

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

48 March 19, 2024



MARK PESTRELLA, Director

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

"To Enrich Lives Through Effective and Caring Service"

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A handwritten signature in black ink, appearing to read "Jeff Levinson".

JEFF LEVINSON
INTERIM EXECUTIVE OFFICER

ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

IN REPLY PLEASE
REFER TO FILE

March 19, 2024

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-RELATED CONTRACT
CONSTRUCTION MANAGEMENT CORE SERVICE AREA
CIVIC CENTER CENTRAL PLANT
BOILERS AND CHILLERS REPLACEMENT PROJECT
APPROVE REVISED PROJECT BUDGET
APPROVE INCREASED AUTHORIZATION FOR EQUIPMENT PROCUREMENT
SPECS. 7842; CAPITAL PROJECT NO. 87735
(FISCAL YEAR 2023-24)
(SUPERVISORIAL DISTRICT 1)
(3 VOTES)**

SUBJECT

Public Works is seeking Board approval of the revised project budget and increased authorization for the Internal Services Department to procure long-lead mechanical and electrical equipment for the Civic Center Central Plant Boilers and Chillers Replacement Project.

IT IS RECOMMENDED THAT THE BOARD:

1. Find the recommended actions are within the scope of the previous exemption under the California Environmental Quality Act for the approved Civic Center Central Plant Boilers and Chillers Replacement Project for the reasons stated in this Board letter and in the record of the approved project.
2. Approve the revised project budget of \$96,100,000, an increase of \$50,000,000 from the previous Board-approved budget of \$46,100,000 for the Civic Center Central Plant Boiler and Chillers Replacement Project, Capital Project No. 87735.

3. Approve the increased authorization of \$36,000,000 for the Internal Services Department, as the County's Purchasing Agent, to carry out the procurement and acquisition of long-lead mechanical and electrical equipment for the Civic Center Central Plant Boiler and Chillers Replacement Project.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will find they are within the scope of the previous finding of exemption under the California Environmental Quality Act (CEQA); approve the revised project budget; and approve the increased authorization for the Internal Services Department (ISD) to procure the long-lead mechanical and electrical equipment for the Civic Center Central Plant Boilers and Chillers Replacement Project.

Project Background and Description

The Central Plant was built in the 1950s and supplies chilled water and steam for the heating, ventilation, and air conditioning systems of 11 buildings in the downtown Los Angeles Civic Center area, including the Hall of Administration, Hall of Records, Hall of Justice, Stanley Mosk Courthouse, Clara Shortridge Foltz Courthouse, County Law Library, Dorothy Chandler Pavilion, Mark Taper Forum, Ahmanson Theater, Walt Disney Concert Hall, and the Cathedral of Our Lady of the Angels. The original boilers were noncompliant with current South Coast Air Quality Management District (SCAQMD) clean air emissions standards, and the steam driven refrigeration chillers were passed their useful service life. The Central Plant also houses the cogeneration power plant and associated infrastructure that is no longer in use and needed to be demolished and removed to make space for the needed facility improvements to meet modern-day efficiency and environmental compliance requirements.

On November 16, 2021, the Board approved the project with an initial budget of \$24,900,000 for demolition and make-ready work and authorized Public Works to carry out design through a Board-approved on call architect/engineer agreement and construction of the make-ready work using Board-approved Job Order Contracts (JOCs). This initial phase involves limited design, demolition, and construction activities to address SCAQMD compliance requirements and make-ready work to support the proposed improvements to the Central Plant. The work includes installation of two replacement chillers and three replacement boilers and associated piping that will allow the Central Plant to comply with SCAQMD emissions standards, demolition, and removal of the existing nonfunctioning cogeneration system, and upgrading the two main electrical services to the Central Plant. The replacement chillers and boilers were completed in September 2023 and met the SCAQMD deadline, and the remaining make ready work is ongoing and will be completed by October 2024. The Central Plant improvements will help provide improved thermal comfort cooling and heating for buildings in the downtown Civic Center area that provide services to all County residents and visitors to the area.

On January 10, 2023, the Board approved the revised project budget of \$46,100,000 for the demolition and make-ready work; awarded a project-specific architect/engineer design services agreement for a not to exceed contract amount of \$6,100,000 to Perkins Eastman Architects for the approved project; and authorized ISD, as the County's Purchasing Agent, to carry out the procurement of the long-lead mechanical and electrical equipment for the project for a not-to-exceed amount of \$6,000,000.

The previously approved project consists of critical repairs, renovation, and restoration of the historic

Central Plant facility, including the building, equipment, and infrastructure to meet current environmental regulations; Building Code standards; and to improve the efficiency and reliability of the facility. The improvements will consist of structural and seismic upgrades to the Central Plant building; historic restoration of the exterior building façade; renovation of the building interior occupied spaces; replacement of the remaining chillers, boiler, cooling towers, and electrical gear; and installation of new emergency electrical generation equipment.

The project will be carried out using the Construction Manager at Risk (CMAR) delivery method. On September 12, 2023, the Board awarded the CMAR Preconstruction and Construction Services Agreement to the Gilbane Building Company for the maximum contract sum of \$1,996,393 to proceed with the preconstruction phase services for the main scope of work until final determination of the recommended Guaranteed Maximum Price, which is anticipated in October 2024.

