

STATE OF CALIFORNIA
CAPITAL OUTLAY
BUDGET CHANGE PROPOSAL (COBCP)
COVER PAGE (REV 06/15)

DEPARTMENT OF FINANCE
915 L Street
Sacramento, CA 95814
IMS Mail Code: A15

BUDGET YEAR 2016-17

BUSINESS UNIT: 4265 COBCP NO: 1 PRIORITY: 1 PROJECT ID: 0000715
(7 digits; for new projects, leave blank)

DEPARTMENT: Department of Public Health

PROJECT TITLE: Richmond: Viral Rickettsial Disease Laboratory Enhanced Upgrade

TOTAL REQUEST (DOLLARS IN THOUSANDS): \$ 3,799 MAJOR/MINOR: Major

PHASE(S) TO BE FUNDED: C PROJ CAT: CRI CCC/EPI: 6108 / 6108

SUMMARY OF PROPOSAL:

This Capital Outlay Budget Change Proposal requests to reappropriate \$3.799 million from a Capital Outlay Project approved in Fiscal Year 2015-16 to upgrade the California Department of Public Health (CDPH) Bio-Safety Level 3 (BSL-3) certified Viral and Rickettsial Disease Laboratory. The upgrades were needed to ensure that CDPH retains its BSL-3 Certification from the Federal Center for Disease Control and Prevention and National Institutes of Health.

The reappropriation is needed due to the project's delays that were beyond CDPH or the Department of General Services' control.

HAS A BUDGET PACKAGE BEEN COMPLETED FOR THIS PROJECT? (E/U/N?): N

REQUIRES LEGISLATION (Y/N): N IF YES, LIST CODE SECTIONS: _____

REQUIRES PROVISIONAL LANGUAGE (Y/N) Y

IMPACT ON SUPPORT BUDGET: ONE-TIME COSTS (Y/N): N FUTURE COSTS (Y/N): N

FUTURE SAVINGS (Y/N): N REVENUE (Y/N): N

DOES THE PROPOSAL AFFECT ANOTHER DEPARTMENT (Y/N): N IF YES, ATTACH

COMMENTS OF AFFECTED DEPARTMENT SIGNED BY ITS DIRECTOR OR DESIGNEE.

SIGNATURE APPROVALS:

[Signature] Bow 12/22/2015
PREPARED BY DATE

[Signature] L 12/23/15
REVIEWED BY DATE

[Signature] 12/23/15
DEPARTMENT DIRECTOR DATE

[Signature] 12/28/15
AGENCY SECRETARY DATE

DOF ANALYST USE

DOF ISSUE # _____ PROGRAM CAT: _____ PROJECT CAT: _____ BUDG PACK STATUS: _____

ADDED REVIEW: SUPPORT: _____ OCIO: _____ FSCU/ITCU: _____ OSAE: _____ CALSTARS: _____

PPBA: Original Signed by:
Koreen Hansen

DATE SUBMITTED TO LEGISLATURE: January 7, 2016

STATE OF CALIFORNIA CAPITAL OUTLAY BUDGET CHANGE PROPOSAL (COBCP) NARRATIVE PAGE (REV 06/15) BUDGET YEAR 2016-17	DEPARTMENT OF FINANCE 815 L Street Sacramento, CA 95814 IMS Mail Code: A15
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BUSINESS UNIT: 4265 COBCP NO: 01 PRIORITY: 1 PROJECT ID: 0000715
(7 digits; for new projects, leave blank)

Using the attached page, follow the format outlined below and fully address all of the items. Use additional pages as needed. Certain projects may require additional information. Questions should be referred to DOF.

A. PURPOSE OF THE PROJECT: (problem, program need, infrastructure deficiency)

At the time of construction (2000), the Richmond Campus VRDL laboratory was designed to meet the existing BSL-3 requirements as determined by the CDC and NIH. In response to world health concerns, in 2006 the CDC/NIH implemented enhanced requirement for BSL-3 certified laboratories. In response to the required BSL-3 enhancements, in FY 2015-16, CDPH was funded with a \$4.333 million Capital Outlay Project to upgrade the VRDL.

