
CALL TO ORDER

Emily A. Youssouf

- ADOPTION OF MINUTES June 11, 2015 Emily A. Youssouf
- SENIOR ASSISTANT VICE PRESIDENT'S REPORT Roslyn Weinstein

ACTION ITEMS

- **Resolution** Robert Hughes

Authorizing the President of the New York City Health and Hospitals Corporation ("the Corporation") to execute a five year revocable license agreement with Sirius XM Radio Inc. (the "Licensee") for its use and occupancy of 90 square feet to house roof-top communications equipment at the Henry J. Carter Specialty Hospital and Nursing Facility (the "Facility") at an occupancy fee of approximately \$23,130 or \$257.00 per square foot for year one; \$23,823 or \$264.71 per square foot for year two; \$24,823.62 or \$272.65 per square foot for year three; \$25,274.78 or \$280.83 per square foot for year four; and, \$26,033.02 or \$289.26 per square foot for year five, for a total five year occupancy fee of \$122,800.31. Annual increased rates are based on 3% escalations per year.

Vendex: Documents are being completed by vendor for submission to the Office of Legal Affairs.

- **Resolution** Steven Alexander

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a revocable five year license agreement with Visiting Nurse Service of New York Hospice Care (the "Licensee") for its continued use and occupancy of approximately 12,420 square feet of space on the 7th Floor of the Hospital Building at Bellevue Hospital Center (the "Facility") to operate a hospice program at an annual occupancy fee of \$53.58 per square foot or \$665,436 for year one of the agreement, \$55.12 per square foot or \$684,534 for year two, \$56.70 per square foot or \$704,180 for year three, \$58.59 per square foot or \$727,630 for year four and \$59.90 per square foot or \$744,000 for year five, for a total five year occupancy fee of \$3,525,780.

Vendex: Documents are being completed by vendor for submission to the Office of Legal Affairs.

- **Resolution** George Proctor

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to approve a Capital Project for an amount not-to-exceed \$8,500,000 for the planning, pre-construction, design, construction, procurement, construction management and project management services necessary for the Installation of Permanent Emergency Power Feeders project (the "Project") at Woodhull Medical and Mental Health Center (the "Facility").

INFORMATION ITEMS

- Project Status Reports: *There are no projects in the active reporting cycle.*

OLD BUSINESS

NEW BUSINESS

ADJOURNMENT

CAPITAL COMMITTEE MEETING MINUTES

June 11, 2015

MINUTES

Capital Committee

Meeting Date: June 11, 2015

Time: 11:00 A.M.

Location: Board Room

Board of Directors:

Members of the Capital Committee

Emily A. Youssouf, Chair

Josephine Bolus, RN

Gordon Campbell, Acting Chairman of the Board

Antonio Martin – Executive Vice President (representing Ramanathan Raju, MD, President, in a voting capacity)

HHC Staff:

Jawwad Ahmad – Director, Office of Facilities Development

Nabil Arslan, MD – Radiology, Lincoln Medical and Mental Health Center

Leonard Balgobin – Associate Executive Director, Lincoln Medical and Mental Health Center

Jeremy Berman – Deputy General Counsel, Office of Legal Affairs

Deborah Cates – Chief of Staff, Office of the Chairman

Jonathan Goldstein – Senior Consultant, Corporate Planning

Louis Iglhaut – Assistant Vice President, Office of Facilities Development

Mahendranath Indar – Senior Director, Office of Facilities Development

John Jurenko – Senior Assistant Vice President, Intergovernmental Relations

Liny Liu – Senior Associate Director, Lincoln Medical and Mental Health Center

Patricia Lockhart – Secretary to the Corporation, Office of the Chairman

Denise Lyman – Director, Office of Facilities Development

Francisco Mercado – Senior Associate Director, Radiology, Lincoln Medical and Mental Health Center

Dean Mihaltses – Associate Executive Director, Elmhurst Hospital Center

Paul Moh, MD – Chief of Radiology, Lincoln Medical and Mental Health Center

Milton Nunez – Executive Director, Lincoln Medical and Mental Health Center

Dean Pearce – Associate Executive Director, Metropolitan Hospital Center

Lynnette Sainbert – Assistant Director, Office of the Chairman

Caswell Samms – Chief Financial Officer, Generations+/Northern Manhattan Health Network

Lisa Scott-McKenzie – Network Deputy Executive Director, Central/North Brooklyn Health Network

Denise Soares – Senior Vice President, Generations+/Northern Manhattan Health Network

Cyril Toussaint – Director, Office of Facilities Development

L. Rickie Tulloch – Director, Office of Facilities Development

Roslyn Weinstein – Senior Assistant Vice President, President's Office

Dion Wilson – Director of Real Estate, Office of Legal Affairs

Elizabeth Youngbar – Assistant Director, Office of Facilities Development

Frank Zanghi – Audit Manager, Internal Audits

Other Attendees:

Elizabeth Jordan – New York City Parks Department

Kristyn Raffaele – New York City Office of Management and Budget (OMB)

CALL TO ORDER

The meeting was called to order by Emily Youssouf, Chair of the Capital Committee, at 11:07 A.M.

