



MARK PESTRELLA, Director

COUNTY OF LOS ANGELES
DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE
ALHAMBRA, CALIFORNIA 91803-1331
Telephone (626) 458-5100
<http://dpw.lacounty.gov>

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

IN REPLY PLEASE
REFER TO FILE

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

31 November 12, 2019

CELIA ZAVALA
EXECUTIVE OFFICER

November 12, 2019

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
PUBLIC BUILDINGS CORE SERVICE AREA
OLIVE VIEW CAMPUS RECUPERATIVE CARE CENTER
AND RESIDENTIAL TREATMENT PROGRAM
APPROVE PROJECTS AND APPROPRIATION ADJUSTMENT
AUTHORIZE USE OF JOB ORDER CONTRACTING
AWARD DESIGN-BUILD CONTACT
SPECS. 7550; CAPITAL PROJECT NO. 69864
SPECS. 7554; CAPITAL PROJECT NO. 69872
(SUPERVISORIAL DISTRICTS 3 AND 5)
(4 VOTES)**

SUBJECT

Public Works is seeking Board approval of the projects for the Olive View Campus Recuperative Care Center and Residential Treatment Program; authorize the use of Job Order Contracts to complete the make-ready work; and award a design-build contract.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the recommended actions are within the scope of the previously approved Olive View-UCLA Medical Center Master Plan which was analyzed in the Environmental Impact Report previously certified by the Board.
2. Approve the project for the Recuperative Care Center, Capital Project No. 69864, with a project budget of \$20,537,000.

3. Approve the project for the Residential Treatment Programs, Capital Project No. 69872, with a project budget of \$50,896,000.
4. Approve an Appropriation Adjustment for a combined total of \$52,269,000 to fund the two Capital Projects as follows: \$1,373,000 for the Fiscal Year 2019-20 expenditures of the Recuperative Care Center and \$50,896,000 for the Residential Treatment Programs.
5. Authorize the Director of Public Works or his designee to use Board-approved Job Order Contracts for the make-ready site preparation for the Recuperative Care Center and Residential Treatment Programs projects at the Olive View Campus.
6. Find that J.R. Abbott Construction, Inc., is the responsive and responsible proposer that submitted the best value proposal for design and construction of the Recuperative Care Center and Residential Treatment Programs projects at the Olive View campus.
7. Award and authorize the Director of Public Works or his designee to execute a design-build contract with J.R. Abbott Construction, Inc., for the design and construction of the Olive View Campus Recuperative Care Center and Residential Treatment Program projects for a not-to-exceed contract amount of \$59,960,804 plus a \$1,015,000 design completion allowance for a not-to-exceed maximum contract sum of \$60,975,804.
8. Authorize the Director of Public Works or his designee, in coordination with the Chief Executive Office, to exercise control over the design completion allowance including the authority to reallocate the design completion allowance into the contract amount, as appropriate, in accordance with the project specifications.
Board.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will find that the proposed Olive View Campus Recuperative Care Center (RCC) and Residential Treatment Program (RTP) projects are within the scope of the previously certified Environmental Impact Report (EIR); approve projects; authorize Public Works to use Job Order Contracts (JOC) to complete the make-ready work; award the design-build contract; and approve related Appropriation Adjustment.

Background

On September 4, 2018, the Board established the Olive View-UCLA Medical Center RCC and RTP projects. The preliminary estimates were \$5 million and \$14 million, respectively. Since then, the projects have been refined and Public Works has completed site investigations. Additionally, as a result Public Hearings with the community during the EIR process, the cost estimates include mitigations measures to the project based on these meetings. We have completed the D-B procurement process and we are ready to award the design-builder.

The proposed RTP serves as intensive treatment programs for individuals being discharged from County hospital psychiatric emergency services, inpatient psychiatric units, and mental health urgent care centers. The proposed RCC is a clinically enriched form of interim housing, which offers on-site nursing support, health oversight, case management, and linkage to permanent housing to serve those who have been discharged from other County service facilities.

The scope of work for the proposed RTP is 80 beds within 5 buildings, with 16 beds each, adjacent to the proposed RCC. The proposed RCC houses 48 recuperative care beds within 1 building on the eastern side of the hospital campus.

The proposed RTP and RCC will be built on a shared location of approximately 168,000 square feet of existing vacant land on the north-east side of the campus. Each of the five RTP modular buildings will have an approximate foot print of 9,400 square feet for a total facility of 47,000 square feet. The RCC building will be a two-story modular building with approximately 8,180 square feet for each floor for a total facility floor area of 16,360 square feet. Additionally, the project will provide landscaping improvements, walkways, walking trails, horse trails, and a surface parking lot.

Make-ready work for the proposed projects includes removal of concrete pads, rough grading, and utility preparation work. The make-ready work will be accomplished through the use of previously approved JOCs.

