAT THE BOARD:

1. Certify that the Addendum to the previously certified Final Environmental Impact Report for the Harbor-UCLA Medical Center Campus Master Plan, for the Updated Site Plan and Construction Schedule, has been completed in compliance with the California Environmental Quality Act and reflects the independent

judgment and analysis of the County of Los Angeles; find that the Board has reviewed and considered the information contained in the Addendum with the Final Environmental Impact Report and previously approved addenda; approve the Addendum; and find that the recommended actions are within the scope of the certified Environmental Impact Report and Addenda.

2. Approve consolidation of the existing three Harbor-UCLA Medical Center Replacement Program Capital Projects: Outpatient/Support Building Project, Capital Project No. 67960; Central Plant Project, Capital Project No. 67961; and Inpatient Building Replacement Project, Capital Project No. 67962; into a single project, Harbor-UCLA Medical Center Replacement Program, Capital Project No. 67965.
3. Approve the revised project budget of \$1,695,000,000 for the Harbor-UCLA Medical Center Replacement Program, Capital Project No. 67965, and the appropriation adjustment to fund the estimated Fiscal Year 2021-22 project expenditures.
4. Find that Hensel Phelps is the responsive and responsible proposer that submitted the most advantageous and best value Stipulated Sum Design-Build proposal to the County for the design and construction of the Harbor-UCLA Medical Center Replacement Program.
5. Award a Stipulated Sum Design-Build agreement to Hensel Phelps for the design and construction of the Harbor-UCLA Medical Center Replacement Program, and delegate authority to the Director of Public Works or his designee to finalize contract negotiations and to execute a Stipulated Sum Design-Build agreement with Hensel Phelps in a form substantially similar to the form of contract included in the Requests for Proposals and as approved by County Counsel for a stipulated sum of \$1,112,179,000, plus a \$30,000,000 design completion allowance and a \$96,000,000 medical equipment allowance for a not-to-exceed maximum contract sum of \$1,238,179,000.
6. Authorize the Director of Public Works or his designee, with concurrence of the Chief Executive Office, to exercise control over the design completion and medical equipment allowances, including the authority to reallocate the allowances into the contract amount, as appropriate, in accordance with the project specifications.

7. Delegate authority to the Director of Public Works or his designee to execute a consultant services agreement for a stipend amount of \$1,000,000 to the unsuccessful proposer, McCarthy-Clark, a Joint Venture, enabling the County to own and use all design and construction ideas and concepts included in the proposal.
8. Approve and authorize the Director of Public Works or his designee to execute Supplemental Agreement 3 to Contract PW-15083 with RBB Architects, Inc., to provide additional architectural/engineering services for the project for a \$7,925,000 not-to-exceed fee, increasing the contract value from \$43,075,000 to \$51,000,000.
9. Approve and authorize the Director of Public Works or his designee to execute Supplemental Agreement 2 to Contract PW-15142 with Harbor-UCLA AECOM, a Joint Venture, to provide additional project/construction management services for the project for a \$48,500,000 not-to-exceed fee, increasing the contract value from \$11,500,000 to \$60,000,000.
10. Approve and authorize the Director of Public Works or his designee to execute Supplemental Agreement 2 to Contract PW-15144 with Harbor-UCLA Controls Partners, a Joint Venture, to provide additional project controls services for the projects related for a \$25,500,000 not-to-exceed fee, increasing the contract value from \$7,500,000 to \$33,000,000.
11. Approve and authorize the Director of Public Works or his designee to deliver the make-ready work for the Harbor-UCLA Medical Center Replacement Program using Board-approved Job Order Contracts.
12. Authorize the issuance of additional short-term notes through the Los Angeles County Capital Asset Leasing Corporation's Lease Revenue Notes Program (previously known as Commercial Paper Program), long-term lease revenue bonds financing and a combination of both short-term and long-term financings, to fund the Harbor-UCLA Medical Center Replacement Program.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will certify the Addendum to the previously certified Final Environment Impact Report (EIR); and find the recommended actions within the

scope of the previously certified Final EIR and Addenda; consolidate the previous three Board-approved capital projects into a single project, Capital Project (C.P.) No. 67965, with a revised project budget of \$1,695,000,000; approve the appropriation adjustment to fund the estimated Fiscal Year 2021-22 project expenditures; award a stipulated sum Design-Build (D-B) agreement to Hensel Phelps; authorize Public Works to exercise control over project allowances; award supplemental consultant services agreements; approve the delivery of the make-ready work using Job Order Contracts (JOCs); and authorize issuance of Lease Revenue Commercial Paper Notes through the Los Angeles County Capital Asset Leasing Corporation Lease Revenue Notes (Notes) Program for the Harbor-UCLA Medical Center (H-UCLA MC) Replacement Program.

