



# Monterey County

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## Board Report

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Approve prioritization, funding and implementation of Natividad Medical Center capital projects for Fiscal Year (FY) - 2016 that were projects in progress in FY2015, projects supported in previous fiscal years but were delayed or postponed, and new projects for FY2016.

### RECOMMENDATION:

It is recommended that the Board of Supervisors:

Approve prioritization, funding and implementation of Natividad Medical Center capital projects for Fiscal Year (FY) - 2016 that were projects in progress in FY2015, projects supported in previous fiscal years but were delayed or postponed, and new projects for FY2016.

### SUMMARY/DISCUSSION:

The Natividad Medical Center (NMC) Facilities and Construction Department staff administers capital projects focused on providing quality, safety and efficiency in providing healthcare to the citizens and visitors of Monterey County. Staff is requesting approval in prioritization (Priority 1 equaling critical and Priority 2 equaling non-critical) and funding for additional projects that have not been included in the FY2016 NMC Recommended Budget. The majority of NMC's capital projects span multiple fiscal years, and as a result we have included budgetary estimates for future fiscal years. The projects have been grouped by category as follows: (1) Projects in Progress; (2) Reinstated Projects; and (3) New Projects.

**Projects in Progress** - Projects approved by the Board of Supervisors that have commenced but were not completed during FY2015:

#### **Interior Design Upgrades - Building Wide:**

NMC has earmarked capital funding for interior design upgrades to include replacement furniture purchases (Patients, Visitors, and Staff) and small dollar refresh projects under \$100,000. NMC has planned to utilize Interior Design Upgrades capital funding over the next three fiscal years to replace dilapidated furniture and refresh common areas of the hospital. The Interior Design Upgrades was supported by NMC Finance Committee on June 25, 2015, NMC Board of Trustees on July 10, 2015, and approved by the Board of Supervisors on June 2, 2015. Current identified expenditures for FY2016 through FY2018 is \$1,250,000. (FY2016-\$231,250, FY2017-\$518,750 & FY2018-\$500,000)

#### **Hospital Wayfinder System:**

NMC has identified a need to improve its interior and exterior signage as way finding is a huge dissatisfier with our patients. Our admitting department has been collecting data on patient language since winter 2012. The data shows that more than 50% of the patient population is Limited English Proficient (LEP). Due to the diversity of our patient population, pictogram signage (using universal symbols) and bilingual language signage may provide further assistance in effective communication to our population. The majority of the hospital's existing signage is in English, and the signage does not use universal symbols (pictograms).

NMC recognizes that it needs to improve its signage program and will be installing signage that meets the needs of our diverse patient population. Preliminary expenditures have been on design and specification of the signage in the amount of \$184,500 and NMC has identified a construction component to the project which wasn't considered during the initiation phase of the project. The hospital wayfinder system design contract with GNU group was supported by NMC Finance Committee on July 25, 2013, NMC Board of Trustees on July 12, 2013, and approved by the Board of Supervisors on August 27, 2013. NMC plans for the hospital wayfinder system project to span three FY's. The hospital wayfinder system was budgeted and approved under the NMC's Other Equipment budget and has been identified as "Works of Public Improvement". There will be limited work completed on this project during FY2016 due to other capital priorities. The total amount for FY2014 through FY2017 is \$750,000. (Prior FY's - \$184,500 & FY2017-\$565,500)

### **Acute Rehab Unit/Medsurg 2**

This project is a comprehensive remodel that includes a refurbishment to all patient rooms on the Acute Rehab Unit/Medsurg 2. These rooms have not been refreshed since they were constructed in 1999. The rooms will have new flooring, wallpaper removed and replaced with paint, new casework, new tile in the toilet rooms, solid surface sinks, new cubicle curtains, and wall protection behind the patient beds. In addition to the patient rooms, the corridors of the unit will also be refreshed with paint, wall protection, new flooring and the nurse station will be replaced.

Infant Security (JC1406) and Dialysis (JC1411) are projects included as components of Acute Rehab Unit/Medsurg 2 project. The Plans and Specifications were approved by the Board of Supervisors on October 21, 2014. NMC proceeded with a Job Order Contract for construction. NMC anticipates that this project will span two fiscal years. NMC anticipates design cost of \$147,443 and construction cost of \$2,030,929 with a total project cost of \$2,178,372 for FY2015 through FY2016.

