

CAPITAL COMMITTEE
MEETING AGENDA

May 10, 2018

9:00 AM

125 Worth Street, Room 532
5th Floor Board Room

CALL TO ORDER

Mark Page

- ADOPTION OF MINUTES – March 14, 2018
- VICE PRESIDENT'S REPORT

Mark Page

Roslyn Weinstein

ACTION ITEMS

- **Resolution** **William Brown**
Authorizing the New York City Health and Hospitals Corporation (the "System") to execute up to five successive one-year revocable license agreements with New York City Department of Citywide Administrative Services ("DCAS") for the use and occupancy of a 79,290 square foot parcel of land under the Belt Parkway Viaduct for the construction of a 300 space parking lot to be used by NYC Health + Hospitals/Coney (the "Facility") for parking during the construction of the Inpatient Acute Care Hospital Tower for an occupancy fee of \$1.00 per month.
- **Resolution** **Gregory Calliste/ Cyril Toussaint**
Authorizing the New York City Health and Hospitals Corporation (the "System") to execute a Customer Installation Commitment ("CIC") with the New York City Department of Citywide Administrative Services ("DCAS") and the New York Power Authority ("NYPA") for an amount not-to-exceed \$6,105,386; of which \$2,000,000 will be funded under PlaNYC initiative and \$4,105,386 from the City's General Obligations Bonds, for the planning, pre-construction, design, construction, procurement, construction management and project management services necessary for the Air Handling Units and Building Management System upgrade project (the "Project") at NYC Health + Hospitals/Woodhull (the "Facility").

INFORMATION ITEMS

OLD BUSINESS

NEW BUSINESS

ADJOURNMENT

CAPITAL COMMITTEE MEETING MINUTES

March 14, 2018

MINUTES

Capital Committee

Meeting Date: March 14, 2018

Time: 10:00 A.M.

Location: Board Room

Board of Directors:

Members of the Capital Committee

Mark Page, Committee Chair

Josephine Bolus, RN, NP, BC

Mitchell Katz, President, Chief Executive Officer

HHC Staff:

Jawwad Ahmad – Director, Office of Facilities Development

PV Anantharam – Senior Vice President, Finance

Jeremy Berman – Deputy General Counsel, Office of Legal Affairs

Ebone Carrington – NYC Health + Hospitals / Harlem

Robert DeLuna – Communications & Marketing

Diana Eusse – Assistant Director, Office of Facilities Development

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

Marcus Lewis – Assistant Director, Office of Facilities Development

Nini Mar – Director, Finance

Dean Moskos – Director, Office of Facilities Development

Brenda Schultz – Senior Assistant Vice President, Finance

Cyril Toussaint – Director, Office of Facilities Development

Leithland Tulloch – Senior 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

CALL TO ORDER

The meeting was called to order by Mark Page, Committee Chair, at 10:05 A.M.

On motion, the Committee voted to adopt the minutes of the December 7, 2017, Capital Committee meeting.

VICE PRESIDENT'S REPORT

Roslyn Weinstein, Vice President, advised that there was one resolution being presented, for Local Law 11 work at Harlem. She complimented Finance, the Office of Management and Budget, and those responsible for submitting the Certificate to Proceed (CP) documents, for their work related to Local Law 11 funding. She also thanked finance for their contributions to the Electric Power Management Plan presentation, the information item on the agenda.

That concluded her report.

ACTION ITEMS

- **Authorizing the New York City Health and Hospitals Corporation (“NYC Health + Hospitals”) to approve a Capital Project for an amount not to exceed \$15,965,345 for pre-construction, design, construction, asbestos abatement, and construction management services necessary for the reconstruction of the exterior façade and the re-roofing of the Martin Luther King (MLK) Pavilion (the “Project”) at NYC Health + Hospitals / Harlem (the “Facility”).**

Ebone Carrington, Chief Executive Officer / Chief Operating Officer /, NYC Health + Hospital / Harlem, read the resolution into the record.

Ms. Carrington advised that a sidewalk-shed had been put in place, for protection, until work could be completed.

Mr. Page asked when work would commence. Louis Iglhaut, Assistant Vice President, Office of Facilities Development, said that scaffolding was in place for protection and once the project was approved by the Capital Committee and Board of Directors, then solicitation would begin.

