

CAPITAL COMMITTEE

April 11, 2013

MEETING AGENDA

11:00 a.m.

125 Worth Street,
Room 532
5th Floor Board Room

CALL TO ORDER

Emily A. Youssouf

- ADOPTION OF MINUTES March 14, 2013 Emily A. Youssouf
- ASSISTANT VICE PRESIDENT'S REPORT Alfonso C. Pistone

ACTION ITEMS

- **Resolution** **Ann Sullivan, MD**
Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") 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 \$28,462,001 for the planning, pre-construction, design, construction, procurement, construction management and project management services necessary for the Comprehensive Energy Efficiency upgrade project (the "Project") at Elmhurst Hospital Center (the "Facility").
- **Resolution** **Lynda Curtis**
Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a Customer Installation Commitment ("CIC") between the New York City Department of Citywide Administrative Services ("DCAS"), and the New York Power Authority ("NYPA") for an amount not-to-exceed \$34,349,705 for the planning, pre-construction, design, construction, procurement, construction management and project management services necessary for the Comprehensive Energy Efficiency upgrade project (the "Project") at Metropolitan Hospital Center (the "Facility").
- **Resolution** **Dean Moskos**
Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to procure and outfit one hundred-nineteen (119) ambulances in Fiscal Year 2014 on behalf of the Fire Department of the City of New York ("FDNY"), through City-wide Requirements Contracts for a total amount not-to-exceed \$37.3 million.

INFORMATION ITEMS

- License Agreements – Human Resources Administration Dion Wilson
- Gouverneur Healthcare Services – Major Modernization – Status Report Mendel Hagler

- **Project Status Reports**
 - North Bronx Health Network
 - South Manhattan Health Network*
 - South Brooklyn/Staten Island Health Network*
- * Network contains project(s) that require a delay report

OLD BUSINESS

NEW BUSINESS

ADJOURNMENT

CAPITAL COMMITTEE MEETING MINUTES

MARCH 14, 2013

MINUTES

Capital Committee

Meeting Date: March 14, 2013

Time: 11:00 A.M.

Location: Board Room

Board of Directors:

Members of the Capital Committee

Emily A. Youssouf, Chair
Josephine Bolus, RN
Alan D. Aviles, President
Michael A. Stocker, MD, Chairman of the Board

HHC Staff:

Jawwad Ahmad – Director, Office of Facilities Development
Kein Anderson – Associate Executive Director, Woodhull Medical and Mental Health Center
Jeremy Berman – Deputy Counsel, Legal Affairs
LaRay Brown – Senior Vice President, Corporate Planning and Community Health
Michael Buchholz – Senior Associate Executive Director, Coler-Goldwater Specialty Hospital and Nursing Facility
Deborah Cates – Chief of Staff, Office of the Chairman
Daniel Collins – Director, Coney Island Hospital
Barbara Delorio – Senior Director, President's Office
Olga Deschenko – Planning Scheduling Analyst, Office of Special Projects
Rebecca Fischer – Associate Executive Director, Bellevue Hospital Center
Jonathan Goldstein – Senior Consultant, Corporate Planning
Anthony Gounaris – Senior Project Manager, Office of Facilities Development
Louis Iglhaut – Associate Executive Director, Lincoln Medical and Mental Health Center
Juan Izquierdo – Associate Executive Director, Queens Hospital Center
Jo-Ann Liburd – Senior Director, Patient Safety
Liny Liu – Senior Project Manager, Lincoln Medical and Mental Health Center
Patricia Lockhart – Secretary to the Corporation, Office of the Chairman
Peter Lynch – Senior Director, Office of Facilities Development
Tamiru Mammo – Chief of Staff
Nini Mar – Director, Corporate Reimbursement
John Maese, MD – Chief Medical Officer, Coney Island Hospital
Antonio Martin – Executive Vice President
Mary Mong – Chief Operating Officer, Coney Island Hospital
Irina Munarova – Assistant Director, Corporate Planning
Anita O'Brien – Associate Executive Director, Harlem Hospital Center
Alfonso Pistone – Assistant Vice President, Office of Facilities Development
Marsha Powell – Director, Office of Facilities Development

Michael Rawlings – Associate Director, Bellevue Hospital Center
Salvatore Russo – General Counsel, Legal Affairs
Thomas Scully – Senior Associate Director, Elmhurst Hospital Center
Denise Soares – Executive Director, Harlem Hospital Center
David Tannenholz – Associate Executive Director, Coney Island Hospital
Ksenija Vukov-Drazevic – Senior Associate Director, Queens Hospital Center
Roslyn Weinstein – Senior Assistant Vice President, President's Office
Dion Wilson – Assistant Director, Office of Facilities Development
Elizabeth Youngbar – Assistant Director, Office of Facilities Development
Frank Zanghi – Supervising Confidential Examiner, Internal Audits

Other Attendees:

Michael Dubin – Savitt Partners
Melissa Dubowski – Office of Management and Budget (OMB)
Scott Hill – QuadraMed
Emil Martone – New York City Economic Development Corporation (EDC)
Megan Meagher – Office of Management and Budget (OMB)
John Pasicznyk – Managing Director, Construction and Metro New York Operations, Dormitory Authority of the State of New York
Joseph Shein – Perkins Eastman Architects

CALL TO ORDER

The meeting was called to order by Emily A. Youssouf, Chairman of the Capital Committee, at 11:15 A.M.

ASSISTANT VICE PRESIDENT'S REPORT

Alfonso Pistone, Assistant Vice President, Office of Facilities Development, provided an overview of the meeting agenda. He informed members of the Committee that there would be two action items for consideration. The first, a lease agreement with 2857 West 8th Street Associates for Coney Island Hospital to operate the Ida G. Israel Community Health Center to replace the prior clinic location at 2201-2203 Neptune Avenue which was substantially destroyed by Hurricane Sandy. The second agenda item would request authorization to relocate the Harlem Dental Clinic from its current location to the Kountz Pavilion, first introduced in January 2013, and tabled pending a response to questions regarding the Harlem Modernization.

Mr. Pistone explained that contained in that written response were observations that the subject dental clinic was originally contemplated to be relocated into the Ron Brown Building as part of a master plan issued in 2006, and the relocation process required a series of other service relocations that had not been properly funded. As a result, an alternate plan was developed to relocate the dental clinic into the Kountz Pavilion. There were five (5) major elements to the Harlem Modernization master plan when first initiated; which was to modernize portions of the Martin Luther King Pavilion, construct a new Patient Pavilion, relocate occupants of the New Nurse's Residence and demolish that structure, construct a new 400 car parking garage to include the integration of an EMS station, relocate occupants of the Women's Pavilion (which includes the Dental Clinic) and demolish that structure. The New Patient Pavilion and the relocation of Nurse's Residence and their demolition have taken place, the Martin Luther King Pavilion, parking garage and the Women's Pavilion relocation have not.

Mr. Pistone thanked Harlem administration for their assistance in preparing the response, and explained that the greatest reason for that condition is reflected by a lack of validation and reconciliation of the project's initial \$225 million estimate. Best practice recommends continuous revisiting and reconciliation of project scope at various stages of design and construction and to assure their alignment, and that project assumptions remain valid. The Harlem Modernization budget is \$325 million, of which \$292 million has been spent. Additionally, there remains approximately \$31 million in project funding allocated among the Women's Pavilion, the EMS station, and the parking garage, which cannot be comingled to address the needs of the Women's Pavilion. The initial estimate for the Women's Pavilion now exceeds \$25 million, and the existing budget allocation is \$10 million. In addition, the plan to construct a 400+ parking facility was significantly reduced to a more modest 200+ facility, and its estimated cost also exceeds \$25 million. There remains an \$8 million unfunded appropriation from Congressman Rangel that the Health and Hospitals Corporation (HHC) has made application to the United States Department of Transportation to fund a parking facility with stackable car lifts, which is currently pending in lieu of constructing the parking garage at this time.

Lastly, he indicated that his report also included recommendations with respect to future projects, especially those with the complexity of the Harlem Modernization, governance should have a clear understanding of the implications of a project's budget constraints, suggesting that more effective communication with governance is required prospectively. He expressed an expectation that the current

Breakthrough initiative; the most recent event being scheduled for next week, will successfully establish such an effective communication.

Finally, Mr. Pistone advised that there are two (2) projects that will report progress delays.

That concluded his report.

ACTION ITEMS

- **Authorizing the President of the New York City Health and Hospitals Corporation (the "Tenant" or the "Corporation") to execute a lease agreement with 2857 West 8th Street Associates (the "Landlord") for space at 2857 W. 8th Street, Borough of Brooklyn, to house the Ida G. Israel Community Health Center (the "Center") operated by Coney Island Hospital (the "Facility").**

David Tannenholz, Associate Executive Director, Coney Island Hospital, read the resolution into the record on behalf of Arthur Wagner, Senior Vice President, Southern Brooklyn/Staten Island Health Network. Mr. Tannenholz was joined by Daniel Collins, Director, and Mary Mong, Chief Operating Officer, Coney Island Hospital and Dion Wilson, Assistant Director, Office of Facilities Development.

Mr. Tannenholz commented that he had attended the opening of the original Ida Israel Center in 1984, under the New York City Mayor Ed Koch and Health and Hospitals Corporation President Jo Ivey Boufford; a fond memory. Unfortunately, that site was destroyed by Hurricane Sandy. Mr. Tannenholz continued his presentation by sharing a slide presentation that featured photos of the site during and after the Hurricane. He explained the location with relation to waterways, the interior damage to the site, and windows that had been broken. He noted that the water pressure was so strong it actually pushed the roll-down gate off its structure. The final slide showed a rendering of the new proposed site.

Michael Stocker, MD, Chairman of the Board, commented on the estimates of the construction costs, feeling they were very preliminary numbers, and asked that when the item comes before the full Board of Directors, a not-to-exceed number be included. Mr. Tannenholz advised that once the program was developed, estimators would review, and a not-to-exceed number would be attached to the resolution at that time.

Dr. Stocker requested that the Capital Committee receive an automatic update on the project in 12 months. Ms. Youssouf agreed with Dr. Stocker, and expressed concern with why HHC was not doing the building on our own, which would give HHC more control. She added that a not to exceed number would explain cost per month, and asked that the finance department look at the final numbers so they are aware of the additional costs that were not in the documents being presented at the present time.

Ms. Youssouf asked if the new site was located in a flood zone. Mr. Tannenholz said that all of Coney Island is a flood zone, but this location will be on the second floor of the building. He explained that the previous location on Neptune Avenue flooded every time there was a storm, even just from high tide, so this will be a safer spot. Ms. Youssouf asked that the FEMA consultant attend the Board meeting to speak to the fact that reimbursement is expected. Dr. Stocker asked that the landlord also be in attendance.

Alan D. Aviles asked if the item was expected to be presented at the April Board Meeting, and whether that was in fact enough time to get all necessary information and the not-to-exceed number. Mr. Tannenholz said they would try their best. Programmatically, it will be a duplicate of the previous site so that part should be easy, and plans have been turned over to the landlord, so there is a little bit of a head start. Mr. Pistone agreed.