Background

Senate Bill 1953 mandates that all California General Acute-Care Hospitals meet structural and nonstructural seismic strengthening requirements by January 1, 2030. Of the four County-owned hospitals, H-UCLA MC is the only remaining hospital not meeting these seismic compliance requirements. In 2016, the Board approved a budget of \$19,900,000 funded with \$2,646,000 offset with revenue from the 2010 Multi-Cap bond and \$17,254,000 of Notes through the Notes Program to complete the H-UCLA MC preplanning activities to fund various consultant services, approved the master plan, and certified the Final EIR for the H-UCLA MC Master Plan. In 2017, the Board authorized RBB Architects, Inc., to develop a campuswide space/functional program, and authorized Public Works to execute agreements with H-UCLA AECOM, a Joint Venture (JV), and H-UCLA Controls Partners JV to provide project/construction management and project/document control support services.

On November 20, 2018, the Board established the H-UCLA MC Replacement Program and related C.P. Nos. 67960 for the Outpatient/Support Building; 67961 for the Central Plant; 67962 for the Inpatient Building Replacement; and 89106 for the Existing Hospital Building. The Board also approved supplemental agreements with RBB Architects, Inc. to provide additional architectural/engineering services and with AECOM JV and Controls Partners JV to provide additional project management and project controls services; approved issuance of \$90,000,000 of Notes through the Notes Program; and the delivery of make-ready work for the Outpatient/Support Building Project using Board-approved JOCs.

On November 10, 2020, the Board certified two Addenda to the previously certified Final EIR and approved a \$1,637,030,000 project budget for the H-UCLA MC Replacement Program. As approved, the H-UCLA MC Replacement Program did not include the

repurposing or demolition of the existing hospital tower, north and south wings, or the Primary Care and Diagnostic Center (PCDC) building. The Board letter indicated that the Department of Mental Health (DMH) was to conduct a feasibility study, due to the Board by 2026, to explore the possibility of repurposing the existing hospital and PCDC into a future DMH Restorative Care Village. Per the November 16, 2021, Board Motion by Supervisor Holly Mitchell, Creating a Restorative Care Village for the H-UCLA MC Campus, the Chief Executive Office (CEO) in conjunction with DMH, Department of Health Services (DHS), Department of Public Health, and Public Works will carry out and complete the feasibility study by June 2023. The study will explore the repurposing of the existing hospital and PCDC, as well as potential alternate locations on campus for a Restorative Care Village.

The H-UCLA MC Replacement Program will consolidate services currently in various buildings throughout the H-UCLA MC campus, into a new acute care inpatient tower, an outpatient/support building, a warehouse, information technology and facilities management offices and shops building, a new central plant to support Department of Health Care Access and Information components, a parking structure, and site utility distribution. The H-UCLA MC Replacement Program will be delivered through the proposed stipulated sum D-B agreement with Hensel Phelps.

The County's primary objective in utilizing the stipulated sum D-B delivery method is to select a D-B team based on best value in terms of design and construction experience and expertise, who will apply lean construction principles in an "Integrated Project Delivery-like" environment based on mutual respect, interdependency, collaboration, and open communication to deliver the project. Furthermore, the stipulated sum D-B approach is based on a fixed price set by the County, to which Hensel Phelps has agreed, and this approach will help accelerate the procurement timeline to minimize risks to the selected D-B. Construction of the H-UCLA MC Replacement Program is currently planned to be substantially completed in mid-2027.

The make-ready scope of work for the H-UCLA MC Replacement Program includes demolition of existing buildings and site improvements to create space for construction of the new buildings. The scope also includes remodeling of various spaces in the H-UCLA MC campus to temporarily house staff relocated out of buildings that will be demolished to create space for construction of the H-UCLA MC Replacement Program. The make-ready work will be completed using either Board-approved JOCs or low-bid contracts.

Design Completion Allowance

The \$30,000,000 design completion allowance is intended to facilitate changes required by jurisdictional agencies and other unanticipated design issues. The inclusion of the design completion allowance will facilitate the design decision process and minimize potential delays that could occur with design issues.

Medical Equipment Allowance

The \$96,000,000 medical equipment allowance is intended to facilitate the procurement and installation of fixed medical equipment that will be installed as part of the stipulated sum D-B agreement. The medical equipment allowance is reserved for procuring and installing Groups 1 and 2, fixed medical equipment, the quantity and cost of which were unknown at the time of bid. The inclusion of the medical equipment allowance will facilitate the procurement and construction process and minimize potential delays that could occur with the procurement and installation of medical equipment.

The use and reallocation of the design completion and medical equipment allowances will be controlled through coordination with Public Works and concurrence from the CEO.

Consultant Services Agreement

Upon the Board's approval, the unsuccessful D-B proposer, McCarthy-Clark JV, for the H-UCLA MC Replacement Program will be paid a stipend of \$1,000,000 pursuant to consultant services agreement, which affords the County the right to use the information and ideas submitted by the proposer.

