



**MICHAEL OWH**  
Director

**County of Los Angeles**  
**INTERNAL SERVICES DEPARTMENT**

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*Speed. Reliability. Value.*

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March 03, 2026

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**  
**RANCHO LOS AMIGOS CENTRAL UTILITY PLANT**  
**LEAK DETECTION REMODELING PROJECT**  
**CATEGORICAL EXEMPTION**  
**ESTABLISH AND APPROVE CAPITAL PROJECT NO. 8A184**  
**APPROVE PROJECT BUDGET AND APPROPRIATION ADJUSTMENT**  
**AUTHORIZE USE OF JOB ORDER CONTRACT**  
**(FISCAL YEAR 2025-26)**  
**(SUPERVISORIAL DISTRICT 4 - 4-VOTES)**

**SUBJECT**

Approval of the recommendations will find the Rancho Los Amigos National Rehabilitation Center (RLANRC) Central Utility Plant Leak Detection Remodeling project exempt from the California Environmental Quality Act (CEQA), establish and approve Capital Project No. 8A184, approve the project budget and appropriation adjustment, and authorize the Director of the Internal Services Department (ISD), or designee, to deliver the proposed project using a Board-approved Job Order Contract (JOC).

**IT IS RECOMMENDED THAT THE BOARD:**

1. Find the proposed RLANRC Central Utility Plant Leak Detection Remodeling project is exempt from the CEQA for the reasons stated in this Board letter and in the record of the proposed project.
2. Establish and approve the proposed RLANRC Central Utility Plant Leak Detection Remodeling project, Capital Project No. 8A184, with a total project budget of \$1,800,000.

3. Approve the Fiscal Year (FY) 2025-26 appropriation adjustment to allocate \$1,685,000 from the Department of Health Services' (DHS) Enterprise Fund-Committed for Rancho Los Amigos National Rehabilitation Center to fund the proposed project. DHS has previously paid \$115,000 for design services funded through DHS' operating budget.

4. Authorize the Director of Internal Services Department or their designee, to deliver the RLANRC Central Utility Plant Leak Detection Remodeling project using a Board-Approved JOC.

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

The proposed DHS RLANRC Central Utility Plant Leak Detection Remodeling project (Project) will address an existing fuel tank leak detection system that is no longer in compliance with and must be refurbished to meet current codes.

The existing underground storage tank (UST) leak detection system would be remodeled to maintain reliable operation and system monitoring. This includes installation of the control panel, sensors, alarms, and related monitoring components, along with the associated manhole covers and frames to ensure proper containment.

The proposed project also includes remodeling of the plumbing sump pump assemblies to sustain system functionality and ensure continued integration with the Central Utility Plant (CUP) control system. Electrical work would include replacements to the conduit and cabling systems, as well as circuit protection devices, to support the operation of the refurbished systems in accordance with existing standards. The scope of work also includes the remodeling of existing concrete surfaces, curbs, and gutters, including surface finishing, joint treatment, and pavement markings consistent with existing site conditions.

The estimated project duration is approximately 11 months which includes construction and project closeout.

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

These recommendations support the Los Angeles (LA) County Strategic Plan: Goal III. Realize Tomorrow's Government Today, Strategy III.3 - Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability, Objective III.3.2 Manage and Maximize LA County Assets by investing in public infrastructure that will improve the operational effectiveness of an existing LA County asset.

Green Building/Sustainable Design Program:

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

The project would be designed and constructed to comply with Title 24 of the California Code of Regulations. Title 24 contains building standards to conserve 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 project is estimated to be \$1,800,000, which includes design, construction, change order allowance, inspection/testing, and ISD county services (Enclosure A). DHS has previously paid \$115,000 for design services funded through DHS' operating budget.

Board approval of the enclosed FY 2025-26 appropriation adjustment (Enclosure B) will allow DHS to use \$1,685,000 from its Enterprise Fund-Committed for Rancho Los Amigos National Rehabilitation Center to fully fund expenditures estimated to be incurred in FY 2025-26 for the proposed project. There is no net County cost impact associated with the recommended actions.

Operating Budget Impact:

The Internal Services Department and Department of Health Services 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 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 is exempt from the Civic Art Allocation as it involves underground work.

## **ENVIRONMENTAL DOCUMENTATION**

The proposed project is categorically exempt from CEQA. The scope of work consists of the remodeling of an existing leak detection system and related surface paving. Therefore, the work is 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 15301(c), (d), and (l)(4), 15302(c), 15303, and Section 15304(f) of the State CEQA Guidelines and Classes 1(h)(4), (x)(13), 2(e), 3, and 4(k) of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G because it 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, installation of equipment at existing facilities, and minor alterations to land required excavation, trenching, backfilling and surface restoration associated with the installation of the new leak detection system. The project will not include removal of healthy, mature, scenic trees.

In addition, based on the records of the proposed project, it will comply with all applicable regulations, it is not 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 indications that it may cause a substantial adverse change in the significance of a historic resource that would make the 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 Land Use and Climate Innovation in accordance with section 21152 of the California Public Resources Code and will post the Notice to its website in accordance with section 21092.2.

