

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY
AND RECORD OF ACTION**

August 5, 2025

FROM

DON DAY, Director, Project and Facilities Management Department
ANDREW GOLDFRACH, ARMC Chief Executive Officer, Arrowhead Regional Medical Center

SUBJECT

Amendment and Change Order to Construction Contract with Healthcare Design & Construction LLC, for the Arrowhead Regional Medical Center Behavioral Health Adolescent Unit

RECOMMENDATION(S)

1. Approve **Amendment No. 5 to Construction Contract No. 24-836** with Healthcare Design & Construction LLC, for the Arrowhead Regional Medical Center Behavioral Health Adolescent Unit in Colton, adding to the scope of work, and increasing the amount by \$810,102, from \$9,169,205 to \$9,979,307, with no change to the term of September 10, 2024 through May 24, 2025, with substantial completion on May 24, 2025, and extending the final completion date from June 30, 2025 to August 8, 2025 (Four votes required).
 2. Approve **Change Order No. 1 to Construction Contract No. 24-836** with Healthcare Design & Construction LLC, for the Arrowhead Regional Medical Center Behavioral Health Adolescent Unit in Colton, adding to the scope of work, and increasing the amount by \$416,451, from \$9,979,307 to \$10,395,758, with no change to the term of September 10, 2024 through May 24, 2025, with substantial completion on May 24, 2025, and extending the final completion date from June 30, 2025 to August 8, 2025 (Four votes required).
- (Presenter: Don Day, Director, 387-5000)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Improve ARMC County Hospital Operations.

Provide for the Safety, Health and Social Service Needs of County Residents.

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). The Arrowhead Regional Medical Center (ARMC) Behavioral Health Adolescent Unit project (Project) (WBSE 10.10.1207), with a total budget of \$15,000,000, is funded with ARMC Enterprise Funds, as part of the 2025-26 Capital Improvement Program (CIP) Budget approved by the Board of Supervisors (Board) on June 10, 2025 (Item No. 136). The amendment and change order totaling \$1,226,553 will be fully funded within the Project's existing budget.

Description	Amount
Design	\$1,867,315
Construction and Project Management	\$1,238,532
County Counsel and Labor Compliance	\$92,924
Construction	\$10,365,498

**Amendment and Change Order to Construction Contract with
Healthcare Design & Construction LLC, for the Arrowhead Regional
Medical Center Behavioral Health Adolescent Unit
August 5, 2025**

ITD and Facilities Management Costs	\$653,195
Furniture, Fixtures, and Equipment	\$782,536
Total Project Budget	\$15,000,000

BACKGROUND INFORMATION

Approval of Amendment No. 5 to Construction Contract No. 24-836 (Contract) with Healthcare Design & Construction LLC (Contractor) totaling \$810,102, provides compensation for changes due to unforeseen site conditions, inaccurate as-built documentation, and evolving regulatory requirements. These factors necessitated additional work not captured in the original contract scope, including modifications to mechanical, electrical, and life safety systems, as well as added coordination to address existing deficiencies and maintain Project integrity.

Specific additions include schedule-driven general conditions, rerouting of Mechanical, Electrical, and Plumbing systems per updated California Department of Health Care Access and Information (HCAI) requirements, floor leveling for door installation, card reader upgrades for patient/staff safety, Heating, Ventilation, and Air Conditioning adjustments, additional intercoms and signage, fire alarm redesigns, and repairs to deficient infrastructure such as Information Technology/telecom systems and non-functioning domestic water valves. These scope items were essential for compliance, safety, and functionality of the Project and support seamless integration with hospital operations.

Change Order No. 1 to the Contract, totaling \$416,451, encompasses changes due to ARMC requested revisions resulting from on-site walkthroughs and feedback from end users. These changes required design adjustments and further coordination by the Contractor, leading to increased Project complexity and associated costs. Scope items include drywall removal and reinstallation to accommodate new downlights, door hardware upgrades required by updated HCAI standards, overtime work to recover schedule delays, casework modifications due to re-sequenced flooring, off-hours finish work to avoid operational interference, and drywall repairs stemming from infrastructure coordination needs. The requested changes are essential to maintaining Project momentum and minimizing operational disruptions to hospital services. They also ensure that the final built environment reflects the functional needs and expectations of its users.