Green Building/Sustainable Design Program

On December 20, 2016, the Board adopted a new Leadership in Energy and Environmental Design (LEED) policy. The RCC project is designed to achieve the United States Green Building Council LEED Gold level certifications by incorporating sustainable design features to optimize energy and water use efficiency, enhance the sustainability of the site, improve indoor environmental quality, and maximize the use and reuse of sustainable and local resources.

The proposed RTP is exempt from the Board-adopted LEED policy since each of the five buildings are under 10,000 square feet. However, the RTP buildings will be designed and constructed to be energy efficient and sustainable.

It is anticipated that the construction of the proposed projects, if approved by the Board, will begin February 2020 and be substantially completed in the summer of 2021.

Implementation of Strategic Plan Goals

The County Strategic Plan directs the provision of Strategy II.2, Support the Wellness of our Communities, and Strategy III.3, Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability, Objective III.3.2, Manage and Maximize County Assets. The recommended actions help to achieve these goals by using existing buildings or land that will provide centralized services for a comprehensive and seamless healthcare services to the residents of the County seeking healthcare assistance.

FISCAL IMPACT/FINANCING

The project budgets (Enclosure A) for the proposed Olive View Campus RCC and RTP projects are \$20,537,000 and \$50,896,000 respectively. The project budgets includes construction, change order contingency, plans and specifications, permit fees, consultant services, inspection services, and County services.

The Olive View Campus RTP is funded by the Department of Mental Health (DMH) State 2011 Realignment revenue in the amount of \$40,896,000 and SB 82 Grant from California Health Facilities Financing Authority in the amount of \$10,000,000 for a total of \$50,896,000.

The enclosed FY 2019-20 Appropriation Adjustment will reallocate \$1,373,000 from the Department of Health Services' Obligated Enterprise Fund Balance-Committed for the Department of Health Services to fund the projected FY 2019-20 expenditures for the Olive View Campus RCC. DHS will request future year's funding as necessary in future budget phases, funded by DHS' Obligated Enterprise Fund Balance. DHS will also work with the County Chief Executive Office to evaluate additional funding options that could be utilized in future fiscal years in lieu of DHS' Obligated Enterprise Fund Balance.

Approval of the enclosed Appropriation Adjustment (Enclosure B) will provide sufficient appropriation in Fiscal Year 2019-20 Capital Projects budget to fund the Fiscal Year 2019-20 project expenditures for the RCC and fully fund the RTP projects.

Operating Budget Impact

RCC Project

Future fiscal years' operating costs will be quantified and requested through the annual budget request process by DHS.

RTP Project

Following completion for the project, DMH anticipates one-time cost estimated at \$2.5 million for the project, fully funded by State Mental Health Services Act (MHSA) revenue.

DMH also anticipates ongoing annual operation costs estimated \$15,000,000 for Olive View Campus RTP. The ongoing costs for this program will be funded by State and Federal revenues.

Funding for operating cost will be requested through DMH's annual budget request process. There is no net County cost impact associated with the recommended actions.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In accordance with the Board's consolidated Local and Targeted Worker Hire Policy, the projects 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 ten percent be performed by Targeted Workers facing employment barriers.

A standard design-build contract in a form previously approved by County Counsel will be used that contains terms and conditions supporting the Board's ordinances and policies, including but not limited to, the County's Greater Avenues for Independence and General Relief Opportunities for Work Programs, Contract Language to Assist in Placement of Displaced County Workers, and Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Services Notice 1015).

In accordance with the Board's Civic Art Policy, the proposed project budgets include 1 percent of the design and construction costs to be allocated to the Civic Art fund (\$169,690 for RCC and \$434,440 for RTP).

ENVIRONMENTAL DOCUMENTATION

On October 15, 2019, the Board, acting as the lead agency, under the California Environmental Quality Act (CEQA) certified an EIR for the Olive View Medical Center Master Plan and adopted Findings of Fact and Statement of Overriding Consideration Mitigation Monitoring and Reporting Program (MMRP) for the Master Plan. The Recuperative Care Center and Residential Treatment Programs, as components of the Restorative Care Village projects, are a part of the Master Plan and included at a project level of analysis in the EIR for Tier I. Approval of the recommended actions, including approval of the projects, award and execution for the design-build contract is within the scope of the adopted EIR. J.R. Abbott Construction, Inc., proposal for the Restorative Care Village projects are consistent with the scope of the projects analyzed in the EIR. There are no changes to the projects or to the circumstances under which the projects are undertaken that require further review under CEQA. The adopted MMRP, Findings of Fact, and Statement of Overriding Consideration will apply to the RCC and RTP projects.

Upon the Boards approval of the recommended actions, Public Works will file a Notice of Determination with the Registrar-Recorder/County Clerk in accordance with section 21152 of the California Public Resources Code.