Mr. Page asked how the project estimate, \$15,965,345, had been determined, if bids were not complete. Mr. Iglhaut said contractors had been consulted and Superstructures Engineering + Architecture, LLC, had performed cost estimates. He noted that scaffolding was in place for safety, so that cost was bid out in anticipation of the project.

Mr. Page said the project sounded like it was crucial, and timely, since issues were effecting inpatient units. Ms. Carrington said yes. She stated that water was compromising the Dialysis Unit but the facility was proactively taking action to ensure services were not disrupted. She said that although mitigation efforts were effective, the facility would like to expedite construction.

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

- **Presentation – Electric Power Management Plan**

Roslyn Weinstein, Vice President, Operations, presented the Electric Power Management Plan. Ms. Weinstein was joined by Cyril Toussaint, Director, Office of Facilities Development.

Ms. Weinstein explained that the presentation was requested by the Capital Committee to outline a vision for being environmentally respectful, and meeting the Paris Agreement and the Mayoral mandate to decrease greenhouse gas emissions. She introduced the Energy team, Cyril Toussaint, Ruby Cruz, Marcus Lewis and Diana Eusse, who had collectively been acknowledged for their work in the field. She also thanked NYC Health + Hospitals Finance, Colicia Hercules, and Mr. Page, for their contributions.

Ms. Weinstein narrated the power point presentation, which included details on environmental responsibility; reducing emissions by 80% by 2050, and committing to principles and goals of the Mayoral Climate Change Executive Order; Financial Viability, decreasing electric grid consumption by 50% over the next ten years, and increasing efficiency; and, Dependable Service, designing and installing on-site electrical power generation.

Ms. Weinstein provided some background on the system's energy saving efforts. She explained that megawatt measurements are represented by power/force, whereas the megawatt hour is energy expended. She noted that if the organization were to decrease electric power, it would decrease greenhouse emissions. She explained that every facility had generator back-up power in case of emergency.

Ms. Weinstein said that at present NYC Health + Hospitals was dependent on Con Edison and their aging electric grid, which had difficulty in transmitting, and that an increase in residential demand had resulted in Con Edison requesting that the system lessen its draw on the grid.

The closing of the Indian Point Power Plant, which is where a majority of the system's power comes from, provides another good reason to be self-sufficient and not reliant on the grid.

Ms. Weinstein noted the current back-up energy sources, emergency generators, are not always the most effective or efficient back-up power source. They can be expensive and units are run on diesel fuel. They also require funds for purchase of equipment, and general maintenance, upkeep and testing.

Ms. Weinstein explained that the system would like to install electrical power generation systems across NYC Health + Hospitals, so that we could generate our own power, and reduce consumption through retrofitting of the existing infrastructure. The ideal state would be to be independent. That goal would be reached by a combination of efforts, including; co-generation, batteries, solar photovoltaic, and fuel cells.

Outlining what had been done to date, to decrease usage and emissions, Ms. Weinstein said that lighting upgrades had been completed, and installation of occupancy sensors had helped make progress, while upgrading of building management systems and use of building management software to monitor consumption, project in design at various facilities, would make a significant impact on energy efficiency. We

will be able see when peaks are happening and address them, she said. We have also replaced control valves and replaced motors in air handling units, and there is discussion about elevator upgrades that would save energy.

Peak Electric Grid Demand in Fiscal Year (FY) 17 was 82.0 megawatts (MW). Ongoing projects had reduced the demand by 10.7 MW of power since 2007, and projections for 2020 show an additional 11.3 MW reduction through ongoing measures, meaning that by 2020 we project that H+H electrical use would be approximately 63 MW of power; the system would still need 63 MW of power to be self-sufficient, and/or that there would remain a 63 MW draw off the grid. There are two options for H+H to move closer to electric power independence: 1) install a 20 MW cogeneration system which will reduce reliance on the Electrical Grid Demand to peak at 43 MW; or 2) install a 63 MW cogeneration system which will eliminate reliance on the Electrical Grid.

Brenda Schultz, Director, Finance, explained the varying scenarios. She noted that there were two options; producing 20 megawatts, using cogeneration, which would require an estimated \$126 million capital investment, for an estimated savings of \$82 million; or, producing 63 megawatts of power, which would require an estimated capital investment of \$400 million, for an estimated savings of \$253 million. Both options would provide a level of savings.

