

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**ITEM: 3.9  
(ID # 17737)**

**MEETING DATE:**

Tuesday, March 08, 2022

**FROM :** FACILITIES MANAGEMENT AND RIVERSIDE UNIVERSITY HEALTH SYSTEM :


**SUBJECT:** FACILITIES MANAGEMENT (FM) AND RIVERSIDE UNIVERSITY HEALTH SYSTEM: Riverside University Health System Medical Center - Replacement of Kitchen Refrigeration System Project – California Environmental Quality Act Exempt, Approval of In-Principle and Preliminary Project Budget, Ratify and Approve the Public Works Purchase Order with Cooltec Refrigeration Corp., without seeking competitive bids for Public Works Project in the amount of \$120,788, District 5. [\$195,665 - 100% RUHS Enterprise Fund 40050]


**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Find that the Riverside University Health System Medical Center - Replacement of Kitchen Refrigeration System (RUHS-MC Replacement of Kitchen Refrigeration System) Project is exempt from the California Environmental Quality Act (CEQA) Pursuant to State CEQA Guidelines Section 15301, Class 1 Existing Facilities Exemption, Section 15303, Class 3 New Construction or Conversion of Small Structures; and Section 15061 (b)(3) "Common Sense" Exemption;
2. Approve in-principle, the RUHS-MC Replacement of Kitchen Refrigeration System Project located at 26520 Cactus Avenue, Moreno Valley, California;

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**ACTION:Policy, CIP**

  
Rose Salgado, Director of Facilities Management 2/14/2022

  
Jennifer Cruikshank, Chief Executive Officer - Health System 2/14/2022

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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Spiegel, seconded by Supervisor Perez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt  
Nays: None  
Absent: None  
Date: March 8, 2022  
xc: FM, RUHS

Kecia R. Harper  
Clerk of the Board

By:   
Deputy

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**RECOMMENDED MOTION:** That the Board of Supervisors:

3. Ratify and Approve a preliminary project budget in the not to exceed amount of \$195,665 for the Project;
4. Approve the Public Works Change Order 1 in the amount of \$35,269, Change Order 2 in the amount of \$15,520, and Change Order 3 in the amount of \$10,000 with Cooltec Refrigeration Corp., without seeking competitive bids for a total Public Works Project in the amount of \$120,788;
5. Ratify and Approve the RUHS-MC Replacement of Kitchen Refrigeration System Project for inclusion in the Capital Improvement Program (CIP);
6. Authorize the use of RUHS Enterprise Fund 40050 not to exceed \$195,665, including reimbursement to Facilities Management (FM) for incurred project related expenses;
7. Delegate project management authority for the Project to the Director of Facilities Management in accordance with applicable Board policies, including the authority to utilize consultants on the approved pre-qualified list for services in connection with the Project, and within the approved project budget; and
8. Authorize the Purchasing Agent to execute pre-qualified consultant service agreements not to exceed \$100,000 per pre-qualified consultant, per fiscal year, in accordance with applicable Board policies for this project, and the sum of all project contracts shall not exceed \$195,665.

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$ 195,665	\$ 0	\$ 195,665	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS:</b> RUHS Enterprise Fund 40050 – 100%			<b>Budget Adjustment:</b> No	
			<b>For Fiscal Year:</b> 2021/22	

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

The RUHS Medical Center's refrigeration system for the Food and Nutrition Services department is more than 10 years old and had been approaching its end of life. As outdoor temperatures increased, this cooling system struggled to reach and maintain appropriate food safety temperatures at or below 41° F. At times, food was being moved out onto coolers to maintain health standards.

In response, RUHS-MC and Facilities Management (FM) solicited Purchasing pre-qualified mechanical contractors who supplied quotes ranging from \$124,000 to \$59,999 in accordance

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with relevant contracting procedures. Cooltec Refrigeration Corp. (Cooltec), from Pomona, California, was issued a purchase order to replace the refrigeration system within central Purchasing's authority using Public Works Prequalified Contractors for contracts up to \$60,000. Subsequently, during the permitting and inspection process, additional requirements such as but not limited to the installation of a compliant fused disconnect were added by the authority having jurisdiction and additional piping was needed to complete the work. The added scope also caused completion delays which led to material cost increases. It would have been impractical to solicit bids during construction for the remainder of scope and still complete the work in a timely manner. Further, the scope added did not change the main purpose of the Purchase Order. FM hereby requests the Board of Supervisors (Board) authorize the Purchasing Department to issue three change orders in the amount of \$60,789 for a total contract amount of \$120,788 to Cooltec for the added scope of work and material cost increases.