The previously certified EIR is available and can be viewed at the County of Los Angeles, Public Works, Project Management Division I, 900 S. Fremont Avenue, Alhambra, CA91803, as well as online at: <http://dpwftp.co.la.ca.us/pub/pmd/OVMC>.

CONTRACTING PROCESS

The design-build procurement was conducted in accordance with the design-build policy adopted by the Board on June 4, 2016.

On January 3, 2019, Public Works issued a Request for Proposal (RFP) for design-build services for the RCC and RTP projects. The contract opportunities were listed on the County's "Doing Business with Us" and "Do Business with Public Works" websites. Public Works also informed the local small business enterprises about these business opportunities for those certified by the County of Los Angeles Department of Consumer and Business Affairs.

The first phase of the RFP process was the submittal of a prequalification questionnaire by all interested design-build firms. On February 7, 2019, six prequalification questionnaires were received. The prequalification questionnaires for the proposed RCC and RTP projects were reviewed by an evaluation committee comprised of staff from DMH, DHS, and Public Works. Based on the review and evaluation of the prequalification questionnaires, six firms were determined to be prequalified. In accordance with the shortlisting requirements in the RFP, three firms (Cannon Building Services, Inc.; Charles Pankow Builders, Ltd.; and J.R. Abbott Construction, Inc.) were shortlisted and invited to submit technical and cost proposals for the projects.

On August 13, 2019, only one of the three short-listed design-build firms, J.R. Abbott Construction, Inc., submitted a technical and cost proposal for evaluation. The technical and cost proposal was evaluated by the evaluation committee based on technical design and construction expertise, team organization and personnel, proposed delivery plans, life cycle cost analysis, skilled labor force availability, cost proposal, proposed design, and design excellence. J.R. Abbott Construction, Inc., was found to have submitted the best value and most advantageous proposals to perform these

services under the design-build delivery method, in accordance with the evaluation criteria stated in the RFP. These evaluations were completed without regard to race, creed, color, or gender.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions is not expected to have an adverse impact on the Olive View-UCLA campus. All patient care services on the Olive View-UCLA campus will remain fully operational during construction.

CONCLUSION

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

Respectfully submitted,



MARK PESTRELLA

Director

MP:AKM:jc

Enclosures

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

ENCLOSURE A

**CONSTRUCTION CONTRACT
PUBLIC BUILDINGS CORE SERVICE AREA
OLIVE VIEW CAMPUS RECUPERATIVE CARE CENTER
AND RESIDENTIAL TREATMENT PROGRAM
APPROVE PROJECTS AND APPROPRIATION ADJUSTMENT
AUTHORIZE USE OF JOB ORDER CONTRACTING
AWARD DESIGN-BUILD CONTACT
SPECS. 7550; CAPITAL PROJECT NO. 69864
SPECS. 7554; CAPITAL PROJECT NO. 69872
(SUPERVISORIAL DISTRICTS 3 AND 5)
(4 VOTES)**

PROJECT SCHEDULE SUMMARY – RCC

Project Activity	Scheduled Completion Date
Project Scoping Documents	05/19
Award Design-Build Contract	10/19
Construction Documents	By Design-Builder
Jurisdictional Approvals	By Design-Builder
Construction Start	02/01/20
Substantial Completion	07/30/21
Final Acceptance	09/30/21

*Completed activity.

PROJECT BUDGET SUMMARY – RCC

Budget Category	Total
Hard Costs	
Construction (Design-Build)	\$ 16,789,025
Contingency	\$ 1,494,815
Construction Subtotal	\$ 18,283,840
Civic Art	\$ 169,690
Hard Costs Subtotal	\$ 18,453,530
Equipment	\$ 60,000
Plans and Specifications	\$ 180,000
Consultant Services	\$ 310,125
Miscellaneous Expenditure	\$ 45,598
Jurisdictional Review, Plan Check and Permit	\$ 636,409
County Services	\$ 851,338
Total	\$ 20,537,000

ENCLOSURE A

**CONSTRUCTION CONTRACT
 PUBLIC BUILDINGS CORE SERVICE AREA
 OLIVE VIEW CAMPUS RECUPERATIVE CARE CENTER
 AND RESIDENTIAL TREATMENT PROGRAM
 APPROVE PROJECTS AND APPROPRIATION ADJUSTMENT
 AUTHORIZE USE OF JOB ORDER CONTRACTING
 AWARD DESIGN-BUILD CONTACT
 SPECS. 7550; CAPITAL PROJECT NO. 69864
 SPECS. 7554; CAPITAL PROJECT NO. 69872
 (SUPERVISORIAL DISTRICTS 3 AND 5)
 (4 VOTES)**

PROJECT SCHEDULE SUMMARY — RTP

Project Activity	Scheduled Completion Date
Project Scoping Documents	05/19
Award Design-Build Contract	10/19
Construction Documents	By Design-Builder
Jurisdictional Approvals	By Design-Builder
Construction Start	02/01/20
Substantial Completion	07/30/21
Final Acceptance	09/30/21

*Completed activity.