Josephine Bolus, RN, asked how many times the site had been flooded. Mr. Tannenholz said the every time there was a storm or a Nor'easter, the Neptune Avenue location would flood. Mrs. Bolus asked what preventative measures were in place to act against flooding. Mr. Tannenholz said, at the old site - none, at the new site we are on the second floor. Mrs. Bolus said that the first floor will still flood. Mr. Tannenholz said yes, but our equipment and our center would be safe. Mr. Collins explained that the old location was located adjacent to the Coney Island Creek, but the new site is further from that and from the ocean. He added that, while the old site flooded frequently the new site experienced significant flooding, for the first time, from the effects of Hurricane Sandy.

Ms. Youssouf asked if other sites were investigated that were less likely to flood. Mr. Tannenholz said this was the only second floor location that was found, and that was an immensely important factor.

Mrs. Bolus asked whether any mold had been found. Mr. Tannenholz said that the entire first and second floor had been demolished. Mrs. Bolus asked if the landlord did that every time there was a flood. Mr. Tannenholz said no, this is the first time that the new site has flooded. The old site flooded frequently but this new site has only flooded once, as a result of Sandy. The new site is approximately eight to ten feet above sea level and the previous site was approximately six feet above sea level.

Ms. Youssouf asked if any asbestos was found. Mr. Tannenholz said the entire interior has been stripped, it is an empty shell.

Ms. Youssouf said she looked forward to getting as much information as possible. Mrs. Bolus agreed, adding, especially regarding the mold.

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 approve a Capital Project for Harlem Hospital Center to Relocate and Modernize the Dental Clinic for a total project cost of \$6.25 Million.**

Denise Soares, Executive Director, Harlem Hospital Center, read the resolution into the record on behalf of Iris Jimenez-Hernandez, Senior Vice President, Generations+/Northern Manhattan Health Network. Ms. Soares was joined by Louis Iglhaut, Associate Executive Director, Lincoln Medical and Mental Health Center, and Joseph Shein, Perkins Eastman Architects.

Dr. Stocker asked whether the team was confident that this project could be completed on budget and on time, and when the expected completion date was. Mr. Iglhaut advised that construction needed to

be complete by the end of the fiscal year. He added that equipment installation could be completed after the fact, because it was funded separately with City Council funds.

Mr. Iglhaut said that the project is expected to take five (5) months. If the project were to be approved during this Board cycle then the three (3) to four (4) month bidding process could begin, and then construction would take place and have to be completed by year end in order to use the Healthcare Efficiency and Affordability Law (HEAL) funding.

Dr. Stocker asked whether the team was comfortable that the project could be completed on time and on budget. Ms. Soares said yes, we have de-scoped the project, and there is a 20% construction contingency. Mr. Shein said that there have been a number of estimates completed on the project, it has been gone through line by line, documents are approximately 96% complete, possible glitches have been discovered and the team is comfortable with the cost. He said they are also comfortable with the contingency, and the construction portion is a pretty vanilla job.

Ms. Youssouf asked for an explanation of the decrease in cost since the project was last presented. Mr. Iglhaut explained that the original scope had \$4.8 million for demolition and construction and the new scope has \$2.9 million, a 35% reduction in square footage for the project, and within that \$2.9 million is a \$250,000 placeholder for asbestos abatement. The original scope had \$486,000 for design contingency, which has been reduced to \$81,000. The architect has agreed to this number and other stakeholders have agreed to the project scope of the project.

Ms. Youssouf acknowledged that much planning and design work has been done up front so they seem comfortable with this new number. Mr. Iglhaut explained that this was the fourth iteration of the scope/budget. Mr. Shein added that the original \$400,000 number for design is the kind of number you might see at the very beginning of a project and at this point, this project is much further along.

Dr. Stocker commented on the fact that this project has had good planning, is taking place within one of HHC's own buildings, and said that hopefully it will be a model project. He expressed concern that other projects frequently exchange funds and funding sources when it comes to cost overruns and said that he hoped that did not happen here or continue to happen elsewhere.

Mr. Iglhaut continued the explanation of de-scoping. He said the original contingency was increased from 10% to 20%, half of which will be paid by Central Office if necessary.

Ms. Youssouf said that Architectural and Engineering fees had been brought down. Mr. Iglhaut said yes, and so have the construction management fees.

Ms. Youssouf asked if any parts of the project had been removed. Ms. Soares said yes, one operatory was eliminated, but that is fine. The goal of this project is to have the radiological equipment necessary to provide services and that will still be accomplished. She added that there was also a stairwell slated for demolition that will now remain in place.

Ms. Youssouf thanked Mr. Pistone and his staff and the staff at Harlem for coming back with good explanations and thorough information. She said she hoped this is the start of a new way of doing things.

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

- **Henry J. Carter – Major Modernization – Status Report**

Michael Buchholz, Senior Associate Executive Director, Coler-Goldwater Specialty Hospital and Nursing Facility, provided the status report on the project. Mr. Buchholz was joined by Emil Martone, New York City Economic Development Corporation.

Mr. Martone showed some photos depicting progress since the last status report. He explained that the Skilled Nursing Facility (SNF) was water-tight as of December 2012, and they were still in the process of putting in the curtain wall, metal panels and finalization of roofing, but the building is dry and allows interior work to be completed.

He noted that the generator(s) for the Long Term Acute (LTACH) had been completely installed and testing was expected to commence next month. He said that the project is progressing from the top down, ceiling grids were being installed in some patient rooms and primer painting is happening on certain floors. Interior finish work is beginning on parts of the building and continues to gradually move down to the lower floors. The fourth floor drywall is up and overhead mechanical installation work is in progress. Sixth floor walls and first layer of gypsum are complete and much ceiling work has been completed as well. Door frames and studs are in various locations, and much above ceiling duct work has been completed.

Financially, he said, the project is on budget, and holding an \$8.9 million contingency. As of January the project was 48% complete, as of today, approximately 57% complete, with a completion rate of roughly 9% per month. The procurement process for contracts that EDC holds is complete, and the furniture, fixture and equipment (FFE) and Information Technology (IT) hardware contracts, which HHC is holding, are moving ahead on schedule.

Mrs. Bolus asked how many elevators there were. Mr. Martone said there are six (6) elevators in the existing building, all of which are being rehabilitated, and in the new building there are four (4) elevators, and one that strictly services the basement. Mrs. Bolus asked how many wheelchairs could be accommodated in each. Mr. Buchholz said that a study had been completed to ensure they would be enough to accommodate services. Mr. Martone added that service and wait time had also been investigated early on in the project.

Ms. Youssef said it looks like it's going well and the team had worked well on keeping the Committee informed. She was pleased that it was on schedule to meet all demands.

Mrs. Bolus asked about emergency disaster escape plans. Mr. Buchholz explained that Base Tactical had reviewed the project for mitigation and fortification against flooding. Mrs. Bolus said she wanted to know more specifics, and was concerned about other emergencies, such as fire. Mr. Martone said that the New York State Department of Health approves emergency protocols, fire safety plans, etc.

Antonio Martin, Executive Vice President asked that the plans be brought before the Committee at the next reporting cycle.

That concluded the status report.

- **Project Status Reports**
Central/North Brooklyn Health Network
Generations+/Northern Manhattan Health Network*
Queens Health Network*
* Network contains project(s) that require a delay report

Woodhull Medical and Mental Health Center – Replacement of Nurse Call System

Kein Anderson, Associate Executive Director, Woodhull Medical and Mental Health Center, provided the delay report. Mr. Anderson explained that delays were principally due to the fact that after installation commenced the facility had to modify the design and scope because the data server needed to be connected to the IT network, which was not originally planned. It was determined that the vendor would need to monitor service and therefor needed to be on the network, and as a result of that, equipment and cabling had to be changed and rerouted through IT data closets, some of which had not yet been completed, adding to delays. Additionally, change and contract modifications had to be completed prior to the contract proceeding with the work.

Ms. Youssouf noted that some of these issues seemed like things that should have been known up front. Mr. Pistone agreed. Mr. Pistone asked what the cost of the additional work was and when completion would take place. Mr. Anderson said that the additional scope cost approximately \$32,000, which represents approximately 4% of the original cost, and will be funded through savings generated from other projects.

Mrs. Bolus asked what projects had such savings. Mr. Anderson said the facility's MRI upgrade had \$61,000 worth of savings, and the x-ray installation received unexpected discounts that amounted to approximately \$50,000.

The Committee thanked Mr. Anderson for his report.

Elmhurst Hospital Center – Women's Health Center

Thomas Scully, Senior Associate Director, Elmhurst Hospital Center, provided the delay report. Mr. Scully advised that the Women's Health Pavilion project involved construction of a building attached to the "J" wing of the facility. The building was two stories, with a basement, and construction began in September 2011. He explained that the major issue causing delay, approximately 134 construction days, was in relocating utilities. The gas line that went through the center of the site stopped the job, so the two hundred and some odd days of delay, approximately five (5) months or so, were strictly a result of issues relocating the gas line.

Mr. Scully explained that he had just been placed on the project in the last few months, and one of his first questions was why the 134 days have not been included in the total construction project in the beginning. If it had been then there would be only a relatively short delay. He explained that, the Construction Manager had been released and the Superintendent of the General Contractor had been changed to recapture the project with an accelerated pace -- which has begun. He said that he anticipates

completion by September, 2013, but if there are no serious additional issues, he hopes to have it complete by July, 2013.

Ms. Youssouf was pleased with the attitude of Mr. Scully with respect to the issues and appreciated his thoughts on how projects should be executed.

Ms. Youssouf asked about budget increase. Mr. Scully said he was unaware of any additional charges by the prime contractors but he would continue to look into issues and keep fully informed.

There being no further business, the meeting was adjourned at 11:57 A.M.

CUSTOMER INSTALLATION COMMITMENT

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

**NEW YORK POWER AUTHORITY
(NYPA)**

**COMPREHENSIVE ENERGY EFFICIENCY
ELMHURST HOSPITAL CENTER**

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") 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 \$28,462,001 for the planning, pre-construction, design, construction, procurement, construction management and project management services necessary for the Comprehensive Energy Efficiency upgrade project (the "Project") at Elmhurst Hospital Center (the "Facility").

WHEREAS, in March 2005, the Corporation, the City University of New York, the New York City Board of Education, and the City of New York, through the Department of Citywide Administrative Services (collectively, the "Customers"), entered into an Energy Efficiency-Clean Energy Technology Program Agreement ("ENCORE Agreement") with NYPA; and

WHEREAS, in 2007 the City mandated a 30% reduction in greenhouse gas emissions in City-owned properties by 2017, managed by Division of Energy Management within DCAS; and

WHEREAS, in December 2009, as part of PlaNYC 2030, the City passed major legislation known as the "Greener, Greater Buildings Plan" that includes more stringent code requirements; requires installation of lighting upgrades and tenant meters in non-residential spaces; and requires all buildings over 50,000 square feet to undertake benchmarking and audit; and implement retro-commissioning measures. Local Law 87 mandates Comprehensive Energy Audits be completed within a 10 year time frame (2013 – 2023); and

WHEREAS, under the City mandate of 30% reduction in greenhouse gas emissions, DCAS approved NYPA to perform a Comprehensive Energy Efficiency Audit of the Facility's campus; and

WHEREAS, a component of the Project will make the Corporation compliant with fuel combustion standards through elimination of No. 6 fuel oil; and

WHEREAS, the Corporation 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 \$28,462,001 (see Exhibit A – Executive Project Summary), to enhance the reliability of its systems, as well as increase the comfort and safety of building occupants; and

WHEREAS, PlaNYC capital will provide \$4,093,608, and PlaNYC American Recovery and Reinvestment Act of 2009 (ARRA) expense will provide \$1,307,194 (see Exhibit B(i) – NYC Office of Management and Budget Approval and Exhibit B(ii) NYC DCAS Payment); and

WHEREAS, NYPA has estimated that the Project will produce total annual cost savings of \$1,572,685; 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

Page Two – Resolution
Customer Installation Commitment – Elmhurst Hospital

RESOLVED, the President of the New York City Health and Hospitals Corporation (the “Corporation”) 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 \$28,462,001 for the planning, pre-construction, design, construction, procurement, construction management and project management services necessary for the Comprehensive Energy Efficiency upgrade project (the “Project”) at Elmhurst Hospital Center (the “Facility”).

