



MICHAEL OWH  
Director

County of Los Angeles  
**INTERNAL SERVICES DEPARTMENT**

1100 North Eastern Avenue  
Los Angeles, California 90063

*Speed. Reliability. Value.*

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

May 07, 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:

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

37 May 7, 2024

JEFF LEVINSON  
INTERIM EXECUTIVE OFFICER

**DEPARTMENT OF HEALTH SERVICES  
RANCHO LOS AMIGOS NATIONAL REHABILITATION CENTER  
BOILER AND CHILLERS REPLACEMENT PROJECT  
CATEGORICAL EXEMPTION  
ESTABLISH AND APPROVE CAPITAL PROJECT NO. 8A042  
APPROVE PROJECT BUDGET AND APPROPRIATION ADJUSTMENT  
(FISCAL YEAR 2023-24)  
(SUPERVISORIAL DISTRICT 4 - 4-VOTES)**

**SUBJECT**

The Internal Services Department is seeking Board approval of the proposed Rancho Los Amigos National Rehabilitation Center Boiler and Chillers Replacement Project, approval of the project budget and related appropriation adjustment and that your Board find the proposed project to be exempt from the California Environmental Quality Act.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Find the proposed Rancho Los Amigos National Rehabilitation Center Boiler and Chillers Replacement Project exempt from the California Environmental Quality Act for the reasons stated in this letter and in the record of the project.
2. Establish and approve the proposed Rancho Los Amigos National Rehabilitation Center Boiler and Chillers Replacement Project, Capital Project No. 8A042 with a total budget of \$17,610,000.

3. Approve the Fiscal Year 2023-24 appropriation adjustment to allocate \$435,000 from the Department of Health Services' Enterprise Fund-Committed for Department of Health Services to fund the projected Fiscal Year 2023-24 expenditures for the proposed Rancho Los Amigos National Rehabilitation Center Boiler and Chillers Replacement Project, Capital Project No. 8A042.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Approval of the recommendations will find the proposed Rancho Los Amigos National Rehabilitation Center (RLANRC) Boiler and Chillers Replacement Project exempt from the California Environmental Quality Act (CEQA), establish and approve Capital Project No. 8A042, and approve the project budget and appropriation adjustment.

#### Background

The proposed RLANRC Boiler and Chillers Replacement Project would replace the existing three (3) chillers and one (1) boiler that are currently servicing the Department of Health Services' (DHS) RLANRC by providing cooled and heated air to the entire facility. The existing chillers and boiler have surpassed their lifespan and are 34 years old and 27 years old, respectively. According to the American Society of Heating, Refrigerating, and Air-conditioning Engineers (ASHRAE), the typical life cycle for this equipment is 20 years. The Internal Services Department (ISD) will deliver the proposed project by a competitively solicited Board approved Energy Efficiency Project Services Master Agreement (EEPMA).

The proposed scope of work includes the replacement of the three (3) existing chillers, one (1) boiler, the associated chilled water supply lines, return lines, plumbing, structural supports, anchoring, electrical conduits, power supplies, and all associated controls, sensors, and equipment.

The estimated project duration is approximately 34 months, which includes the completion of jurisdictional approvals, construction, and the completion of the physical project.

#### **Implementation of Strategic Plan Goals**

The proposed RLANRC Boiler and Chillers Replacement Project will support the Board's Green Building/Sustainable Design Program by incorporating design features that will optimize energy efficiency.

The project will be designed and constructed to comply with Title 24 of the California Code of Regulations. Title 24 contains building standards for conserving electricity and natural gas in new and existing buildings within the State. When possible, ISD will document all Title 24 related improvements that qualify for Leadership in Energy and Environmental Design (LEED) building points to apply toward future LEED certification for the County building.

## **FISCAL IMPACT/FINANCING**

The total project budget for the proposed RLANRC Boiler and Chillers Replacement Project is \$17,610,000, which includes design, construction, change order allowance, inspection/testing, and ISD county services (Enclosure A). The project budget and schedule are included in Enclosure A. DHS has previously paid \$355,000 for assessment fees through the DHS operating budget.

