



# San Bernardino County

## Legislation Text

**File #: 3627, Agenda Item #: 7**

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

**February 9, 2021**

#### **FROM**

**WILLIAM L. GILBERT, Director, Arrowhead Regional Medical Center**

#### **SUBJECT**

Mid-Year Appropriation and Revenue Budget Adjustments for Unanticipated Plumbing Infrastructure Repairs

#### **RECOMMENDATION(S)**

Authorize the Auditor-Controller/Treasurer/Tax Collector to post budget adjustments to increase appropriation and revenue for operating transfers in the amount of \$900,000 as part of Capital Improvement Program Project 21-054 (WBSE No. 10.10.1061) due to unanticipated plumbing leaks and vulnerabilities at the Arrowhead Regional Medical Center (Four votes required).

(Presenter: William L. Gilbert, Director, 580-6150)

#### **COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES**

**Operate in a Fiscally-Responsible and Business-Like Manner.**

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

**Improve County Government Operations.**

#### **FINANCIAL IMPACT**

Approval of the recommendation will not result in the use of Discretionary General Funding (Net County Cost). Operating transfers at the Arrowhead Regional Medical Center (ARMC) are funded by State MediCal, Federal Medicare, private insurances and other departmental revenue. Funding sources may change in the future pending any legislative activity related to the repeal and/or replacement of the Affordable Care Act.

The Capital Improvement Program Project 21-054 (WBSE No. 10.10.1061) was originally budgeted at \$947,250. ARMC is requesting a budget adjustment in the amount of \$900,000 to cover additional expenditures for the investigation of plumbing infrastructure, identification and repair concealed leaks and vulnerabilities for a total budget of \$1,847,250. The additional expenses associated with this item were not identified in the initial budget request. This item authorizes the Auditor-Controller/Treasurer/Tax Collector to post the following adjustments to the 2020-21 budgets:

Cost Center	WBSE	Commitment Item	Description	Action	Amount
9110004200		55305030	Operating Transfers Out	Increase	\$900,000

9110004200		40408865	State Revenue- Managed Care Program	Increase	\$900,000
7700004204	10.10.1061	54304030	Improvement to Structures	Increase	\$900,000
7700004204	10.10.1061	40909975	Operating Transfers In	Increase	\$900,000

**BACKGROUND INFORMATION**

Capital Improvement Program Project 21-054 (WBSE No. 10.10.1061) was approved by the Board of Supervisors on June 9, 2020 (Item 67) as part of the Fiscal Year 2021 budget. This project is to investigate the plumbing infrastructure, identify and repair concealed leaks and vulnerabilities at ARMC's facility. During the investigative stage, a series of deficiencies were discovered that are beyond the original scope of work and require immediate attention involving additional underground repairs to various areas of the Hospital.

Approval of this item will allow for the remediation of the unanticipated issues to ensure a safe hospital for our County residents, improve county operations, and support the Countywide vision.

**PROCUREMENT**

Not Applicable.

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Charles Phan, Deputy County Counsel, 387-5289) on January 15, 2021; Auditor-Controller/Treasurer/Tax Collector (Erica Gomez, General Accounting Manager, 382-3196) on February 1, 2021; Real Estate Services Department, (Jennifer Costa, Assistant Director, 387-5380) on January 28, 2021; ARMC Finance (Chen Wu, Budget and Finance Officer, 909-580-3165) on January 15, 2021; Finance (Amanda Trussell, Principal Administrative Analyst, 387-5423) on January 21, 2021; and County Finance and Administration (Matthew Erickson, County Chief Finance Officer, 387-5423) on January 25, 2021.