Revised Project Budget

On November 10, 2020, the Board approved the H-UCLA MC Replacement Program budget of \$1,637,030,000. The revised budget is now estimated at \$1,695,000,000, which is \$57,970,000 above the previous Board-approved budget. The increase was due to unforeseen market conditions, including supply chain issues resulting from the COVID-19 pandemic, which have led to an increase in the cost of materials and labor, as well as higher construction escalation costs.

Capital Projects Consolidation

Three C.P. Nos. established for the H-UCLA MC Replacement Program were set up to track budget and expenditures for its major program components, including the new inpatient tower, outpatient/support building, and central plant. Having three separate

C.P. Nos. gave the County the flexibility to deliver each project by a separate D-B team, or to consolidate them into a single contract. After the decision was made to proceed with a single stipulated sum D-B solicitation for delivery of the H-UCLA MC Replacement Program, it was determined that the consolidation of the three separate C.P. Nos. into a single C.P. would be beneficial to managing the program. A single C.P. would allow Public Works, in consultation with the CEO, to reallocate funding amongst the various H-UCLA MC Replacement Program components in a timely manner by reducing the number of trips to the Board to seek approval to move money amongst the three C.P. Nos. Additionally, consolidation of the three C.P. Nos. would allow Public Works to reorganize the scope and project increments in a more logical, simplified manner that would ease contracting and construction administration.

Green Building/Sustainable Design Program

On December 20, 2016, the Board adopted a new Leadership in Energy and Environmental Development (LEED) policy requiring all new County buildings greater than 10,000 square feet in size, to achieve LEED Gold Certification except for the parking structure because the United States Green Building Council no longer provides LEED certificates for parking structures. The program will support the Board's Policy for Green Building/Sustainable Design Program by recycling disposable material; incorporating energy efficient products during construction; and incorporating native, drought-tolerant landscaping.

Implementation of Strategic Plan Goals

These recommendations support the County Strategic Plan: Strategy II.3, Make Environmental Sustainability our Daily Reality, Objective II.3.2, Foster a Cleaner, More Efficient, and More Resilient Energy System; and Strategy III.3, Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability, Objective III.3.2, Manage and Maximize County Assets. The Strategic Plan supports the wellness of our communities and enhances the delivery of comprehensive and seamless healthcare services to the residents of the County seeking healthcare assistance.

FISCAL IMPACT/FINANCING

On November 10, 2020, the Board approved the total project budget of \$1,637,030,000 for the H-UCLA MC Replacement Program. Approval of the recommendations will revise the previously Board-approved total project budget to \$1,695,000,000 (Enclosure A), an

increase of \$57,970,000. The revised total project budget includes predevelopment activities, scoping documents, plans and specifications, permit fees, civic art, consultant services, construction, construction change order contingency, make-ready work, inspection services, and County services. The project budget also includes a \$30,000,000 design completion allowance and a \$96,000,000 medical equipment allowance for equipment that is physically attached to the buildings (Groups 1 and 2).

The proposed appropriation adjustment (Enclosure B) will provide sufficient appropriation to fully fund Fiscal Year 2021-22 project expenditures.

DHS and DMH plan to debt-finance the H-UCLA MC Replacement Program through short-term, long-term, or a combination of both types of financing mechanisms. The County has generally funded the initial stage of essential capital construction and improvement projects with Notes issued through the Notes Program. As a capital project initially financed through the Notes Program nears substantial completion, the County will refinance the outstanding Notes through the issuance of long-term lease revenue bonds. The financing costs of the Notes, including interest, insurance, and administrative expenses, were funded by the benefiting department's operating budget. Due to the cost and magnitude of the related projects of the proposed H-UCLA MC Replacement Program, the specific financing plan will be analyzed and evaluated as key elements of the construction plan, such as timeline, milestones, and cost associated with each project component are finalized. These key elements of the construction plan are necessary to develop an optimal financing structure for the H-UCLA MC Replacement Program.

The estimated cost allocation for the H-UCLA MC Replacement Program is \$1,515,033,000 for DHS and \$179,967,000 for DMH. The estimated annual debt service for financing the estimated \$1,695,000,000 program budget with 30-year long-term bonds is in the range of approximately \$110,000,000 to \$116,000,000. The annual allocation of the debt payment is in the range of \$99,000,000 to \$104,000,000, which is 89.38 percent for DHS and in the range of \$11,000,000 to \$12,000,000, which is 10.62 percent for DMH.

The funding for the annual debt repayment for DHS will come from existing and new departmental operating subsidies and Federal dollars from the provision of care to Medi-Cal beneficiaries in the nonpsychiatric areas of the inpatient building. The annual repayment debt funds for DMH will be funded with 2011 Realignment funds. The CEO will continue to work with both DHS and DMH to monitor the fiscal outlook of both departments and communicate any material changes to the Board that could impact their ability to meet the future debt service obligations for the project.

