

DRAFT

CAPITAL COMMITTEE MEETING MINUTES

March 8, 2016

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MINUTES

Capital Committee

Meeting Date: March 8, 2016

Time: 11:30 A.M.

Location: Board Room

Board of Directors:

Members of the Capital Committee

Lilliam Barrios-Paoli, PhD, Chairman of the Board

Josephine Bolus, RN, NP, BC

Mark Page

Ramanathan Raju, MD, President

HHC Staff:

Jawwad Ahmad – Director, Office of Facilities Development

Paul Albertson – Vice President, Operations

Jeremy Berman – Deputy General Counsel, Office of Legal Affairs

Ricardo Corrales – Woodhull Medical and Mental Health Center

Martin Everette – Affirmative Action/Equal Employment Opportunity

Steven Fass – Assistant Vice President, Corporate Planning

Jonathan Goldstein – Senior Consultant, Corporate Planning

Tracy Green – Chief Financial Officer, Metropolitan Hospital Center

Colicia Hercules – Chief of Staff, Office of the Chairman

Louis Iglhaut – Assistant Vice President, Office of Facilities Development

Mahendranath Indar – Senior Director, Office of Facilities Development

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

Antonio Martin – Executive Vice President

Dean Moskos – Director, Office of Facilities Development

Marisa Salamone – Assistant Vice President, Enterprise Information Technology Services

Lisa Scott-McKenzie – Deputy Executive Director, Woodhull Medical and Mental Health Center

L. Rickie Tulloch – Director, Office of Facilities Development

Roslyn Weinstein – 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, Office of Internal Audits

Other Attendees:

Justine DeGeorge – Office of the State Comptroller

Larry Garves – Cerner

Shaylee Wheeler – New York City Office of Management and Budget (OMB)

CALL TO ORDER

The meeting was called to order by Lilliam Barrios-Paoli, PhD, Chair, Board of Directors, at 11:45 A.M.

On motion, the Committee voted to adopt the minutes of the February 11, 2016, Capital Committee meeting.

SENIOR ASSISTANT VICE PRESIDENT'S REPORT

Roslyn Weinstein, Senior Assistant Vice President, Operations, noted that the action item on the agenda was for the annual purchase of ambulances for the New York City Fire Department, where Health + Hospitals acts as a pass-through. Ms. Weinstein then announced that capital funding for the Delivery System Reform Incentive Payment (DSRIP) program had come through. The original request had been for \$463 million and \$301 were approved. She provided a funding breakdown; \$31.4 million for the ED program; \$60 for the integration of behavioral health and primary care; two separate information technology projects: \$109 million for digital networking and \$81 million for the population health program; and, \$19 million for the contact center. She advised that a group would be meeting shortly to determine how to move forward now that funding was in place.

Dr. Barrios-Paoli asked if full funding had been promised previously. Ms Weinstein said no, there were no promises and Health + Hospitals got the largest portion in downstate New York, possibly the entire State of New York. Ms. Weinstein gave kudos to those whose work resulted in the successful funding, and to Christina Jenkins in particular. Ms. Weinstein said she would keep the Committee informed as decisions were made and things moved forward.

That concluded Ms. Weinstein's report.

ACTION ITEMS

- **Authorizing the President of NYC Health + Hospitals ("public health care system") to procure and outfit one hundred thirty-two (132) ambulances in Fiscal Year 2017 on behalf of the Fire Department of the City of New York ("FDNY"), through City-wide Requirements Contracts for a total amount no-to-exceed \$47.2 million.**

Dean Moskos, Director, Office of Facilities Development, read the resolution into the record.

Josephine Bolus, RN, asked if this was the typical pass-through that is approved. Mr. Moskos said yes. Dr. Barrios-Paoli said yes, this is how it has been done for years.

Mr. Moskos explained that it was typically every 18 months or so but this year the request had come in a little earlier.

Dr. Barrios-Paoli asked who the vendor was for the ambulances. Mr. Moskos said he could not remember.

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.

There being no further business, the meeting was adjourned at 11:51 A.M.

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LICENSE AGREEMENT

**DEPARTMENT OF EDUCATION
SOUTH RICHMOND HIGH SCHOOL
WORK STUDY PROGRAM**

**SEA VIEW HOSPITAL
REHABILITATION CENTER AND HOME**

DRAFT

RESOLUTION

Authorizing the President of the NYC Health + Hospitals (the "Health Care System") to execute a revocable license agreement with the New York City Department of Education (the "Licensee") for use and occupancy of approximately 300 square feet of space for South Richmond High School's work-study program at the Sea View Hospital Rehabilitation Center and Home (the "Facility") with the occupancy fee waived.