On motion, the Committee voted to adopt the minutes of the May 14, 2015, Capital Committee meeting.

SENIOR ASSISTANT VICE PRESIDENT'S REPORT

Roslyn Weinstein, Senior Assistant Vice President, Office of the President, advised that the meeting agenda included three action items; a license agreement requesting authorization for the Parks Department to occupy space on the former campus of Neponsit Health Center; a new Indefinite Quantity Construction Contract with Nirman Construction; and, project approval for the purchase and installation of a new Linear Accelerator at Lincoln Medical and Mental Health Center.

Ms. Weinstein then announced that she and Louis Iglhaut, Assistant Vice President, Office of Facilities Development, would be attending a charrette hosted by the Department of Buildings (DOB). She explained that HHC, along with some other City agencies, would be meeting to review and discuss new DOB regulations for construction work performed in public buildings. She noted that the current regulations posed a problem for HHC in terms of what work is being allowed for by individuals with or without a license. While we use licensed workers there is additional schooling needed to maintain licensing, which required time off, and HHC did not have the ability to do that.

Ms. Youssouf asked what type of work this related to and whether or not HHC already used license workers. Mr. Iglhaut said that these issues were related to alteration 1 and alteration 2 construction projects, which require filing after completion and yes, while HHC did use individuals that were licensed for plumbing, electrical, etc., the codes had changed the wording within the various licenses and that had prevented the existing licenses from being acceptable. HHC was not able to use the licenses that were previously used.

Ms. Youssouf asked if this was a significant problem. Mr. Iglhaut said yes because HHC used their staff to preform emergency work. If we can't use them then we have to use the Indefinite Quantity Construction Contracts or Requirements Contracts, which are in place, but require time for processing and initiation. Therefor they are not acceptable options for emergency work.

Mr. Martin said this sounded like a good opportunity that would benefit HHC. Ms. Weinstein and Mrs. Bolus agreed.

Ms. Youssouf asked whether HHC had contractors on hand to address emergency work. Mr. Iglhaut explained that is what the IQCC contracts were for, but as noted, they require some lead time. This is specifically related to emergency work that HHC workers must complete.

Mrs. Bolus asked if any prior approvals or requirements were grandfathered into the new codes. Mr. Iglhaut said no.

Ms. Youssouf said that it would be interesting to see results of the charrette.

That concluded Ms. Weinstein's report.

ACTION ITEMS

- **Authorizing the President of the New York City Health and Hospitals Corporation ("the Corporation") to execute a five year license agreement with the New York City Department of Parks and Recreation (the "Licensee") for its use and occupancy of an 800-square-foot parcel located on the campus of the former Neponsit Health Care Center (the "Facility") to operate a Lifeguard Trailer with the occupancy fee waived.**

Dean Mihaltses, Associate Executive Director, Elmhurst Hospital Center, read the resolutions into the record. Mr. Mihaltses was joined by Elizabeth Jordan, New York City Parks Department.

Mr. Mihaltses noted that the Neponsit Health Care Center had been closed since 1998 and the land on which it was located had since been used to house a Lifeguard Trailer operated by the Parks Department. He explained that Elmhurst Hospital Center maintained the property by providing power, landscaping, clean-up, security and fencing.

Mr. Mihaltses advised that the Parks Department would be funding and maintaining the new trailer and any ongoing related expenses.

Ms. Youssouf requested that Jeremy Berman, Deputy General Counsel, Legal Affairs, provide some history on the site.

Mr. Berman stated that the approximately five and one half (5½) acre parcel was located adjacent to Reese Beach, with views of the water, and had been considered for development over the years, but a deed restriction on the site had made that difficult. He explained that the land was only eligible for use as a public park or to house a healthcare facility, and that while there had been discussions during the Bloomberg administration on how to address the situation, Legislative action would be needed to make any final determinations.

Ms. Youssouf asked if a long-term care site would be permitted on the land. Mr. Berman said yes but that was not part of the Corporations master plan. He explained that there had been a number of residential options considered, such as housing for Veteran's or low income housing, but there were concerns within the community about what was appropriate. He noted that there had been a brief pause in discussions when the Mayoral administration changed. There was a public hearing about eight (8) years ago addressing the possibility of giving the land back to the City, but there was much outcry again from the community. In summation, there is much work to develop a consensus on what should be done with the land, but those discussions were happening.