Non-Fixed Medical Equipment

The project budget does not include the cost of medical equipment and furniture that is not physically attached to the building. DHS and DMH, for psychiatric services, will be responsible for procuring the nonfixed medical equipment and furniture, such as computers and network system, hospital beds, and exam beds. During the design phase, the medical planner will work with the H-UCLA MC staff to identify the movable medical equipment and furniture, fixtures, and equipment needed, including inventory of existing equipment to be reused, and develop a rough order cost estimate for procurement and installation. We will return to the Board in the future with the estimated cost to procure the moveable medical equipment and furniture. Public Works will work closely with DHS and DMH regarding the planning and procurement of the fixed and movable medical equipment and furniture, fixtures, and equipment.

There is no impact to net County costs as a result of this action.

Operating Costs

The construction of a new inpatient tower will create a more efficient layout of inpatient beds, which will streamline the provision of care, lead to the more efficient delivery of care, as well as storage and management of patient supplies and equipment. Consolidation of the outpatient clinics from multiple locations across the campus into a single outpatient building will result in improved efficiency and reduce operations and maintenance costs. Additionally, the replacement of the current old hospital and utility infrastructure and consolidation into fewer buildings will result in utility costs savings. These net cost savings will accrue to each DHS and DMH for their respective programs but cannot be quantified at this time. Further, given these assumptions, neither DHS nor DMH are planning any increase in staffing or costs related to this Board action and, therefore, do not plan to incur additional operational costs in the replacement facility.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In accordance with the Board's Civic Art Policy, adopted on December 7, 2004, and last amended on August 4, 2020, the proposed project budget includes \$1,000,000 allocated for the Outpatient/Support Building and \$1,000,000 for the Inpatient Building scope of work. Upon approval of this Board letter, the projects will be consolidated into one C.P., but the Civic Art Allocation will remain at \$2,000,000.

In accordance with the Board's consolidated Local and Targeted Worker Hire Policy adopted on September 26, 2016, the D-B 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. In addition, on October 5, 2021, the Board approved a motion by Supervisor

Mitchell, Enhancing Local and Targeted Worker Participation for H-UCLA MC Capital Projects, to establish a Local Targeted Worker Hire Program aspirational goal of an additional 20 percent over the mandated 30 percent for California craft worker hours to be performed by the D-B for the H-UCLA MC Replacement Program, for a total of 50 percent. The project is anticipated to create up to 800 local construction jobs as a result of the local worker hiring requirements.

On March 21, 2017, the Board approved two motions to negotiate the terms and conditions of a Community Workforce Agreement (CWA) to include local hire and business assistance requirements for five major capital projects, including the H-UCLA MC Replacement Program. On November 12, 2019, the Board approved the CEO to sign the CWA. The D-B and subcontractors will be subject to the CWA for all construction work.

A standard D-B agreement will be used that contains terms and conditions supporting the Board's ordinance and policies including, but not limited to: Child Support Compliance Program, Contractor Responsibility and Debarment, Contractor Employee Jury Service Program, Defaulted Property Tax Reduction Program, County's Greater Avenues for Independence and General Relief Opportunities for Work Policies, Reporting of Improper Solicitations, Contract Language to Assist in Placement of Displaced County Workers, and Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law).

ENVIRONMENTAL DOCUMENTATION

On December 20, 2016, the Board, acting as lead agency under the California Environmental Quality Act, certified the Final EIR for the H-UCLA MC Campus Master Plan as a guiding document, approved the plan, and adopted the Mitigation Monitoring and Reporting Program and the Environmental Findings of Fact and Statement of Overriding Considerations (Enclosure C) that continues to apply. Also, on December 21, 2016, Public Works filed a Notice of Determination with the Registrar-Recorder/County Clerk.

On November 10, 2020, the Board approved an Addendum, which analyzed the effects of the changes and reduction in development for the H-UCLA MC Campus Master Plan, including a slight increase in parking count and adjustments to the campus circulation and buildings layout. Also, on November 10, 2020, the Board approved an Addendum for the Medicine Substation Revision, which analyzed the change in location and scope of the new Southern California Edison substation.

The recommended actions related to the H-UCLA MC Replacement Program are within the scope of the impacts and analyzed in the previously certified Final EIR, the previously certified EIR Addenda, and the EIR Addendum proposed for certification herein for the H-UCLA MC Campus Master Plan. The current EIR Addendum (Enclosure D) evaluated modifications to the H-UCLA MC Campus Master Plan since the EIR and subsequent Addenda were certified, which included a revised site plan and schedule for the H-UCLA MC Replacement Program based on the selected D-Bs proposed design concept.

An Addendum to a previously certified EIR shall be prepared if some changes or additions to the EIR are necessary but none of the conditions described in Section 15162 calling for Subsequent EIR have occurred. There are no changes to the project or to the circumstances under which the project is undertaken that require further review under California Environmental Quality Act.

