

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

May 20, 2025

**FROM**

**DON DAY, Director, Project and Facilities Management Department**

**ANDREW GOLDFRACH, ARMC Chief Executive Officer, Arrowhead Regional Medical Center**

**SUBJECT**

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

**RECOMMENDATION(S)**

Approve **Amendment No. 4 to 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 \$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 (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 2024-25 Capital Improvement Program Budget approved by the Board of Supervisors (Board) on June 11, 2024 (Item No. 110). The amendment of \$1,305,588 will be fully funded within the project's existing budget. The Project is comprised of the following components:

Description	Amount
Design	\$1,867,315
Construction and Project Management	\$1,238,532
County Counsel and Labor Compliance	\$92,924
Construction	\$10,365,498
ITD and Facilities Management Costs	\$653,195
Furniture, Fixtures, and Equipment	\$782,536
<b>Total Project Budget</b>	<b>\$15,000,000</b>

**BACKGROUND INFORMATION**

**Amendment to Construction Contract with Healthcare Design & Construction LLC, for the Arrowhead Regional Medical Center Behavioral Health Adolescent Unit  
May 20, 2025**

Amendment No. 4 to Contract No. 24-836 (Contract) with Healthcare Design & Construction LLC (Contractor), totaling \$1,305,588, provides compensation for critical scope additions that were not included in the original construction documents due to the concealed nature of existing site conditions and evolving regulatory requirements discovered during project execution.

As construction progressed, previously inaccessible areas revealed deteriorated infrastructure, including leaking hot and cold water supply lines, damaged framing, and outdated door frames and access control systems that no longer met current code or safety standards. Additionally, updated guidance on ligature risk mitigation necessitated a shift from acoustic ceiling tiles to gypsum board ceilings, along with associated lighting modifications.

The amendment also includes enhancements to interior finishes for improved patient safety, installation of additional code-mandated signage, fireproofing to correct legacy non-compliant assemblies, and related overtime costs required to incorporate these changes without delaying the project schedule. These scope changes are essential to align the project with current clinical safety expectations and regulatory compliance, ensuring the facility's readiness for its intended use.

On April 9, 2024, (Item No. 34), the Board authorized the Project and Facilities Management Department (PFMD) to advertise for competitive bids for the Project. 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 Contractor, the lowest responsive and responsible bidder, for the contract period 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, revising the accelerated schedule and the site logistics and infrastructure, creating a temporary construction entrance, and increasing the amount by \$553,287, from \$6,758,654 to \$7,311,941, with no change to contract period of September 10, 2024 through May 24, 2025.

On January 14, 2025 (Item No. 42), the Board approved Amendment No. 2 to the Contract with the Contractor, relocating the existing security rack, revising the framing around existing conditions, adding structural steel, designing the fire alarm, and increasing the amount by \$120,914, from \$7,311,941 to \$7,432,855, with no change to contract period of September 10, 2024 through May 24, 2025.

On April 29, 2025 (Item No. 47), the Board approved Amendment No. 3 to the Contract with the Contractor, replacing the existing pneumatic tube station, conducting an electrical short circuit coordination study, correcting the existing framing studs and bracing, correcting differing site conditions and drywall, and increasing the amount by \$430,762, from \$7,432,855 to \$7,863,617, with no change to contract period of September 10, 2024 through May 24, 2025.

The unanticipated additional costs are attributable to the existing conditions and additional regulatory requirements requiring extra work that was not accounted for in the original bid

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documents. The Final Completion date shall remain May 24, 2025; however, if Substantial Completion (as that term is defined in the General Conditions, as part of Contract No. 24-836, approved by the Board at construction contract award) is completed by May 24, 2025 and Final Completion is completed by June 30, 2025, the County will waive its right to seek liquidated damages for that period. If both deadlines are not met by Contractor, the County reserves its right to seek liquidated damages for the period starting May 24, 2025, until Final Completion.

This project is consistent with the County Administrative Office approved CIP Project No. 22-020.

Public Contract Code section 20136 requires all change orders and amendments to construction contracts be approved by a two-thirds vote of the Board.

**PROCUREMENT**

Not applicable.

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Daniel Pasek, Deputy County Counsel, 387-5455) on April 15, 2025; Arrowhead Regional Medical Center (Andrew Goldfrach, ARMC Chief Executive Officer, 580-6170) on April 16, 2025; Purchasing (Dylan Newton, Buyer, 387-3377) on April 16, 2025; Project and Facilities Management (Sarah Riley, Chief of Project Management, 387-3072) on April 28, 2025; Finance (Yael Verduzco, Principal Administrative Analyst, 387-5285) on May 1, 2025; and County Finance and Administration (Paloma Hernandez-Barker, Deputy Executive Officer, 387-5423) on May 4, 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.), Dawn Rowe, Curt Hagman, Joe Baca, Jr.  
Absent: Jesse Armendarez

Lynna Monell, CLERK OF THE BOARD

BY   
DATED: May 20, 2025



cc: PFMD - Gilliam w/agree  
Contractor - c/o PFMD w/agree  
File - w/agree  
MBA 05/27/2025