



Monterey County

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066

Board Report

Legistar File Number: 16-330

March 22, 2016

Introduced: 3/9/2016

Current Status: Agenda Ready

Version: 1

Matter Type: General Agenda Item

Approve Natividad Medical Center to increase the total project cost of the Acute Rehab Unit (ARU)/Medsurg 2 (MS2), by \$498,012 to a revised total project cost of \$2,676,384.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

Approve Natividad Medical Center to increase the total project cost of the Acute Rehab Unit (ARU)/Medsurg 2 (MS2), by \$498,012 to a revised total project cost of \$2,676,384.

SUMMARY

This project is a comprehensive remodel that includes a refurbishment to all patient rooms on the Acute Rehab Unit (ARU)/Medsurg 2 (MS2). The 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 tiling in the wash 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 new nurses' stations.

NMC will also be installing an Infant Security system in the current MS2 unit in order to provide flexibility of this unit in the future, i.e. using this unit as a Maternal Infant Unit (MIU) overflow.

In addition to the refresh of the ARU tenant improvements and installation of the Infant Security System, NMC will also be installing Dialysis into ARU and MS2 which will accommodate 12 dialysis patient beds. Dialysis in the ARU and MS2 unit will allow for better patient flow and treatment of patients with kidney/ renal disease.

DISCUSSION

On October 21, 2014 the Monterey County Board of Supervisors approved NMC in the amount of \$2,180,000 for the ARU/MS2 project. By the use of a Job Order Contractor (JOC) contractor NMC's construction cost was estimated to be \$1,850,733 for the ARU/MS2 (JC1419) project, \$110,000 for Dialysis (JC1411), and \$70,196 for Infant Security (JC1406) for a total Construction expenditure of \$2,030,929.

The JOC Contractor has mobilized and started construction on January 26, 2016. NMC has recognized the need to increase the total dollars allocated for this project due to items not clarified on the construction documents and unforeseen conditions, regulatory requirements, programmatic changes, and the recognized need for contingency funding.

Items Not Clarified on Construction Documents and Unforeseen Conditions- \$80,684

- Relocation of two fire dampeners in the ventilation system;
- Four hour fire door replacement and
- Floor repair due to the building settling at a seismic separation

Regulatory Requirements- \$25,000

Due to a revision to Title 24 of the California Building Code, NMC is required to upgrade all handwashing sinks within the construction area from foot pedal activation to motion sensor and have all cabinets upgraded to be Americans with Disability Act (ADA) accessible.

Programmatic Changes- \$292,328

Additional computer workstations in patient rooms- \$50,000

Management identified a need after the original drawings were submitted to place computer workstations at each bedside in the patient rooms. The original drawings allowed for one computer workstation in each patient room, but nursing management felt staff productivity and patient satisfaction would be greatly enhanced if a second computer workstation was placed in the semi-private rooms. This programmatic change requires additional electrical, data, and wall backing for the equipment in all semi-private patient rooms. The additional cost is \$50,000.

Dialysis- \$242,328

Dialysis (JC1411) is a component of Acute Rehab Unit/Medsurg 2 project. The dialysis plans and specifications originally included four patient beds in the Acute Rehab Unit side of building 100. After construction started in the Medsurg 2 side of the building, the need for additional dialysis rooms was brought to the attention to NMC's administration team. Dialysis treatments have risen due to increased census over the past eight months from sixty patient treatments a month to ninety-five treatments in the month of January of 2016. Because of the limited amount of dialysis rooms available, NMC is incurring late charges due to dialysis room unavailability. Natividad Medical Center can increase dialysis rooms in Medsurg 2 with an additional eight beds while the unit currently is in construction.

The cost to add the additional eight dialysis beds to the approved construction documents resulted in a design expenditure of \$6,875. To add the dialysis to the patient beds construction is required to add new soft water piping and waste water connections at each bed location. The cost to add the additional eight dialysis equipped patient beds is estimated to result in an additional construction cost of \$235,453 which includes additional construction management fee, building permit cost and special inspection. The original approved funding for the dialysis project is \$110,000. NMC is requesting an additional \$242,328 to be added to the dialysis project for a revised dialysis project cost of \$352,328.

Contingency Funding- \$100,000

NMC requests \$100,000 contingency added to the overall project cost for the remainder of the project. The JOC program gives the ability to expedite projects in a pertinent and timely manner but doesn't allow for program changes or change order costs during construction. The \$100,000 contingency will allow NMC to prevent any delays to the construction schedule by expediting reasonable JOC supplementals.

NMC requests approval to increase the amount of the ARU/Medsurg 2 project by \$498,012 to a revised total project cost of \$2,676,384. The additional expenditures allow NMC to proceed with phase one of the project and transition of the Acute Rehab Unit to the Medsurg 2 side of the building prior to the end of the fiscal year. California Department of Public Health limits the movement an Acute Rehabilitation Unit to once a fiscal year. The project is time dependent to have the Acute Rehabilitation Unit moved into the Medsurg 2 space prior to June 30, 2016. If NMC does not receive approval it will result in a delay in the ARU transition and delay moving back into their permanent location for 8 months.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this project as to legal form and risk provisions. The Auditor-Controller has reviewed and approved this project as to fiscal provisions.

Due to time sensitivity of the project, the report was brought to the Board of Trustees as an open session item on March 4, 2016 and was supported unanimously. Additionally, the report was supported by the Capital Improvement Committee on March 14, 2016. Because of the time sensitivity of this item, NMC received permission from the Budget Committee chair to bypass the Budget Committee and proceed directly to the Board of Supervisors for approval.

FINANCING:

Natividad Medical Center has designated cash funds for the ARU / MS2 project in the amount of \$2,030,929 for construction. Cash funding of \$498,012 will be transferred to fund 404 for a total project cost of \$2,676,384 which includes design fees in the amount of \$147,443. The funding for the requested capital project 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.

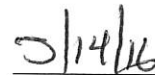
Prepared by: Brian Griffin, Project Manager (831) 783-2605

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

Attachments: Exhibit 1-Project Budget



Dr. Gary R. Gray, Chief Executive Officer



Date