Below are the phases and funding allocation for this project:

Phase	Authority
Working Drawings	\$ 534,000
Construction – A&E	\$ 351,000
Construction – Contract	\$ 2,796,000
Construction – Contingency	\$ 196,000
Construction – Other	\$ 456,000
	\$ 4,333,000

After the enactment of the FY 2015-16 budget, CDPH engaged the services of the Department of General Services (DGS) Real Estate Services Division (RESA) to manage the project and in July 2015 CDPH transferred \$534,000 into the DGS Architectural Revolving Fund (ARF) to fund the Working Drawing (WD) Phase of the project.

Originally, the DGS schedule was to proceed into the Construction phase in April/May 2016, which would then allow CDPH to transfer the remaining (\$3.799 million) funds into the Architectural Revolving Fund (ARF).

However, in August 2015, the State Fire Marshal's (SFM) Office redirected all SFM resources to addressing California fires throughout the state and suspended all reviews of construction plans, drawings, and documents. This effectively caused a 3-4 month delay in the project.

The project's construction phase has been delayed to occur after July 2016. As a result, this request is to reappropriate the remaining funds (\$3.799 million) for construction to FY 2016-17.

B. RELATIONSHIP TO THE STRATEGIC PLAN: (relevance of problem/need to mission and goals)

CDPH's mission is dedicated to optimizing the health and well-being of the people of California. This request is consistent with the CDPH Strategic Map goal "C" to "Strengthen Statewide Infrastructure to Improve Health" and C-1 to "Prepare for and Respond to Public Health Threats"

C. ALTERNATIVES: (for each, describe the proposed alternative and provide a brief summary of scope, cost, funding source, program benefits, facility management benefits, and impact on support budget)

Alternative 1:

Approve the request to reappropriate the funds for the needed BSL-3 enhancements to VRDL.

Cost:

\$3.799 million

Funding Source:

General Fund

Program benefits:

Upgrading CDPH's VRDL suite is a necessary step for CDPH to maintain the VRDL BSL-3 certification and the ability to monitor, quickly identify, and respond to potential emerging virus outbreaks, including agents of bioterrorism.

As the State of California's reference laboratory, the ability to perform comprehensive, thorough, reliable analysis and diagnostic testing of prospective viral agents will ultimately save lives.

Impact on support budget:

The proposed enhancements should not have any impact to the existing support budget.

Alternative 2:

Do not approve COBCP to reappropriate the funds.

Scope:

None.

Cost:

Unknown at this time.

Funding source:

Not applicable.

Program benefits/disadvantages:

Without the needed BSL-3 enhancements, CDPH will ultimately lose its BSL-3 certification and the ability to safely test viruses that require a BSL-3 certified laboratory, exposing the public to an increased risk of an epidemic from an emerging or novel virus.

Since California is identified as a potential "point of entry" for any number of worldwide highly infectious viruses or diseases, delays from the inability for CDPH to test suspected viruses or agents will result in unnecessarily spreading viral agents, increasing the potential for outbreaks with increased morbidity, and mortality of infected individual(s) as a result.

Alternative 3:

Outsource / contract the testing of sample(s) to a University, a private/commercial laboratory, CDC, and/or another state with the enhanced BSL-3 Laboratory.

Scope:

None

Cost:

Undeterminable at this time.

Funding source:

Not Applicable

Program benefits/disadvantages:

Without the needed enhancements, CDPH will have to resort to contracting for the needed diagnostic laboratory services of viruses or agents that cannot be tested without the enhanced BSL-3 laboratory.

However, the only other laboratory in California with the enhanced BSL-3 capability is at the University of California, Los Angeles (UCLA) which supports its academic research mission. While the UCLA laboratory facility is certified BSL-3, their staff does not have the training or expertise to handle the types of viruses, agents, or pathogens that the CDPH Laboratory staff would normally handle. Therefore, the UCLA laboratory is not a viable option.