Facilities Management recommends the Board approve the RUHS-MC Replacement of Kitchen Refrigeration System Project and the preliminary project budget in the not to exceed amount of \$195,665. FM intends to use the best cost-effective project delivery method to expedite the completion of the project.

(Continued)

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**BACKGROUND:**

**Summary (Continued)**

The use of the facility would continue to provide public services and would not result in a significant increase in capacity or intensity of use. Therefore, RUHS-MC Kitchen Refrigeration System Project is exempt as the project meets the scope and intent of the Common Sense Exemption identified in Section 15061 (b)(3), Class 1 Existing Facilities I Exemption identified in Section 15301, and Class 2 Replacement or Reconstruction Exemption identified in Section 15302. A Notice of Exemption will be filed by FM staff with the County Clerk within five days of Board approval.

**Impact on Residents and Businesses**

The RUHS-MC Replacement of Kitchen Refrigeration System Project will ensure the continuous use of the facility and compliance health and safety standards.

**Contract History and Price Reasonableness**

The County Purchasing Agent developed and maintains a list of qualified contractors and the guidelines in which departments and staff are able to utilize the list. The Purchasing Agent identified the qualification standards according to categories of work, and a qualification-based system based on the criteria determined by the Uniform Construction Costs Accounting Commission. The Purchasing Agent also established procedures for the solicitation and award of informal public projects under the Purchasing Department authority per Ordinance 757 by utilizing the Uniform Public Construction Cost Accounting Act (UPCCAA) Public Contract Code Section 22000 -22045. PCC22032: (a) Public projects of sixty thousand dollars (\$60,000) or less may be performed by the employees of a public agency by force account, by negotiated contract, or by purchase order. Through these established procedures various county staff are able to reach out to qualified contractors and request quotes and secure services without seeking competition for projects under sixty thousand dollars (\$60,000).

In March of 2021, the Project Management Office reached out to Prequalified Contractors under the above-mentioned guidelines. The department received cost proposals ranging from \$59,999 to \$124,000. The department selected Cooltec Refrigeration Corp.'s cost proposal in the amount of \$59,999. The purchase requisition was reviewed through the department's internal approval process and in July 2021, a P.O. was issued.

(Continued)

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**Contract History and Price Reasonableness (Continued)**

During the course of the building permit being finalized, changes were made to the drawing as well as additional scope of work was added to comply with the approved Health Care Access and Information (HCAI) plans and account for HCAI's additional required testing.

On September 8, 2021, Change Order 1 was issued in the amount of \$35,269 to cover the cost of material price increases, additional scope and testing required by HCAI. The issuance of change order 1 would increase the P.O. to a not to exceed amount of \$95,268, subsequently causing the project to no longer fall within the non-competitively bid Public Works bid requirements. The work found in Change Order 1 did not change the main purpose of the Purchase Order and was necessary for the proper completion of the project.

Change Order 2 was issued in the amount of \$15,520 due to unforeseen conditions in the area above the ceiling and Change Order 3 was issued in the amount of \$10,000 to correct existing conditions of the compressor rack. It became necessary to bring the units electrical up to code per HCAI requirements. The issuance of Change Orders 2 and 3 therefore increased the P.O. to a not to exceed amount of \$120,788.

**Additional Fiscal Information**

The approximate allocation of the preliminary project budget is as follows:

<b>PROJECT BUDGET LINE ITEMS</b>	<b>BUDGET AMOUNT</b>
DESIGN PROFESSIONAL OF RECORD	17,625
SPECIALTY CONSULTANTS	14,936
REGULATORY PERMITTING	13,949
CONSTRUCTION	120,788
COUNTY ADMINISTRATION	19,050
PROJECT CONTINGENCY	9,317
<b>PRELIMINARY PROJECT BUDGET</b>	<b>\$ 195,665</b>

All costs associated with this Board action will be 100% funded by RUHS Enterprise Fund 40050 and will be expended in FY 2021/22.

RS:SP:RB:NS:SC:SP;mg                      FM05430010054                      MT Item #17737  
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Rplc - In-Princ & Prelim Proj Bdgt\_030822.doc

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Meghan Hahn, Senior Management Analyst 2/17/2022

  
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Gregory V. Priamos, Director County Counsel 2/16/2022

FOR COUNTY CLERK USE ONLY

**Riverside County**  
**Facilities Management**  
3133 Mission Inn Ave., Riverside, CA 92507

Original Negative Declaration/Notice of  
Determination was routed to County  
Clerks for posting on.