EXECUTIVE SUMMARY

ELMHURST HOSPITAL CENTER NEW YORK POWER AUTHORITY (NYPA) - COMPREHENSIVE ENERGY EFFICIENCY UPGRADE

OVERVIEW: The Corporation is seeking to undertake an energy efficiency project, which addresses mandated energy reduction use while complying with elimination in the combustion of No. 6 (six) fuel oil, which will no longer be used in most New York City buildings by 2015.

In addition, to comply with environmental combustion standards relating to No. 6 fuel oil, this project will incorporate a significant number of energy efficiency recommendations that arose from a comprehensive energy audit funded by the Department of Citywide Administrative Services (DCAS). A number of measures were approved for design, and after approximately 60% design completion, a value engineering study was conducted as a collaboration between the Office of Management and Budget (OMB), the Corporation, NYPA, DCAS, and the energy design firm of Parsons Brinckerhoff. The project is fully design, estimated, and completely bid. With a 20% contingency, the project cost is not-to-exceed \$28,462,001.

PlaNYC (capital funding) will provide \$4,093,608, with an additional \$1,307,194 provided through PlaNYC American Reinvestment and Recovery Act (ARRA) (expense), both at no cost to the Corporation for a total of \$5,400,802. The Corporation will fund the balance of the project through NYPA financing.

There is funding available to undertake a design study associated with hazard mitigation. At the present time, project contingency is considered sufficient to address construction modifications that may be required to implement such hazard mitigation recommendations.

NEED: During the NYPA's Comprehensive Energy Efficiency Audit of the facility's campus it was recommended that several energy conservation measures (ECMs) be implemented. ECMs such as lighting upgrades, building control management systems, complete boiler replacement (including fuel tank replacement), and other energy consumption measures be implemented to enhance the reliability of the facility systems, as well as increase the comfort and safety of building occupants. A major element of the project is the facility's existing boiler plant, currently consisting of four high-pressure, dual fired water tube boilers that are original to the building and installed in 1952. These boilers are inefficient and operate on No. 6 residual fuel that will no longer be permitted for use by 2015. If the boilers are not replaced or upgraded before 2015 they can no longer operate. Moreover, a full replacement of the boiler plant will result in numerous benefits that will enable the Facility to meet its demands more efficiently and responsibly.

SCOPE: The scope of work will include the following:

- Replacement of all T-12 lamps with high performance T-8 lamps
- Occupancy sensors in 312 areas that will control lighting
- Replacement of 51 motors with premium efficiency motors
- Replacement of existing non-functioning sand filtration that will improve chiller performance
- Installation of new plate and frame heat exchanger in chiller plant to improve its performance

Page Two – Executive Summary
Customer Installation Commitment – Elmhurst Hospital

- Installation and commissioning of electric meters for four chillers, four condenser and chilled water pumps and four cooling tower fan motors to increase performance
- Replacement of control valves on approximately 750 steam radiators with new thermostatic valves, and replace all traps on steam radiators with new traps
- Reprogram existing building management system to eliminate energy waste in spaces that are not in constant operation
- Replacement of Boiler plant with four new boilers, including controls and auxiliary devices
- Installation of dehumidification heat pipes on the facility's main roof and penthouse to capture partial heat load for reuse

TERMS: NYPA has competitively bid this project and has submitted a final total project cost to the Corporation.

COSTS: \$28,462,001

SAVINGS: Electrical:
Electrical Energy Consumption: 8.3 kilowatts
Monthly Demand Decrease: 639 kilowatts
Annual Electrical Energy Savings: \$520,896

Fuel:
Gas / Oil Savings: 730,719 therms
Gas/ Oil Energy Savings: \$1,461,756
CO2 Reductions: 10,546.3 tons

Total Annual Estimated Savings: \$1,655,223.05

Simple Payback: 14.28 years

SCHEDULE: HHC expects NYPA to complete this project by June 2015.

FINANCING: PlaNYC Capital - \$4,093,608 (no cost); PlaNYC ARRA expense - \$1,307,194 (no cost) and NYPA Financing of \$23,061,199. The Corporation expects to approve the initial financing with NYPA upon the approval of this resolution by executing the Customer Installation Commitment ("CIC") (see Exhibit C).

FINANCING SCHEDULE: The Corporation expects to approve the initial financing with NYPA upon the approval of a resolution presented to the Finance Committee, by executing the Customer Installation Commitment ("CIC") (see exhibit C – Initial CIC Report). After the completion of the Project, and final audit, the Corporation expects to finalize the amount, term, and structure of the financing in August 2015, by executing a Final CIC.

**FINANCING
STRUCTURE:**

- (i) **Variable Rate:**
Currently, NYPA only issues variable rate tax-exempt and/or taxable commercial paper (CP) financing for all expenditures from initial audit through the completion of the project (see Exhibit D – NYPA Financing of Energy Efficiency Projects). NYPA has issued tax-exempt commercial paper since 1995, where tax-exempt interest rate ranges from 0.51% (2011) to 4.15% (2001). The 2013 tax-exempt interest rate is at 0.86% (see exhibit E – Financing of Energy Efficiency Projects – Annual Variable Rate).

The annual rate NYPA used in the repayment of all costs for a completed project, is calculated in January of each year and is based on the weighted average outstanding commercial paper for the previous 12 months. The interest rate is applicable for the succeeding 12 months repayment period January through December (i.e. interest rate will reset every January of each calendar year).

In addition, NYPA also enters into interest rate cap agreement with banks periodically in order to provide a “limit/cap” to manage its interest rate risk exposure on its tax-exempt CP program, which in turn protects its clients.

- (ii) **Fixed Rate:**
NYPA is currently evaluating the option of providing fixed rate financing to its clients. If this option becomes available prior to the execution of the final CIC in 2015, the Senior Vice President of Finance will evaluate the cost and benefit of the two financing options and report back to the Finance Committee and the Board of Directors, as to which financing option (s)he recommends.

**FINANCING
TERM:**

The term of the NYPA financing will not exceed 20 years, which is less than Elmhurst Project estimated weighted average useful life of 28.1 years.

Monthly debt service payment is estimated at \$139,746.33 (annual debt service at \$1,676,955.94) based on 4% estimated interest rate and 20 year term.

Executive Summary

Parsons Brinckerhoff		Elmhurst Hospital Center D&I Audit Program Total Project Summary		* 20% Contingency * 20yr Amortization
<i>CIC</i>				ES-GSN-0544
Project Cost				
		Material:	Labor:	
	Construction Costs:	\$8,529,782.29		\$7,967,396.02
	Asbestos Abatement:	\$250,000.00		\$882,000.00
	Environmental Engineering Solutions:	\$0.00		\$42,062.00
	Controlled Inspections:	\$0.00		\$94,000.00
	Totals:	\$8,779,782.29		\$8,985,458.02
		Total Material & Labor:	\$17,765,240.31	
		Construction Contingency:	\$3,553,048.06	
		Subtotal:	\$21,318,288.37	
		Payment and Performance Bond:	\$163,918.00	
		Abatement Design & Monitoring:	\$149,345.00	
		Hazardous Waste Disposal Cost:	\$37,688.91	
		Resiliency Study:	\$85,000.00	
1) Audit, Design & Construction Mgt:		\$3,184,159.26		
2) NYPA Project Mgt & Administrative:		\$2,131,828.84		
3) NYPA Lighting Material Handling Fees:		\$16,231.23		
Reduced Scope Fee:		\$163,225.19		
Total Fees:		\$5,495,444.52		
Subtotal:		\$27,249,684.80		
5) Interest During Construction (IDC):		\$1,212,316.00		
Estimated Energy Savings				
<u>Electrical:</u>		<u>Fuel:</u>		
Energy Savings:	8,302,782.00 kWh	Gas / Oil Savings:	730,719 therms	
Total Demand (monthly):	639.00 kW	Gas / Oil Energy Savings:	\$1,051,789.00	
Electrical Energy Savings:	\$520,896.00	CO2 Reductions:	7,612.0 tons	
		Total Estimated Amount Saved: \$1,572,685.00		
		Total Emissions Reduction (%): 33.20%		
Payback				
		Project Name	Total Project Cost	Annual Savings
Current Project:		Elmhurst Hospital Center	\$28,462,000.80	\$1,572,685.00
Previous Project #1:		N/A	\$0.00	\$0.00
4) Agency/Customer Contribution:		PLANYC ARRA	\$1,307,194.00	\$0.00
4) Agency/Customer Contribution:		DCAS	\$4,093,608.00	N/A
		Cumulative Total Project Cost:	\$23,061,198.80	
		Cumulative Estimated Annual Savings:	\$1,572,685.00	
		Simple Payback:	14.66	
Project Financing				
		TOTAL AMOUNT FINANCED:	\$23,061,198.80	
		Variable Interest Rate Currently at:	4.00%	
		Years Financed:	20	
		Number of Payments:	240	
		Annual Debt Service to NYPA:	\$1,676,955.94	
		Monthly Debt Service to NYPA:	\$139,746.33	
		Total Project Cost after Financing:	\$33,539,118.82	

(1) A fee of 15% of equipment and installation labor costs is applicable; a 14% fee of the asbestos abatement is applicable.

(2) A fee of 10% of equipment and labor costs is applicable. This fee includes, but is not limited to, the costs associated with securing contractors, or NYPA personnel as the case may be, to perform the services of construction management, quality assurance, waste disposal permitting, etc., and to obtain payment bonds, as required.

(3) A fee of 1.5% of equipment is applicable.

(4) All indicated previous projects were completed within two years prior to the initiation of the current project, in accordance with OMB guidelines.

Direct Agency contributions are deducted directly from the Total Project Cost.

(5) The estimated Interest During Construction (IDC) is calculated over the anticipated construction period at 4%.



The City of New York
Office of Management and Budget
75 Park Place • New York, NY 10007

SEP 25 2012

Record: 102585
Certificate: 57056
Capital Projects: PU-0025

DEPARTMENT OF CITYWIDE ADMINISTRATIVE SERVICES
HEALTH AND HOSPITALS CORPORATION

Hon. Edna Wells Handy, Commissioner, Department of Citywide Administrative Services
Hon. Thomas A. Farley, Commissioner, Department of Health & Mental Hygiene
Hon. Helen M. Marshall, President, Borough of Queens
Hon. John C. Liu, Comptroller

Section 219 of the New York City Charter and directives of the Mayor authorized thereunder require that prior to the initiation of design or advancement of any Capital Project, a scope defining services to be incorporated in contracts for the services of architects, engineers, landscape architects, etc., or for departmental employees and amounts for structures, works, furnishings and equipment, program of requirements and scope or range of operations shall be submitted for approval of the Director of Management and Budget or his duly authorized representative. Initially, preliminary scope approval and subsequently final scope approval incorporating preliminary plans and cost limitations shall be submitted for approval of the Director of Management and Budget or his duly authorized representative. In addition, the final design incorporating final contract documents must also be submitted for approval of the Director of Management and Budget or his duly authorized representative. Your request for approval pursuant to the above is approved as follows:

DESCRIPTION OF APPROVAL HEREBY GRANTED

Attached for your review and approval is a Certificate to Proceed in the amount of \$4,093,608 for a comprehensive energy efficiency upgrade to HHC'S Elmhurst Hospital (79-01 Broadway, Queens).