It is more likely that CDPH would have to send suspected samples to another state with an enhanced BSL-3 laboratory or the CDC laboratory in Atlanta, Georgia. However, shipping the suspected samples will ultimately cause further delays in the verification process and CDPH's ability to respond. In addition, the logistics of shipping highly contagious viruses will limit CDPH's ability and options to ship suspected sample(s) using regular commercial carriers.

Such delays will result in the unnecessary spread of the virus and outbreak increasing morbidity and mortality of infected individual(s).

D. RECOMMENDED SOLUTION:

1. Which alternative and why?

Alternative 1: Approve the COBCP and reappropriate the funds to continue and complete the needed enhancements to the CDPH VRDL and maintain its BSL-3 certification.

Completing the needed enhancements will provide California the highest level of protection and diagnostic capability to protect Californians from the threats of a pandemic and/or bioterrorism act. If the H5N1 influenza virus or other emerging viruses finds its way to California, CDPH's ability to provide a quick evaluation/confirmation, implement an early course of treatment, and contain and limit the spread of an outbreak will ultimately save lives.

2. Detail scope description.

The project scope would expand the VRDL space from 1,210 square feet to approximately 2,000 square feet and include building modifications needed to meet the new BSL-3 containment standards that include, but are not limited to, providing unconditional shower out capability, hands-free faucets, pass-through autoclave sterilizer from the suite, equipment decontamination area, HEPA filtration of the exhaust side of the HVAC system, positive-sealing dampers on the HVAC system and through-wall ports of the safe gaseous decontamination of the laboratory, and an electronic monitoring system.

3. Basis for cost information.

DGS has provided a 3-page estimate dated 06-15-2014, enclosed.

4. Factors/benefits for recommended solution other than the least expensive alternative.

Reappropriation of the funds will allow CDPH to proceed with the project and retain its BSL-3 certification.

5. Complete description of impact on support budget.

The requested COBCP amount has already been appropriated in the FY 2015-16 budget and will not impact CDPH's support budget.

6. Identify and explain any project risks.

None.

7. List requested interdepartmental coordination and/or special project approval (including mandatory reviews and approvals, e.g. technology proposals).

The VRDL project will continue to be managed by DGS/RES.D.

No other interdepartmental coordination or special approvals are required.

E. CONSISTENCY WITH GOVERNMENT CODE SECTION 65041.1:

1. Does the recommended solution (project) promote infill development by rehabilitating existing infrastructure and how? No

Explain. The requested enhancement is to an existing facility and is not applicable to GC 65041.1

2. Does the project improve the protection of environmental and agricultural resources by protecting and preserving the state's most valuable natural resources? No

Explain. The requested enhancement is to an existing facility and is not applicable to GC 65041.1

3. Does the project encourage efficient development patterns by ensuring that infrastructure associated with development, other than infill, support efficient use of land and is appropriately planned for growth? No

Explain. The requested enhancement is to an existing facility and is not applicable to GC 65041.1

**DEPARTMENT OF GENERAL SERVICES
REAL ESTATE SERVICES DIVISION - PROJECT MANAGEMENT BRANCH
PROJECT COST SUMMARY**

PROJECT:	Upgrade Viral and Rickettsial Disease Lab	W. D. ESTIMATE:	W5DPH9CP
LOCATION:	Richmond	EST. / CURR'T. CCCI:	6108 / 6108
CUSTOMER:	Department of Public Health	DATE ESTIMATED:	12/10/2015
DESIGN BY:	HDR, Inc.	ABMS NO:	124639
PROJECT MGR:	R. Standiford	PREPARED BY:	LL
TEMPLATE:	Design / Bid / Build	DOF PROJ. I.D. NO.:	94.65.010

DESCRIPTION

This estimate covers the scope for the Virology Option 3, Building B, third floor renovation. Scope includes demolishing the existing BSL3 area and reducing casework. The project will construct a new change/shower entry area, new BSL3 room, A2 BSC's, and a HEPA array on the roof.