**NOTICE OF EXEMPTION**

3/14/22  
Date

PR  
Initial

November 19, 2021

**Project Name:** Riverside University Health System Medical Center (RUHS MC) Kitchen Refrigerator Replacement Project

**Project Number:** FM05430011054

**Project Location:** 26520 Cactus Avenue, west of Nason Street, Moreno Valley, County of Riverside, California; Assessor's Parcel Number (APN): 486-280-037

**Description of Project:** The RUHS Medical Center's refrigeration system for the Food and Nutrition Services Department is no longer reliable and quickly approaching its end-of-life cycle. As outdoor temperatures increased, the cooling system struggled to reach and maintain appropriate food safety temperatures at or below 41°F. At times, hospital personnel had to move food out onto coolers to maintain safe operation and health standards. The scope of work will include, but is not limited to, replacement of the kitchen refrigerator system. The installation and operation of the Food and Nutrition Services Department refrigeration system and associated equipment at the RUHS MC is identified as the project under the California Environmental Quality Act (CEQA). No direct or indirect physical environmental impacts are anticipated.

**Name of Public Agency Approving Project:** Riverside County

**Name of Person or Agency Carrying Out Project:** Riverside County Facilities Management

**Exempt Status:** State California Environmental Quality Act (CEQA) Guidelines, Section 15301 Existing Facilities Exemption; and 15061(b) (3), General Rule or "Common Sense" Exemption, Codified under Title 14, Articles 5 and 19, Sections 15061, 15301, and 15302.

**Reasons Why Project is Exempt:** The proposed project is categorically exempt from the provisions of CEQA specifically by the State CEQA Guidelines as identified below. The project will not result in any specific or general exceptions to the use of the categorical exemption as detailed under State CEQA Guidelines Section 15300.2. The project will not cause an impact to an environmental resource of hazardous or critical concern nor would the project include unusual circumstances which could have the possibility of having a significant effect on the environment. The project would not result in impacts to scenic highways, hazardous waste sites, historic resources, or other sensitive natural environments, or have a cumulative effect to the environment. No significant environmental impacts are anticipated to occur with the replacement kitchen refrigeration system and associated equipment at the RUHS MC.

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- Section 15301 (b)–Existing Facilities:** This Class 1 categorical exemption includes the operation, repair, maintenance, leasing, or minor alteration of existing public or private structures or facilities, provided the exemption only involves negligible or no expansion of the previous site’s use. The project, as proposed, is limited to the replacement of existing equipment to improve operations at the RUHS MC. The two replacement chromatography refrigerators and associated equipment would result in the continued provision public services and would not result in a significant increase in capacity or intensity of use. Therefore, the project is exempt as it meets the scope and intent of the Categorical Exemption identified in Section 15301, Article 19, Categorical Exemptions of the CEQA Guidelines.
- Section 15302 –Replacement or Reconstruction:** This Class 2 categorical exemption consists of the replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose and capacity as the structure replaced. Under (c), replacement or reconstruction of existing utility systems and/or facilities involving negligible or no expansion of capacity. The project, as proposed, is the replacement of refrigeration system of similar size and capacity. The system is an existing facility that supports the provision of hospital nutrition services and the replacement would have the same purpose as the existing infrastructure. Therefore, the project is exempt as it meets the scope and intent of the Categorical Exemption identified in Section 15302, Article 19, Categorical Exemptions of the CEQA Guidelines.
- Section 15061 (b) (3) – “Common Sense” Exemption:** In accordance with CEQA, the use of the Common Sense Exemption is based on the “general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment.” State CEQA Guidelines, Section 15061(b) (3). The use of this exemption is appropriate if “it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.” *Ibid*. This determination is an issue of fact and if sufficient evidence exists in the record that the activity cannot have a significant effect on the environment, then the exemption applies and no further evaluation under CEQA is required. See *No Oil, Inc. v. City of Los Angeles* (1974) 13 Cal. 3d 68. The ruling in this case stated that if a project falls within a category exempt by administrative regulation or 'it can be seen with certainty that the activity in question will not have a significant effect on the environment', no further agency evaluation is required. With certainty, there is no possibility that the project may have a significant effect on the environment. The proposed replacement of the kitchen refrigeration system and associated equipment will not result in any direct or indirect physical environmental impacts. The installation of the replacement equipment at the existing hospital facility would not alter the footprint and is being completed to increase the operational efficiency of the RUHS MC. The use of the facility would remain unchanged. Therefore, in no way, would the project as proposed have the potential to cause a significant environmental impact and the project is exempt from further CEQA analysis.

Based upon the identified exemptions above, the County of Riverside, Facilities Management hereby concludes that no physical environmental impacts are anticipated to occur and the project as proposed is exempt under CEQA. No further environmental analysis is warranted.

Signed:  Date: 11-19-2021

Mike Sullivan, Senior Environmental Planner  
County of Riverside, Facilities Management