The Mitigation Monitoring and Reporting Program and Findings of Fact and Statement of Overriding Consideration, which were adopted at the time of certification of the Final EIR will continue to apply. The required fee to the California Department of Fish and Wildlife was paid for the previously certified Final EIR.

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 with Public Works, Project Management Division I, 900 South Fremont Avenue, 5th Floor, Alhambra, California 91803. The Addendum and Final EIR are available and can be viewed online at https://ftp.pw.lacounty.gov:8443/pub/pmd/HUCLA_DB/.

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 and will post the Notice of Determination to the Public Works website pursuant to Section 21092.2.

CONTRACTING PROCESS

Stipulated Sum Design-Build Agreement

The stipulated sum D-B procurement was conducted in accordance with the D-B policy adopted by the Board on June 4, 2016, and pursuant to the requirements of the Public Contract Code Section 22164.

On February 8, 2021, Public Works issued a Request for Proposal (RFP) for stipulated sum D-B services. The Statement of Qualifications was advertised on the County's "Doing Business with the County" and "Do Business with Public Works Contract Opportunities" websites and on Los Angeles Daily Journal, Los Angeles Sentinel, La Opinion, Press Telegram, Santa Monica Daily Press, Daily Breeze, The Signal, Watts Times, Malibu Times, and Pasadena Star News newspapers. Also, Public Works informed 1,644 local small business enterprises; 189 disabled veteran-owned business enterprises; and 188 social enterprises about this business opportunity. A total of two firms submitted proposals in response to the RFP.

On May 11, 2021, two prequalification questionnaires were received and reviewed by an Evaluation Committee comprised of members from Public Works, DHS, and the CEO. Based on the review and evaluation, both firms were determined to be prequalified, shortlisted, and invited to submit stipulated sum technical proposals for H-UCLA MC Replacement Program.

On November 15, 2021, McCarthy-Clark JV and Hensel Phelps submitted stipulated sum technical proposals for evaluation. Upon analysis of the proposals, on November 24, 2021, Public Works found that McCarthy-Clark JV's proposal, was nonresponsive to the requirements of the RFP for failure to meet the stipulated sum and McCarthy-Clark JV was disqualified from further consideration. While McCarthy-Clark JV's proposal was determined to be nonresponsive, it contains design elements that the County may consider including in the final design development process. The RFP permits the County to pay the stipend in the amount of \$1,000,000 to any unsuccessful proposer for the ownership and right to utilize all information, design, drawings, specifications, and any other material submitted within the proposer's proposal.

The Evaluation Committee evaluated Hensel Phelps' proposal and determined that it met all the requirements in the RFP and, thus, found Hensel Phelps to be the responsive and responsible proposer that submitted the most qualified, stipulated sum technical proposal to the County for design and construction services. The Evaluation Committee evaluated proposer's team's performance history, personnel, proposed work plan and schedule, life cycle cost analysis, conceptual plans, workforce commitment, community business enterprise and small/disabled veteran business/social enterprise good faith effort plan, and the proposer's agreement to the project cost stipulated by the County. Additionally, the Evaluation Committee evaluated the proposer's Proprietary Interactive Meetings. The evaluation was completed without regard to race, creed, color, or gender. Hensel Phelps Community Business Enterprises participation data and three-year contracting history with the County are on file with Public Works.

RBB Supplemental Agreement

On May 16, 2017, the Board authorized Public Works to enter into an architect/engineer (A/E) agreement with RBB to provide campuswide A/E services for the H-UCLA MC Replacement Program for a \$4,000,000 not-to-exceed amount. On September 10, 2018, Public Works executed Supplemental Agreement 1 for a \$75,000 not-to-exceed amount to investigate the feasibility of relocating a flood control storm drain to connect the basement of the proposed inpatient tower to the existing surgery emergency building. On November 20, 2018, the Board approved Supplemental Agreement 2 for a \$39,000,000 not-to-exceed amount to provide additional campuswide A/E services, such as scoping documents, design services, which included preparation of plans and specifications, jurisdictional agency review and approval, technical review, and construction administration support services.

We are recommending approval of Supplemental Agreement 3 with RBB for a \$7,925,000 not-to-exceed amount to provide a continuation of campuswide A/E services for scoping documents package and preparation of full design packages. Approval of Supplemental Agreement 3 will increase the total amount of Contract PW-15083 by \$7,925,000, from \$43,075,000, to a not-to-exceed Contract amount of \$51,000,000. Public Works has reviewed the proposal, and it is considered reasonable for the scope of work.

AECOM Joint Venture Supplemental Agreement

On December 19, 2017, the Board authorized Public Works to enter into a consultant services agreement with AECOM JV to provide project/construction management support services for the preplanning of the H-UCLA MC Replacement Program for a \$1,000,000 not-to-exceed amount. On November 20, 2018, the Board approved Supplemental Agreement 1 with AECOM JV for a \$10,500,000 not-to-exceed amount to provide, but not limited to, project/construction management services, site coordination, field investigations, planning efforts, and commissioning consultant services as required for all phases of the project needs.

