



WILLIAM T FUJIOKA
Chief Executive Officer

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>

March 2, 2010

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:
ESTABLISH CAPITAL PROJECT NO. 86974
APPROVE RELATED ACTIONS NEEDED TO REFURBISH AND
CONSOLIDATE PSYCHIATRIC INPATIENT SERVICES AT THE
AUGUSTUS F. HAWKINS COMPREHENSIVE MENTAL HEALTH CENTER
LOCATED AT THE MARTIN LUTHER KING, JR. MEDICAL CAMPUS
(SECOND DISTRICT) (3 VOTES)**

SUBJECT

Establish Capital Project No. 86974, approve the project budget, appropriation adjustment, and supplemental agreements for Phase II of the Augustus F. Hawkins Comprehensive Mental Health Center Psychiatric Inpatient Unit Refurbishment Project.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that this project is categorically exempt from the California Environmental Quality Act for the reasons stated herein and in the record of the project.
2. Establish Capital Project No. 86974 for Phase II of the Augustus F. Hawkins Comprehensive Mental Health Center Psychiatric Inpatient Unit Refurbishment Project and approve the project budget in the amount of \$3,573,000.
3. Approve the appropriation adjustment to reallocate funding in the amount of \$930,000 from Capital Project No. 86937 (Various Health Facilities) to Capital Project No. 86974 to supplement current appropriation and fully fund Phase II of the Augustus F. Hawkins Comprehensive Mental Health Center Psychiatric Inpatient Unit Refurbishment Project in the amount of \$3,573,000.

"To Enrich Lives Through Effective And Caring Service"

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Intra-County Correspondence Sent Electronically Only**

Board of Supervisors

GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

4. Authorize the Director of Public Works to execute Supplemental Agreement 11 to Contract PW-12826 with HMC Architects, for a not-to-exceed fee of \$18,000 to provide construction administration services for the utilities infrastructure replacement work within Ward E.
5. Authorize the Director of Public Works to execute Supplemental Agreement 5 to Contract PW-12827 with Stephen Wen and Associates, Architects, for a not-to-exceed fee of \$238,000 to provide architectural/engineering services for the renovation work within Ward G and related adjacent areas.
6. Authorize the termination of the lease agreement with Success HealthCare 1, L.L.C, owner and operator of City of Angels Ingleside Hospital, in the City of Rosemead, California, in order to relocate and consolidate psychiatric inpatient services to the Augustus F. Hawkins Comprehensive Mental Health Center.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

The purpose of the recommended actions is to find the project exempt under the California Environmental Quality Act (CEQA) and authorize the Department of Public Works (Public Works) to complete improvements within psychiatric inpatient Wards E and G, at the Augustus F. Hawkins Comprehensive Mental Health Center (Hawkins) and other support space within the first and second floors at Hawkins, to address regulatory compliance and patient safety requirements for psychiatric inpatient care. The psychiatric inpatient services are delivered under the hospital license of the LAC+USC Medical Center.

Completion of this project will also allow the Department of Health Services (DHS) to terminate the lease with Success HealthCare 1, LLC and relocate existing psychiatric inpatient services from Silver Lake Medical Center, Ingleside Campus (Ingleside), a leased facility, where State Licensing and the Joint Commission have identified numerous patient life-safety deficiencies, to the County-owned Hawkins building located at the Martin Luther King, Jr. Multi Ambulatory Care Center (MLK).

On January 18, 2005, your Board approved Phase I of the Hawkins Psychiatric Inpatient Unit Refurbishment project to address regulatory compliance and patient safety issues. That project addressed all psychiatric units within Hawkins with the exception of Ward E, which was then occupied by Charles Drew University of Medicine and Science (Drew), and Ward G which is currently occupied by the Department of Mental Health (DMH). Drew subsequently vacated Ward E and other associated areas in late November 2009, and DMH psychiatric outpatient and urgent care services will be relocated from Ward G to other areas within the Hawkins Building.