ESTIMATE SUMMARY

Demolition	\$122,600
Structure	\$31,800
Enclosure, Horizontal	\$15,100
Support Items	\$4,300
Internals, Vertical (Walls)	\$277,500
Internals, Horizontal (Ceiling and Floors)	\$64,100
Finishes, Special	\$22,000
Interiors	\$46,700
Equipment	\$197,400
Plumbing	\$411,300
HVAC	\$1,145,100
Fire Protection	\$30,500
Electrical	\$231,100

ESTIMATED TOTAL CURRENT COSTS:	\$2,599,500
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Adjust CCCI From 6108 to 6108	\$0
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ESTIMATED TOTAL CURRENT COSTS ON DECEMBER 2015	\$2,599,500
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Escalation to Start of Construction 12 Months @ 0.42% / Mo.:	\$131,000
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Escalation to Mid Point 6 Months @ 0.42% / Mo.:	\$65,500
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ESTIMATED TOTAL CONTRACTS:	\$2,796,000
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Contingency At: 7%	\$195,700
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ESTIMATED TOTAL CONSTRUCTION COST:	\$2,991,700
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**SUMMARY OF COSTS
BY PHASE**

PROJECT: Upgrade Viral and Rickettsial Disease Lab W. D. ESTIMATE: W5DPH9CP
 LOCATION: Richmond DATE ESTIMATED: 12/10/2015
 ABMS #: 124639

CONSTRUCTION DURATION: 12 MONTHS
 ESTIMATED CONTRACT: \$2,796,000 \$2,796,000
 CONSTRUCTION CONTINGENCY: \$195,700 \$195,700
 TOTAL: \$2,991,700 \$2,991,700

CATEGORY	ACQUISITION STUDY 00	PRELIMINARY PLANS 01	WORKING DRAWINGS 02	CONSTRUCTION 03	TOTAL
ARCHITECTURAL AND ENGINEERING SERVICES					
A&E Design		\$131,000	\$530,000	\$165,000	\$826,000
Construction Inspection				\$145,900	\$145,900
Construction Inspection Travel				\$36,700	\$36,700
Builders Risk Insurance					\$0
Advertising, Printing and Mailing		\$0	\$19,476		\$19,476
Construction Guarantee Inspection				\$3,800	\$3,800
SUBTOTAL A&E SERVICES	\$0	\$131,000	\$549,476	\$351,400	\$1,031,876

OTHER PROJECT COSTS					
Special Consultants (Lab Specialist)		\$28,600	\$15,000	\$83,000	\$126,600
Materials Testing				\$52,000	\$52,000
Project/Construction Management		\$50,500	\$178,000	\$208,000	\$436,500
Contract Construction Management			\$0	\$0	\$0
Site Acquisition Cost & Fees					\$0
Agency Retained Items					\$0
SBE/DVBE Assessment				\$19,600	\$19,600
School Checking			\$0		\$0
Hospital Checking			\$0		\$0
Essential Services			\$0		\$0
Accessibility Checking			\$7,000		\$7,000
Environmental Document (Neg Dec)		\$20,000			\$20,000
Due Dillgence		\$10,000			\$10,000
Other Costs - (SFM)		\$900	\$10,000	\$47,000	\$57,900
Other Costs - (Permit/Reg. Fees)					\$0
Other Costs - (ARF Assessment)	\$0	\$0	\$6,400	\$46,300	\$52,700
SUBTOTAL OTHER PROJECT COSTS	\$0	\$110,000	\$216,400	\$455,900	\$782,300

TOTAL ESTIMATED PROJECT COST	\$0	\$241,000	\$765,876	\$3,799,000	\$4,805,876
LESS FUNDS TRANSFERRED	\$0	\$241,000	\$765,876	\$0	\$1,006,876
LESS FUNDS AVAILABLE NOT TRANSFERRED	\$0	\$0	\$0	\$3,799,000	\$3,799,000
CARRY OVER	\$0	\$0	\$0	\$0	
BALANCE OF FUNDS REQUIRED	\$0	\$0	\$0	\$0	\$0