Capital from Interior Design Upgrades - Building Wide FY2014 was sourced in the amount of \$80,591 to develop preliminary drawings and specifications allowing NMC to assemble a project scope and bring the project to committee for support. Acute Rehab Unit/Medsurg 2 project was supported by the Capital Improvement Committee on October 13, 2014 and the Budget Committee on October 16, 2014 and then approved by the Board of Supervisors on October 21, 2014. Due to delayed plan approval from OSHPD, expenditures will need to be carried over from FY2015 capital budget. (Prior FY's - \$142,863, FY2015 Carryover-\$1,020,045 & FY2016-\$1,015,465).

### **Radiology Modernization:**

Natividad Medical Center Diagnostic Imaging Department is located in Building 500, 1st Floor and requires a complete remodel and modernization. This includes the replacement of obsolescent medical equipment, such as Computer Tomography (CT) and Magnetic Resonance Imaging (MRI). In 2013, the department replaced aging X-Ray equipment with new digitally enhanced basic radiographic equipment (Diagnostic Imaging - 4 Rooms Project - B13-2013-XX50 at a cost of \$479,100). This was considered Phase 1, in a multi-phase approach to modernize the Imaging Department. Phase 2, includes adding two new CT scanners (FY16 and FY2017-Total: \$2,200,000), a new MRI (FY16 and FY2017-Total: \$1,850,000), and new Angiography Equipment (FY16 and FY2017-Total: \$1,400,000). The cost for architectural services and construction is budgeted at \$14,300,000 which does not include the equipment cost. The Security Department Relocation Project is a component of the overall Radiology Modernization Project. The Security project has current expenditures of \$66,500 in FY2015 which was funded by the Radiology Modernization Project. The Security Relocation Project has its own capital budget in FY2016 in the amount of \$343,221 and in FY2017 in the amount of \$27,829 for a total Security project cost of \$437,550. This will reduce the Radiology Modernization's overall estimated project cost by \$371,050 in FY2016 and FY2017, therefore, reducing the estimated total cost from

\$14,300,000 to \$13,928,950. The project is forecasted to occur over a 24-36 month period with actual construction phased into several phases to maintain services during the remodel. The contract for RBB architects was supported by NMC Finance Committee on April 24, 2014, NMC Board of Trustees on May 2, 2014, Capital Improvement Committee on July 21, 2014 and the Budget Committee on July 31, 2014 and then approved by the Board of Supervisors on September 30, 2014. NMC anticipates that this project will span four fiscal years. The original total project cost in FY2015 was \$14,300,000 and the revised total project cost for FY2016 and FY2018 is \$13,928,950. (FY2015-\$712,038, FY2016-\$925,000, FY2017-\$6,145,956 & FY2018-\$6,145,956)

**Security Department Relocation:**

Natividad Medical Center's Security Department is located in Building 500, 1st Floor and currently occupies a portion of the space that will be needed for the Radiology Modernization project. Natividad Medical Center is utilizing one of the on-call architects (an architect from the NMC Architectural Services list) to develop plans and specifications to relocate the Security Department to Building 600. Funds from the Radiology Modernization project are being sourced for this project, since the project requires the space. This project is a key step in allowing the completion of the Radiology Modernization Project. The Security Department Relocation project was supported by NMC Finance Committee on April 24, 2014, NMC Board of Trustees on May 2, 2014, Capital Improvement Committee on July 21, 2014 and the Budget Committee on July 31, 2014 and then approved by the Board of Supervisors on September 30, 2014. The Security project had expenditures in FY2015 of \$94,329 that were sourced from the Radiology Modernization capital budget but now has its own capital budget in FY2016 in the amount of \$343,221 and in FY2017 in the amount of \$27,829 for a total project cost of \$437,550. NMC anticipates that the Security Department Relocation project will span two fiscal years and plans to spend \$371,050 from FY2016 through FY2017. (FY2016-\$343,221 & FY2017-\$27,829)

**Nurse Call**

Natividad Medical Center (NMC) is a 172 bed facility with the original Fisher Berkley nurse call system that was put into service in 1998. The current nurse call system is a traditional system, which has a centralized annunciator panel with audible alarms and visual displays at the nurse's stations. Additionally the call system has a light that illuminates outside the patient rooms and patient bathrooms to alert staff to a fire or medical emergency. The bathrooms have a pull cord and the patient rooms have a hand push button cord with visual display. Pull cords are also found in patient showers and public bathrooms. All units have the same system but are independent of each other. All systems are original and have no interface with computer or other communication devices such as pagers, and phones. The current Fisher Berkley Nurse Call system is at end of life and parts have been discontinued.

