

Central Services
Joan Araujo, Director

Engineering Services
James O'Tousa, Director

Roads & Transportation
Anitha Balan, Director

Water & Sanitation
Joseph Pope, Director

Watershed Protection
Glenn Shephard, Director

September 12, 2023

Board of Supervisors
County of Ventura
800 South Victoria Avenue
Ventura, CA 93009

Subject: **Approval of the Plans and Specifications for the Ventura County Medical Center North Tower MRI (Project); Waiver of Minor Bid Irregularities; Award of, and Authorization for the Public Works Agency Director or His Designee to Execute, a Contract to MIK Construction Inc. of Artesia, California for Construction of the Project in the Amount of \$1,766,000; Confirmation of Professional Services Contract AE 22-011 Modification No. 2 with SWA Architects Previously Approved by a Deputy Purchasing Agent; Approval of, and Authorization for the Director of Public Works Agency to Execute, Contract Modification No. 3 in an Amount Not to Exceed \$54,060 for Architectural and Engineering Services for Construction Administration and Closeout Support for a Revised Total Contract Amount Not to Exceed of \$221,480; Authorization and Approval of the Use of a Portion of the Remaining Proceeds and Cumulative Investment Earnings of Ventura County Lease Revenue Bond Series 2020A for this Project Specification No. CP23-05; Project No. P6T21010; Supervisorial District No. 1.**

Recommendations:

1. Approve the Plans and Specifications, attached as Exhibit 2, for the Ventura County Medical Center (VCMC) North Tower MRI project (Project) located in Ventura, California, Specification No. CP23-05, Project No. P6T21010.
2. Waive any minor irregularities in the bid.
3. Award, and authorize the Director of Public Works Agency (PWA) or his designee to execute, a contract to MIK Construction Inc. of Artesia, California for construction of the Project on the basis of the lowest responsible bid of \$1,766,000.



4. Confirm Professional Services Contract No. AE22-011 Modification No. 2 (attached hereto as Exhibit 4) with SWA Architects for design services for the Project previously approved by a Deputy Purchasing Agent in PWA.
5. Approve, and authorize the Director of PWA to execute, Modification No. 3 to Professional Services Contract No. AE22-011 with SWA Architects (attached hereto as Exhibit 5), for architectural and engineering services for construction administration and closeout support in an amount not to exceed \$54,060 for a revised not-to-exceed maximum fee amount of \$221,480.
6. Authorize and approve the use of remaining proceeds and cumulative investment earnings of the Hospital Replacement Wing (HRW) bond financing (Lease Revenue Bond Series 2020A) for the Project for North Tower MRI.

Fiscal/Mandates Impact:

Mandatory: No
Source of Funding: Lease Revenue Bonds Proceeds
Funding Match Required: None
Impact on Other Department(s): None

Summary of Revenue and Total Costs:

	<u>FY 2023-24</u>	<u>FY 2024-25</u>
Revenue:	\$ 1,820,060	\$ 0
Costs:		
Direct	\$ 1,820,060	\$ 0
Indirect – Agency/Dept.	0	0
Indirect – County CAP	0	0
Total Costs	\$ 1,820,060	\$ 0
Net Costs	\$ 0	\$ 0
Recovered Indirect Costs	\$ 0	\$ 0

Background:

On May 7, 2019 your Board approved the Health Care Agency's use of the remaining bond funding and the interest earned on proceeds totaling \$18.5 million for several VCMC capital improvement projects that will improve VCMC's operational and fiscal outlook.

This project will be added to the list of approved capital improvement projects. We have received concurrence from County Counsel and bond counsel that the bond proceeds and related investment earnings can be used for this project.



The available funds represent no additional debt for VCMC. They reflect the entire remaining proceeds from the original bond approved by your Board.

Discussion:

VCMC currently has one 3T Magnetic Resonance Image (MRI) equipment. While this is useful for high-definition images, the equipment is not able to be used on all patients. The proposed new MRI suite will be equipped with a 1.5T MRI that will allow expecting patients and patients with implants and devices to have an MRI. VCMC is currently renting a 1.5T MRI trailer, which is in the parking area adjacent to the Emergency Department. The addition of the new 1.5T MRI suite will enhance the patient experience and create improved staff efficiencies.

The Hospital Replacement Wing (HRW) project included the construction of a shell space with the anticipation of a future MRI. This area within the facility would allow for expansion of the imaging services, to meet the increased needs of the community. The scope of this Project is interior improvements in the shell space that include installing electromagnetic shielding, interior partitions, mechanical, electrical, fire protection, finishes, and seismic anchoring of the equipment.

On October 19, 2021, your Board found the Project categorically exempt from the California Environmental Quality Act (CEQA) under section 15301.

Bids for the Projects were previously opened on April 12, 2023, under Specification No. CP23-03. The lowest responsible bidder at that time was 103% higher than the engineer's estimate and exceeded the budgeted funds for the project. On May 23, 2023, your Board rejected all bids submitted for Specification No. CP23-03 and authorized PWA to re-advertise the Project at a later date.

Plans and Specifications for the Project were re-advertised for public bid under Specification No. CP 23-05 on July 6, 2023.

Bids for the project were opened on August 10, 2023. A total of 3 bids were received. The Bid Abstract is attached as Exhibit 3. The bids have been checked and are considered to be in satisfactory form. The lowest responsible bid in the amount of \$1,766,000 was submitted by MIK Construction, Inc. The bid is 15% higher than the engineer's estimate of \$1,500,000.

The plans have been approved by the Department of Health Care Access and Information (HCAI) and a permit is ready for issuance to the contractor.



On September 16, 2021, professional services contract AE22-011 was issued to SWA Architects in an amount not to exceed \$34,500 for design services for the VCMC North Tower MRI project. On October 19, 2021, your Board approved Modification No. 1 to include architectural and engineering services for preparation of construction documents and permit coordination and increased the not-to-exceed amount on the contract to \$167,420.

On November 1, 2022, Modification No. 2 (Exhibit 4) was executed to extend the contract completion date. Contract AE22-011 Modification No. 3 (Exhibit 5) revises the contract to include architectural and engineering services for construction administration and closeout support. This increases the contract by \$54,060 for a revised not-to-exceed contract amount of \$221,480.

The estimated project costs are as follows:

Design (includes preliminary engineering, permitting, design):	\$ 221,000
Construction Engineering (includes testing, inspection & observation, construction administration, and project engineering):	\$ 253,000
Construction Contract:	\$ 1,766,000
Contingency:	\$ 260,000
TOTAL	\$ 2,500,000

A vicinity and location map has been included as Exhibit 1.

This item has been reviewed by the County Executive Office, the Auditor-Controller's Office, County Counsel, and the Health Care Agency.

If you have any questions concerning this item, please contact:

<u>Person</u>	<u>Telephone No.</u>	<u>Subject Matter</u>
Brian D'Anna	805-654-2025	Contracting, Project Management and Technical requirements
Diana Zenner	805-339-1181	Project Justification
Evelyn Hamilton	805-677-5206	Project Financing



Sincerely,

A handwritten signature in blue ink, appearing to read "James O'tousa".

James O'Tousa
Director
Engineering Services

Attachments:

- Exhibit 1 – Vicinity and Location Map
- Exhibit 2 – CP23-05 Plans and Specifications
- Exhibit 3 – CP23-05 Bid Abstract
- Exhibit 4 – AE22-011 Modification No. 2
- Exhibit 5 – AE22-011 Modification No. 3