FUNDING DATA & ESTIMATE NOTES

PROJECT:	Upgrade Viral and Rickettsial Disease Lab	W. D. ESTIMATE:	W5DPH9CP
LOCATION:	Richmond	DATE ESTIMATED:	12/10/2015
ABMS#:	124639		

FUNDING DATA

<u>Chapter / Item</u>	<u>Phase</u>	<u>Amount</u>	<u>Totals</u>
Fund Transfers			
171/2007 - 4265 - 301 - 0001(1)	P	\$241,000	
171/2007 - 4265 - 301 - 0001(1)	W	\$241,000	
171/2007 - 4265 - 301 - 0001(1) -Reversion	W	(\$8,624)	
0010/2015 - 4265 - 301 - 0001(1)	W	\$533,500	
0	0	\$0	
0	0	\$0	
0	0	\$0	
0	0	\$0	
Total Funds Transferred			<u>\$1,006,876</u>
Funds Available Not Transferred			
0010/2015 - 4265 - 301 - 0001(1)	C	\$3,799,000	
0	0	\$0	
0	0	\$0	
0	0	\$0	
Total Funds Available not Transferred			<u>\$3,799,000</u>
Total Funds Transferred and Available			<u><u>\$4,805,876</u></u>

ESTIMATE NOTES

1. The construction costs in this estimate are indexed from the CCCI Index as of the date of estimate preparation to the CCCI Index that is current as of DECEMBER 1, 2015. The project estimate is then escalated for a 6 month period to an assumed construction midpoint. Additionally, the project has been escalated to the assumed start of construction.
2. The Agency may have retained items that are not included in this estimate. RESD has not verified Agency retained pricing.
3. Special consultant costs include Laboratory Specialist.
4. An ARF Assessment of 1.233 percent has been applied to the working drawings and construction phases, in accordance with Control Section 4.70 of the 2008 Budget Act. The ARF assessment in the working drawings phase will only be applied to the additional funds being requested.
5. This estimate assumes funding for the working drawings and construction phases in the 2015/2016 Budget.
6. The plans are designed to the 2007 codes and must be updated.
7. Additional funds are required in the working drawings phase for code updates, bidding and award of construction contract.
8. 0
9. 0
10. 0

STATE OF CALIFORNIA		Budget Year 2016-17	
CAPITAL OUTLAY BUDGET CHANGE PROPOSAL (COBCP)		Proj ID:	0000715
FISCAL IMPACT WORKSHEET		BU/Entity:	4265
Department Title:	California Department of Public Health	Program ID	4060
Project Title:	CDPH Viral and Rickettsial Diseases Laboratory BSL-3 Upgrade	COBCP #:	1
Program Category:	Other - Critical Infrastructure	Priority:	1
Program Subcategory:		MA/MI:	MA

			Existing Authority	January 10 Action	April 1 Action	May 1 Action	May 14 Action	Special Action	Project Total
FUNDING									
bu-ref-fund-eny-year	ph	action							
4265-301-0001-07-07	P	BA	241						241
4265-301-0001-07-07	W	BA	241						241
4265-301-0001-15-15	W	BA	534						534
4265-301-0001-15-15	C	BA	3,799						3,799
4265-301-0001-15-16	C	RA		-3,799					-3,799
4265-301-0001-15-16	C	RA		3,799					3,799
									0
									0
									0
									0
									0
									0
TOTAL FUNDING			4,815	0	0	0	0	0	4,815
PROJECT COSTS									
Study									0
Acquisition									0
Performance Criteria									0
Preliminary Plans			241						241
Working Drawings			775						775
Total Construction or Design-Build			3,799	0	0	0	0	0	3,799
Equipment (Group 2)									0
TOTAL COSTS			4,815	0	0	0	0	0	4,815
CONSTRUCTION OR DESIGN-BUILD DETAIL									
Contract			2,796						2,796
Contingency			196						196
A&E			351						351
Agency Retained									0
Other			456						456
TOTAL CONSTRUCTION OR DESIGN-BUILD			3,799	0	0	0	0	0	3,799
FUTURE FUNDING			0	0	0	0	0	0	0