PROJECT BUDGET SUMMARY — RTP

Budget Category	Total
Hard Costs	
Construction (Design-Build)	\$ 43,171,779
Contingency	\$ 3,357,761
Construction Subtotal	\$ 46,529,540
Civic Art	\$ 434,440
Hard Costs Subtotal	\$ 46,963,980
Equipment	\$ 60,000
Plans and Specifications	\$ 272,224
Consultant Services	\$ 328,100
Miscellaneous Expenditure	\$ 45,598
Jurisdictional Review, Plan Check and Permit	\$ 2,208,278
County Services	\$ 1,017,820
Total	\$ 50,896,000

October 01, 2019

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPARTMENT OF CHIEF EXECUTIVE OFFICE

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 2019-20
4 - VOTES**

SOURCES

USES

BA DETAIL - SEE ATTACHMENT PAGE 1

BA DETAIL - SEE ATTACHMENT PAGE 1

SOURCES TOTAL \$ 55,015,000

USES TOTAL \$ 55,015,000

JUSTIFICATION

Reflects an increase in appropriation to fund the Olive View Campus Residential Treatment Program with \$40,896,000 of State 2011-Realignment revenue and \$10,000,000 of a SB 82 grant from California Health Facilities Financing Authority; also reallocate \$1,373,000 from the Department of Health Services' (DHS) Obligated Enterprise Fund Balance-Committed for the DHS to fund the projected FY 2019-20 expenditures for the Olive View Campus Recuperative Care Center.

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

James Yun
AUTHORIZED SIGNATURE JAMES YUN, MANAGER, CEO

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

31 NOV 12 2019

REFERRED TO THE CHIEF EXECUTIVE OFFICER BY Celia Zavala ACTION

RECOMMENDATION

APPROVED AS REQUESTED

APPROVED AS REVISED

AUDITOR-CONTROLLER

BY *[Signature]*

CHIEF EXECUTIVE OFFICER

BY *[Signature]*

B.A. NO. 063

DATE 10/30/2019

DATE 10-30-19

COUNTY OF LOS ANGELES
REQUEST FOR APPROPRIATION ADJUSTMENT
DEPARTMENT OF CHIEF EXECUTIVE OFFICE

FY 2019-20
4 - VOTES

SOURCES

USES

MENTAL HEALTH
OLIVE VIEW CAMPUS RESIDENTIAL TREATMENT PROGRAM
A01-CP-88-8918-65039-69872
2011 REALIGNMENT - CAPITAL PROJECTS
INCREASE REVENUE **40,896,000**

MENTAL HEALTH
OLIVE VIEW CAMPUS RESIDENTIAL TREATMENT PROGRAM
A01-CP-6014-65039-69872
CAPITAL ASSETS - B & I
INCREASE APPROPRIATION **50,896,000**

MENTAL HEALTH
OLIVE VIEW CAMPUS RESIDENTIAL TREATMENT PROGRAM
A01-CP-88-8783-65039-69872
STATE AID-CONSTRUCTION / CAPITAL PROJECTS
INCREASE REVENUE **10,000,000**

DHS ENTERPRISE FUND
MN2-3078
COMMITTED FOR DHS
DECREASE OBLIGATED FUND BALANCE **1,373,000**

DHS ENTERPRISE FUND
MN2-HS-6100-60070
OTHER FINANCING USES
INCREASE APPROPRIATION **1,373,000**

OLIVE VIEW-UCLA MEDICAL CENTER ENTERPRISE FUND
MN3-HO-96-9911-60050
OPERATING TRANSFERS IN
INCREASE REVENUE **1,373,000**

OLIVE VIEW-UCLA MEDICAL CENTER ENTERPRISE FUND
MN3-HO-96-9912-60050
OPERATING SUBSIDY - GENERAL FUND
DECREASE REVENUE **1,373,000**

ENT SUB - OLIVE VIEW-UCLA MEDICAL CENTER
A01-AC-6100-21200-21232
OTHER FINANCING USES
DECREASE APPROPRIATION **1,373,000**

OLIVE VIEW-UCLA MEDICAL CENTER
OLIVE VIEW-UCLA MED CENTER RECUPERATIVE CARE CENTER
A01-CP-6014-64030-69864
CAPITAL ASSETS - B & I
INCREASE APPROPRIATION **1,373,000**

SOURCES TOTAL **\$ 55,015,000**

USES TOTAL **\$ 55,015,000**

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

BA # 063

31 NOV 12 2019


10/30/2019


CELINA ZAVALA
EXECUTIVE OFFICER