It is the intent of NMC to phase the removal of the current wired system and to provide and install a new nurse call system. The system must be fully operational and include all components and software. NMC intends to provide and use two way devices that are text capable to receive alerts from the nurse call system along with computer work stations in each unit. The Nurse Call project was supported by NMC Finance Committee on June 25, 2015, NMC Board of Trustees on July 10, 2015, and approved by the Board of Supervisors on June 2, 2015. The Nurse Call project will span two fiscal years. The Nurse Call was budgeted and approved under the NMC's Information Technology budget and has been identified as "Works of Public Improvement". The total amount for FY2016 through FY2017 is \$1,350,000. (FY2016-\$624,375, & FY2017-\$725,625)

**Reinstated Projects** - Projects previously supported by the CIC and Budget Committee (BC), and received BOS approval, but were delayed for various reasons, but are now ready to be reinstated through funding and placed back on the Quarterly Report.

**Building 400 - First Floor**

The Medical Office Building (MOB), Building 400, 1st Floor, consists of approximately 4,500 square feet of shell space. NMC anticipates using this space for Cardiopulmonary/Women's Diagnostic Imaging clinic. This tenant improvement will move outpatient clinical services from the inpatient Radiology Department in building 500 to the first floor of building 400 providing space for the Radiology Modernization project. The Building 400 - Mechanical Upgrade is a component to this project but is funded separately as an independent capital project. This project was supported by the Capital Improvement Committee on September 19, 2011, and by the Budget Committee on September 28, 2011 and approved by the Board of Supervisors on June 6, 2012 in the amount of \$2,950,000 when NMC was going to contract with a tenant and perform tenant improvements. NMC now plans to occupy the space and has decreased the scope and cost of what was originally approved by the BOS in FY2012. Total project cost presented previously to the Committees and was estimated at \$1,200,000. With preliminary pricing for construction the project cost has been revised to \$1,156,036. (FY2015-\$56,036, FY2016-\$832,500, & FY2017-\$-267,500)

**Emergency Department (ER) Rapid Medical Evaluation (RME) Remodel Project:**

The RME is located in Building 500, 1st Floor, within the Emergency Department. There are two key aspects of this remodel:

The first aspect is the need for visual access to monitor patients in the waiting room, if a patient is seriously ill. The current layout does not allow staff to monitor patient activity in the waiting room. This project will give staff appropriate space.

The second aspect provides two triage areas to reduce patient wait time in able to perform RME. This project will give staff appropriate space.

The project has moved slower than planned due to user group evaluation of key components and OSHPD (Office of Statewide Health and Planning Development) approval. Capital funding was approved on January 7, 2014 by the Board of Supervisors in the amount of \$197,200 (Design \$37,200; Construction \$160,000). Current construction is estimated at \$292,300 due to changes requested by OSHPD and medical gas installation required by the California Building Code, Title 24. The project was supported by the Finance Committee on November 26, 2013, NMC Board of Trustees on December 6, 2013, Budget Committee on November 26, 2013, and the Capital Improvement Committee on December 2, 2013. Expenditures for design in FY2013 and FY2014 total \$45,400. The Plans and Specifications were approved by the Board of Supervisors on January 7, 2014. NMC is proceeding with a Job Order Contract for construction in the amount of \$292,300. Total project cost for design and construction is \$337,700. Due to delayed plan approval from OSHPD, expenditures will need to be carried over from FY2015 capital budget. (Prior FY's-\$45,400, FY2015 Carryover-\$112,700 & FY2016-\$179,600)

**Parking lots and Roadwork**

Throughout the campus of Natividad Medical Center the roadways need improvement, from resurfacing and restriping of the parking lots to providing additional parking spaces and resurfacing the main roadway. Bus stop locations need improvements due to the increased traffic. NMC will need to improve the sub grade and provide adequate foundation for the weight of the Monterey-Salinas Transit buses. The paint that designates pedestrian travel, stop signs, handicapped parking stalls, and curb paint has faded and will need to be repainted. This project was supported by the Capital Improvement Committee on September 19, 2011, and supported by the Budget Committee on September 28, 2011 and approved by the Board of Supervisors on June 6, 2012. There was minimal funding expended in FY2012 for a parking lot preliminary design. Other projects were deemed a higher priority resulting in the delay of this project. NMC plans for the Parking Lots and Roadwork project to span two fiscal

years. The total amount for FY2016 through FY2017 is \$840,000. (FY2016-\$69,375 & FY2017-\$770,625)

**New Projects** - Projects that Natividad Medical Center is requesting to be approved for implementation as part of the FY2016 Capital Budget.