We are recommending approval of Supplemental Agreement 2 with AECOM JV for a \$48,500,000 not-to-exceed amount to provide a continuation of these services. Approval of Supplemental Agreement 2 will increase the total amount of Contract PW-15142 by \$48,500,000 from \$11,500,000 to a not-to-exceed Contract amount of \$60,000,000. Public Works has reviewed the proposal, and it is considered reasonable for the scope of work.

Controls Partners Joint Venture Supplemental Agreement

On December 19, 2017, the Board authorized Public Works to enter into a consultant services agreement with Controls Partners JV to provide project controls services for the preplanning of the H-UCLA MC Replacement Program for a \$500,000 not-to-exceed amount. On November 20, 2018, the Board approved Supplemental Agreement 1 with a Controls Partners JV for a \$7,000,000 not-to-exceed amount to continue to provide, but not limited to, project controls services, scheduling, estimating, office support, field investigations, and planning efforts as required for all phases of the project needs.

We are recommending approval of Supplemental Agreement 2 with Controls Partners JV for a \$25,500,000 not-to-exceed amount to provide a continuation of these services. Approval of Supplemental Agreement 2 will increase the total amount of Contract PW-15144 by \$25,500,000 from \$7,500,000 to a not-to-exceed Contract amount of \$33,000,000. Public Works has reviewed the proposal, and it is considered reasonable for the scope of work.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

H-UCLA MC will remain fully operational to provide emergency, inpatient, and outpatient services throughout the duration of the construction of the H-UCLA MC Replacement Program. Detailed logistical plans will be developed once the selected D-B is under contract.

A move management plan was completed for the initial demolition phase when H-UCLA MC staff vacated the various barrack buildings. With the early start of the Inpatient Building Replacement Project, plans are being developed to address DHS and DMH occupants in the existing buildings that are in the footprint of the proposed new Inpatient Tower. The relocation plan has been completed for the occupants of the impacted buildings include hospital administrative programs, such as physician offices and Information Technology staff.

H-UCLA MC staff and Public Works will provide advance notifications and temporary signage to guide patients, visitors, and staff of changes to building and campus access due to the construction. A detailed parking plan has been developed to accommodate the impact of construction.

CONCLUSION

The Honorable Board of Supervisors
February 8, 2022
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Please return one adopted copy of this letter to Public Works, Project Management Division I.

Respectfully submitted,

MARK PESTRELLA, PE
Director of Public Works

MP:LR:jc

Enclosures

c: Department of Arts and Culture
Auditor-Controller
Chief Executive Office
County Counsel
Executive Office
Department of Health Services
Department of Mental Health

BOARD LETTER/MEMO CLUSTER FACT SHEET

 Board Letter

 Board Memo

 Other

CLUSTER AGENDA REVIEW DATE	1/19/2022	
BOARD MEETING DATE	2/8/2022	
SUPERVISORIAL DISTRICT AFFECTED	<input type="checkbox"/> All <input type="checkbox"/> 1 st <input checked="" type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd <input type="checkbox"/> 4 th <input type="checkbox"/> 5 th	
DEPARTMENT(S)	Department of Health Services	
SUBJECT	Harbor-UCLA Medical Center Computed Tomography Scan Room Remodeling Project	
PROGRAM	Capital Projects Program	
AUTHORIZES DELEGATED AUTHORITY TO DEPT	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
SOLE SOURCE CONTRACT	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	If Yes, please explain why:	
DEADLINES/ TIME CONSTRAINTS	N/A	
COST & FUNDING	Total cost: \$1,475,000	Funding source: Department of Health Services' FY 2021-22 Budget
	TERMS (if applicable):	
	Explanation: There is sufficient appropriation in the project's Fiscal Year 2021-22 budget to fund the projected Fiscal Year 2021-22 expenditures for the H-UCLA CT Scan Room Remodeling Project, Capital Project No. 87704. DHS will provide funding in the future budget phases, as needed, to fully fund the remaining project budget.	
PURPOSE OF REQUEST		
BACKGROUND (include internal/external issues that may exist including any related motions)	The existing CT scanners at H-UCLA MC are approximately 14 years old and in need of replacement. The scanners have exceeded their end-of-support date from the manufacturer in addition to producing sub-optimal image quality. The scanner on the 1st floor is currently non-operational due to a major water leak above the unit. Due to the age of the equipment, the cost to repair the current equipment is prohibitive. As a result, the hospital is using the remaining scanner, located in the basement, to complete all examinations. The CT scanners are being used to diagnose and determine the severity of a variety of diseases, including many types of cancers, heart disease, gastrointestinal, endocrine, neurological disorders, and other abnormalities within the body as well as perform interventional radiology procedures. Since one scanner is non-functional, completion of the proposed project has become critical to daily hospital operations and has caused noticeable patient care service delays.	
EQUITY INDEX OR LENS WAS UTILIZED	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:	
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how:	
DEPARTMENTAL CONTACTS	Name, Title, Phone # & Email: - Thomas DeSantis, (323) 267-3467, TDesantis@isd.lacounty.gov	