Ms. Youssouf asked if there were still buildings on the property. Mr. Mihaltses said yes, there were three (3) structures on the parcel and since 1998 the facility had been maintaining the property at expense to the Corporation. Ms. Youssouf asked if the buildings were re-habitable. Mr. Mihaltses said they were in pretty bad shape.

Ms. Youssouf asked what the cost was for maintaining the site. Mr. Mihaltses said approximately \$180,000 annually. He added that, after Hurricane Sandy, the perimeter fence had to be replaced at a

relatively high cost, but a request had been put in to the Federal Emergency Management Agency (FEMA) for funding.

Ms. Youssouf stated that she did not feel there was any issue with current request for authorization by the Parks Department, but noted that this discussion should continue and tie into the other discussions that the Corporation was having with the City about various properties that fall under HHC jurisdiction, but are not utilized to support the Corporate mission.

There being no further questions or comments, the Committee Chair offered the matter for a Committee vote.

On motion by the Chair, the Committee approved the resolution for the full Board's consideration.

- **Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute an Indefinite Quantity Construction Contract (IQCC) with Nirman Construction Corporation (the "Contractor"), selected through the HHC public bid process, to provide construction services on an as-needed basis at various facilities throughout the Corporation. The contract shall be for a term of two (2) years, for an amount not to exceed \$6,000,000.**

Louis Iglhaut, Assistant Vice President, Office of Facilities Development, read the resolution into the record.

Mrs. Bolus asked how many contracts were in place that provided these services. Mr. Iglhaut said there were two other contracts that provide construction services, but there were others in place to provide electrical, plumbing, engineering, and other types of work.

Mrs. Bolus asked if these services would be available to all facilities. Mr. Iglhaut said yes.

Gordon Campbell, Acting Chairman, Board of Directors, asked about previous contracts with the vendor. Mr. Iglhaut explained that the vendor had been in contract with HHC for six (6) years, under three separate two-year agreements. Mr. Gordon asked if there had been any issues with the vendor. Mr. Iglhaut said there were some issues between the vendor and the New York City Comptroller's Office but those had been remedied. He noted that as the cause of the delay in receiving VENDEX approval, as their paperwork had to be resubmitted and was still pending approval.

Ms. Youssouf noted that no contracts were definitively signed until VENDEX approval was received.

There being no further questions or comments, the Committee Chair offered the matter for a Committee vote.

On motion by the Chair, the Committee approved the resolution for the full Board's consideration.

- **Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to proceed with the procurement and installation of a Linear Accelerator and**

to renovate the suite required to house this new unit at Lincoln Medical and Mental Health Center (the "Facility") in an amount not-to-exceed \$8,179,641.

Milton Nunez, Executive Director, Lincoln Medical and Mental Health Center, read the resolution into the record. Mr. Nunez was joined by Nabil Arslan, MD, Radiology, and Paul Moh, MD, Chief of Radiology, Lincoln Medical and Mental Health Center, and Caswell Samms, Chief Financial Officer, Generations+/Northern Manhattan Health Network.

Mr. Nunez explained that the facility had two (2) Linear Accelerators, one a 25 year old unit, and one a 15 year old unit. The request being presented would be for replacement of the older unit. He said the facility provided over 7,000 treatments per year for a variety of conditions.

Antonio Martin, Executive Vice President, added that the facility also provided services for Metropolitan and Harlem Hospitals. Mr. Nunez said yes, both those facilities refer to Lincoln.

Mrs. Bolus asked if this would be a newly constructed space. Mr. Moh said no, it was the same location which require some construction before the new unit could be installed.

Mrs. Bolus asked how long the facility would be operating without the second unit. Mr. Moh said approximately nine (9) months. Mr. Arslan explained that approximately 30 patients were seen per day, between 8:00 AM and 4:00 PM, but that time would be extended to 7:00 AM through 9:00 PM, creating two shifts per day for service.

Mrs. Bolus asked how long sessions last. Mr. Arslan said an average of 15 minutes. Mrs. Bolus asked if the older machine would be able to handle the added capacity. Mr. Arslan said yes, there was a service contract in place, and an agreement with the vendor that they would keep parts on hand in case of a breakdown, allowing them to expedite because they will not have to order them, and they are scheduled to provide a full preventive maintenance review and services prior to project initiation. He added that the vendor had promised to provide full support throughout the course of the project.

Mrs. Bolus asked how long staff training would take for the new unit. Mr. Arslan said it would be completed within a week or two.

Mr. Campbell asked why the new machine was not purchased earlier if the machine was so far past its useful life. Mr. Nunez said it was strictly based on available funding.

Ms. Youssouf asked what "future financing" meant with regards to the notation within the funding section of the executive summary. Ms. Weinstein said it was part of the new line for Capital projects.

Ms. Youssouf asked if the older machines had experienced breakdowns. Mr. Arslan said yes, they had both had breakdowns. The twenty five year old machine was out of service approximately 10-15% of the time and the 15 year old machine was down approximately 8% of the time, but service was very quick.