This project will be charged to Budget Line PU-0025, Project ID 856 E12-0048, Budget Codes E248 and GQ07, and is included in the FY13 Capital Commitment Plan.

Approved,

A handwritten signature in black ink, appearing to read "Jennie Nagle".

Jennie Nagle
Assistant Director

EDNA WELLS HANDY
 Commissioner
BHAVNA RAVAL, P.E.
 Director



**ENGINEERING AUDIT OFFICE
 DEDUCTION REPORT**

<i>Registration</i>	<i>Payment Nu</i>	<i>Payment Category</i>	<i>Task/WO/INV #</i>	<i>Pay Start</i>	<i>Pay End</i>
20070002908HHC20	01E	PARTIAL		5/1/2011	6/1/2012
<i>Auditor's Name</i>	<i>REName</i>	<i>RE/Tel</i>	<i>Contractor Telephone #</i>	<i>Contractor Fax #</i>	<i>ID:</i>
JiJi Abraham	Chris James	x 7932	(914) 287-3892	(914) 681-6893	18016

Name of Contractor
 Energy Services and Technology - New York Power Authority

Address of Contractor
 123 Main St. Mail Stop WPO-6F
 White Plains, NY 10601

Location and Description Of Work
 ELMHURST HOSPITAL

<i>Payment Requisition</i>	\$1,307,194.34
<i>EAO Adjustments</i>	\$0.00
<i>EAO Recommended Amount</i>	\$1,307,194.34

Adjustment Report
 No adjustments.

<i>Auditor's Signature</i>		<i>Director's Signature</i>		7/5/12
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Electronic Funds Transfer(EFT) Dept: DSB ID: 20130012124 Ver.: 1 Function: New Phase: Final
Modified by CWAPBAT . 07/12/2012

Vendor Line	Vendor Customer	Legal Name	Line Amount	County Name
1	0000764280	NEW YORK POWER AUTHORITY	\$1,307,194.34	
From 1 to 1 Total: 1				

General Information Additional Information

Vendor Customer: 0000764280	Vendor Contact ID:
Legal Name: NEW YORK POWER AUTHORITY	Principal Contact: FS-ES-GSN-0544
Alias/DBA:	Phone:
Address Code: 1	Phone Extension:
Address Line 1: 123 MAIN STREET	Email Address:
Address Line 2:	Fax Number: 999 999-9710
City: WHITE PLAINS	Fax Extension:
State: NY	Web Address:
Zip: 10601	Line Amount: \$1,307,194.34
Country: US	
County:	

NYC & NYPA ENCORE II: INITIAL CIC REPORT CIC APPROVAL
--

Date: 04-Apr-13
Project No.: ES-GSN-0544
Project: NYC HHC Elmhurst Hospital Center

CUSTOMER REPAYMENT OBLIGATION

Total Installed Cost of Project	\$28,462,000.80
NYPA Incentive Payment	\$0.00
Energy Grant	\$0.00
CUSTOMER Repayment Obligation	\$28,462,000.80

METHOD OF PAYMENT

Progress Payments, payable upon receipt of AUTHORITY invoices after completion of each milestone	\$5,400,802.00
Outstanding Balance financed by Authority	\$23,061,198.80
Authority Cost of Money	4.00%
Number of Monthly Payments	240
Monthly Bill Surcharge	\$139,746.33
Annual Bill Surcharge	\$1,676,955.94

ESTIMATED ANNUAL COST REDUCTION

Annual Energy Cost Savings	\$1,572,685.00
Annual Other Cost Savings	\$0.00
Total Annual Cost Savings	\$1,572,685.00

AUTHORIZATIONS

Signatures in the spaces below signify that the parties have reviewed and agree to the CIC Design and specifications presented to them by the AUTHORITY.

Authorized HHC Representative:

Agency NYC Health & Hospitals Corp.
 Signature _____
 Name Alan D. Aviles
 Title President
 Date _____

Agency NYC Health & Hospitals Corp.
 Signature _____
 Name Marlene Zurack
 Title Senior V.P. of Finance/CFO
 Date _____

Agency Queens Health Care Network
 Signature _____
 Name Dr. Ann M. Sullivan
 Title Network Senior V.P.
 Date _____

Authorized CITY Representative:

Agency Dept. of Citywide Admin. Services
 Signature _____
 Name Richard Badillo
 Title Chief - DFMO
 Date _____

Agency Dept. of Citywide Admin. Services
 Signature _____
 Name Kristen Barbato
 Title Deputy Commissioner - DEM
 Date _____

Authorized AUTHORITY Representative:

Agency NYPA - Energy Services Division
 Signature _____
 Name Gil Quiniones
 Title President & Chief Executive Officer
 Date _____

Agency _____
 Signature _____
 Name _____
 Title _____
 Date _____

New York Power Authority - Financing of Energy Efficiency Projects

The steps for implementing an Energy Efficiency project include the Authority and customer identifying a potential project, the Authority performing an engineering audit and defining the scope of work. The Authority issues commercial paper financing for all expenditures from initial audit through the completion of the project.

In 1994, the Board of Trustees authorized the use of commercial paper to finance the expenditures associated with the various energy services programs. Commercial paper is a short-term money market instrument issued by large banks, corporations, municipalities and non-profit entities. The Authority is authorized to issue tax-exempt and taxable commercial paper, although most energy services projects have qualified for tax-exempt financing. Financing charges are determined by the actual interest rate associated with the commercial paper issued to support the Authority programs. Monthly interest during construction rates are based on the weighted average cost of money associated with all outstanding commercial paper issuances for that month.

The annual interest rate used in the repayment of all costs for a completed project is calculated in January of each year and is based on the weighted average outstanding commercial paper for the previous twelve months. The interest rate is applicable for the succeeding twelve month repayment period January through December.

The interest during construction rate and annual rate include any fees and surcharges to issue the commercial paper, for the revolving credit agreement, and for an interest rate cap on the program. All fees and surcharges applied to the interest rate reflect actual costs incurred by the Authority to cover the costs associated with issuing and maintaining the commercial paper debt.

Program participants typically repay outstanding loan amounts based on an amortization schedule set at completion of the project but also have the option of repaying the full outstanding principal at any time without penalty.

Commercial Paper to support the Energy Efficiency program is presently being issued on an as needed basis. This alleviates the need to invest proceeds that may be subject to interest rate risk, potential loss of principal and/or arbitrage and rebate calculations. Following this philosophy, earnings on proceeds are reduced to a level that is considered de minimis.



Financing of Energy Efficiency Projects - Annual Variable Rate

<i>Year</i>	<i>Tax-Exempt CP</i>	<i>Taxable CP</i>	<i>Operating Funds</i>
1995	3.85%		
1996	3.73%		
1997	3.82%		
1998	3.85%		
1999	3.65%		
2000	3.43%		
2001	4.15%		
2002	2.66%		
2003	1.56%	1.56%	
2004	1.22%	1.29%	2.18%
2005	1.43%	1.77%	2.79%
2006	2.75%	3.66%	4.10%
2007	3.71%	5.19%	5.01%
2008	3.76%	5.19%	4.73%
2009	1.92%	3.10%	3.01%
2010	0.73%	0.93%	1.47%
2011	0.51%	0.46%	1.09%
2012	0.88%	0.84%	0.81%
2013	0.86%	0.82%	0.47%

CUSTOMER INSTALLATION COMMITMENT

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

**NEW YORK POWER AUTHORITY
(NYPA)**

**COMPREHENSIVE ENERGY EFFICIENCY
METROPOLITAN HOSPITAL**

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a Customer Installation Commitment ("CIC") between the New York City Department of Citywide Administrative Services ("DCAS"), and the New York Power Authority ("NYPA") for an amount not-to-exceed \$34,349,705 for the planning, pre-construction, design, construction, procurement, construction management and project management services necessary for the Comprehensive Energy Efficiency upgrade project (the "Project") at Metropolitan Hospital Center (the "Facility").

WHEREAS, in March 2005, the Corporation, the City University of New York, the New York City Board of Education, and the City of New York, through the Department of Citywide Administrative Services (collectively, the "Customers"), entered into an Energy Efficiency-Clean Energy Technology Program Agreement ("ENCORE Agreement") with NYPA; and

WHEREAS, in 2007 the City mandated a 30% reduction in greenhouse gas emissions in City-owned properties by 2017, managed by Division of Energy Management within DCAS; and

WHEREAS, in December 2009, as part of PlaNYC 2030, the City passed major legislation known as the "Greener, Greater Buildings Plan" that includes more stringent code requirements; requires installation of lighting upgrades and tenant meters in non-residential spaces; and requires all buildings over 50,000 square feet to undertake benchmarking and audit; and implement retro-commissioning measures. Local Law 87 mandates Comprehensive Energy Audits be completed within a 10 year time frame (2013 – 2023); and

WHEREAS, under the City mandate of 30% reduction in greenhouse gas emissions, DCAS approved NYPA to perform a Comprehensive Energy Efficiency Audit of the Facility's campus; and

WHEREAS, a component of the Project will make the Corporation compliant with fuel combustion standards through elimination of No. 6 fuel oil; and

WHEREAS, the Corporation 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 \$34,349,705 (see Exhibit A – Executive Project Summary), to enhance the reliability of its systems, as well as increase the comfort and safety of building occupants; and

WHEREAS, PlaNYC will provide \$6,502,184, and the City of New York will provide \$5,000,000 for the Project at the Facility (see Exhibit B – NYC Office of Management and Budget Approval); and

WHEREAS, NYPA has estimated that the Project will produce total annual savings of \$1,464,184; 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

Page Two – Resolution
Customer Installation Commitment – Metropolitan Hospital

RESOLVED, that the President of the New York City Health and Hospitals Corporation (the “Corporation”) be and is hereby authorized to execute a Customer Installation Commitment (“CIC”) between the New York City Department of Citywide Administrative Services (“DCAS”) and the New York Power Authority (“NYPA”) for an amount not-to-exceed \$34,349,705 for the planning, pre-construction, design, construction, procurement, construction management and project management services necessary for the Comprehensive Energy Efficiency upgrade project (the “Project”) at Metropolitan Hospital Center (the “Facility”).

EXECUTIVE SUMMARY

METROPOLITAN HOSPITAL CENTER NEW YORK POWER AUTHORITY (NYPA) - COMPREHENSIVE ENERGY EFFICIENCY UPGRADE

OVERVIEW: The Corporation is seeking to undertake an energy efficiency project, which addresses mandated energy reduction use while complying with elimination in the combustion of No. 6 fuel oil, which will no longer be used in most New York City buildings by 2015.