On April 9, 2024 (Item No. 34), the Board authorized the Project and Facilities Management Department (PFMD) to advertise the Project for competitive bids. On April 12, 2024, PFMD advertised in the Daily Press, six plan rooms, and on the County's Electronic Procurement Network (ePro) via Request for Proposals (RFP) No. ANE223-ANE2C-5357. On June 20, 2024, five bids were received.

On September 10, 2024 (Item No. 41), the Board awarded the Contract, in the amount of \$6,758,654, to the Contractor, the lowest responsive and responsible bidder, for the term of September 10, 2024 through May 24, 2025.

On November 5, 2024 (Item No. 30), the Board approved Amendment No. 1 to the Contract with the Contractor, increasing the amount by \$553,287, from \$6,758,654 to \$7,311,941, with no change to the contract period of September 10, 2024 through May 24, 2025. This amendment addressed revised project logistics and infrastructure needs, including an accelerated schedule, temporary construction entrance, and utility coordination, in response to access constraints and to maintain uninterrupted hospital operations during construction.

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August 5, 2025**

On January 14, 2025 (Item No. 42), the Board approved Amendment No. 2 to the Contract with the Contractor, increasing the contract amount by \$120,914, from \$7,311,941 to \$7,432,855, with no change to the contract period of September 10, 2024 through May 24, 2025. This amendment covered revisions driven by unforeseen site conditions, including relocation of an existing security rack, adjustments to wall framing and structural steel, and updated fire alarm design required by regulatory feedback.

On April 29, 2025 (Item No. 47), the Board approved Amendment No. 3 to the Contract with the Contractor, increasing the contract amount by \$430,762, from \$7,432,855 to \$7,863,617, with no change to the contract period of September 10, 2024 through May 24, 2025. This amendment incorporates changes required by existing site deficiencies, such as demolition and framing upgrades, repair of existing framing, replacement of the pneumatic tube station, a short circuit coordination study, and temporary HVAC cooling support.

On May 20, 2025 (Item No. 56), the Board approved Amendment No. 4 to the Contract with the Contractor, increasing the contract amount by \$1,305,588, from \$7,863,617 to \$9,169,205. with no change to the term of September 10, 2024 through May 24, 2025. This amendment reflects patient safety and code compliance upgrades, including conversion of ceiling types to reduce ligature risk; light fixture upgrades and additional electrical receptacles; access control system upgrades and temporary relocations; added firestopping; additional framing and access panels; Saturday work on a time and materials basis; plumbing repairs; finish and casework modifications for durability and safety; additional signage; flooring repairs and waterproofing; and various other corrections including door frame adjustments, brace corrections, rerouting of existing systems, and demolition of exterior furniture to maintain schedule integrity.

Substantial Completion was completed by May 24, 2025, with owner-directed changes as per this amendment moving the anticipated Final Completion from June 30 to August 8, 2025. At this time, Final Completion remains on track to be met by the revised deadline. If both deadlines are not met, the County reserves the right to seek liquidated damages for the period beginning May 24, 2025, until Final Completion.

Public Contract Code section 20136 requires all construction contract change orders and amendments to have four vote approval by the Board. The Project is consistent with the County Administrative Office (CAO) approved CIP Project No. 22-020.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Julie Surber, Principal Assistant County Counsel, 387-5455) on July 15, 2025; Arrowhead Regional Medical Center (Andrew Goldfrach, ARMC Chief Executive Officer, 580-6170) on July 15, 2025; Purchasing (Ariel Gil Supervising Buyer, 387-2070) on July 18, 2025; Project and Facilities Management (Robert Gilliam, Chief of Project Management, 387-3072) on July 17, 2025; and County Finance and Administration (Yael Verduzco, Principal Administrative Analyst, 387-5285) on July 21, 2025.

(GS: (909) 693-0220)


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Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Joe Baca, Jr. Seconded: Curt Hagman
Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: August 5, 2025



cc: PFMD - Gilliam w/agree
Contractor - c/o PFMD w/agree
File - w/agree
MBA 08/8/2025