Mr. Page observed that the system was required to have duplicate power sources, for back-up. He stated that his vision of a goal would be to produce enough energy to support ourselves, and have the Con Edison grid as the back-up provider.

Mrs. Bolus asked if the potential for a decrease in Health + Hospitals square-footage had been considered. Ms. Weinstein said it was difficult to project the effect that may have, but the need would decrease as space decreased.

Mr. Page said it was important to note that self-sufficiency would be reached in small increments and each facility would be reviewed at the time of implementation. Mrs. Bolus asked if the co-generation plant at Kings County was large. Mr. Berman said yes, but it would only produce 60% usage needs for the facility. Mr. Iglhaut said that there was an excess of emergency generator capacity. There is more emergency power at Kings County than is needed. When this project was incepted, the need to right-size generators will be discussed.

Mrs. Bolus asked if car usage had been included in energy discussions. Ms. Weinstein said no.

Ms. Weinstein said that the new building on the Coney Island campus was being designed to take into account all of these factors; usage, demand, etc.

Mr. Iglhaut stated that lighting load was the largest draw on the electrical system, not equipment, so a decrease in system wide square-footage would in turn decrease energy utilization.

Mrs. Weinstein noted that computers within the system remained on, in sleep mode, and turning them off would produce some additional savings.

Ms. Weinstein explained that all efforts were to meet the following goals; reduction of greenhouse gas emissions, enabling security and reliability, utilizing clean and renewable sources of energy, and increasing financial viability.

Mr. Page noted that financial viability coincided with emission reduction. It's a benefit that reduction of emissions is in turn a financial benefit, he said.

Ms. Weinstein noted that \$35 million had been saved since 2007, and an estimated 26% emission reduction. Trending shows a 42% emission reduction by 2022.

Ms. Weinstein said that the Department of Citywide Administrative Services (DCAS) and the New York Power Authority (NYPA) had been partners in these efforts, providing funds and project support.

Mrs. Bolus asked about protection and security for the cogeneration plants. Ms. Weinstein said she would review current security.

Mr. Page said it was dependent on the type of cogeneration but it appeared that it was the most economical form of local production of power, but fuel cells seem to be more easily right-sized.

Mr. Page noted that energy reduction efforts would evolve as the organization evolved. Ms. Weinstein agreed.

There being no further business, the meeting was adjourned at 10:40 A.M.

LICENSE AGREEMENT

**DEPARTMENT OF CITYWIDE ADMINISTRATIVE
SERVICES (DCAS)**

NYC HEALTH + HOSPITALS / CONEY ISLAND

RESOLUTION

Authorizing the New York City Health and Hospitals Corporation (the "System") to execute up to five successive one-year revocable license agreements with New York City Department of Citywide Administrative Services ("DCAS") for the use and occupancy of a 79,290 square foot parcel of land under the Belt Parkway Viaduct for the construction of a 300 space parking lot to be used by NYC Health + Hospitals/Coney (the "Facility") for parking during the construction of the Inpatient Acute Care Hospital Tower for an occupancy fee of \$1.00 per month.

WHEREAS, the System is in the process of constructing a new Inpatient Acute Care Hospital Tower (the "Critical Services Structure" or "CSS") to repair damage done by Hurricane Sandy and to make the Facility better able to withstand another storm; and

WHEREAS, the CSS is being built using funds granted by the Federal Emergency Management Agency ("FEMA"); and

WHEREAS, the CSS will occupy most of the site of the Facility's parking lot and thus its construction will displace parking for approximately 300 staff, visitor, and patient vehicles; and

WHEREAS, in addition to constructing the CSS, the System will build a new 322 space parking lot on its campus; and

WHEREAS, the parking lot under the Belt Parkway will cost approximately \$4.15 Million including a contingency of 15% using FEMA funds and provide temporary parking until construction of the new parking facility is complete; and