County of Los Angeles
INTERNAL SERVICES DEPARTMENT

1100 North Eastern Avenue
Los Angeles, California 90063

SELWYN HOLLINS
Director

Telephone: (323) 267-2101
FAX: (323) 264-7135

"Trusted Partner and Provider of Choice"

February 8, 2022

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

Dear Supervisors:

**DEPARTMENT OF HEALTH SERVICES
HARBOR-UCLA MEDICAL CENTER
COMPUTED TOMOGRAPHY SCAN ROOM REMODELING PROJECT
CAPITAL PROJECT NO. 87704
APPROVE PROJECT BUDGET
AND USE OF JOB ORDER CONTRACT
(SUPERVISORIAL DISTRICT 2)
FISCAL YEAR 2021-22
(3 VOTES)**

SUBJECT

The Internal Services Department is seeking Board approval of the project budget for the Harbor-UCLA Medical Center Computed Tomography Scan Room Remodeling Project and authorization to use a Board-approved Job Order Contract to deliver the proposed project.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the proposed Harbor-UCLA Medical Center Computed Tomography Scan Room Remodeling Project and related actions are within the scope of the previous exemption finding for the previously approved project by the reasons stated in this letter and in the record of the project.
2. Approve the project budget of \$1,475,000 for the Harbor-UCLA Medical Center Computed Tomography Scan Room Remodeling Project, Capital Project No. 87704.

3. Authorize the Director of the Internal Services Department, or designee, to deliver the Harbor-UCLA Medical Center Computed Tomography Scan Room Remodeling Project using a Board-approved Job Order Contract.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommendations will find the previously approved Harbor-UCLA Medical Center (H-UCLA MC) Computed Tomography (CT) Scan Room Remodeling Project (project) and related actions are within the scope of the previous exemption finding by the Board under the California Environmental Quality Act (CEQA), approve the project budget, authorize the Internal Services Department (ISD) to deliver the proposed project using a Board-approved Job Order Contract (JOC) and authorize the issuance of Work Orders.

As a result of a 2013 Department of Health Services (DHS) report to the Board, DHS has established a \$10,000,000 annual revolving fund to purchase and install new medical equipment, including the remodeling work required to accommodate the equipment.

On June 4, 2019, the Board also approved the acquisition of Siemens SOMATOM Edge Plus Computed Tomography (CT) Scanners and SOMATON Force CT Scanners for the H-UCLA MC in the amount of \$3,378,000.

On August 4, 2020, the Board established and approved the H-UCLA MC CT Scan Room Remodeling Project, Capital Project No. 87704.

The previously approved project will remodel two rooms that house existing CT scanner units and the corresponding control rooms servicing the H-UCLA MC located at 1000 West Carson Street in the City of Torrance.

The existing CT scanners at H-UCLA MC are approximately 14 years old and in need of replacement. The scanners have exceeded their end-of-support date from the manufacturer in addition to producing sub-optimal image quality. The scanner on the 1st floor is currently non-operational due to a major water leak above the unit. Due to the age of the equipment, the cost to repair the current equipment is prohibitive. As a result, the hospital is using the remaining scanner, located in the basement, to complete all examinations. The CT scanners are being used to diagnose and determine the severity of a variety of diseases, including many types of cancers, heart disease, gastrointestinal, endocrine, neurological disorders, and other abnormalities within the body as well as perform interventional radiology procedures. Since one scanner is non-functional, completion of the proposed project has become critical to daily hospital operations and has caused noticeable patient care service delays.

The scope of work continues to include the following: remodel of the structural supports to meet current seismic code requirements; replacement of existing cabinetry, countertops, doors and drawers, and site entry doors to meet accessibility guidelines; abatement of flooring mastic and installation of new flooring; installation of light emitting diode (LED) fixtures, power supply, and cooling system to replace existing equipment. The scope of work also includes the installation of the CT scanners which is to be

performed by the vendor. The remodeled rooms will meet current accessibility and seismic code requirements.

The design was completed using a Board-approved, as-needed architect/engineer. Upon Board approval of the recommended actions, ISD will deliver the project using a Board-approved JOC.

The expected construction duration is approximately 10 months.

