



# County of Monterey

Board of Supervisors  
Chambers  
168 W. Alisal St., 1st Floor  
Salinas, CA 93901

## Board Report

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**File #: 16-608, Version: 1**

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Authorize Natividad Medical Center (NMC) to increase the total project cost of the Emergency Department/ Rapid Medical Evaluation (RME), by \$50,010 to a revised total project cost of \$387,710.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

Authorize Natividad Medical Center (NMC) to increase the total project cost of the Emergency Department/ Rapid Medical Evaluation (RME), by \$50,010 to a revised total project cost of \$387,710.

SUMMARY/DISCUSSION:

The Emergency Department/ Rapid Medical Evaluation (RME) is located in Building 500 on the first floor. RME quickly treats patients that have low acuity medical problems. There are two main components to this minor remodel project:

- The first component is the need for visual access to monitor patients in the waiting room if a patient's condition changes after initial check in. The current layout does not allow clinical staff to actively monitor patient activity in the waiting room. This project will allow for clinical staff to actively monitor the Emergency Department waiting room.
- The project will allow for an increase in triage rooms (increase by 1 triage room) which will reduce patient wait time and improve patient satisfaction.

The Emergency Department/ RME project was approved by the Board of Supervisors in January 2014 at a project cost of \$197,200. Since the approval in January 2014, (the project was at the Construction Document phase during this time) there was a change in the Emergency Department leadership. The key stakeholders (doctors and nurses) made changes to the previously approved schematic design to further help triage patients. The changes resulted into an increase in project cost and delays to design and construction document submittal to the Office of Statewide Health Planning and Development (OSHPD). In April of 2014 NMC initiated a Job Order Contract (JOC) with California Plus Engineering to provide a price proposal for the project. The price proposal came back higher than previously approved by the Board of Supervisors in January 2014. As a result, NMC brought the increased project cost back to the Board of Supervisors in March 2016 on NMC's Key Capital Project report, and received approval for a revised project cost of \$337,700 (\$292,300 for construction and \$45,400 for design).

California Plus Engineering (CPE) was issued a notice to proceed to start the project. Unfortunately CPE is no longer interested in proceeding with construction on this project. As a result of the non-responsiveness of this JOC contractor, NMC re-initiated this project to Otto Construction off of the Fiscal Year (FY)14-15 JOC program. Otto's price proposal came in slightly higher than the previous JOC Contractor at \$311,310. NMC requests approval for this increase in construction cost of the project from \$292,300 to \$311,310 and additionally requests a 10% contingency in the amount of \$31,000 as JOC does not allow for contingency in the line item pricing. This results in a total construction cost of \$342,310, a design cost of \$45,400 for a total project cost of \$387,710.

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.

The project was supported by the NMC Finance Committee April 28, 2016, NMC Board of Trustees on May 6, 2016, Capital Improvement Committee on April 20, 2016 and Budget Committee on April 27, 2016.

FINANCING:

Natividad Medical Center will increase funding for the ER RME improvement project in the amount of \$50,010 for a total project cost \$387,710. Funds will be sourced from NMC's cash balance. There is no impact to the general fund.

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

Attachments: Exhibit 1-Project Budget