Ms. Youssouf asked what type of work was included in the nine (9) month project schedule. Mr. Arslan explained that would include demolition of the site, construction, installation, and correlation testing.

Ms. Youssouf asked what the expected useful life was on Linear Accelerators. Mr. Arslan said typically seven (7) to eight (8) years, but with proper maintenance they could last much longer.

Ms. Youssouf asked if there was a plan to replace the other machine. Mr. Nunez advised that the purchase was included in the facility's tier two capital plan, with funding anticipated in 2017 or 2018.

Ms. Weinstein noted that completing this first project would bring to light any possible issues that may or may not arise when moving forward with the second machine. The construction piece, not the equipment purchase, can often cause delays.

Mrs. Bolus asked if there were other locations, perhaps in newer parts of the facility, where the machine could be housed. Ms. Weinstein noted that the basement was most appropriate given the weight of the machine and the lead shielding utilized in the service areas. Mr. Iglhaut concurred, and added that the minimal vibration in the basement also made it a desirable location.

Mrs. Bolus asked whether there were an additional basement location where the other unit could be housed so that perhaps work could be done concurrently to replace the units. Mr. Iglhaut explained that the lead shielding required in spaces that operate that type of equipment is expensive so using the existing location was cost effective.

Ms. Youssouf asked for confirmation that the shielding in place was up to present day standards and code requirements. The team confirmed.

Ms. Youssouf said she supported the effort, but hoped that the machine wouldn't break down and could handle the additional workload. Mr. Nunez said that contingencies were in place.

There being no further questions or comments, the Committee Chair offered the matter for a Committee vote.

On motion by the Chair, the Committee approved the resolution for the full Board's consideration.

INFORMATION ITEMS

- **EDC/HHC FEMA Financial Controls**

Ms. Weinstein introduced Emil Martone, Senior Vice President, Capital Programs, New York City Economic Development Corporation.

Ms. Weinstein explained that the Federal Emergency Management Agency (FEMA) projects team had made a presentation to the Finance Committee outlining the financial controls in place for anticipated incoming FEMA dollars. She announced the creation of the FEMA Projects Steering Committee, which was comprised of representative from HHC, the Office of Management and Budget (OMB), the Mayor's Office of Recovery and Resiliency (ORR), and the Department of Health (DOH). Members included; Ramanathan Raju, MD, President, Antonio Martin, Executive Vice President, and Marlene Zurack Senior Vice President, Finance, HHC; John Grathwol, and PV Anantharam, OMB; Bill Goldstein, and Dan Zarrilli, ORR; and, Patsy Yang, DOH. Ms. Weinstein advised that the first Steering Committee meeting would be held on June 17, 2015, and they would be in place to provide guidance and recommendations as needed.

Ms. Weinstein reviewed a table of organization showing the working relationships between the Economic Development Corporation (EDC) and HHC Central Office, as well as the facilities and their relations with OMB.

Ms. Youssouf asked where OMB fell on the table of organization. Ms. Weinstein said that James Grathwol, OMB, attends the bi-weekly project meetings, and PV Anantharam was a member of the Steering Team, so they are fully aware, included and involved in the entire process.

Mr. Campbell asked if Mr. Grathwol was on the Capital side of OMB. Ms. Weinstein said yes, capital and grants. Mr. Berman added that he had been assigned specifically to FEMA projects.

Ms. Youssouf asked why she did not see Base Tactical on the table. Ms. Weinstein advised that their representative, John Levy, reported directly to Dr. Raju. He is the embedded FEMA expert.

Ms. Youssouf asked about the type of projects to be performed at the four (4) facilities. Ms. Weinstein advised that a new building and sea wall were planned for Coney Island; Bellevue was scheduled for a new sea wall, elevator work, and many other small projects; Metropolitan was expected to get a sea wall; Coler is expected to get a sea wall along with necessary basement and boiler work, and possibly some auditorium work.

Ms. Youssouf asked what projects were expected to be completed. Ms. Weinstein said the Steering Committee would have final decision making authority over the scope of work. She explained that the presentation was drafted to provide a slice of all the projects. It was specifically tailored with relation to the 428 funding, but there were other streams of funding, with other projects associated with them, and she would share that with the Committee. Ms. Youssouf noted that scope changes had historically been a result of a number of difficulties within a variety of projects. Ms. Weinstein agreed. Mr. Martin concurred and said that the Steering Committee would be in place to prevent those issues. Mr. Berman added that there were a number of restrictions within FEMA guidelines that should also prevent scope creep. If there were significant changes to projects, then funding is at risk, so that should help keep us in line.

Ms. Weinstein announced that a new member of the Office of Facilities Development (OFD) had been hired to provide project management specifically for FEMA work and that he would be on board by early July.