Approval of the enclosed Fiscal Year 2023-24 appropriation adjustment (Enclosure B) will allocate \$435,000 from the DHS Enterprise Fund-Committed for DHS to fund the projected Fiscal Year 2023-24 expenditures for the proposed Rancho Los Amigos National Rehabilitation Center Boiler and Chillers Replacement Project, Capital Project No. 8A042. DHS will provide funding in the future budget phases, as needed, to fully fund the remaining project budget. There is no net County cost impact associated with the recommendations.

### Operating Budget Impact

The scope of work consists of repairs and remodeling 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.

## **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

In accordance with the Board's Local and Targeted Worker Hire Policy, updated on May 17, 2023, the proposed RLANRC Boiler and Chillers Replacement Project will have a mandatory hiring requirement of at least thirty percent (30%) Local Workers and 10 percent (10%) Targeted Workers.

In accordance with the Board's Civic Art Policy, adopted on December 7, 2004, and last amended on August 4, 2020, the proposed project is exempt from the Civic Art Allocation as it involves replacement of building systems of the refurbishment project.

## **ENVIRONMENTAL DOCUMENTATION**

The proposed RLANRC Boiler and Chillers Replacement project is categorically exempt from CEQA. The scope of work consists of the replacement of an existing boiler and three chillers. Therefore, the work is within certain classifications of projects that have been determined under California law to not have a significant effect on the environment, such that the project will meet the criteria set forth in Sections 15301(d), 15302, and 15303 of the State CEQA Guidelines, and Classes 1(c), 2, and 3 of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G because the project includes repairs and minor alterations to existing public facilities with negligible or no expansion of use, replacement of features with the same purpose and capacity, placement of small equipment and accessory structures, and installation of equipment at existing facilities.

In addition, the proposed project will comply with all applicable regulations, as the facility is not located in a sensitive environment and there are no cumulative impacts, unusual circumstances, damage to scenic highways, listing on hazardous waste site lists compiled pursuant to Government Code section 65962.5, or any indications that the project may cause a substantial adverse change in the significance of a historic resource, which would otherwise make the exemptions inapplicable.

Upon the Board's approval of the proposed project, ISD will file a Notice of Exemption with the Registrar-Recorder/County Clerk and with the State Clearinghouse in the Office of Planning and Research in accordance with section 21152 of the California Public Resources Code. ISD will subsequently post the Notice to its website in accordance with section 21092.2.

### **CONTRACTING PROCESS**

The proposed RLANRC Boiler and Chillers Replacement Project will be competitively solicited for and delivered via EEPMA. The standard Board-directed clauses, including those that provide for contract termination and hiring qualified displaced county employees are included in the EEPMA agreement.

The EEPMA contractor who will perform the work is required to fully comply with all applicable legal requirements, which include, among other obligations, 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 EEPMA is the most appropriate contracting vehicle to complete this project because the replacement equipment is intended to optimize the energy efficiency of the facility, and to address deficiencies such as potential non code-compliant issues. Additionally, 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 contracting vehicle, such as EEPMA, rather than by county employees, due to the "Force Account" limitations set forth in the Public Contract Code.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Approval of the recommendations will have minimal impact on current county services. There are other existing chillers and boilers that are continuing to provide heated and cooled air to the facility.

### **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.

The Honorable Board of Supervisors

5/7/2024

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Respectfully submitted,

A handwritten signature in black ink, appearing to read 'M OWH', with a stylized flourish at the end.

