



Board Report

File #: 19-0616, **Version:** 1

Receive a report on Natividad Medical Center's key capital projects as of June 30, 2019.

RECOMMENDATION:

It is recommended the Capital Improvement Committee receive a report on Natividad Medical Center's key capital projects as of June 30, 2019.

SUMMARY/DISCUSSION:

Natividad Medical Center (NMC) is responsible for management, operation, and maintenance of building facilities and roads within the NMC campus. The Facilities and Construction Department staff administers capital projects focused on strategically upgrading the hospital by reconfiguring and remodeling the campus to better accommodate healthcare services.

Radiology Modernization:

The Diagnostic Imaging Department 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. This was considered Phase 1, in a multi-phase approach to modernize the Imaging Department. Phase 2 includes adding two CT scanners, a MRI, Nuclear Medicine, Angiography Equipment, and a Hemodynamic System. The project was approved by the Board on September 30, 2014 in the amount of \$14,300,000, which did not include the equipment cost. On November 14, 2017, the Board approved to advertise the project and go out to bid. The bids were read aloud at the Clerk of the Board's office on February 22, 2018. On July 10, 2018 the Board awarded the project to Otto Construction in the amount of \$12,947,000 and approved to increase the construction project cost to \$18,373,080. The total project cost, which includes design, construction and equipment equals \$24,621,331.

The construction was originally forecasted to occur over a 24-month period with construction phased into 4 phases to maintain services during the remodel. Construction started on September 4, 2018 and is currently 95% complete with Phase 1 of the project. The architect and contractor identified to the Natividad project team that the project may exceed the original project schedule by no more than 90 days. As a result the project team collaborated with the architect and contractor to expedite Phases 2 and 3 of the project to potentially bring the project back on schedule. Although the project may exceed the original forecasted time frame Natividad feels confident that the project will come in at or below budget. The Radiology Modernization project is within budget with a remaining balance of \$13,791,955 as of June 2019. Estimated completion date is August 31, 2020.

Nurse Call:

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 stations. Additionally, the call system has a light that illuminates to alert staff to a fire or medical emergency. 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 replacement parts have been discontinued.

The Nurse Call project was approved by the Board of Supervisors on June 2, 2015. On May 22, 2018 the Board approved an increase of \$1,651,000 for a total project cost of \$3,001,000. When the new Nurse Call system is installed, it will have the capability of using two-way devices that are text capable to receive alerts from the nurse call system along with computer work stations in each unit. OSHPD approved the project on June 7, 2019 and NMC has initiated the project as a JOC project to Ausonio Inc. to receive pricing. The remaining balance for the Nurse Call project is \$2,696,022 as of June 2019. Estimated completion date is December 31, 2021.

Pharmacy Remodel:

The Pharmacy 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 in 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 regulations set by the California State Board of Pharmacy for IV compounding. This project will update the facility 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 project was approved by the Board of Supervisors on March 1, 2016 in the amount of \$1,200,000. OSHPD approved this project on June 11, 2019 and NMC has initiated the project as a JOC project to Staples Construction to receive pricing. The remaining balance for the Pharmacy project is \$1,106,884 as of June 2019. Estimated completion date is June 30, 2020.

Parking Lots and Roadwork:

Throughout the campus of NMC 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 needs to improve the sub grade and provide adequate foundation for the weight of the Monterey-Salinas Transit (MST) buses. The paint that designates pedestrian travel, stop signs, handicapped parking stalls, and curb paint has faded and will need to be repainted. The Parking lots and Roadwork project was approved by the Board of Supervisors on March 1, 2016, in the amount of \$840,000. NMC has initiated a JOC project with Ausonio Inc. to provide this scope of work. Currently soils investigation was performed at the MST bus stops to identify the current condition of the sub grade. NMC is coordinating with MST to excavate the bus stop locations, compact the foundation, and resurface the roadway. The contract documents were submitted to the Monterey County Building Services Department to receive a building permit. The remaining balance for the Parking lots and Roadwork project is \$417,969 as of June 2019. Estimated completion date is June 30, 2020.

NMG Clinic Bldg 200:

The Natividad Medical Group (NMG) project will expand primary care clinic services for the community. Presently, NMC has primary care clinics with a capacity of four exam rooms. The expansion will provide seven additional exam rooms bringing to a total of eleven exam rooms. The seven additional rooms will provide access to approximately 150 visits per day. The additional capacity for primary clinics is much needed to better serve the community and the region needs for primary care physicians. The expansion project also includes one procedure room to be used for minor surgical procedures under local anesthetic. In addition to primary care services, the clinics anticipates offering after hours urgent care services. The NMG Clinic Bldg 200 project was approved by the Board of Supervisors on February 1, 2018 with a total project cost of \$2,225,000. Construction started on September 10, 2018 and was completed and licensed to see patients on July 22, 2019. The remaining balance for the NMG Clinic Bldg 200 project is \$703,650 (final billing and retention has not been processed) as of June 2019. NMC is confident that the project will come in under budget. This project will be removed from

the Capital Project list.

OTHER AGENCY INVOLVEMENT:

This report will be scheduled to be presented to the Capital Improvement Committee and Budget Committee.

FINANCING:

Capital projects are funded from NMC's operations. Where capital projects exceed \$100,000, funds are transferred from NMC Enterprise Fund 451 to NMC Capital Strategic Fund 404 to ensure funding is available for approved projects. Funds are transferred from the Capital Strategic Fund to the NMC Enterprise Fund as expenditures are paid to vendors.

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Attachments: Exhibit A - Capital Projects Matrix