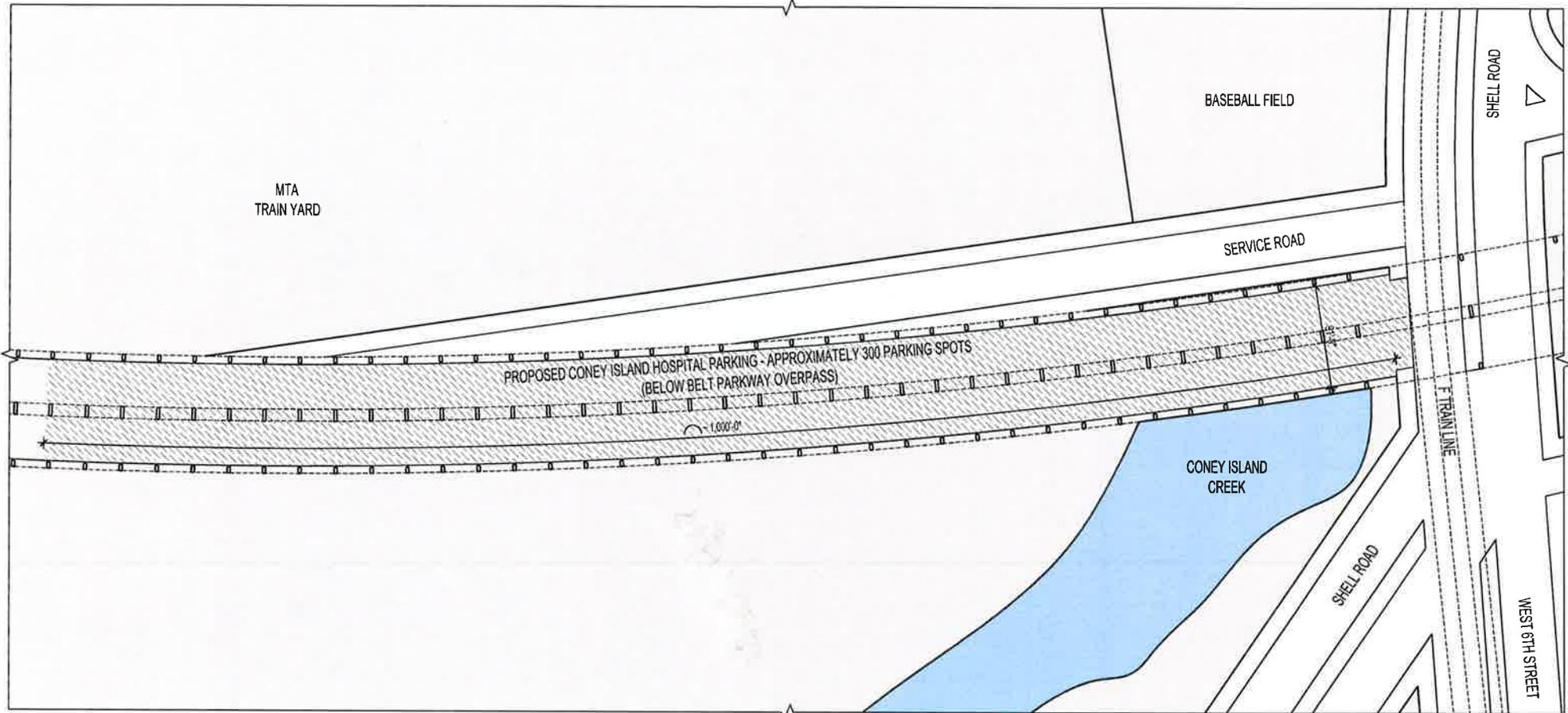
WHEREAS, successive one year agreements will be executed with DCAS during the five year Board of Directors authorization period.

RESOLVED, that the New York City Health and Hospitals Corporation be and hereby is authorized to execute up to five successive one-year revocable license agreements with New York City Department of Citywide Administrative Services for the use and occupancy of a 79,290 square foot parcel of land under the Belt Parkway Viaduct for the construction of a 300 space parking lot to be used by NYC Health + Hospitals/Coney for parking during the construction of the Inpatient Acute Care Hospital Tower for an occupancy fee of \$1.00 per month.