### **CONTRACTING PROCESS**

The proposed Project will be delivered using an ISD Board-approved Job Order Contract (JOC) for the construction. The standard Board-directed clauses, including those that provide for contract termination and consideration of hiring County employees targeted for layoffs or who are on a County re-employment List, are included in all JOCs.

The JOCs contain the Board's required provisions including those pertaining to consideration of qualified County employees targeted for layoffs, as well as qualified Greater Avenues for Independence (GAIN) Program and Skills and Training to Achieve Readiness for Tomorrow (START) Program participants for employment openings, and compliance with the Safely Surrendered Baby Law.

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 proposed 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 proposed project entails repair, remodeling, refurbishment, or alteration, and the cost of such project exceeds \$125,000, 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.

ISD will provide strict commissioning guidelines that are to be completed by the installed contractor and signed off by the Maintenance and Operations Division to ensure equipment is in optimal operating condition at the time of project turnover.

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

Approval of the recommendations will have minimal impact on current county services. The leak detection system and associated paving is used to detect fuel leaks. This is not a daily occurrence; So, there will be no foreseeable impact to daily operations.

### **CONCLUSION**

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

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Michael OWH", with a circular flourish at the end.

MICHAEL OWH

Director

MO:QH:ME:kc

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 Leak Detection Refurbishment</b>
<b>CAPITAL PROJECT NO. :</b>	<b>8A184</b>

**I. PROJECT SCHEDULE**

<b>Project Activity</b>	<b>Duration</b>	<b>Scheduled Completion Date</b>
Complete Construction Documents	Complete	Aug 2025
Jurisdictional Approval	Complete	December 2025
Award Construction Contract	1 month following Board approval	April 2026
Substantial Completion	9 months following Board approval	December 2026
Project Acceptance	11 months following Board approval	February 2027

**II. BUDGET SUMMARY**

<b>Budget Category</b>	<b>Proposed Budget</b>
Construction	
Construction	\$ 895,000.00
Change Orders (Contingency)	\$ 245,000.00
<b>Subtotal</b>	\$ 1,140,000.00
Civic Art (if not exempt)	\$ -
Plans and Specifications	\$ 77,000.00
Jurisdictional Review/Plan Check/Permits	\$ 57,000.00
Project Management	\$ 198,000.00
Overhead	\$ 328,000.00
<b>Total Project Budget</b>	<b>\$ 1,800,000.00</b>

February 03, 2026

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 2025-26  
4 - VOTES**

**SOURCES**

**USES**

DHS ENTERPRISE FUND  
MN2-3081  
COMMITTED FOR RANCHO LOS AMIGOS NATIONAL REHABILITATION CTR  
**DECREASE OBLIGATED FUND BALANCE 1,685,000**

DHS ENTERPRISE FUND  
MN2-HS-6100-60070  
OTHER FINANCING USES  
**INCREASE APPROPRIATION 1,685,000**

RANCHO LOS AMIGOS NATIONAL REHAB. CENTER ENTERPRISE FUND  
MN7-HR-96-9911-60040  
OPERATING TRANSFERS IN  
**INCREASE REVENUE 1,685,000**

RANCHO LOS AMIGOS NATIONAL REHAB. CENTER ENTERPRISE FUND  
MN7-HR-96-9912-60040  
OPERATING SUBSIDY - GENERAL FUND  
**DECREASE REVENUE 1,685,000**

ENT SUB - RANCHO LOS AMIGOS NATIONAL REHABILITATION CENTER  
A01-AC-6100-21200-21230  
OTHER FINANCING USES  
**DECREASE APPROPRIATION 1,685,000**

RANCHO LOS AMIGOS NATIONAL REHAB CENTER CAPITAL IMPROVEMENTS  
RLANRC CENTRAL UTILITY PLANT LEAK DETECTION REMODELING  
A01-CP-6014-64025-8A184  
CAPITAL ASSETS - B & I  
**INCREASE APPROPRIATION 1,685,000**

**SOURCES TOTAL \$ 5,055,000**

**USES TOTAL \$ 5,055,000**

**JUSTIFICATION**

This budget adjustment of \$1,685,000 is necessary to fund Capital Project No. 8A184, Rancho Los Amigos National Rehabilitation Center Central Utility Plant Leak Detection Remodeling Project, using DHS Enterprise Fund-Committed for Rancho Los Amigos National Rehabilitation Center obligated fund balance for anticipated expenditures in FY 2025-26.

**JEAN LO**

Digitally signed by JEAN LO  
Date: 2025.12.19 15:13:12 -08'00'

**AUTHORIZED SIGNATURE**

JEAN LO, CHIEF, CONTROLLER'S DIVISION

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

REFERRED TO THE CHIEF EXECUTIVE OFFICER FOR---

ACTION

RECOMMENDATION  
Digitally signed by Lan Sam  
BY **Lan Sam**  
Date: 2025.12.22 09:11:54 -08'00'

AUDITOR-CONTROLLER

B.A. NO. **078**

DATE **12/22/25**

APPROVED AS REQUESTED

APPROVED AS REVISED

CHIEF EXECUTIVE OFFICER

Digitally signed by Amir Alam  
BY **Amir Alam**  
Date: 2026.01.05 12:26:12 -08'00'

DATE **1/5/26**