Ms. Youssouf asked who was responsible for ensuring that all jobs were designed to code. Mr. Martone said the design consultants to be hired by EDC would be responsible for that.

Mr. Campbell asked if work was being constructed to 100 or 500 year flood levels. Mr. Martin said everything is built to 500 year levels.

Ms. Youssouf acknowledged that previous work with EDC had been successful and she anticipated that this would be the same.

Mr. Martin asked how EDC was doing in filling open positions, specifically those positions related to HHC projects. Mr. Martone said that two of the positions had been filled and the individuals had started working. A third hire would be starting soon and the fourth hire was in the works.

Mr. Campbell said that he was aware of early work that had been performed at Bellevue and asked why that was faster than other sites. Ms. Weinstein explained that immediate work had been completed at a number of facilities, but perhaps Bellevue was more publicized. Mr. Martin added that there

was early work done because it needed to be done to keep sites operational, or return them to operational status, but there was still much work to be done. Mr. Campbell asked about lessons learned from that earlier work. Ms. Weinstein said that it was made clear how integral the coordination is with other City agencies; that was key. Ms. Youssouf agreed and said that coordination with other City agencies was vital. Ms. Weinstein agreed and said that the non-construction side of these types of projects was extremely important and takes time. It was a large part of ensuring the communities are safe and happy.

Ms. Youssouf asked if any hospital services would be impacted during the course of FEMA projects. Ms. Weinstein said there were no anticipated interruptions to patient care.

Mr. Martone said that EDC was excited to be part of the work and looking forward to beginning. Ms. Weinstein said the work had already begun, as the Request for Proposals for the Architectural/Engineering firm had been released and that was an integral first step.

Ms. Youssouf asked about the Ida Israel Clinic. Ms. Weinstein said that the modular structures were in place but the site was awaiting necessary inspections.

Ms. Youssouf said that the Committee would like to be kept abreast on the success of using the modular structures and would like to visit the site.

There being no further business, the meeting was adjourned at 11:48 A.M.

LICENSE AGREEMENT

SIRIUS XM RADIO, INC.

**HENRY J. CARTER
SPECIALTY HOSPITAL AND NURSING FACILITY**

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation ("the Corporation") to execute a five year revocable license agreement with Sirius XM Radio Inc. (the "Licensee") for its use and occupancy of 90 square feet to house roof-top communications equipment at the Henry J. Carter Specialty Hospital and Nursing Facility (the "Facility") at an occupancy fee of approximately \$23,130 or \$257.00 per square foot for year one; \$23,823 or \$264.71 per square foot for year two; \$24,823.62 or \$272.65 per square foot for year three; \$25,274.78 or \$280.83 per square foot for year four; and, \$26,033.02 or \$289.26 per square foot for year five, for a total five year occupancy fee of \$122,800.31. Annual increased rates are based on 3% escalations per year.

WHEREAS, the Licensee is a U.S. corporation that provides satellite radio content to subscribers;
and

WHEREAS, the Licensee operates antenna equipment on the roof of the Long Term Acute Care Hospital building on Facility's campus; and

WHEREAS, the Licensee's equipment was at this location when the building was owned operated by North General Hospital prior to the Corporation's long-term lease of the property; and

WHEREAS, the equipment complies with applicable FCC safety guidelines and therefore poses no health risks.

NOW, THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation (the "Corporation") be and is hereby authorized to execute a five year revocable license agreement with Sirius XM Radio Inc. (the "Licensee") for its use and occupancy of 90 square feet to house roof-top communications equipment at the Henry J. Carter Specialty Hospital and Nursing Facility (the "Facility") at an occupancy fee of approximately \$23,130 or \$257.00 per square foot for year one; \$23,823 or \$264.71 per square foot for year two; \$24,823.62 or \$272.65 per square foot for year three; \$25,274.78 or \$280.83 per square foot for year four; and, \$26,033.02 or \$289.26 per square foot for year five, for a total five year occupancy fee of \$122,800.31. Annual increased rates are based on 3% escalations per year.

EXECUTIVE SUMMARY

LICENSE AGREEMENT SIRIUS XM RADIO, INC.

HENRY J. CARTER SPECIALTY HOSPITAL AND NURSING FACILITY

The President seeks the authorization of the Board of Directors of the Corporation to execute a five year revocable license agreement with the Sirius XM Radio Inc. ("Sirius XM") for its use and occupancy of space to house communications equipment at the Henry J. Carter Specialty Hospital and Nursing Facility ("Henry J. Carter").

