

**California Health Facilities Financing Authority  
Children's Hospital Program**

**UCLA Medical Center Project Period Extension Request**

**Staff Summary  
Resolution No. 2007-03  
June 28, 2007**

**PURPOSE OF REQUEST:**

Provide an extension of the previously approved July 31, 2007 project period end date at the request of the Grantee.

**BACKGROUND:**

On December 2, 2005, the Authority approved Resolution No. 2005-22, which approved a \$30,000,000 grant to the UCLA Medical Center (Medical Center or Grantee). The funds were to be used to reimburse the eligible proportional pediatric costs of constructing a 520-bed replacement hospital. The children's hospital portion of the project will consist of 44 medical/surgical beds, 22 Level III NICU beds 24 PICU beds. Also, three of the 22 surgical suites will be dedicated to pediatric cases.

The resolution's project period date was July 31, 2007. A "project period" is defined by the Program's regulations as a defined beginning and end date approved by the Authority for implementation of the Project.

**ISSUE:**

The Medical Center does not expect to receive the Office of Statewide Health Planning and Development's (OSHPD) Notice of Completion prior to July 31, 2007 due to numerous construction or regulatory delays. Staff recommends an extension to July 31, 2008 as a project period end date.

In its June 11, 2007 letter, the Medical Center listed 10 specific reasons for the additional delays which it believes were extraordinary or unavoidable. Some of the reasons are:

1. Subcontractors' and vendors' delays in the submittal of as-built documentation for seismic bracing for OSHPD review and approval.
2. The original contractor for the two rooftop helicopter landing pads withdrew from the project in late 2006. This required the redesign of the project and OSHPD approval.
3. Delays with the fabrication and installation of specialty ceiling systems on the first floor public areas due to the original bid supplier defaulting on the project mid-construction which required finding a substitute product and manufacturer.

Other reasons included problems with air control valves, replacement of leaking medical gas connections, and modifications to installed radiology suite utilities due to vendor

model changes. Also, there were life-safety and other building system requirements that were more complex and extensive than anticipated by the contractor. And, over the course of this long project, modifications were needed to accommodate the newer equipment systems that became available.

**STAFF RECOMMENDATION:**

Staff recommends the Authority approve to extend the project period end date to July 31, 2008.