



Board Report

File #: 20-085, **Version:** 1

Receive a report on Natividad Medical Center's key capital projects as of December 31, 2019.

RECOMMENDATION:

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SUMMARY/DISCUSSION:

Natividad Medical Center (NMC) is responsible for the 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. Modernization 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 modernizing the Imaging Department. Phase 2 includes adding two CT scanners, an MRI, Nuclear Medicine, Angiography Equipment, and a Hemodynamic System. On July 10, 2018, the Board of Supervisors 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 24 months, with construction phased into 4 phases to maintain services during the remodel. Construction started on September 4, 2018, and completed Phase 1 of the project on August 8, 2019. The architect and contractor identified to the Natividad project team that the project might exceed the original project schedule by no more than 90 days due to hidden conditions such as wall obstructions, clarification of temporary wall construction and the discovery of live electrical conduits within demolished walls. 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. In the first two quarters of FY 2019-20, a possible project schedule impact was identified due to revisions of the magnetic/RF shielding for the MRI and structural calculation of the anesthesia boom for the Interventional Radiology room. Currently, Natividad is evaluating the potential impact on the schedule and working with the contractor to start phase 4 into the later part of phase 3 which could allow the contractor to save an additional 30 days to the project.

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 \$11,147,964 as of December 2019. The revised completion date for the project is estimated to be January 4, 2021.

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 computers or other communication devices such as pagers and phones. The current Fisher Berkley Nurse Call system is at the end of life and replacement parts have been discontinued.

The Board of Supervisors approved the Nurse Call project 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 of receiving alerts from the nurse call system along with computer work stations in each unit. OSHPD approved the project on June 7, 2019. NMC initiated the project on July 24, 2019, as a JOC project to Ausonio Inc. to receive pricing. Currently, NMC and the Gordian Group are evaluating the price proposal to validate that the proposal has all the quantities required for the project. The remaining balance for the Nurse Call project is \$2,689,599 as of December 2019. The estimated completion date is December 30, 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, medications must be 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 Board of Supervisors approved the Pharmacy project 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. NMC has received the price proposal in the amount of \$849,813. NMC will be issuing a notice to proceed to start construction. The remaining balance for the Pharmacy project is \$1,105,421 as of December 2019. The 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 subgrade and provide an 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. Notice to proceed was issued on August 5, 2019, to complete the bus stop repair. The final concrete was poured on January 14, 2020. Ausonio Inc. will restripe the roadway after the fencing is removed. The remaining balance for the Parking lots and Roadwork project is \$397,851 as of December 2019. The estimated completion date is June 30, 2020.

Laboratory Remodel/Phlebotomy:

The Laboratory is where collection and testing of specimens are done to obtain information about the health of a patient as it pertains to the diagnosis, treatment, and prevention of disease. The phlebotomy area needs to be renovated to improve esthetics for better patient comfort during patient procedures. The blood bank needs additional space for specimen processing. The chemistry analyzers are to be replaced and supplemented with deionized water, resulting in decreased operational costs, faster turnaround time, and smaller sample size.

OSHPD approved the project on September 4, 2019. NMC initiated a JOC project to Staples Construction on September 17, 2019, and the cost proposal is due on February 7, 2020. The remaining balance for the Laboratory Remodel/Phlebotomy project is \$573,479 as of December 2019. The estimated completion date is December 31, 2020.

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