Sirius XM is a U.S. corporation that provides satellite radio content to subscribers. The company operates antenna equipment on the roof of the Long Term Acute Care Hospital ("LTACH") building on the Henry J. Carter campus. The equipment occupies approximately 90 square feet of space on the roof of the building. The antenna equipment was at this location when the building was under the ownership and management of North General Hospital. The Corporation acquired the LTACH building subject to the Sirius lease. The Corporation has been collecting \$15,870/year on the prior lease reflecting a rate at \$176.33/sq. ft. however the Corporation has no information about the prior rental history. Under the proposed resolution Sirius XM will pay an annual occupancy fee of \$23,130 per year reflecting a rate of \$257/sq. ft. or an increase of 43% over the prior rate for year one of the agreement. The new rate will be escalated by 3% per year, as follows, \$23,823 or \$264.71 per square foot for year two; \$24,823.62 or \$272.65 per square foot for year three; \$25,274.78 or \$280.83 per square foot for year four; and, \$26,033.02 or \$289.26 per square foot for year five, for a total five year occupancy fee of \$122,800.31.

The equipment complies with applicable FCC safety guidelines and therefore poses no health risks.

Sirius XM will be required to indemnify and hold harmless the Corporation and the City of New York from any and all claims arising out of the use of the licensed space and shall provide appropriate insurance naming the Corporation and the City of New York as additional insured parties.

The license agreement shall be revocable by either party on sixty (60) days prior notice, and shall not exceed a term of five years without further authorization by the Board of Directors of the New York City Health and Hospitals Corporation. The license agreement will contain two five year renewal options which will require approval of the Board of Directors prior to the exercise of each option.

SUMMARY OF ECONOMIC TERMS

SITE: Henry J. Carter Specialty Hospital and Nursing Facility
Borough of Manhattan

**FLOOR
AREA:** 90 square feet

TERM: Five (5) years

OCCUPANCY

FEE: See table below for five (5) year occupancy fee schedule.

| | Total Sq. Ft | Annual Occupancy Fee | Per Sq. Ft Cost |
|--------------|---------------------|-----------------------------|------------------------|
| Year 1 | 90 | \$ 23,130.00 | \$ 257.00 |
| Year 2 | 90 | \$ 23,823.90 | \$ 264.71 |
| Year 3 | 90 | \$ 24,538.62 | \$ 272.65 |
| Year 4 | 90 | \$ 25,274.78 | \$ 280.83 |
| Year 5 | 90 | \$ 26,033.02 | \$ 289.26 |
| TOTAL | | \$ 122,800.31 | |

PRIOR OCCUPANCY

FEE: Prior lease reflected an annual occupancy fee of \$15,870 at a rate of \$176.33 per square foot.

LICENSE AGREEMENT

**VISITING NURSE SERVICE OF NEW YORK
HOSPICE CARE**

BELLEVUE HOSPITAL CENTER

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a revocable five year license agreement with Visiting Nurse Service of New York Hospice Care (the "Licensee") for its continued use and occupancy of approximately 12,420 square feet of space on the 7th Floor of the Hospital Building at Bellevue Hospital Center (the "Facility") to operate a hospice program at an annual occupancy fee of \$53.58 per square foot or \$665,436 for year one of the agreement, \$55.12 per square foot or \$684,534 for year two, \$56.70 per square foot or \$704,180 for year three, \$58.59 per square foot or \$727,630 for year four and \$59.90 per square foot or \$744,000 for year five, for a total five year occupancy fee of \$3,525,780.

WHEREAS, in May 2010 the Board of Directors of the Corporation authorized the President to execute a revocable license agreement with the Licensee; and

WHEREAS, in 2010 data indicated that New York City underutilized hospice care relative to the rest of the United States and the pending closure of the Licensee's hospice program at Saint Vincent Hospital created a need for the replacement of services lost; and

WHEREAS, the Licensee's hospice program at the Facility has been successful in providing care to patients and the Facility continues to have space available to accommodate its program requirements.

NOW, THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation (the "Corporation") be and hereby is authorized to execute a revocable five year license agreement with Visiting Nurse Service of New York Hospice Care (the "Licensee") for its continued use and occupancy of approximately 12,420 square feet of space on the 7th Floor of the Hospital Building at Bellevue Hospital Center (the "Facility") to operate a hospice program at an annual occupancy fee of \$53.58 per square foot or \$665,436 for year one of the agreement, \$55.12 per square foot or \$684,534 for year two, \$56.70 per square foot or \$704,180 for year three, \$58.59 per square foot or \$727,630 for year four and \$59.90 per square foot or \$744,000 for year five, for a total five year occupancy fee of \$3,525,780.

**EXECUTIVE SUMMARY
VISITING NURSE SERVICE OF NEW YORK HOSPICE CARE
BELLEVUE HOSPITAL CENTER**

The President of the New York City Health and Hospitals Corporation seeks authorization from the Board of Directors of the Corporation to execute a revocable license agreement with the Visiting Nurse Service Hospice Care ("VNS") for its continued use and occupancy of space at Bellevue Hospital Center ("Bellevue") to operate a hospice program.