WHEREAS, in February 2011, the Board of Directors authorized the President to enter into a license agreement with the Licensee, and

WHEREAS, the Licensee operates a work-study program on the Facility's campus which provides interns who assist the Facility with various administrative tasks; and

WHEREAS, the Facility benefits from the services provided by the interns and has space on its campus to accommodate the Licensee's needs.

NOW THEREFORE, be it

RESOLVED, that the President of the NYC Health + Hospitals (the "Health Care System") be and hereby is authorized to execute revocable license agreement with the New York City Department of Education (the "Licensee") for use and occupancy of approximately 300 square feet of space space for South Richmond High School's work-study program at the Sea View Hospital Rehabilitation Center and Home (the "Facility") with the occupancy fee waived.

DRAFT

EXECUTIVE SUMMARY

LICENSE AGREEMENT NEW YORK CITY DEPARTMENT OF EDUCATION

SEA VIEW HOSPITAL REHABILITATION CENTER AND HOME

The President seeks authorization of the Board of Directors to execute a revocable license agreement with the New York City Department of Education ("Department of Education") for use and occupancy of space for South Richmond High School's work-study program at the Sea View Hospital Rehabilitation Center and Home ("Sea View").

The Department of Education's South Richmond High School operates a Work-Study Program on Sea View's Campus. The program provides approximately ten (10) interns who assist Sea View with various administrative tasks Monday through Friday, from 8:00 a.m. to 2:30 p.m. The interns are monitored by Sea View's Volunteer Department.

The Department of Education will be granted use and occupancy of approximately 300 square feet of space in Rooms 309 A and 309 B on the third floor of the Staff House (the "Licensed Space") to conduct educational programs and other related services. In consideration of the value of the services provided, the occupancy fee will be waived.

Sea View will provide electricity to the licensed space. The Department of Education will provide interior maintenance and housekeeping to the licensed space.

The Department of Education shall be required to indemnify and hold harmless the Corporation and the City of New York from any and all claims arising out of its use of the licensed space, and shall provide appropriate insurance naming the Corporation and the City of New York as additional insureds.

The licensee agreement shall be revocable by either party on sixty (60) days prior notice, and shall not exceed a term of five (5) years without further authorization by the Board of Directors of the NYC Health + Hospitals.

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LICENSE AGREEMENT

NEW YORK UNIVERSITY MEDICAL CENTER

PATIENT PULMONARY EVALUATION

NYC HEALTH + HOSPITALS / BELLEVUE

DRAFT

RESOLUTION

Authorizing the President of the NYC Health + Hospitals (the "Health care system") to execute a five year revocable license agreement with New York University Medical Center (the "Licensee" or "NYSoM") for its continued use and occupancy of 4,000 square feet space of space on the 7th floor of the "A" Building to operate a laboratory for patient pulmonary evaluation at Bellevue Hospital Center (the "Facility") at an occupancy fee rate of \$54.60 per square foot for an annual occupancy fee of \$218,400 to be escalated by 2.75% per year for a total occupancy fee over the five year term of \$1,153,734.

WHEREAS, in June 2011 the Board of Directors of the Corporation authorized the President to enter into a license agreement with the Licensee, and the Facility desires to allow the Licensee the continued use and occupancy of the space; and

WHEREAS, the Licensee operates research center on the Facility's campus to study the effects of the environment on the pulmonary system; and

WHEREAS, the research center, known as the Environmental Lung Disease Research Center, seeks methods to prevent, and to find cures for, illnesses caused by pollution, pesticides, transmittable disease, asbestos and other related conditions; and

NOW, THEREFORE, be it resolved, that the President of the NYC Health + Hospitals (the "Health care system") be and is hereby authorized to execute a revocable license agreement with New York University Medical Center (the "Licensee" or "NYSoM") for its continued use and occupancy of 4,000 square feet of space on the 7th floor of the "A" Building to operate a laboratory for patient pulmonary evaluation at Bellevue Hospital Center (the "Facility") at an occupancy fee rate of \$54.60 per square foot for an annual occupancy fee of \$218,400 to be escalated by 2.75% per year for a total occupancy fee over the five year term of \$1,153,734.