The proposed renovation in Wards E and G will include replacement of suspended ceilings with hard ceilings, installation of appropriate hardware and fixtures, renovation of restrooms to meet ADA requirements, fire alarm modifications, flooring, painting, millwork and telecommunication improvements. In addition, utilities infrastructure, such as waste and hot water lines, within Ward E will be replaced and seismically upgraded. The utilities infrastructure within Ward G was replaced under a previous, Board-approved capital project.

This project will also include necessary improvements on the first and second floors of Hawkins in order to relocate and consolidate existing psychiatric outpatient and urgent care services managed by DMH and administrative office support space for LAC+USC staff. Renovation work is expected to be completed through the use of Board-approved Public Works' Job Order Contracts (JOC).

The LAC+USC Medical Center license is currently budgeted for 71 psychiatric inpatient beds with a current average daily census (ADC) of 65, including 41 beds at Hawkins and 24 beds at Ingleside. Upon completion of Ward E, a total of 62 beds will be available at Hawkins and five additional beds will be available upon completion of Ward G, bringing the total to 67, thus allowing sufficient bed capacity for the closure of the remaining beds at Ingleside. LAC+USC's bed capacity will be temporarily reduced by three beds after the move from Ingleside to Wards D and E, until such time that the renovation of Ward G is complete. DHS believes that the short-term reduction of three beds during this time outweighs the risks and costs associated with continuing services at Ingleside. Attachment II outlines the current and proposed bed allocation as a result of this project.

The lease agreement for space at Ingleside will be cancelled and current services will be transferred to Hawkins following completion of the renovation work in Ward E, scheduled for September 2010. Current lease costs at Ingleside are \$140,425 monthly and \$1,685,100 annually, which include supporting services, such as dietary, housekeeping, laundry, and facilities support. Based on the current lease agreement with Ingleside, an early termination fee will be assessed, and paid to Ingleside, in an amount estimated at approximately \$135,000.

Sustainable Design Program

The project will include sustainable design features by replacing the electrical lighting system to optimize energy efficiency, and use of recycled and low-emitting materials. Material and resources will be conserved by maintaining interior walls and by reusing furnishings, where feasible.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommended actions support Operational Effectiveness (Goal 1) and Health and Mental Health (Goal 4) of the County's updated Strategic Plan by ensuring reliable availability of medical services to the community.

FISCAL IMPACT/FINANCING

The estimated project cost of \$3,573,000 includes design, construction, permitting, inspection, project management, civic art and other County costs. The attached appropriation adjustment (Attachment I) will reallocate \$930,000 from Capital Project No. 86937 (Health Services Various Refurbishments) to Capital Project No. 86974, which currently has an appropriation of \$2,643,000, to fully fund project costs.

There is sufficient funding in the Fiscal Year (FY) 2009-10 Capital Projects/Refurbishments Budget to fund these actions. The project is funded by prior year net County cost from DHS' operating budget. The proposed project budget summary and schedules are included in Attachment III.

Operating Budget Impact

Upon completion of renovation work in Ward E and consolidation of psychiatric inpatient services to Hawkins, LAC+USC will achieve an estimated net annual operating budget savings of \$1.2 million from the cancellation of the Ingleside lease agreement offset with increased support costs that were previously included in the lease such as dietary, housekeeping, laundry, and facilities support services. The annual savings will be reduced by a one-time early termination penalty of \$135,000 (\$5,000 per month for 27 months) that is included in the lease agreement.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Standard agreements in the form previously approved by County Counsel will be used. The agreement includes the standard Board-directed clauses that provide for contract termination, renegotiation, hiring qualified displaced County employees, and consideration for Greater Avenues for Independence (GAIN) and General Relief Opportunities for Work (GROW) program participants for future employment.