In addition, to comply with environmental combustion standards relating to No. 6 fuel oil, this project will incorporate a significant number of energy efficiency recommendations that arose from a comprehensive energy audit funded by the Department of Citywide Administrative Services (DCAS). A number of measures were approved for design, and after approximately 60% design completion, a value engineering study was conducted in collaboration between the Office of Management and Budget (OMB), the Corporation, NYPA, DCAS, and the energy design firm of Parsons Brinckerhoff. The project has been fully designed, estimated, and completely bid. With a 20% contingency, the project cost is not-to-exceed \$34,349,705.

PlaNYC will provide \$6,502,184, with an additional \$5,000,000 provided through City of New York. The Corporation will fund the balance of the project through NYPA financing.

There is funding available to undertake a design study associated with hazard mitigation. At the present time, project contingency is considered sufficient to address construction modifications that may be required to implement such hazard mitigation recommendations.

NEED: During the NYPA's Comprehensive Energy Efficiency Audit of the Facility's campus it was determined that several energy conservation measures (ECMs) be implemented. ECMs such as lighting upgrades, building control management systems, complete boiler replacement (including fuel tank replacement), and other energy consumption measures be implemented to enhance the reliability of the facility systems, as well as increase the comfort of our patients and safety of building. A major element of the project is the facility's existing boiler plant, currently consisting of three high-pressure steam water tube boilers installed in 1952, and one high-pressure boiler installed in 1964. These boilers are inefficient and operate on No. 6 residual fuel that will no longer be permitted for use by 2015. If the boilers are not replaced or upgraded before 2015, they can no longer operate. Moreover, a full replacement of the boiler plant will result in numerous benefits that will enable the facility to meet its demands more efficiently and responsibly.

SCOPE: The scope of work includes the following:

- Replacement of all T-12 lamps with high performance T-8 lamps
- Replacement of boiler plant with three high efficiency dual fuel (natural gas and oil) boilers
- Removal and remediation of four underground #6 fuel oil tanks and three diesel tanks; install two new tanks for #2 fuel oil and four tanks for diesel fuel
- Replacement of all exposed expansion joints and anchors with customized removable insulation
- Installation of a new building management system
- Replacement of all existing 3-way control valves with new high performance 2-way digital control valves.

Page Two – Executive Summary
Customer Installation Commitment – Metropolitan Hospital

- Replacement of existing motors with premium efficiency motors
- Installation of dehumidification heat pipes at several units at the facility
- Replacement of existing Air Handling Unit (AHU) in the Emergency Department
- Installation of lighting switch based sensors and photo sensors on outdoor lights

TERMS: NYPA has competitively bid this project and has submitted a final total project cost to the Corporation.

COSTS: \$34,349,705

SAVINGS: Electrical:
Electrical Energy Consumption: 2.5 kilowatts
Monthly Demand Decrease: 92 kilowatts
Annual Electrical Energy Savings: \$202,765

Fuel:
Gas / Oil Savings: 809,206 therms
Gas/ Oil Energy Savings: \$1,261,418
CO2 Reductions: 9,898.1 tons

Total Annual Estimated Savings: \$1,464,183.66

Simple Payback: 15.60 years

SCHEDULE: HHC expects NYPA to complete this project by June 2015.

FINANCING: PlaNYC - \$6,502,184 (no cost); General Obligations Bonds - \$5,000,000 and NYPA Financing of \$22,847,521. The Corporation expects to approve the initial financing with NYPA upon the approval of this resolution by executing the Customer Installation Commitment ("CIC") (see Exhibit C).

FINANCING SCHEDULE: The Corporation expects to approve the initial financing with NYPA upon the approval of a resolution presented to the Finance Committee, by executing the Customer Installation Commitment ("CIC") (see exhibit C – Initial CIC Report). After the completion of the Project, and final audit, the Corporation expects to finalize the amount, term, and structure of the financing in August 2015, by executing a Final CIC.

FINANCING STRUCTURE:

- (i) Variable Rate:
Currently, NYPA only issues variable rate tax-exempt and/or taxable commercial paper (CP) financing for all expenditures from initial audit through the completion of the project

Page Three – Executive Summary
Customer Installation Commitment – Metropolitan Hospital

(see Exhibit D – NYPA Financing of Energy Efficiency Projects). NYPA has issued tax-exempt commercial paper since 1995, where tax-exempt interest rate ranges from 0.51% (2011) to 4.15% (2001). The 2013 tax-exempt interest rate is at 0.86% (see exhibit E – Financing of Energy Efficiency Projects – Annual Variable Rate).

The annual rate NYPA used in the repayment of all costs for a completed project, is calculated in January of each year and is based on the weighted average outstanding commercial paper for the previous 12 months. The interest rate is applicable for the succeeding 12 months repayment period January through December (i.e. interest rate will reset every January of each calendar year).

In addition, NYPA also enters into interest rate cap agreement with banks periodically in order to provide a “limit/cap” to manage its interest rate risk exposure on its tax-exempt CP program, which in turn protects its clients.

- (ii) **Fixed Rate:**
NYPA is currently evaluating the option of providing fixed rate financing to its clients. If this option becomes available prior to the execution of the final CIC in 2015, the Senior Vice President of Finance will evaluate the cost and benefit of the two financing options and report back to the Finance Committee and the Board of Directors, as to which financing option (s)he recommends.

FINANCING
TERM:

The term of the NYPA financing will not exceed 20 years, which is less than Metropolitan Project estimated weighted average useful life of 28.8 years.

Monthly debt service payment is estimated at \$138,451.48 (annual debt service at \$1,661,417.76) based on 4% estimated interest rate and 20 year term.

Parsons Brinckerhoff

Metropolitan Hospital Center
D&I Audit Program
Table E2: Total Project Summary

* 20% Contingency
* 20yr Amortization

CIC **ES-GSN-0543**

Project Cost		
	Material:	Labor:
Construction Costs:	\$8,111,765.90	\$12,392,396.62
Asbestos Abatement:	\$214,000.00	\$636,600.00
Woodard & Curran Consulting Costs:	\$0.00	\$33,800
Controlled Inspections:	\$0.00	\$94,000
Totals:	\$8,325,765.90	\$13,156,796.62
Total Material & Labor:	\$21,482,562.52	
Construction Contingency:	\$4,296,512.50	
Subtotal:	\$25,779,075.02	
Payment and Performance Bond:	\$252,775.00	
Abatement Design & Monitoring:	\$127,630.70	
Hazardous Waste Disposal Cost:	\$13,263.25	
Resiliency Study:	\$85,000.00	
1) Audit, Design & Construction Mgt:	\$3,856,654.05	
2) NYPA Project Mgt & Administrative:	\$2,577,907.50	
3) NYPA Lighting Material Handling Fees:	\$5,151.45	
Reduced Scope Fee:	\$189,149.55	
Total Fees:	\$6,628,862.55	
Subtotal:	\$32,886,606.53	
5) Interest During Construction (IDC):	\$1,463,098.00	

Estimated Energy Savings			
<u>Electrical:</u>		<u>Fuel:</u>	
Energy Savings:	2,524,067.00 kWh	Gas / Oil Savings:	809,206 therms
Total Demand (monthly):	92.00 kW	Gas / Oil Energy Savings:	\$1,261,418
Electrical Energy Savings:	\$202,765.00	CO2 Reductions:	9,898.1 tons
Total Estimated Amount Saved: \$1,464,183.66			
Total Emissions Reduction (%): 42.55%			

Payback			
	Project Name	Total Project Cost	Annual Savings
Current Project:	Metropolitan Hospital Center	\$34,349,704.53	\$1,464,183.66
Previous Project #1:	N/A	\$0.00	\$0.00
Previous Project #2:	N/A	\$0.00	\$0.00
4) Agency/Customer Contribution:	DCAS and HHC	\$11,502,184.00	N/A
	Cumulative Total Project Cost:	\$22,847,520.53	
	Cumulative Estimated Annual Savings:	\$1,464,183.66	
Simple Payback:		15.60	

Project Financing	
TOTAL AMOUNT FINANCED:	\$22,847,520.53
Variable Interest Rate Currently at:	4.00%
Years Financed:	20
Number of Payments:	240
Annual Debt Service to NYPA:	\$1,661,417.76
Monthly Debt Service to NYPA:	\$138,451.48
Total Project Cost after Financing:	\$33,228,355.23

(1) A fee of 15 % of equipment and installation labor costs is applicable; a 14% fee of the asbestos abatement is applicable.
(2) A fee of 10% of equipment and labor costs is applicable. This fee includes, but is not limited to, the costs associated with securing contractors, or NYPA personnel as the case may be, to perform the services of construction management, quality assurance, waste disposal permitting, etc., and to obtain payment bonds, as required. Includes estimated Labor rate.
(3) A fee of 1.5% of equipment is applicable.
(4) All indicated previous projects were completed within two years prior to the initiation of the current project, in accordance with OMB guidelines. Direct Agency contributions are deducted directly from the Total Project Cost.
(5) The estimated Interest During Construction (IDC) is calculated over the anticipated construction period at 4%.



The City of New York
Office of Management and Budget
75 Park Place • New York, NY 10007

NOV 13 2012

Record: 102604
Certificate: 57055
Capital Projects: PU-0025

DEPARTMENT OF CITYWIDE ADMINISTRATIVE SERVICES
HEALTH AND HOSPITALS CORPORATION

Hon. Edna Wells Handy, Commissioner, Department of Citywide Administrative Services
Hon. Thomas A. Farley, Commissioner, Department of Health & Mental Hygiene
Hon. Scott Stringer, President, Borough of Manhattan
Hon. John C. Liu, Comptroller

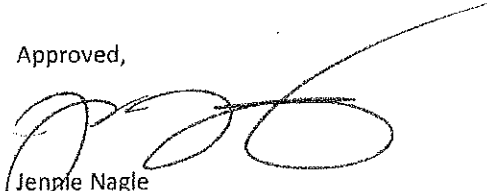
Section 219 of the New York City Charter and directives of the Mayor authorized thereunder require that prior to the initiation of design or advancement of any Capital Project, a scope defining services to be incorporated in contracts for the services of architects, engineers, landscape architects, etc., or for departmental employees and amounts for structures, works, furnishings and equipment, program of requirements and scope or range of operations shall be submitted for approval of the Director of Management and Budget or his duly authorized representative. Initially, preliminary scope approval and subsequently final scope approval incorporating preliminary plans and cost limitations shall be submitted for approval of the Director of Management and Budget or his duly authorized representative. In addition, the final design incorporating final contract documents must also be submitted for approval of the Director of Management and Budget or his duly authorized representative. Your request for approval pursuant to the above is approved as follows:

DESCRIPTION OF APPROVAL HEREBY GRANTED

Attached for your review and approval is a Certificate to Proceed in the amount of \$11,502,184 for a comprehensive energy efficiency upgrade to HHC'S Metropolitan Hospital (1901 First Avenue, Manhattan).

This project will be charged to Budget Lines PU-0025 and HO-0214, Project ID 856 E11-0011, Budget Codes E856, GQ09, and J376, and is included in the FY13 Capital Commitment Plan.