VNS is the largest hospice provider in the New York City metropolitan area. The needs of many hospice patients can often be more appropriately met in an in-patient hospice unit. The in-patient hospice unit is designed to create an environment that promotes comfort, support for both the patients and their family members. Hospice care provided in a hospital or in other specially designed facilities is an important service in addition to hospice care in the home.

Prior to VNS establishing a hospice care program at Bellevue, VNS had a working relationship with Bellevue. VNS received referrals from Bellevue for hospice care either in the patients' homes or in a VNS facility. VNS was a participant in Bellevue's Palliative Care team which provided care to Bellevue patients within the facility.

The VNS facility within Bellevue contains fifteen double-bedded rooms, two single-rooms and one four-bedded room. The 7th floor space also houses offices, a Family Room, Quiet Room, Kitchen and Staff Room. Referrals of qualifying patients from Bellevue to the VNS program at Bellevue have been expedited, subject to availability.

The prior agreement between the Corporation and VNS provided for a five year term, subject to short term termination without cause, at an occupancy fee that started at \$524,621 per year and increased by approximately 27% to \$665,436 over the five year term.

VNS will have the continued use and occupancy of approximately 12,420 square feet of space on the 7th Floor of the Hospital Building. VNS will pay an occupancy fee of \$53.58 per square foot or \$665,436 for year one of the agreement, \$55.12 per square foot or \$684,534 for year two, \$56.70 per square foot or \$704,180 for year three, \$58.59 per square foot or \$727,630 for year four and \$59.90 per square foot or \$744,000 for year five, for a total five year occupancy fee of \$3,525,780. The occupancy fee shall increase by approximately 12% over the five year term.

Bellevue will provide building security and structural repairs to the licensed space. VNS will provide equipment, interior and non-structural repairs, and housekeeping to the licensed space. By separate agreement, Bellevue provides various services to VNS including blood products, administration of x-rays, access to the Facility's laboratory and disposal of the Licensee's medical waste.

The Licensee shall indemnify and hold harmless the Corporation and the City of New York from any and all claims arising out of the use of the licensed space and shall provide appropriate insurance naming the Corporation and the City of New York as additional insured parties.

The license agreement shall not exceed five years without further authorization from the Board of Directors. The agreement shall be terminable by either party on one hundred and twenty (120) days notice.

SUMMARY OF ECONOMIC TERMS

SITE: Bellevue Hospital Center
Borough of Manhattan

FLOOR AREA: 12,420 square feet

TERM: Five (5) years

OCCUPANCY FEE: See table below for five (5) year occupancy fee schedule.

| | Total Sq. Ft | Annual Occupancy Fee | Per Sq. Ft Cost |
|--------------|---------------------|-----------------------------|------------------------|
| Year 1 | 12420 | \$ 665,436.00 | \$ 53.58 |
| Year 2 | 12420 | \$ 684,534.00 | \$ 55.12 |
| Year 3 | 12420 | \$ 704,180.00 | \$ 56.70 |
| Year 4 | 12420 | \$ 727,630.00 | \$ 58.59 |
| Year 5 | 12420 | \$ 744,000.00 | \$ 59.90 |
| TOTAL | | \$ 3,525,780.00 | |

PRIOR OCCUPANCY FEE: See table below for prior years' occupancy fee schedule.

| | Total Sq. Ft | Annual Occupancy Fee | Per Sq. Ft Cost |
|--------------|---------------------|-----------------------------|------------------------|
| 2011 | 12420 | \$ 524,496.60 | \$ 42.23 |
| 2012 | 12420 | \$ 665,463.60 | \$ 53.58 |
| 2013 | 12420 | \$ 665,463.60 | \$ 53.58 |
| 2014 | 12420 | \$ 665,463.60 | \$ 53.58 |
| 2015 | 12420 | \$ 665,463.60 | \$ 53.58 |
| TOTAL | | \$ 3,186,351.00 | |

UTILITIES: Facility provides hot and cold water, electricity, heating, air conditioning

MEDICAL SERVICES: Medical goods and services will be separately contracted for with Bellevue including blood products, administration of x-rays, access to the Facility's laboratory, disposal of the Licensee's medical waste by Bellevue.

PROJECT APPROVAL

**INSTALLATION OF PERMANENT EMERGENCY
POWER FEEDERS**

WOODHULL MEDICAL & MENTAL HEALTH CENTER

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to approve a Capital Project for an amount not-to-exceed \$8,500,000 for the planning, pre-construction, design, construction, procurement, construction management and project management services necessary for the Installation of Permanent Emergency Power Feeders project (the "Project") at Woodhull Medical and Mental Health Center (the "Facility").