EXECUTIVE SUMMARY

LICENSE AGREEMENT TEMPORARY PARKING LOT UNDER BELT PARKWAY FOR CONEY ISLAND HOSPITAL CENTER FROM NYC DEPARTMENT OF ADMINISTRATIVE SERVICES

- Background:** Following the flooding caused by Hurricane Sandy, the Facility suffered substantial damage. To repair the damage and to create a structure that will be able to withstand similar storms, the System is constructing a new Inpatient Acute Care Hospital Tower (the "Critical Services Structure" or "CSS"). The construction is being funded with a grant from the Federal Emergency Management Agency ("FEMA"). The CSS will occupy most of the Facility's current parking lot thereby displacing approximately 300 parking spaces. To address the need to replace the lost parking spaces, the System will ground-level, 2-car stacked parking underneath and outside the new CSS.
- Need:** Space for approximately 300 vehicles until construction of the new CSS and parking facility is completed in September 2021.
- Licensor:** The New York City Department of Administrative Services ("DCAS" or the "Licensor").
- Term:** Five one-year periods. Successive one year agreements will be executed with DCAS during the five year Board of Directors authorization period
- Location:** A 79,290 square foot parcel of land under the Belt Parkway Viaduct located approximately one mile from the Facility's campus
- Capacity:** Approximately 300 vehicles
- Occupancy Fee:** Waived
- Program:** The lot will be operated by Pro-Park, a concessionaire under contract to the System. Staff, visitors and patients will be transported between the parking lot and the Facility by a shuttle operated by the parking operator. The lot will be ready for use summer 2018.
- Construction Cost:** Approximately \$4.15 Million including a 15% contingency
- Funding:** FEMA
- Construction:** To convert the area under the viaduct into a parking lot the following work will be performed:
- removal of debris, loose soil, and landscaping
 - construction/milling/regrading/milling to create an appropriate parking surface
 - striping of spaces and installation of bollards
 - installation of drainage
 - installation of lighting
 - installation of guard booths
 - installation of fencing around perimeter
 - installation of electrical service



1 PROPOSED CONEY ISLAND HOSPITAL OFF-SITE PARKING LOCATION
SCALE:

1/8"=1'-0"

| LEGEND | |
|---|---|
|  | PROPOSED OFF-SITE PARKING ON DOT PROPERTY |
|  | STRUCTURE ABOVE |

PROJECT APPROVAL

AIR HANDLING UNIT UPGRADE

NYC HEALTH + HOSPITALS / WOODHULL

RESOLUTION

Authorizing the New York City Health and Hospitals Corporation (the "System") to execute a Customer Installation Commitment ("CIC") with the New York City Department of Citywide Administrative Services ("DCAS") and the New York Power Authority ("NYPA") for an amount not-to-exceed \$6,105,386; of which \$2,000,000 will be funded under PlaNYC initiative and \$4,105,386 from the City's General Obligations Bonds, for the planning, pre-construction, design, construction, procurement, construction management and project management services necessary for the Air Handling Units and Building Management System upgrade project (the "Project") at NYC Health + Hospitals/Woodhull (the "Facility").

WHEREAS, in March 2005, NYC Health + Hospitals and the New York City Department of Citywide Administrative Services, entered into an Energy Efficiency-Clean Energy Technology Program Agreement ("ENCORE Agreement") with NYPA which establishes the framework for NYPA to manage energy related-projects for City agencies and affiliated entities; and

WHEREAS, in October 2017, the ENCORE Agreement was extended for a period of one year, from January 1, 2018 through December 31, 2018. This contract extension was registered with NYC Comptroller's Office on November 15, 2017; and

WHEREAS, in September 2014, the City of New York mandated an 80% reduction in greenhouse gas emissions in City-owned properties by 2050, managed by Division of Energy Management within the New York City Department of Citywide Administrative Services; and

WHEREAS, DCAS has allocated funding under the Accelerated Conservation and Efficiency ("ACE") program, for improvements and upgrades to increase energy efficiency and energy cost savings at City-owned facilities in line with the PlaNYC initiative to reduce energy and greenhouse gas emissions of municipal operations 80% by 2050; and

WHEREAS, the existing forty-five (45) Air Handling Units and Building Management System are original to the Facility and have exceeded their useful lives; and

WHEREAS, NYC Health + Hospitals has determined that it is necessary to address the proposed energy conservation measures at the Facility by undertaking the project at a not-to-exceed cost of \$6,105,386 (see Exhibit A – Executive Project Summary), to improve the reliability of its systems, as well as enhance the comfort and safety of the building's occupants; and

WHEREAS, NYPA has bid the Project and has determined that it will cost \$6,105,386; and

WHEREAS, the Project cost in the amount of \$6,105,386 will be funded under PlaNYC initiative (\$2,000,000) and the City's General Obligations Bonds (\$4,105,386); and

WHEREAS, NYPA demonstrates that the project will produce total annual cost savings to the Facility, estimated at \$441,151; and

WHEREAS, the overall management of the construction contract will be under the direction of the Vice President – Corporate Operations, NYC Health + Hospitals.