**Central Plant Equipment Upgrade:**

The Central Plant is located in Building 580, 3rd Floor and provides all the utility functions to Natividad Medical Center. The Central Plant contains heating hot water boilers; which provide hot water to heat ambient air temperature, cooling towers and chillers that lower the ambient air temperature of the air for the Heating Ventilation and Air Conditioning (HVAC) system. The existing conditions of the cooling towers have not allowed the hospital to provide adequate cooling and humidity control to the hospital. The existing cooling towers are only able to provide 50% of their required cooling capacity. Regulatory agencies require that relative humidity levels in an acute care hospital fall between 20% and 60%. As FY2015 was unseasonably warm, NMC was not able to adequately regulate relative humidity. As a result NMC declared an emergency and brought in a rented interim chiller (500 Ton) to complement the cooling capacity and lower the chilled water temperature to ultimately decrease the relative humidity levels in the hospital. Having the interim chiller on site allows NMC to replace the cooling towers without disrupting patient care as the chiller can supply the hospital with antique chilled water for cooling. NMC has used JOC to perform the required work to plumb in the interim chiller. The estimated cost for this emergency is \$352,094 (FY2015 Design - \$56,100; Construction - \$295,994). Many of the systems are at the end of their useful life and need to be replaced in order to gain better efficiency and function performance, as well as lower maintenance costs. NMC plans to install two new heating hot water condensing boilers and two cooling towers to provide higher efficiency and better reliability. To extend the useful life of replacements, NMC will install a Water Softener System to remove particulates that shorten life span of these systems, reduce maintenance costs and condition the water throughout the hospital. NMC is requesting retroactive approval of preliminary design fees for these projects. Actual expenditure for FY2015 have been identified as prior year expenditures, unused capital for FY2015 will be augmented to FY2017. The projects captured in this category are: Cooling Tower Replacement (FY2015-\$397,998, FY2016-\$574,786 & FY2017-\$279,310); Water Softener (FY2015-\$50,643, FY2016--\$118,502 & FY2017 \$21,247); and Boiler Replacement (FY2015-\$51,890, FY2016-\$670,625 & FY2017-\$277,485)

**Building 400 - Mechanical Upgrade**

The Medical Office Building (MOB), Building 400, has mechanical equipment that needs to be replaced and boilers that need repair. Currently NMC has identified \$800,000 in capital for mechanical equipment. This project is a complimentary to the Building 400 - First Floor project, allowing mechanical equipment upgrades that will benefit the tenants on the first floor. NMC plans for the Building 400 - Mechanical Upgrade project to span three fiscal years. The total amount for FY2015 through FY2017 is \$800,000. (FY2015-\$50,000, FY2016-\$555,000, & FY2017-\$195,000)

**Pharmacy Remodel**

The Pharmacy Department is located on the first floor of building 580. The department develops intravenous (IV) medications that are introduced directly into the bloodstream, bypassing the anti-infective defenses of the stomach and skin. Contaminated compounding IV medications can result into patient harm due to infections. To prevent contamination, it is necessary that medications are developed by trained staff using proper procedures in facilities designed to prevent contamination. The current IV compounding facility in the Pharmacy department will not meet new governed regulations for IV compounding. This project will update the department to meet new laws and regulations by providing a new compounding room with a new non-hazardous anteroom and a hazardous medication storage room. The Pharmacy remodel project will span two fiscal years. The total amount for FY2016

through FY2017 is \$1,200,000. (FY2016-\$340,000, & FY2017-\$860,000)

OTHER AGENCY INVOLVEMENT:

Natividad Medical Center has worked with County Counsel on Request for Qualifications, Request for Proposals Contract Award, and Protests, for the various capital projects listed. The Projects in Progress and the Reinstated Projects were reviewed and approved by the NMC Finance Committee and Board of Trustees when previously submitted to the Capital Improvement Committee and Budget Committee for support and received Board approval as indicated on Capital Project Facts Sheets. This report has been supported by the Finance Committee on May 28, 2015, Board of Trustees on June 5, 2015, Capital Improvement Committee on September 18, 2015 and Budget Committee on October 28, 2015.

FINANCING:

The funding for the requested capital projects will be funded from Fund 404, the Facility Master Plan Implementation Fund transferred from the NMC Cash funds as approved by the Board of Supervisors. The Facility Master Plan Implementation Fund, 404 will be adjusted on a monthly basis to reflect expenditures accordingly. There is no impact to the general fund.

Prepared by: Brian Griffin, Project Manager (831) 783-2605

Approved by: Dr. Gary Gray, Chief Executive Officer, (831) 783-2563

Attachments: Exhibit A - Capital Project Fact Sheets, Exhibit B - Capital Projects Matrix

*for* Andrea Rosenberg  
Dr. Gary R. Gray, Chief Executive Officer

2/23/16  
Date