The agreements also require contractors and consultants to show full compliance with Los Angeles County Code Chapter 2.200 (Child Support Compliance Program), Chapter 2.203 (Contractor Employee Jury Service Program), and Board Policy 5.135 (Safely Surrender Baby Law).

In accordance with the Civic Art Policy, one percent of eligible design and construction costs in the amount of \$29,560 will be contributed to the Civic Art Program for incorporation of civic art into capital projects.

ENVIRONMENTAL DOCUMENTATION

This project is categorically exempt from the California Environmental Quality Act (CEQA). The project, including the replacement, renovation and upgrade of psychiatric facilities located at the existing Hawkins facility at MLK, and the termination of the lease agreement with Success HealthCare 1, L.L.C is within a class of projects that have been determined not to have a significant effect on the environment in that it meets the criteria set forth in Section 15301, Sections (a), (d), (f) and (l) and Section 15302, Section (c) of the State CEQA Guidelines and Class 1, Paragraphs (c) and (d), and Class 2 (e) of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987 because the project consists of repair and minor alteration of structures and facilities, and/or rehabilitation of deteriorated structures and facilities to meet current standards of public health and safety, which involves negligible or no expansion of an existing use. Additionally, the Hawkins facility will continue to have the same purpose and capacity as it currently has.

Upon your Board's approval of the project, Public Works will file a Notice of Exemption with the County Clerk in accordance with Section 15062 of the State CEQA Guidelines.

CONTRACTING PROCESS

On January 18, 2005, your Board authorized Public Works, after compliance with applicable laws governing contract solicitation and award, to enter into an agreement for the design of the Psychiatric Inpatient Units Refurbishment project and the utilities infrastructure replacement work related to the project at MLK, Capital Project 86772. On January 25, 2005, the Evaluation Committee selected Stephen Wen and Associates, Architects (SWA), and HMC Architects (HMC) as being the best-qualified firms to perform the requested services. On January 31, 2005, contracts were executed under delegated authority to SWA and HMC.

SWA Contract PW-12827

SWA's contract agreement, basic contract and Supplemental Agreements 1 through 4, is for a not-to-exceed amount of \$531,735. We are recommending approval of a Supplemental Agreement 5 with SWA, for a not-to-exceed fee of \$238,000, to provide construction administration services for Ward E, and to prepare plans and specifications, obtain jurisdictional agency approval, and provide construction administration for Ward G and related adjacent areas. Approval of Supplemental

Agreement 5 will increase the total amount of Contract PW-12827 to \$769,735. The scope of work encompassed by this supplemental agreement is within the scope of the Request for Proposal.

HMC Contract PW-12826

A contract was executed with HMC under delegated authority, to provide field investigation, programming, and scope definition study for the Perioperative Renovation project. On August 18, 2005, under Supplemental Agreement 8, HMC's contract was supplemented to include the design, jurisdictional agency approval, and construction administration support services for the utilities infrastructure replacement work related to Phase I of the Psychiatric Inpatient Units Refurbishment project. HMC's contract agreement, basic contract and Supplemental Agreements 1 through 10, is for a not-to-exceed amount of \$3,324,065.

We are recommending approval of Supplemental Agreement 11 with HMC, for a not-to-exceed fee of \$18,000, to provide construction administration support services for Ward E for the design previously completed under Phase I of the Psychiatric Inpatient Unit Refurbishment project. Approval of Supplemental Agreement 11 will increase the total amount of Contract PW-12826 to \$3,342,065.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of these Board actions will allow DHS to relocate existing psychiatric inpatient services from Ingleside to Hawkins, thus, improving patient safety and enhance operational efficiency through consolidation of services to a single site. Existing psychiatric services at Hawkins will not be adversely impacted while the refurbishment work is performed.