Page Two – Resolution
Customer Installation Commitment

NOW THEREFORE, be it

RESOLVED, the New York City Health and Hospitals to execute a Customer Installation Commitment (“CIC”) with the New York City Department of Citywide Administrative Services (“DCAS”) and the New York Power Authority (“NYPA”) for an amount not-to-exceed \$6,105,386; of which \$2,000,000 will be funded under PlaNYC initiative and \$4,105,386 from the City of New York’s General Obligations Bonds, for the planning, pre-construction, design, construction, procurement, construction management and project management services necessary for the Air Handling Units and Building Management System upgrade project (the “Project”) at NYC Health + Hospitals/Woodhull (the “Facility”).

EXECUTIVE SUMMARY
NYC HEALTH + HOSPITALS/WOODHULL
AIR HANDLING UNITS AND BUILDING MANAGEMENT SYSTEM UPGRADE

OVERVIEW: NYC Health + Hospitals seeks to upgrade forty-five (45) air handling units and a building management system (BMS) at NYC Health + Hospitals/Woodhull. NYPA has fully designed and bid out the project.

NEED: During the Comprehensive Energy Efficiency Audit of the Facility managed by NYPA, it was determined that fifty-two (52) of fifty-five (55) air handling units and the building management system are original to the building and have far exceed their useful lives. Under a previously approved energy conservation project, seven (7) air handling units were upgraded. The forty-five (45) air handling units which were not upgraded, are tied into an antiquated BMS that has limited control capabilities. There is no efficient mechanism to control temperature setpoints, and these units run continuously, even in spaces that are unoccupied, thus incurring significant energy and operational losses. The upgrade of air handling units and BMS will allow for advance energy savings control strategies to be implemented, increase occupant comfort, and maximize energy savings.

SCOPE: The scope of work for this project includes, but is not limited to the following:

- ❖ Upgrade forty-five (45) air handling units;
- ❖ Install new Building Management System;
- ❖ Integrate all air handling units into the new building management system to allow for enhanced control of the units.

TERMS: NYPA has competitively bid the project and has submitted a final total project cost of \$6,105,386 to NYC Health + Hospitals. NYPA will be responsible for managing the project, under the direction of the Vice President – Corporate Operations for the System.

SAVINGS:

| | |
|---|---------------------------------|
| <u>Electrical:</u> | |
| Electrical Energy Consumption Savings (quantity): | 2,721,537 kilowatts hours (kWh) |
| Annual Electrical Energy Savings (dollars): | \$367,408 |
| <u>Fuel:</u> | |
| Gas/Oil Savings (quantity): | 98,323 therms |
| Gas/Oil Energy Savings (dollars): | \$73,743 |
| CO2 Reductions: | 2,546 metric tons |
| Total Annual Estimated Savings (dollars): | \$441,151 |

FINANCING: PlaNYC Capital - \$2,000,000 (no cost); and General Obligations Bonds - \$4,105,386.

SCHEDULE: Completion by December, 2019.

Capital Committee

May 10, 2018

9:00 AM

125 Worth Street, Room 532

5th Floor Board Room



NYC Health + Hospitals/Woodhull

Air Handling Units and Building Management System Upgrade

- The building has fifty-five (55) air handling units (AHUs) and an antiquated building management system (BMS);
- Ten (10) AHUs were upgraded under previous capital projects;
- Forty-five (45) AHUs and BMS will be upgraded as part of this project;
- All fifty-five (55) units will be tied into the new BMS;
- NYPA will be responsible for managing the project, under the direction of the Vice President – Corporate Operations for the System.
- Project cost is \$6,105,386 – funding sources PlaNYC Capital (\$2,000,000) and General Obligations Bonds (\$4,105,386);
- Annual savings are estimated at \$441,151;
- The project will be completed by December 2019.