Approved,



Jennie Nagie
Assistant Director

NYC & NYPA ENCORE II: INITIAL CIC REPORT CIC APPROVAL
--

Date: 04-Apr-13
Project No.: ES-GSN-0543
Project: NYC HHC Metropolitan Hospital

CUSTOMER REPAYMENT OBLIGATION

Total Installed Cost of Project	\$34,349,704.53
NYPA Incentive Payment	\$0.00
Energy Grant	\$0.00
CUSTOMER Repayment Obligation	\$34,349,704.53

METHOD OF PAYMENT

Progress Payments, payable upon receipt of AUTHORITY invoices after completion of each milestone	\$11,502,184.00
Outstanding Balance financed by Authority	\$22,847,520.53
Authority Cost of Money	4.00%
Number of Monthly Payments	240
Monthly Bill Surcharge	\$138,451.48
Annual Bill Surcharge	\$1,661,417.76

ESTIMATED ANNUAL COST REDUCTION

Annual Energy Cost Savings	\$1,464,183.66
Annual Other Cost Savings	\$0.00
Total Annual Cost Savings	\$1,464,183.66

AUTHORIZATIONS

Signatures in the spaces below signify that the parties have reviewed and agree to the CIC Design and specifications presented to them by the AUTHORITY.

Authorized HHC Representative:

Agency NYC Health & Hospitals Corp.
 Signature _____
 Name Alan D. Aviles
 Title President
 Date _____

Agency NYC Health & Hospitals Corp.
 Signature _____
 Name Marlene Zurack
 Title Senior V.P. of Finance/CFO
 Date _____

Agency So. Manhattan Health Care Network
 Signature _____
 Name Lynda D. Curtis
 Title Network Senior V.P.
 Date _____

Authorized CITY Representative:

Agency Dept. of Citywide Admin. Services
 Signature _____
 Name Richard Badillo
 Title Chief - DFMO
 Date _____

Agency Dept. of Citywide Admin. Services
 Signature _____
 Name Kristen Barbato
 Title Deputy Commissioner - DEM
 Date _____

Authorized AUTHORITY Representative:

Agency NYPA - Energy Services Division
 Signature _____
 Name Gil Quiniones
 Title President & Chief Executive Officer
 Date _____

Agency _____
 Signature _____
 Name _____
 Title _____
 Date _____

New York Power Authority - Financing of Energy Efficiency Projects

The steps for implementing an Energy Efficiency project include the Authority and customer identifying a potential project, the Authority performing an engineering audit and defining the scope of work. The Authority issues commercial paper financing for all expenditures from initial audit through the completion of the project.

In 1994, the Board of Trustees authorized the use of commercial paper to finance the expenditures associated with the various energy services programs. Commercial paper is a short-term money market instrument issued by large banks, corporations, municipalities and non-profit entities. The Authority is authorized to issue tax-exempt and taxable commercial paper, although most energy services projects have qualified for tax-exempt financing. Financing charges are determined by the actual interest rate associated with the commercial paper issued to support the Authority programs. Monthly interest during construction rates are based on the weighted average cost of money associated with all outstanding commercial paper issuances for that month.

The annual interest rate used in the repayment of all costs for a completed project is calculated in January of each year and is based on the weighted average outstanding commercial paper for the previous twelve months. The interest rate is applicable for the succeeding twelve month repayment period January through December.

The interest during construction rate and annual rate include any fees and surcharges to issue the commercial paper, for the revolving credit agreement, and for an interest rate cap on the program. All fees and surcharges applied to the interest rate reflect actual costs incurred by the Authority to cover the costs associated with issuing and maintaining the commercial paper debt.

Program participants typically repay outstanding loan amounts based on an amortization schedule set at completion of the project but also have the option of repaying the full outstanding principal at any time without penalty.

Commercial Paper to support the Energy Efficiency program is presently being issued on an as needed basis. This alleviates the need to invest proceeds that may be subject to interest rate risk, potential loss of principal and/or arbitrage and rebate calculations. Following this philosophy, earnings on proceeds are reduced to a level that is considered de minimis.



Financing of Energy Efficiency Projects - Annual Variable Rate

<i>Year</i>	<i>Tax-Exempt CP</i>	<i>Taxable CP</i>	<i>Operating Funds</i>
1995	3.85%		
1996	3.73%		
1997	3.82%		
1998	3.85%		
1999	3.65%		
2000	3.43%		
2001	4.15%		
2002	2.66%		
2003	1.56%	1.56%	
2004	1.22%	1.29%	2.18%
2005	1.43%	1.77%	2.79%
2006	2.75%	3.66%	4.10%
2007	3.71%	5.19%	5.01%
2008	3.76%	5.19%	4.73%
2009	1.92%	3.10%	3.01%
2010	0.73%	0.93%	1.47%
2011	0.51%	0.46%	1.09%
2012	0.88%	0.84%	0.81%
2013	0.86%	0.82%	0.47%

PROCUREMENT

AMBULANCES

**FIRE DEPARTMENT
OF THE CITY OF NEW YORK**

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to procure and outfit one hundred-nineteen (119) ambulances in Fiscal Year 2014 on behalf of the Fire Department of the City of New York ("FDNY"), through City-wide Requirements Contracts for a total amount not-to-exceed \$37.3 million.

WHEREAS, on January 19, 1996, the Corporation and the City of New York (the "City") executed a Memorandum of Understanding ("MOU") allowing the transfer of the Corporation's Emergency Medical Service ("EMS") ambulance and pre-hospital emergency medical service functions to the Fire Department of the City of New York ("FDNY") to be performed by FDNY for the benefit of the City; and

WHEREAS, the MOU requires that the FDNY have access to and use of the Corporation's property to the same extent that EMS had prior to the transfer; and

WHEREAS, a major portion of the Corporation's property used and maintained by the FDNY is the ambulance fleet formerly managed and operated by EMS; and

WHEREAS, to maintain an appropriate ambulance and pre-hospital emergency medical service, vehicles in the ambulance fleet must be periodically replaced when such vehicles have exceeded their useful life, requiring more than routine repairs and maintenance; and

WHEREAS, 119 vehicles out of the FDNY's active fleet of 413 ambulances have reached the end of their useful life and must be replaced at a cost of \$37,266,000; and

WHEREAS, the City provides the funding for ambulance replacement to the Corporation for allocation to the FDNY; and

WHEREAS, the City has allocated \$49,040,000, on behalf of the FDNY, in the Corporation's Capital Commitment Plan in Fiscal Year 2013 for this purpose.

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 procure and outfit one hundred-nineteen (119) ambulances in FY 2014 on behalf of the Fire Department of the City of New York ("FDNY"), through City-wide Requirements Contracts for a total amount not-to-exceed \$37.3 million.

EXECUTIVE SUMMARY
EMS AMBULANCES & INITIAL OUTFITTING EQUIPMENT
FISCAL YEAR 2014
FIRE DEPARTMENT OF THE CITY OF NEW YORK

- OVERVIEW:** The Fire Department of the City of New York (“FDNY”) operates the Corporation’s Emergency Medical Service (“EMS”) program on behalf of HHC under a 1996 Memorandum of Understanding (“MOU”). The MOU requires the FDNY to operate and maintain the City’s active fleet of 413 ambulances as part of the EMS program.
- As part of the MOU between the Health and Hospitals Corporation and the City of New York, the Corporation collects Medicaid funds for each fee-for-service patient that is admitted to one of its facilities including transports through EMS based on a longstanding agreement between HHC and the New York State Department of Health. Included in the Medicaid funding arrangement with the State DOH is the depreciated value of the ambulances. The Corporation, in turn, reimburses FDNY through payments on a quarterly basis for the provision of ambulance services. The reimbursement represents EMS’s pro rata share of Medicaid revenues of which depreciation on the ambulances is included.
- NEED:** Ambulances have an expected useful life of five (5) years and must be replaced after reaching the five-year period in order to maintain a high-performance fleet. The FDNY has advised the Corporation one hundred-nineteen (119) ambulances have reached the end of their useful life and need to be replaced. In addition, initial equipment must be purchased to outfit the vehicles for a total acquisition cost of \$37,266,000, which includes a ten percent acquisition contingency.
- SCOPE:** Procurement of one hundred-nineteen (119) and initial outfitting equipment.
- COST:** \$37.3 million (Non-HHC funds)
- FINANCING:** New York City General Obligation Bonds (No debt service impact to HHC)
- SCHEDULE:** FDNY is expected to obtain the ambulances and complete outfitting within 12 months.

NEW AUTHORIZATION FY 2014

	Unit Price	# of Units	Total	Contingency	Total	Per Unit	\$/Equipped Unit
<u>Ambulances (Excluding Initial Equipment):</u>							
Ambulance F-450 4 x 2	198,879	99	19,689,021	\$1,968,902	\$21,657,923	\$218,767	
Ambulance F-450 4 x 4:	200,079	20	4,001,580	\$400,158	\$4,401,738	\$220,087	
Total Ambulances:		119	23,690,601	2,369,060	26,059,661		
<u>Initial Equipment:</u>							
BLS Initial Equipment	38,526	131	5,046,906	\$504,691	\$5,551,597	\$42,379	Type I Ambulances \$262,466 BLS
ALS Initial Equipment	79,074	65	5,139,810	\$513,981	\$5,653,791	\$86,981	\$307,068 ALS
Total Initial Equipment:		196	10,186,716	\$1,018,672	\$11,205,388		
Total			33,877,317	\$3,387,732	\$37,265,049		
Total (Rounded)					\$37,266,000		

BLS: Basic Life Support
ALS: Advance Life Support

Past Authorizations FY 2007, 2010 and FY 2012

FY 2012 Ambulances

	Unit Price	# of Units	Total	Contingency	Total	Per Unit	\$/Equipped Unit
<u>Ambulances (Excluding Initial Equipment):</u>							
Type I Ambulances:	160,656	80	12,852,480	\$1,285,248	\$14,137,728	\$176,722	
Total Ambulances:		80	12,852,480	\$1,285,248	\$14,137,728		
<u>Initial Equipment:</u>							
BLS Initial Equipment	22,000	60	1,320,000	\$132,000	\$1,452,000	\$24,200	Type I Ambulances \$200,922 BLS
ALS Initial Equipment	46,000	20	920,000	\$92,000	\$1,012,000	\$50,600	\$227,322 ALS
Total Initial Equipment:		80	2,240,000	\$224,000	\$2,464,000		
Total			15,092,480	\$1,509,248	\$16,601,728		
Total (Rounded)					\$16,600,000		

FY 2010 Ambulances

	Unit Price	# of Units	Total	Contingency	Total	Per Unit	\$/Equipped Unit
<u>Ambulances (Excluding Initial Equipment):</u>							
Type I Ambulances:	155,900	56	8,730,400	\$702,833	\$9,433,233	\$168,451	
Total Ambulances:		56	8,730,400	\$702,833	\$9,433,233		
<u>Initial Equipment:</u>							
BLS Initial Equipment	22,400	37	828,800	\$66,722	\$895,522	\$24,203	Type I Ambulances \$192,654 BLS
ALS Initial Equipment	59,000	19	1,121,000	\$90,245	\$1,211,245	\$63,750	\$232,200 ALS
Total Initial Equipment:		56	1,949,800	\$156,967	\$2,106,767		
Total			10,680,200	\$859,800	\$11,540,000		