Increased Authorization for Equipment Procurement

Public Works is working with Perkins Eastman Architects and Gilbane Building Company in the preconstruction phase to complete the design and validate the scope, budget, and schedule for the project. As part of the ongoing design effort, the full selection and cost determinations have been made for the required mechanical and electrical equipment that has a long-lead time due to ongoing supply chain issues in the construction industry. ISD has initiated the procurement of some of the long-lead electrical distribution equipment using the previous Board authorization of \$6,000,000. Approval of the recommended actions will increase ISD's authorization from \$6,000,000 to \$36,000,000 to allow for procurement of the rest of the long-lead mechanical and electrical equipment needed for the project at an estimated value of \$30,000,000, including four chillers, one boiler, electrical service and distribution equipment, and two emergency power generators. All of the long-lead mechanical and electrical equipment will be installed as part of the future CMAR construction phase for the overall plant renovation.

Revised Project Budget

As part of the ongoing make ready work, unforeseen site conditions have been encountered triggering the need for additional work, including performing additional hazardous material abatement, replacing additional steam and chilled water piping, and installing additional structural and seismic bracing supports for the piping to meet current Building Code requirements. Approval of the recommended actions will increase the project budget from \$46,100,000 to \$96,100,000 to fully fund the ongoing make-ready work, including the additional work to address unforeseen site conditions, and the procurement of the long-lead mechanical and electrical equipment for the entire project. This will ensure that the long-lead equipment is available on time during the CMAR construction phase and will allow the project to proceed on schedule.

After completion of the preconstruction phase in October 2024, Public Works will return to the Board for approval of the total project budget and the construction phase under the CMAR agreement.

Green Building/Sustainable Design Program

The project will support the Board's policy for Green Building/Sustainable Design Program by incorporating energy efficient equipment that is expected to greatly conserve water and energy use and comply with current SCAQMD air emissions standards.

Implementation of Strategic Plan Goals

These recommendations support the County Strategic Plan: Strategy II.2, Support the Wellness of our Communities; Strategy III.3, Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability, and Objective III.3.2, Manage and Maximize County Assets, by investing in public infrastructure that will improve the operational effectiveness of existing County assets.

FISCAL IMPACT/FINANCING

The revised project budget of \$96,100,000 is \$50,000,000 more than the previously Board-approved project budget of \$46,100,000 and includes design, plan check, demolition and make ready work, CMAR preconstruction services, consultant services, County services, and procurement of the long-lead mechanical and electrical equipment. There is sufficient appropriation available in the Civic Center Central Plant Boilers and Chillers Replacement Project, Capital Project No. 87735, to fully fund the revised project budget. The revised project budget is fully funded with net County cost. The revised Project Schedule and Budget Summary are included in the Enclosure.

The total project budget is currently estimated between \$224,000,000 to \$235,000,000. After completion of the CMAR preconstruction phase, Public Works will return to the Board for approval of the total project budget and the construction phase under the CMAR agreement.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In accordance with the Board's Civic Art Policy amended on August 4, 2020, the total project budget that will be submitted to the Board for approval after completion of the CMAR preconstruction phase will include 1 percent of the eligible design and construction costs for the Civic Art Allocation.

ENVIRONMENTAL DOCUMENTATION

On November 16, 2021, the Board approved the Central Plant Project and found that it was exempt from CEQA, because the project is within certain classes of projects that have been determined not to have a significant effect on the environment in that it meets criteria set forth in Sections 15301 (a) and (d); 15302 (c); 15304 (f); and Section 15331 of the State CEQA Guidelines and Classes 1 (h); (3); and (4); 2 (e); 3 (k); and 4 (a) and (c) of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G. The approved project provides for minor alteration, demolition, and replacement of equipment housed within an existing structure with no expansion of use and where replacement features will have the same purpose and capacity. The additional unforeseen work is of the same nature as the work covered under the previous exemptions and, therefore, the same exemptions continue to apply to the project.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will have no impact on current County services or projects. The project is being carried out in multiple phases to keep the Central Plant in operation throughout construction.

CONCLUSION

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

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Mark Pestrella".

MARK PESTRELLA, PE
Director

MP:HA:sl

Enclosures

c: Department of Arts and Culture
Auditor-Controller
Chief Executive Office (Capital Programs
Division)
County Counsel
Executive Office
Internal Services Department

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I. PROJECT SCHEDULE SUMMARY

Project Activity	Scheduled Completion Date	Revised Scheduled Completion Date
Feasibility Study	06/25/2021*	06/25/2021*
Construction Documents	12/31/2024	12/31/2024
Jurisdictional Approvals	04/30/2025	04/30/2025
Construction Start	06/02/2025	06/02/2025
Substantial Completion	12/31/2026	12/31/2027
Final Acceptance	03/31/2027	03/31/2028

*Completed Activity

II. PROJECT BUDGET SUMMARY

Project Activity	Board-Approved Budget	Impact of this Action	Proposed Project Budget
Make-Ready Construction	\$21,100,000	\$ 13,000,000	\$34,100,000
Equipment Procurement (Previously Part of Make-Ready Construction)	\$ 6,000,000	\$ 30,000,000	\$36,000,000
Construction Manager at Risk (Preconstruction Phase)	\$ 2,000,000	\$ 0	\$ 2,000,000
Construction Manager at Risk (Construction Phase)	TBD	TBD	TBD
Change Order Contingency	\$ 1,000,000	\$ 4,500,000	\$ 5,500,000
Construction Subtotal	\$30,100,000	\$ 47,500,000	\$77,600,000
Civic Art	TBD	TBD	TBD
Plans and Specifications	\$11,500,000	\$ 1,500,000	\$13,000,000
Consultant Services	\$ 850,000	\$ 500,000	\$ 1,350,000
Miscellaneous Expenditures	\$ 50,000	\$ 0	\$ 50,000
Jurisdictional Review	\$ 400,000	\$ 0	\$ 400,000
County Services	\$ 3,200,000	\$ 500,000	\$ 3,700,000
TOTAL	\$46,100,000	\$ 50,000,000	\$96,100,000