Implementation of Strategic Plan Goals

The County Strategic Plan directs the provisions of Goal II. Foster Vibrant and Resilient Communities, Strategy II.2 – Support the Wellness of our Communities, and Goal III. Realize Tomorrow’s Government Today, Strategy III.3 - Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability, Objective III.3.2 Manage and Maximize County Assets. The recommendations support the Strategic Plan by supporting the wellness of our communities, enhancing the delivery of comprehensive and seamless healthcare services to the residents of the County seeking healthcare assistance, and improving the operational effectiveness of an existing County asset.

FISCAL IMPACT/FINANCING

The total project budget for the H-UCLA CT Scan Room Remodeling Project is \$1,475,000 (Enclosure A), which includes design, construction, change order allowance, inspection/testing, civic art fee, and ISD county services.

There is sufficient appropriation in the project's Fiscal Year 2021-22 budget to fund the projected Fiscal Year 2021-22 expenditures for the H-UCLA CT Scan Room Remodeling Project, Capital Project No. 87704. Department of Health Services will provide funding in the future budget phases, as needed, to fully fund the remaining project budget.

Operating Budget Impact

The scope of work consists of remodeling and refurbishments made to an existing space. Therefore, following the completion of the proposed project, ISD and DHS do not anticipate any one-time start-up or additional ongoing costs as a result of the proposed project. There is no net County cost impact associated with the recommended actions.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In accordance with the Board’s Local and Targeted Worker Hire Policy, updated on June 11, 2019, the proposed project will include a best efforts Local Worker hiring goal of at least thirty percent (30%). The “Targeted Worker” component will not be included as part of the proposed project.

In accordance with the Board’s Civic Art Policy, adopted on December 7, 2004, and last amended on August 4, 2020, the proposed project budget includes one percent (1%) of eligible design and construction costs, in the amount of \$9,000, to be allocated to the Civic Art Fund.

ENVIRONMENTAL DOCUMENTATION

The proposed project and related actions are within the scope of the previous exemption findings made by the Board when the project was approved on August 4, 2020. The scope of work consists of the remodeling of existing features and the installation of the CT scanners. Therefore, the project continues to be within certain classes of projects that have been determined not to have a significant effect on the environment in that it will meet the criteria set forth in Sections 15031(a) and (f); 15302(c), and 15303 of the State CEQA Guidelines and Classes 1(d) and (i), 2(e), and 3 of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G. There have been no changes to the project or the circumstances under which it will be undertaken.

Upon the Board's approval of the proposed project, ISD 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 proposed project will be delivered using an ISD Board-approved JOC for the remodeling component. The standard Board-directed clauses, including those that provide for contract termination and hiring qualified displaced county employees, are included in all JOCs.

The JOC contractor who will perform the work is required to fully comply with applicable legal requirements, which among other things, include Chapters 2.200 (Child Support Compliance Program) and 2.203 (Contractor Employee Jury Service Program) of the Los Angeles County Code, and Section 1774 of the California Labor Code pertaining to payment of prevailing wages.

For this Project, ISD has made the determination that the use of a JOC is the most appropriate contracting method to perform the tasks involved. Specifically, to the extent the project entails repair, remodeling, refurbishment, or alteration, and the cost of such project exceeds \$50,000, such project would have to be performed via a competitively-procured construction contract, such as a JOC, not by county employees, due to the "Force Account" limitations set forth in the Public Contract Code.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The medical center's imaging services center will remain operational during the proposed remodeling work. During the performance of the work, the services impacted as a result of the project will be minimized by expediting the remodeling/installation work and scheduling patient appointments to other radiology units on site.

Failure to replace the current CT equipment will leave the hospital with only one functional CT machine for outpatient services and will impact the ability to meet patient care needs. This will result in timely delays to have imaging studies and interventional procedures completed, which will ultimately be detrimental to the hospital's ability to provide care.

CONCLUSION

Please return one adopted copy of the board letter to the following: ISD Operations Service, the Chief Executive Office – Capital Programs Division, and DHS.

Respectfully submitted,

Selwyn Hollins
Director

SH:ME:TR:sy

Enclosures

C: Executive Office, Board of Supervisors
Chief Executive Officer
County Counsel
Arts Commission
Department of Health Services

DRAFT

PROJECT INFORMATION SHEET SCHEDULE AND BUDGET SUMMARY

PROJECT :	DHS - Harbor-UCLA CT Scan Room Remodeling Project
CAPITAL PROJECT NO. :	87704

I. PROJECT SCHEDULE	
Project Activity	Scheduled Completion Date
Complete Construction Documents	4 months following Board approval
Jurisdictional Approval	8 months following Board approval
Award Construction Contract	10 months following Board approval
Substantial Completion	18 months following Board approval
Project Acceptance	20 months following Board approval

II. BUDGET SUMMARY	
Budget Category	Proposed Budget
Design	\$ 201,000
Construction	\$ 700,000
Change Order Allowance	\$ 140,000
Inspection/Testing	\$ 85,000
Civic Art Fee	\$ 9,000
County Services	\$ 340,000
Total Project Budget	\$ 1,475,000