FY 2007 Ambulances

	Unit Price	# of Units	Total	Contingency	Total	Per Unit	\$/Equipped Unit
<u>Ambulances (Excluding Initial Equipment):</u>							
Type I Ambulances:	151,212	120	18,145,440	\$1,814,544	\$19,959,984	\$166,333	
HazTac Ambulances	175,000	40	7,000,000	\$700,000	\$7,700,000	\$192,500	
Total Ambulances:		160	25,145,440	\$2,514,544	\$27,659,984		
<u>Initial Equipment:</u>							
BLS Initial Equipment	27,000	80	2,160,000	\$216,000	\$2,376,000	\$29,700	Type I Ambulances \$196,033 BLS
ALS Initial Equipment	60,000	80	4,800,000	\$480,000	\$5,280,000	\$66,000	\$232,333 ALS
Total Initial Equipment:		160	6,960,000	\$696,000	\$7,656,000		HazTec Ambulances \$258,500 ALS
Total			32,105,440	\$3,210,544	\$35,315,984		
Change Order for FY 05 Ambulances		80	1,183,203	0	\$1,183,203	\$14,790	
Grand Total			\$33,288,643	\$3,210,544	\$36,499,187		
					\$36,500,000 (rounded)		

MEDICAID FUNDS TRANSFERRED TO THE FDNY

FY	(In millions)
2000	\$58.8
2001	\$66.2
2002	\$63.9
2003	\$61.8
2004	\$61.9
2005	\$55.5
2006	\$58.1
2007	\$56.7
2008	\$56.7
2009	\$60.2
2010	\$56.9
2011	\$59.9
2012	\$54.8

Source: Martin Genee
Deputy Corporate Comptroller
3/29/13



FIRE DEPARTMENT

9 METROTECH CENTER

BROOKLYN, NY 11201-3857

Robert L. Scott
Director
Bureau of Fiscal Services

Room 5W-4

March 21, 2013

Alfonso Pistone
Assistant Vice President
HHC, Office of Facilities Development
346 Broadway, 12 West
New York, NY 10013

Re: Request for HHC Board Resolution

Dear Mr. Pistone:

This letter represents a formal submission, to be presented to HHC's Board of Directors at their next meeting. The FDNY hereby requests approval to purchase one hundred nineteen (119) ambulances of the below descriptions and quantities, plus initial equipment for the 119, plus an additional 77 ambulances, currently on order, as indicated below. Detailed initial equipment lists are attached.

<u>Description</u>	<u># of Units</u>	<u>Unit Price</u>	<u>Total \$ Amount</u>
Ambulance F-450 4 x 2	99	198,879	19,689,021.00
Ambulance F-450 4 x 4	20	200,079	4,001,580.00
BLS Initial Equipment	131	38,526	5,046,906.00
ALS Initial Equipment	65	79,074	<u>5,139,810.00</u>
			33,902,317.00
		Contingency (10%)	<u>3,390,231.70</u>
			37,292,548.70

Please be advised that the procurement process is performed in accordance with HHC's operating procedures and Procurement Policy Board rules.

If you require additional information in order to secure HHC board approval, please contact me at 718/999-1221.

Thank you for your cooperation

Sincerely,

Robert L. Scott

attch.

c: Stephen G. Rush, FDNY
Mark Aronberg, FDNY
Vincent Barrett, FDNY
Patricia Mims, FDNY
Terry Fiorentino, FDNY
Dean Moskos, HHC
Jawwad Ahmad, HHC

INITIAL EQUIPMENT FOR ONE (1) FDNY AMBULANCE (ALS)

MEU ALS READY

EQUIPMENT DESCRIPTION	QTY	COST	EXT
BP UNIT - INFANT	1	\$17.35	\$17.35
BP UNIT - PEDS	1	\$17.35	\$17.35
BP UNIT - ADULT	1	\$17.35	\$17.35
BP UNIT - OBESE	1	\$20.90	\$20.90
CAN, GARBAGE	1	\$5.95	\$5.95
CHAIR, STAIR	1	\$2,500.00	\$2,500.00
CHAIR, STAIR CUSTOM SILK SCREEN	1	\$26.25	\$26.25
COT, FOLDING W/3 SETS-2PC STRAPS	1	\$299.06	\$299.06
COT, FOLDING CUSTOM SILK SCREEN	1	\$26.25	\$26.25
DEFIBRILLATOR/MONITOR KIT, ALS	1	\$41,671.20	\$41,671.20
INTUBATION KIT, COMPLETE	2	\$257.05	\$514.10
MATTRESS, AMB STRETCHER	1	\$153.16	\$153.16
MATTRESS, CUSTOM SILK SCREEN	1	\$26.25	\$26.25
OXIMETER KIT, CARBON MONOXIDE	1	\$4,390.00	\$4,390.00
OXYGEN "D" CYL BRACKET	2	\$110.00	\$220.00
OXYGEN FLOWMETER	3	\$117.00	\$351.00
OXYGEN PRESSURE REDUCER	1	\$118.86	\$118.86
OXYGEN REGULATOR	4	\$183.00	\$732.00
OXYGEN MONITOR W/2' HARNESS & PLUGS	1	\$144.00	\$144.00
OXYGEN TRANSDUCER W/2' HARNESS & PLUGS	1	\$156.00	\$156.00
OXYGEN HARNESS ASSEMBLY 17' W/ PLUGS	1	\$37.00	\$37.00
SPLINT, TRACTION COMBO	1	\$990.00	\$990.00
SPLINT, TRACTION CUSTOM SILK SCREEN	1	\$26.25	\$26.25
STOOL, STEP	1	\$13.00	\$13.00
STRETCHER - RAIL	1	\$285.60	\$285.60
STRETCHER - ROLLING W/3 SETS-2PC STRAPS	1	\$4,900.00	\$4,900.00
STRETCHER - SCOOP W/3 SETS-2 PC STRAPS	1	\$507.23	\$507.23
SUCTION UNIT, CHARGING BRACKET	1	\$225.25	\$225.25
SUCTION UNIT KIT, PORTABLE	1	\$775.20	\$775.20
SUCTION UNIT, ON-BOARD	1	\$302.50	\$302.50
MEU TOTAL			\$59,469.06

MSU ALS READY

BACKBOARD, LONG	2	\$119.84	\$239.68
BACKBOARD, SHORT	1	\$38.84	\$38.84
BAG, ALS DEFIBRILLATOR	1	\$249.62	\$249.62
BAG, DRUG	1	\$217.00	\$217.00
BAG, OXYGEN	2	\$74.47	\$148.94
BAG, TECHNICIAN	2	\$146.09	\$292.18
BAG, TRAUMA	1	\$62.90	\$62.90
BAG, WMD ANTIDOTE	1	\$312.98	\$312.98
CASE, MINI MEDICATION/DRILL	1	\$43.47	\$43.47
CASE, CYANO CARRY	2	\$51.00	\$102.00
CYLINDER, OXYGEN "D" SIZE	4	\$42.00	\$168.00
CYLINDER, OXYGEN "M" SIZE	1	\$150.00	\$150.00
EXTRICATION DEVICE	2	\$131.95	\$263.90
EXTINGUISHER, 5LB ABC FIRE	2	\$38.45	\$76.90
INSERT, COMPLETE MEDICATION	3	\$68.95	\$206.85
INTUBATION KIT, COMPLETE	1	\$44.75	\$44.75
LANTERN, 6 VOLT BATTERY	1	\$9.77	\$9.77
MAP, 5 BOROUGH	1	\$35.97	\$35.97
POUCH, EPI-PEN	1	\$22.79	\$22.79
SHOVEL, PLASTIC SNOW	1	\$12.01	\$12.01
SHOVEL, METAL FOLDING	1	\$15.00	\$15.00
STRAPS, 9' 1 PC	2	\$3.72	\$7.43
MSU TOTAL			\$2,720.98

ALS READY TOTAL \$62,190.04

RADIOS

INITIAL EQUIPMENT FOR ONE (1) FDNY AMBULANCE (ALS)

RADIOS	2	\$4,150.00	8,300.00
ROSETTA BOX	1	\$2,000.00	2,000.00
TOTAL RADIOS			10,300.00

HAZMAT			
PD31 METER	2	\$350.00	700.00
CO METERS	2	\$300.25	600.50
RAD57	1	\$4,583.00	4,583.00
DOSIMETERS	2	\$350.00	700.00
TOTAL HAZMAT			6,583.50

MEU ALS READY	\$59,469.06
MSU ALS READY	\$2,720.98
RADIOS	10,300.00
HAZMAT	6,583.50
ALS AMB TOTAL	\$79,073.54

INITIAL EQUIPMENT FOR ONE (1) FDNY AMBULANCE (BLS)

MEU BLS READY

EQUIPMENT DESCRIPTION	QTY	COST	EXT
BP UNIT - INFANT	1	\$17.35	\$17.35
BP UNIT - PEDS	1	\$17.35	\$17.35
BP UNIT - ADULT	1	\$17.35	\$17.35
BP UNIT - OBESE	1	\$20.90	\$20.90
CAN, GARBAGE	1	\$5.95	\$5.95
CHAIR, STAIR	1	\$2,500.00	\$2,500.00
CHAIR, STAIR CUSTOM SILK SCREEN	1	\$26.25	\$26.25
COT, FOLDING W/3 SETS-2PC STRAPS	1	\$299.06	\$299.06
COT, FOLDING CUSTOM SILK SCREEN	1	\$26.25	\$26.25
DEFIBRILLATOR KIT, BLS	1	\$4,490.10	\$4,490.10
MATTRESS, AMB STRETCHER	1	\$153.16	\$153.16
MATTRESS, CUSTOM SILK SCREEN	1	\$26.25	\$26.25
OXIMETER KIT, CARBON MONOXIDE	1	\$4,390.00	\$4,390.00
OXYGEN "D" CYL BRACKET	2	\$110.00	\$220.00
OXYGEN FLOWMETER	3	\$117.00	\$351.00
OXYGEN PRESSURE REDUCER	1	\$118.86	\$118.86
OXYGEN REGULATOR	4	\$183.00	\$732.00
OXYGEN MONITOR W/2' HARNESS & PLUGS	1	\$144.00	\$144.00
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OXYGEN HARNESS ASSEMBLY 17' W/ PLUGS	1	\$37.00	\$37.00
SPLINT, TRACTION COMBO	1	\$990.00	\$990.00
SPLINT, TRACTION CUSTOM SILK SCREEN	1	\$26.25	\$26.25
STOOL, STEP	1	\$13.00	\$13.00
STRETCHER - RAIL	1	\$285.60	\$285.60
STRETCHER - ROLLING W/3 SETS-2PC STRAPS	1	\$4,900.00	\$4,900.00
STRETCHER - SCOOP W/3 SETS-2 PC STRAPS	1	\$507.23	\$507.23
SUCTION UNIT, CHARGING BRACKET	1	\$225.25	\$225.25
SUCTION UNIT KIT, PORTABLE	1	\$775.20	\$775.20
SUCTION UNIT, ON-BOARD	1	\$302.50	\$302.50

MEU TOTAL \$21,773.86

MSU BLS READY

BACKBOARD, LONG	2	\$119.84	\$239.68
BACKBOARD, SHORT	1	\$38.84	\$38.84
BAG, BLS DEFIBRILLATOR	1	\$73.97	\$73.97
BAG, OXYGEN	2	\$74.47	\$148.94
BAG, TECHNICIAN	2	\$146.09	\$292.18
BAG, COMPLETE WMD ANTIDOTE	1	\$312.98	\$312.98
CYLINDER, OXYGEN "D" SIZE	4	\$42.00	\$168.00
CYLINDER, OXYGEN "M" SIZE	1	\$150.00	\$150.00
EXTRICATION DEVICE	2	\$131.95	\$263.90
EXTINGUISHER, 5LB ABC FIRE	2	\$38.45	\$76.90
LANTERN, 6 VOLT BATTERY	1	\$9.77	\$9.77
MAP, 5 BOROUGH	1	\$35.97	\$35.97
POUCH, EPI-PEN	1	\$22.79	\$22.79
SHOVEL, PLASTIC SNOW	1	\$12.01	\$12.01
SHOVEL, METAL FOLDING	1	\$15.00	\$15.00
STRAPS, 9' 1 PC	2	\$3.72	\$7.43

MSU TOTAL \$1,868.36

BLS READY TOTAL \$23,642.22

INITIAL EQUIPMENT FOR ONE (1) FDNY AMBULANCE (BLS)

RADIOS

RADIOS	2	\$4,150.00	\$8,300.00
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HAZMAT

PD31 METER	2	\$350.00	\$700.00
CO METERS	2	\$300.25	\$600.50
RAD57	1	\$4,583.00	\$4,583.00
DOSIMETERS	2	\$350.00	\$700.00
TOTAL HAZMAT			\$6,583.50

MEU BLS READY	\$21,773.86
MSU BLS READY	\$1,868.36
RADIOS	\$8,300.00
HAZMAT	\$6,583.50
BLS AMB TOTAL	\$38,525.72

FDNY/EMS MEDICAID REIMBURSEMENT

As part of the Memorandum of Understanding (“MOU”) between the Health and Hospitals Corporation (the “Corporation”) and the City of New York in regard to the transfer of the ambulance and pre-hospital emergency medical service functions performed by the Emergency Medical Service (“EMS”) to the Fire Department of New York (the “FDNY”), the Corporation collects medicaid funds for each medicaid fee-for-service patient that is admitted to one of its facilities as an add-on on the patient’s bill to cover the cost of EMS services.