The Honorable Board of Supervisors
March 2, 2010
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CONCLUSION

Upon approval of the recommendation, please forward an adopted copy of the Board letter to the Chief Executive Office, Capital Projects Division, and the Department of Health Services.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF:JS:SK
DJT:SW:zu

Attachments (3)

- c: Executive Office, Board of Supervisors
 - Arts Commission
 - County Counsel
 - Department of Public Works
 - Department of Mental Health
 - Department of Health Services, Capital Projects Division

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPARTMENT OF CHIEF EXECUTIVE OFFICE

DEPT'S.
NO. 600

March 2, 2010

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 HIS RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFOR

FY 2009-10

3 - VOTES

SOURCESUSES

CAPITAL PROJECTS/REFURBISHMENTS
HEALTH SERVICES
VARIOUS HEALTH IMPROVEMENTS
CAPITAL ASSETS - BUILDINGS AND IMPROVEMENTS
A01-CP-6014-65036-86937
DECREASE APPROPRIATION

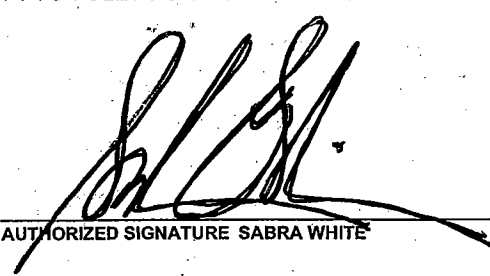
CAPITAL PROJECTS/REFURBISHMENTS
HEALTH SERVICES
HAWKINS PSYCH IMPROVEMENTS PHASE II
CAPITAL ASSETS - BUILDING AND IMPROVEMENTS
A01-CP-6014-65036-86974
INCREASE APPROPRIATION

SOURCES TOTAL: \$ 930,000

USES TOTAL: \$ 930,000

JUSTIFICATION

REALLOCATION OF APPROPRIATION FROM C.P. 86937 TO C.P. 86974 TO FULLY FUND THE HAWKINS PSYCHIATRIC UNIT PHASE II REFURBISHMENTS.


 AUTHORIZED SIGNATURE SABRA WHITE

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

REFERRED TO THE CHIEF
EXECUTIVE OFFICER FOR ---☐ ACTION☒ RECOMMENDATION

AUDITOR-CONTROLLER

B.A. NO. 154

BY

Karin Jukema

Feb 17

20 10

☒ APPROVED AS REQUESTED☐ APPROVED AS REVISED

CHIEF EXECUTIVE OFFICER

BY

J. Kibbawg

Feb 18

20 10

CONSOLIDATION OF INPATIENT PSYCHIATRIC SERVICES AT HAWKINS

	Current Beds	Proposed Beds
Hawkins Ward A	11	11
Ward B*	10	12
Ward C	10	10
Ward D*	0	11
Ward E*	0	8
Ward F	10	10
Ward G	0	5
Ingleside	24	0
Total Beds	65	67

Notes: * Will be fully utilized when the physician residence program is moved from Ingleside.

**PHASE II AUGUSTUS F. HAWKINS
COMPREHENSIVE MENTAL HEALTH CENTER
PSYCHIATRIC INPATIENT UNIT REFURBISHMENT PROJECT**

I. PROJECT BUDGET SUMMARY

Budget Category		Project Budget
Plans and Specifications		\$256,000
Jurisdictional Reviews		\$45,000
Construction		\$2,700,000
OACC		\$16,000
Civic Art		29,560
County Services		\$526,440
Total		\$3,573,000

II. PROJECT SCHEDULE – WARD E

Project Activity		Scheduled Completion Date
Construction Documents		Completed
Jurisdictional Approvals		Completed
Award Construction Contract		04/01/2010
Construction Substantial Completion		08/31/2010
Acceptance of Project		09/30/2010

III. PROJECT SCHEDULE – WARD G

Project Activity		Scheduled Completion Date
Construction Documents		08/04/2010
Jurisdictional Approvals		02/04/2011
Award Construction Contract		03/01/2011
Construction Substantial Completion		08/04/2011
Acceptance of Project		09/05/2011