SCHEDULE	mm/dd/yyyy	PROJECT SPECIFIC CODES	
Study Completion	_____	Proj Mgmt:	Location: Richmond Laboratory
Acquisition Approval	_____	Budg Pack:	County: Contra Costa County
Start Preliminary Plans/Performance Criteria	7/1/2007	Proj Cat:	City: Richmond, CA
Preliminary Plan/Performance Criteria Approval	4/1/2008	Req Legis:	Cong Dist: 11
Approval to Proceed to Bid	7/12/2016	Req Prov:	Sen Dist: 11
Contract Award Approval	10/20/2016	SO/LA Imp:	Assm Dist: 11
Project Completion	9/4/2017		

STATE OF CALIFORNIA

Budget Year 2016-17

CAPITAL OUTLAY BUDGET CHANGE PROPOSAL (COBCP)

Proj ID: 0000715

FISCAL DETAIL WORKSHEET

BU/Entity:	4265
Program ID	4060
COBCP #:	1
Priority:	1
MA/MI:	MA

Department Title: California Department of Public Health
 Project Title: CDPH Viral and Rickettsial Diseases Laboratory BSL-3 Upgrade
 Program Category: Other - Critical Infrastructure
 Program Subcategory:

Identify all items which fit into the categories listed below. Attach a detailed list if funding is included in this request. Provide descriptions and summary estimates for items for which you plan to request funding in the future. When possible, identify funding needs by fiscal year (BY+1 through BY+4).

PROJECT RELATED COSTS	COST	TOTAL
AGENCY RETAINED:		
TOTAL AGENCY RETAINED		0
GROUP 2 EQUIPMENT		
TOTAL GROUP2 EQUIPMENT		0
IMPACT ON SUPPORT BUDGET	COST	TOTAL
ONE-TIME COSTS		
TOTAL SUPPORT ONE-TIME COSTS		0
ANNUAL ONGOING FUTURE COSTS		
TOTAL SUPPORT ANNUAL COSTS		0
ANNUAL ONGOING FUTURE SAVINGS		
TOTAL SUPPORT ANNUAL SAVINGS		0
ANNUAL ONGOING FUTURE REVENUE		
TOTAL SUPPORT ANNUAL REVENUE		0

STATE OF CALIFORNIA

Budget Year 2016-17

CAPITAL OUTLAY BUDGET CHANGE PROPOSAL (COBCP)

Proj ID: 0000715

SCOPE/ASSUMPTIONS WORKSHEET

Department Title:	California Department of Public Health	BU/Entity:	4265
Project Title:	CDPH Viral and Rickettsial Diseases Laboratory BSL-3 Upgrade	Program ID:	4060
Program Category:	Other - Critical Infrastructure	COBCP #:	1
Program Subcategory:		Priority:	1
		MA/MI:	MA

Project Specific Proposals: For new projects provide proposed Scope language. For continuing projects provide the latest approved Scope language. Enter Scope language in cell A110.

Conceptual Proposals: Provide a brief discussion of proposal defining assumptions supporting the level of funding proposed by fiscal year in relation to outstanding need identified for that fiscal year. (Also include scope descriptions for BY+1 through BY+4 in cell A110).

This Capital Outlay Budget Change Proposal requests to reappropriate \$3.799 million from a Capital Outlay Project approved in Fiscal Year 2015-16 to upgrade the California Department of Public Health (CDPH) Bio-Safety Level 3 (BSL-3) certified Viral and Rickettsial Disease Laboratory. The upgrades were needed to ensure that CDPH retains its BSL-3 Certification from the Federal Center for Disease Control and Prevention and National Institutes of Health.

The reappropriation is needed due to the project's delays that were beyond CDPH or the Department of General Services' control.