The Corporation calculates the value of the add-ons by multiplying it with the number of patients admitted. A payment is then issued to the FDNY on a quarterly basis. At the last quarter of the fiscal year, the Corporation does a reconciliation exercise and if there is a positive variance, the amount of HHC’s fourth payment to the FDNY will be increased by the variance. In the event that the opposite occurs, the fourth payment to the FDNY will be reduced by the difference.

□

STATUS REPORT

GOUVERNEUR HEALTHCARE SERVICES

MAJOR MODERNIZATION

**GOUVERNEUR HEALTHCARE SERVICES
MAJOR MODERNIZATION PROJECT
PROJECT FACT SHEET**

Location: 227 Madison Street
New York, New York 10002

Description: Provide the planning, pre-construction, architectural and engineering design, construction, construction management, and project management services necessary to expand the complement of nursing facility beds, renovate and fit out the existing nursing facility, including major mechanical infrastructure upgrades, and construct and fit out a new expanded ambulatory care center.

Budget: Total Major Modernization \$251.7 million

**Approved DASNY
Work Orders to Date:** \$247.4 million

**Approved DASNY
Funding to Date:** \$228.6 million

Managing Agent: DASNY

Architect: RMJM (formerly The Hillier Group Architecture)

**Construction
Manager:** Hunter Roberts Construction Group

CON Status: Approved October 2008

Schedule: Completion Expected - February 2014

MWBE/EEO: DASNY will ensure compliance with MWBE and EEO requirements as they relate to New York State Executive Law, Article 15-A.

**GOUVERNEUR HEALTHCARE SERVICES
MAJOR MODERNIZATION PROJECT**

PROJECT STATUS REPORT – April 2013

The following are key project activities the Corporation has completed to date:

- Design:** RMJM (formerly Hillier Architects) completed design of the building extension and renovation of the existing building and all construction packages have been awarded.
- Construction:** The building addition and renovation of the 4th (clinic space), 5th (half clinical and half residential space), 6th (residential), 7th (residential) and 13th (residential) floors are complete. Residents and staff are moving into the new spaces on 4, 5 6 and 7. 13th floor is occupied. The 12th floor was renovated prior to the project and remains as administrative space. Floors 2, 3, 8 and 9 are presently under renovation. Floors 10, 11 and 1 are scheduled for demolition and construction later in the year.
- Construction Management:** Hunter-Roberts is the construction manager (CM). The CM is managing construction work and construction bids as required.
- Finance:** New York City General Obligation Bonds, Grant funds and donations.
- Original Budget:** The original project budget was \$101.0 million, excluding the costs of financing, DOH fees, and contractor claims.
- Adjusted Budget:** The adjusted DASNY managed project budget is \$247.4 million, excluding CON fees and the costs of financing and contractor claims. Since January 2005, the project's capital commitment plan forecast, excluding IT, Kitchen Renovation, Soil Decontamination, Medical Gas, and Auditorium Work, has been amended as follows:

January 2005: \$101,000,000
January 2008: \$154,494,000
September 2009: \$178,000,000
April 2010: \$166,930,000
September 2011: \$186,452,000
January 2011: \$198,452,000
September 2011: \$198,594,000
January 2012: \$203,845,000
September 2012: \$205,639,000
January 2013: \$238,639,000

Additional list of funding sources added to the project is as follows:

\$1,500,000 – Lower Manhattan Development Corporation (LMDC)
550,000 – Homeland Security grant funds
100,000 – Gouverneur Auxiliary
4,399,596 – HHC Bond, Series 2010, proceeds

2,680,000 – City G.O. (Soil Decontamination)
600,000 – City G.O. (Kitchen Renovation)
500,000 – City G.O./City Council (Renovate Auditorium)

\$10,329,596 – Total other City G.O. and Non-City G.O. funding sources

\$248,968,596 – Total available budget. OMB will provide any contingency that may be required to complete the project not to exceed \$5 million.

**Total Project
Forecast:**

The DASNY project budget forecast is \$247.4 million, which excludes CON fees, some planning fees, Value Engineering Services, and all costs related to IT Network Infrastructure managed by HHC, financing costs and contractor claims; and includes DASNY-managed IT Network Infrastructure work and the renovation of the Auditorium.

NEW YORK CITY HEALTH AND HOSPITALS CORPORATION
 GENERATIONS+/NORTHERN MANHATTAN NETWORK
 GOUVERNEUR HOSPITAL CENTER
 MAJOR MODERNIZATION PROJECT
 Project NO. 12200570

BUDGET STATUS REPORT

As of
 March 28, 2013

(IN THOUSANDS OF DOLLARS)

COST CATEGORY	PROJECT CAPITAL BUDGET (as of 1/2013)	DASNY MANAGED:		HHC MANAGED:		Overall Project Invoiced	TOTAL PROJECT FORECAST	VARIANCE (Surplus/Shortfall)
		INVOICED TO DATE	FORECAST	INVOICED TO DATE	FORECAST			
	(a)	(b)	(c)	(d)	(e)	(f) (b) + (d)	(g) (c) + (e)	(h) (a) - (g)
Major Modernization Project								
Construction	176,508	137,652	176,508	0	0	137,652	176,508	0
Design fees	16,236	14,048	16,236	0	0	14,048	16,236	0
Construction management fees	14,594	10,682	14,594	0	0	10,682	14,594	0
Planning & other fees	4,337	3,071	4,337	0	0	3,071	4,337	0
Moveable equipment, furniture & telecom	13,000	4,258	13,000	0	0	4,258	13,000	0
DASNY fees	8,316	6,390	8,316	0	0	6,390	8,316	0
Construction Contingency (See Note 1)	8,750	0	8,750	0	0	0	8,750	0
NYS DOH FEES	949	0	0	949	949	949	949	0
Planning & other fees	68	0	0	68	68	68	68	0
Value Engineering Services	666	0	0	666	666	666	666	0
IT Network Infrastructure (12-2011-21) (See Note 2)	4,400	1,763	1,779	2,228	2,621	3,991	4,400	0
Relocate & Renovation Kitchen (12-2008-02) (See Note 3)	600	15	600	0	0	15	600	0
Soil (12-2008-70)	2,680	2,568	2,680	0	0	2,568	2,680	0
Medical Gas (See Note 5)	100	100	100	0	0	100	100	0
Auditorium (See Note 4)	500	0	500	0	0	0	500	0
Total Modernization	251,704	180,547	247,400	3,911	4,304	184,458	251,704	-

Notes:

Total Gouverneur DASNY Project Budget approved by HHC Capital Committee is \$247.4M.

- 1.) OMB has reduced Major Mod funding by \$18M - \$5M in Contingency and \$13M in FF&E which will be funded by a separate CP.
- 2.) DASNY's Project Budget for IT Infrastructure is \$1.779K.
- 3.) A new Kitchen work order is in process to increase funding by \$300K for a total project budget of \$600K.
- 4.) A separate \$500K Auditorium Work Order is in process. This scope of work is funded through City Council appropriations. CP approval for design services is pending.
- 5.) The cost for the installation of a greater number of medical gas outlets in resident rooms was funded by a donation from the Gouverneur Auxilliary in July 2010.

PROJECT STATUS REPORTS

North Bronx Health Network

South Manhattan Health Network

Southern Brooklyn/Staten Island Health Network

Project Status Reports
 (As of March 2013)

Network: NORTH BRONX HEALTHCARE NETWORK

Facility: JACOBI MEDICAL CENTER

Project Number	PROJECT TITLE	Project Budget (\$000s)	Paid to Date (\$ 000s)	% Paid to Date	Construction Start	Projected Completion	Forecast/ Actual Completion	Delay (if any)	Comments
21200707	Campus Site Improvements	4,646	3,549	76.39%	Jun-11	May-13	May-13		Original project scope is substantially complete. Additional work is being completed in the lobby area lobby area that was done to take advantage of the closed main entrance.

Project Status Reports
 (As of March 2013)

Network: SOUTH MANHATTAN HEALTHCARE NETWORK

Facility: BELLEVUE HOSPITAL CENTER

Project Number	PROJECT TITLE	Project Budget (\$000s)	Paid to Date (\$ 000s)	% Paid to Date	Construction Start	Projected Completion	Forecast/ Actual Completion	Delay (if any)	Comments
11201103	Expansion of Inpatient Psychiatric Unit	2,208	1,268	57.00%	May-12	Sep-12	Jun-13	(9)	The project is approximately 70% complete with internal partitions being erected.

Project Status Reports
(As of March 2013)

Network: SOUTHERN BROOKLYN / STATEN ISLAND HEALTH NETWORK

Facility: CONEY ISLAND HOSPITAL

Project Number	PROJECT TITLE	Project Budget (\$000s)	Paid to Date (\$ 000s)	% Paid to Date	Construction Start	Projected Completion	Forecast/ Actual Completion	Delay (if any)	Comments
26200901	Emergency Department Expansion and Renovation	10,000	6,916	69.16%	Dec-10	Dec-12	Mar-13	(3)	New ED expansion unit is completed and operational (Phase 1). Phase II - The renovation 3,500 sq. ft. in Mail Building is in progress. This phase is delayed due Hurricane Sandy.
26201102	Boiler Plant Replacement	7,000	240	0.00%	Jun-12	Feb-13	Sep-13	(7)	Asbestos abatement of boiler house and cleaning of three #6 tanks are completed. Demolition in progress. Design in progress to reinforce boiler house floor and to raise new boilers and associated equipment to meet FEMA's new flood level guidelines. Project is approximately 15% complete.
26201202	Convert 6-Bedded rooms to 4-Bedded rooms	211	4	0.00%	Aug-12	Dec-12	Mar-13	(3)	Mobilization in progress.
26201203	New Non-Invasive Cardiology Unit	114	6	5.00%	Aug-12	Dec-12	Mar-13	(3)	Mobilization in progress.