DRAFT

EXECUTIVE SUMMARY

NEW YORK UNIVERSITY MEDICAL CENTER ENVIRONMENTAL LUNG DISEASE RESEARCH CENTER

BELLEVUE HOSPITAL CENTER

The President of the NYC Health + Hospitals seeks authorization of the Board of Directors to execute a revocable license agreement with New York University Medical Center ("NYU Medical Center") for its continued use and occupancy of space to operate a laboratory for patient pulmonary evaluation at Bellevue Hospital Center ("Bellevue").

NYU Medical Center operates research center on Bellevue's campus to study the effects of the environment on the pulmonary system. The research center, known as the Environmental Lung Disease Research Center (the "Center"), seeks methods to prevent, and to find cures for, illnesses caused by pollution, pesticides, transmittable disease, asbestos and other related conditions. The Center has a staff of nineteen (19) and its hours of operation are Monday through Friday, from 9:00 a.m. to 5:00 p.m.

NYU Medical Center will have the continued use and occupancy of approximately 4,000 square feet of space on the 7th Floor of the "A" Building. NYU Medical Center will pay an occupancy fee of approximately \$218,400 per year, or \$54.60 per square foot. The occupancy fee will be escalated by 2.75% per year for a total occupancy fee over the five year term of \$1,153,734. The occupancy fee rate is set at fair market value. Bellevue will provide hot and cold water, electricity, heating, air conditioning and routine security to the licensed space.

Bellevue will provide structural repairs and maintenance and NYU Medical Center will provide non-structural repairs and maintenance to the licensed space.

NYU Medical Center will 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 will provide appropriate insurance naming the Corporation and the City of New York as additional insured parties.

The license agreement will not exceed five (5) years without further authorization from the Board of Directors and will be revocable by either party upon thirty (30) days notice.

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NYU Medical Center - Environmental Lung Disease Research Center at Bellevue

Prior Term Rates	Sep-11	Sep-12	Sep-13	Sep-14	Sep-15	TOTAL
Total Sqaure Footage	4000	4000	4000	4000	4000	
Cost per Square-Foot	42.24	43.40	44.60	45.82	47.08	
Annual Occupancy Fee	168,960.00	173,606.40	178,380.58	183,286.04	188,326.41	\$ 892,559.43

New Term Rates	Sep-16	Sep-17	Sep-18	Sep-19	Sep-20	TOTAL
Total Sqaure Footage	4000	4000	4000	4000	4000	
Cost per Square-Foot	\$ 54.60	\$ 56.10	\$ 57.64	\$ 59.23	\$ 60.86	
Annual Occupancy Fee	\$ 218,400.00	\$ 224,406.00	\$ 230,577.00	\$ 236,918.00	\$ 243,433.00	\$ 1,153,734.00

Note: New agreement effective Sept 1, 2016.

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LICENSE AGREEMENT

NEW YORK UNIVERSITY SCHOOL OF MEDICINE

**RESEARCH PROGRAMS
ADMINISTRATIVE OFFICES**

NYC HEALTH + HOSPITALS / BELLEVUE

DRAFT

RESOLUTION

Authorizing the President of the NYC Health + Hospitals (the "Health care system") to execute a revocable five year license agreement with New York University School of Medicine ("NYUSoM" or the "Licensee") for its continued use and occupancy of a total of 58,571 square feet of space in the C&D, Administrative and Hospital Buildings at Bellevue Hospital Center (the "Facility") to house Research Programs and Administrative Offices at an occupancy fee of \$54.60 per square foot for 15,691 square feet of laboratory space and \$48.60 per square foot for 42,880 square feet of administrative office space for a total annual occupancy fee of \$2,940,697 to be escalated by 2.75% per year and an additional \$165,517 for utilities per year for a total of \$3,106,214 and a five year total of \$16,362,305.

WHEREAS, in May 2011 the Board of Directors of the Corporation authorized the President to enter into a license agreement with the Licensee, and the Facility desires to allow the Licensee the continued use and occupancy of space in the C&D, Administrative and Hospital Buildings; and

WHEREAS, the Licensee, a not-for-profit medical school, in its role as Bellevue's academic affiliate provides health care services including the diagnosis and treatment of patients, the provision of education to students and post-graduate trainees and other health care professionals and medically related research; and

WHEREAS, prior to the license agreement authorized by the Board of Directors in May 2011, the space was occupied under the affiliation agreement between New York University School of Medicine and the Corporation, and this license shall allow NYUSoM to continue its use and occupy of Facility space.

