



Board Report

File #: 15-0380, **Version:** 1

Receive a status report of Natividad Medical Center's key capital projects

RECOMMENDATION:

It is recommended that the Budget Committee receive a status report of Natividad Medical Center's key capital projects.

SUMMARY/DISCUSSION:

The Natividad Medical Center (NMC) Facilities and Construction department staff administers capital projects that improve the quality of patient care in and around the NMC campus for Monterey County residents and visitors. The following projects have been previously approved by the Capital Improvement Committee and the Budget Committee and are included in NMC's Fiscal Year (FY) 14/15 capital plan. The projects are as follows:

Building 400 - Floor Three:

NMC worked collaboratively with the Monterey County Health Department to design and develop the third floor of Building 400 for its primary care clinic. The floor consists of 7,500 square feet of shell space and 10,500 square feet of occupied office space. Relocation of occupants is necessary and represents the IT & Nursing (Modular T.I.) Project. The build-out enables NMC to achieve its Delivery System Reform Incentive Pool (DSRIP) milestone of increasing its number of Family Medicine residents. The construction cost is \$3,753,000 which includes a 10% contingency. This results in a total project cost increase by \$564,729 over what was originally budgeted. Total project cost including design and construction is currently calculated at \$4,317,729.

Acute Rehab Unit/Medsurg 2 (ARU / MS2 Project):

This project is a comprehensive remodel that includes a refurbishment to all patient rooms on the Acute Rehab Unit/Medsurg 2. 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 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, and new flooring and the nurses' stations will be replaced. Capital from Interior Design Upgrades - Building Wide 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. Infant Security (JC1406) and Dialysis (JC1411) are new projects included as components of this 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. The total cost for FY2015 though FY2016 is \$2,097,780.

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 FY17-Total: \$1,800,000), a new MRI (FY16 and FY17-Total: \$1,200,000), and new Angiography Equipment (FY16 and FY17-Total: \$1,000,000). The cost for architectural services and construction is budgeted at \$14,300,000. The Security Department Relocation Project is a component of the overall Radiology Modernization Project. The project is forecasted to occur over a 24-36 month process with actual construction phased into several construction phases to maintain services during the remodel. The contract for RBB architects was approved by the Board of Supervisors on October 1, 2014. NMC anticipates that this project will span three fiscal years.

The total cost for FY2015 through 2017 is \$14,300,000.

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 need to be used 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. NMC anticipates that the Security Department Relocation project will span two fiscal years. NMC plans to spend \$437,550 from FY2015 through FY 2016.

OTHER AGENCY INVOLVEMENT:

Natividad Medical Center has worked with County Counsel on the various capital projects listed for Fiscal Year 2014 and 2015. The CAO-Budget & Analysis Division recommends the funding source for capital projects should be placed in a separate capital projects fund. NMC Finance and A/C have met on how to address with a targeted completion by the end of FY 2014-15 (June 30, 2015-Effective July 1, 2015).

FINANCING:

The key capital projects for Fiscal Year 2015 are planned and budgeted in the Natividad Medical Center Capital Budget for Fiscal Year 2015 or the project has been approved by the Board of Supervisors. The capital projects listed for FY 2015 are included in NMC's Capital Plan. Funding for the projects will come out of NMC's fund account. There is no impact to the General Fund.

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Attachments: Exhibit A - Capital Project Fact Sheets