WHEREAS, the existing temporary cables feeding the distribution switchboards from outside yard generators at the Facility were installed over eight years ago and were determined through tests to be unreliable for future use; and

WHEREAS, it was determined that replacing these cables with similar temporary cables is not feasible due to high replacement cost, and that the replacement cables would have to be removed to avoid any electrical code violations; and

WHEREAS, removing the temporary cables will leave the Facility without the use of the outside yards generators during emergencies; and

WHEREAS, the revision of Operating Procedure 100-5 requires that construction projects with budgets of \$3 million or more shall receive approval of the Board of Directors through Capital Committee; and

WHEREAS, the proposed total project budget, inclusive of all contingencies, is estimated to be \$8.5 million; and

WHEREAS, the overall management of the construction contract will be under the direction of the Facility's Executive Director and Assistant Vice President - Facilities Development.

NOW THEREFORE, be it

RESOLVED, the President of the New York City Health and Hospitals Corporation (the "Corporation") to approve a Capital Project for an amount not-to-exceed \$8,500,000 for the planning, pre-construction, design, construction, procurement, construction management and project management services necessary for the Installation of Permanent Emergency Power Feeders project (the "Project") at Woodhull Medical and Mental Health Center (the "Facility").

EXECUTIVE SUMMARY

INSTALLATION OF PERMANENT EMERGENCY POWER FEEDERS

WOODHULL MEDICAL AND MENTAL HEALTH CENTER

OVERVIEW: The Corporation is seeking to replace the existing temporary cables feeding the distribution switchboards from outside yard generators at Woodhull Medical and Mental Health Center with permanent emergency power feeders. The project has been designed, estimated, and bid in accordance with the Corporation's Operating Procedure 100-5. The project cost is not-to-exceed \$8,500,000.

NEED: The existing temporary cables feeding the distribution switchboards from the outside yard generators at the Facility were installed over eight years ago. These cables were determined through High Potential - Insulation Resistance tests to be unreliable for future use. It was determined that replacing these cables with similar temporary cables is not feasible due to the high cost, and the fact that the temporary replacement cables would have to be removed to avoid any electrical code violations. This would leave the Facility without the use of the outside yard generators during emergencies. As such, it is necessary that the existing temporary cables be replaced with feeders suitable for permanent installation.

SCOPE: The scope of work to execute the temporary cable replacement project includes:

- ❖ Demolition of the existing temporary cables currently located on the ground outside the building and on supports inside the Boiler Room.
- ❖ Demolition of existing generator docking station.
- ❖ Removal of temporary cable support structure within Boiler Room.
- ❖ Removal of select electrical equipment such as existing circuit breakers from inside the vault level electrical room.
- ❖ Installation of a switching scheme consisting of keyed interlocked bolted pressure switches to allow the safe transfer from normal utility power supplied by Con-Edison to emergency power supplied by two (2) existing 480V 3-phase generators rated at 1825 kW each, one (1) 480V 3- phase generator rated at 1000 kW, and a future temporary rollup generator rated at 2000 kW.
- ❖ Installation of a permanent synchronizing switchboard and generator docking stations.
- ❖ Installation of permanent feeders to supply emergency power from outside generators to the existing switchboards. Related structural work includes a concrete foundation for the synchronizing switchboard. Penetrations through the

foundation wall for conduits to enter the building. Steel framing for the support of conduits and conduit supports from the ceiling.

CONSTRUCTION: The project engineering firm of record is Greenman – Pedersen, Inc. (“GPI”). It is anticipated that the services of a construction manager will be engaged to coordinate and supervise contract work.

COSTS: \$8,500,000

FINANCING: General Obligations Bonds.

SCHEDULE: This project is scheduled for completion by June 2016.

**Woodhull Medical & Mental Health Center
Permanent Feeder Installation
Table 1: Total Project Summary**

| Line # | Item | Percentage Rates | Costs |
|--------|--|------------------|-------------|
| 1 | Construction Cost Estimate ⁽¹⁾ | | \$5,879,732 |
| 2 | Allowance ⁽²⁾ | | \$400,000 |
| 3 | Subtotal Construction Cost Estimate & Allowance (lines 2 thru 3) | | \$6,279,732 |
| 4 | Architect/Engineering Fees ⁽³⁾ | | \$400,000 |
| 5 | Construction Management Fees ⁽⁴⁾ | | \$759,038 |
| 6 | Contingency | 10.0% | \$743,877 |
| 7 | Subtotal Construction Costs and Fees (total of lines 4 thru 6) | | \$8,182,647 |
| 8 | Escalation (5) | | \$317,353 |
| 9 | Total Project Cost (total of lines 7 & 8) | | \$8,500,000 |

Notes:

- (1) Construction costs estimates from Greenman-Pedersen, INC.
- (2) Allocated amount for asbestos abatement if required.
- (3) Architect/Engineering fees is 6.4% of construction cost estimate.
- (4) Construction Management fees based on proposal received from Tconstruction Management Firm.
- (5) Escalation based on 12 months at 4%.