NOW, THEREFORE, be it

RESOLVED, that the President of the NYC Health + Hospitals (the "Health care system") be and hereby is authorized to execute a revocable license agreement with New York University School of Medicine, ("NYUSoM" or the "Licensee") for its continued use and occupancy of space in the C&D, Administrative and Hospital Buildings at Bellevue Hospital Center (the "Facility") to house Research Programs and Administrative Offices at an occupancy fee of \$54.60 per square foot for 15,691 square feet of laboratory space and \$48.60 per square foot for 42,880 square feet of administrative office space for a total annual occupancy fee of \$2,940,697 to be escalated by 2.75% per year and an additional \$165,517 for utilities per year for a total of \$3,106,214 and a five year total of \$16,362,305.

DRAFT

EXECUTIVE SUMMARY

LICENSE AGREEMENT

NEW YORK UNIVERSITY SCHOOL OF MEDICINE

The President of the NYC Health + Hospitals seeks authorization of the Board of Directors of the Corporation to execute a revocable license agreement with New York University School of Medicine ("NYUSoM") for its continued use and occupancy of space at Bellevue Hospital Center ("Bellevue") to house NYUSoM's Research Programs and Administrative Offices.

NYUSoM, a not-for-profit medical school, in its role as Bellevue's academic affiliate provides health care services including the diagnosis and treatment of patients, the provision of education to students and post-graduate trainees and other health care professionals and medically related research.

The space occupied NYUSoM, prior to the May 2011 Board authorization to enter into a license agreement, was previously occupied under the affiliation agreement between New York University School of Medicine and the Corporation.

The Licensee will have use and occupancy of a total of approximately 58,571 square feet located in the C&D, Administrative and the Hospital Buildings. NYUSoM will pay an occupancy fee of \$54.60 per square foot for 15,691 square feet of laboratory space for a total annual fee of \$856,728 and \$48.60 per square foot for 42,880 square feet of administrative office space for a total annual fee of \$2,083,968. The total annual occupancy fee for the laboratory space and administrative office space is \$2,940,697. The occupancy fee will be escalated by 2.75% per year. The Licensee will also pay approximately \$165,517 per year for utilities. The total five year occupancy fee including utilities will be \$16,362,305. The rates are set at fair market value.

Bellevue will provide utilities, garbage collection, building security and structural repairs to the licensed space. NYUSoM will provide equipment, interior repairs, housekeeping, and non-structural repairs to the licensed space. NYUSoM, at its own expense, will provide all other services necessary to operate compliant Research Programs and Administrative Offices.

NYUSoM will 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 also provide appropriate insurance naming the Corporation and the City of New York as additional insured parties.

The license agreement shall not exceed five (5) years without further authorization from the Board of Directors of the Corporation and shall be revocable by either party upon sixty (60) days notice.

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NYU Non-Affiliate Space at Bellevue

Admin Space - Prior Term Rates	Sep-11	Sep-12	Sep-13	Sep-14	Sep-15	<u>TOTALS</u>
Cost per Square-Foot	40.00	41.10	42.23	43.39	44.58	
Annual Occupancy Fee	1,715,200.00	1,762,368.00	1,810,822.40	1,860,563.20	1,911,590.40	<u>9,060,544.00</u>
Lab Space - Prior Term Rates	Sep-11	Sep-12	Sep-13	Sep-14	Sep-15	
Cost per Square-Foot	45.00	46.24	47.51	48.82	50.16	
Annual Occupancy Fee	824,400.00	847,071.00	870,365.45	894,300.49	918,893.75	<u>4,355,030.69</u>
Prior Term TOTAL						<u>13,415,574.69</u>

Admin Space - New Term Rates	Sep-16	Sep-17	Sep-18	Sep-19	Sep-20	<u>TOTALS</u>
Total Square Footage	42880	42880	42880	42880	42880	
Cost per Square-Foot	48.60	49.94	51.31	52.72	54.17	
Annual Occupancy Fee	2,083,968.00	2,141,277.12	2,200,162.24	2,260,666.70	2,322,835.04	<u>11,008,909.10</u>
Lab Space - New Term Rates	Sep-16	Sep-17	Sep-18	Sep-19	Sep-20	
Total Square Footage	15691	15691	15691	15691	15691	
Cost per Square-Foot	54.60	56.10	57.64	59.23	60.86	
Annual Occupancy Fee	856,728.60	880,288.64	904,496.57	929,370.23	954,927.91	<u>4,525,811.95</u>
New Term TOTAL	2,940,696.60	3,021,565.76	3,104,658.81	3,190,036.93	3,277,762.95	<u>15,534,721.05</u>

A \$3.86 per square foot utilities charge is applied for administrative space .

827,584.00

TOTAL (including utilities)

16,362,305.05

Note: New agreement effective Sept 1, 2016.