MICHAEL OWH

Director

MO:ME:TD:sy

Enclosures

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

**PROJECT INFORMATION SHEET  
SCHEDULE AND BUDGET SUMMARY**

<b>PROJECT :</b>	<b>DHS RLA Boilers and Chillers Replacement</b>
<b>CAPITAL PROJECT NO. :</b>	<b>8A042</b>

<b>I. PROJECT SCHEDULE</b>		
<b>Project Activity</b>	<b>Duration</b>	<b>Scheduled Completion Date</b>
Complete Construction Documents	Complete	Nov 2023
Jurisdictional Approval	2 months following Board approval	July 2024
Award Construction Contract	4 months following Board approval	Sept 2024
Substantial Completion	31 months following Board approval	Dec 2026
Project Acceptance	34 months following Board approval	March 2027

<b>II. BUDGET SUMMARY</b>	
<b>Budget Category</b>	<b>Proposed Budget</b>
Construction	
Construction	\$ 10,499,000.00
Change Orders (Contingency)	\$ 2,105,000.00
<b>Subtotal</b>	<b>\$ 12,604,000.00</b>
Civic Art (if not exempt)	\$ -
Plans and Specifications	\$ 555,000.00
Jurisdictional Review/Plan Check/Permits	\$ 203,000.00
County Services (ISD Indirect)	\$ 4,248,000.00
<b>Total Project Budget</b>	<b>\$ 17,610,000.00</b>

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BA FORM 10142022

BOARD OF SUPERVISORS  
OFFICIAL COPY

April 09, 2024

COUNTY OF LOS ANGELES

**REQUEST FOR APPROPRIATION ADJUSTMENT**

DEPARTMENT OF HEALTH SERVICES

**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 2023-24  
4 - VOTES**

SOURCES

USES

DHS ENTERPRISE FUND  
MN2-3078  
COMMITTED FOR DHS  
**DECREASE OBLIGATED FUND BALANCE**

**435,000**

DHS ENTERPRISE FUND  
MN2-HS-6100-60070  
OTHER FINANCING USES  
**INCREASE APPROPRIATION**

**435,000**

RANCHO LOS AMIGOS NATIONAL REHAB. CENTER ENTERPRISE FUND  
MN7-HR-96-9911-60040  
OPERATING TRANSFERS IN  
**INCREASE REVENUE**

**435,000**

RANCHO LOS AMIGOS NATIONAL REHAB. CENTER ENTERPRISE FUND  
MN7-HR-96-9912-60040  
OPERATING SUBSIDY - GENERAL FUND  
**DECREASE REVENUE**

**435,000**

ENT SUB - RANCHO LOS AMIGOS NATIONAL REHABILITATION CENTER  
A01-AC-6100-21200-21230  
OTHER FINANCING USES  
**DECREASE APPROPRIATION**

**435,000**

RANCHO LOS AMIGOS NATIONAL REHAB CENTER CAPITAL IMPROVEMENTS  
RANCHO LOS AMIGOS NRC BOILER AND CHILLERS REPLACEMENT  
A01-CP-6014-64025-8A042  
CAPITAL ASSETS - B & I  
**INCREASE APPROPRIATION**

**435,000**

**SOURCES TOTAL \$ 1,305,000**

**USES TOTAL \$ 1,305,000**

**JUSTIFICATION**

This budget adjustment of \$435,000 is necessary to fund Capital Project No. 8A042, Rancho Los Amigos National Rehabilitation Center Boiler and Chillers Replacement Project, from DHS Enterprise Fund-Committed for DHS for anticipated expenditures in FY 2023-24.

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES  
**#37 MAY 7 2024**


**Jean Lo**

Digitally signed by Jean Lo  
Date: 2024.04.09 20:16:51  
-07'00'

**AUTHORIZED SIGNATURE**

**JEAN LO, CHIEF, CONTROLLER'S DIVISION**

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

  
JEFF LEVINSON  
INTERIM EXECUTIVE OFFICER

REFERRED TO THE CHIEF EXECUTIVE OFFICER FOR---

ACTION

RECOMMENDATION

AUDITOR-CONTROLLER

BY **Lan Sam**  
Digitally signed by Lan Sam  
Date: 2024.04.16 07:34:07  
-07'00'

B.A. NO. 218

DATE **4/16/24**

APPROVED AS REQUESTED

APPROVED AS REVISED

CHIEF EXECUTIVE OFFICER

**Amir Alam**  
Digitally signed by Amir Alam  
Date: 2024.04.17  
11:53:17 -07'00'

BY

DATE **4/17/24**