



San Bernardino County

Legislation Text

File #: 6698, Agenda Item #: 13

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

September 13, 2022

FROM

WILLIAM L. GILBERT, Director, Arrowhead Regional Medical Center

SUBJECT

Appropriation and Revenue Adjustments to Fund Various Hospital Expenses

RECOMMENDATIONS

1. Authorize the purchase of unbudgeted fixed assets for intensive care unit beds as detailed in Attachment A, in the amount of \$496,000.
2. Approve a budget increase to Capital Improvement Program Project No. 21-064 in the amount of \$294,823, from \$242,126 to \$536,949, for the Arrowhead Regional Medical Center's Sterrad Installation (WBSE 10.10.1065) for additional design services and Infrastructure construction for Point of Care for the two Sterrad sterilizers.
3. Approve a budget increase to Capital Improvement Program Project No. 21-065 in the amount of \$485,219, from \$390,534 to \$875,753, for the Arrowhead Regional Medical Center's Sonic Irrigation Replacement (WBSE 10.10.1066) for additional design services, equipment procurement, and Infrastructure construction for Point of Care for the three Sonic irrigators in the Sterile Processing Department.
4. Approve a budget increase to Capital Improvement Program Project No. 21-154 in the amount of \$4,970,857, from \$242,126 to \$5,212,983, for the Arrowhead Regional Medical Center's Sterilization System Installation (WBSE 10.10.1142) for additional design, equipment procurement, Mobile Sterile Processing Department trailer rental, and Infrastructure construction for both the trailer location and in the Sterile Processing Department.
5. Authorize the Auditor-Controller/Treasurer/Tax Collector to post the necessary budget adjustments, as detailed in the Financial Impact Section, to the Arrowhead Regional Medical Center's 2022-2023 budget to fund the various costs and the purchase of unbudgeted fixed assets (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

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General funding (Net County Cost). The recommended budget adjustments, as reflected in the below table, are needed to provide Arrowhead Regional Medical Center (ARMC) with sufficient appropriation authority in Fiscal Year 2022-23 for various costs associated with existing Capital Improvement Program (CIP) projects and unbudgeted fixed assets as detailed

in Attachment A. These costs will be funded by State Medi-Cal, Federal Medicare, private insurances, and other department revenue. Funding sources may change in the future pending any legislative activity related to the repeal and/or replacement of the Affordable Care Act.

SAP Fund Center	Commitment Item/GL	Description	Action	Amount	WBSE
7700004204	40909975	Op Transfers In	Increase	\$294,823	10.10.1065
7700004204	54304030	Structures & Improvements to Structures	Increase	\$294,823	10.10.1065
7700004204	40909975	Op Transfers In	Increase	\$485,219	10.10.1066
7700004204	54304030	Structures & Improvements to Structures	Increase	\$485,219	10.10.1066
7700004204	40909975	Op Transfers In	Increase	\$4,970,857	10.10.1142
7700004204	54304030	Structures & Improvements to Structures	Increase	\$4,970,857	10.10.1142
9186104200	54404040	Equipment	Increase	\$496,000	N/A
9186104200	40440054	MCL Managed Care Inpatient	Increase	\$496,000	N/A

BACKGROUND INFORMATION

Approval of the recommendations will provide ARMC with sufficient appropriations to fund expenses related to existing CIP projects. Additionally, approval for the purchase of the unbudgeted fixed assets for the intensive care unit (ICU) beds, as detailed in Attachment A, will allow ARMC to provide for the health and safety of County residents as the beds provide essential support to patient’s vital functions and will be utilized in critical care service areas. The additional ICU beds will replace existing beds that are at the end of their lifecycle and will also support the addition of neurology services in the ICU.

CIP Project No. 21-064 (WBSE 10.10.1065) is ARMC’s Sterrad Installation Project. The original budget of \$242,126 was for the initial design of the project and with the preliminary design completed, the department is requesting a budget increase for additional design services, Infrastructure construction for Point of Connection (POC) for the two Sterrad sterilizers, as well as soft costs for Project Management (PM), Department of Healthcare Access and Information (HCAI) Inspection and special testing services, escalation, and contingencies.

CIP Project No. 21-065 (WBSE 10.10.1066) is ARMC’s Sonic Irrigation Replacement Project. The original budget of \$390,534 was for the initial design of the project and with the preliminary design completed, the department is requesting a budget increase for additional design services, equipment procurement, Infrastructure construction for POCs for the three Sonic irrigators in SPD, as well as soft costs for PM, HCAI Inspection and special testing services, escalation, and contingencies.

CIP Project No. 21-154 (WBSE 10.10.1142) is ARMC’s Sterilization System Installation Project. The original budget of \$242,126 was for the initial design of the project and upon further review, it was determined that the scope of work needed to complete the project was significantly greater than anticipated. ARMC is requesting a budget increase to address the following costs: procurement of additional equipment needed to support operations, higher design fees than initially estimated, higher costs for construction to address infection control and utility connections, added scope for flooring, temporary construction barriers as required to work in the

sterile areas of the hospital, address existing conditions to bring them up to current code, additional rent for a Mobile SPD Trailer to allow operations to continue while this project is under construction, and the increase to soft costs as a result of the added scope and costs.

ARMC is a 456-bed university-affiliated teaching hospital licensed by the California Department of Public Health, operated by San Bernardino County, and governed by the Board of Supervisors. ARMC delivers a large spectrum of essential services including emergency medicine, family medicine, internal medicine, neurology, obstetrics and gynecology, psychiatry, and ophthalmology. ARMC is composed of the main hospital, a behavioral health center, five primary care centers, and 40 subspecialty clinics.

PROCUREMENT

N/A

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Charles Phan, Deputy County Counsel, 387-5455) on August 18, 2022; Auditor-Controller/Treasurer/Tax Collector (Vanessa Doyle, Deputy Chief Controller, 387-5669) on August 17, 2022; Project and Facilities Management Department (Robert Gilliam, Chief of Project Management, 387-3072) on August 17, 2022; Project and Facilities Management Department (Don Day, Director, 387-5224) on August 22, 2022; ARMC Finance (Chen Wu, Finance and Budget Officer, 580-3165) on August 19, 2022; Finance (Jenny Yang, Administrative Analyst, 387-4884) on August 26, 2022; and County Finance and Administration (Diana Atkeson, Deputy Executive Officer, 387-5423) on August 26, 2022.