

CALL TO ORDER

Mark Page

- ADOPTION OF MINUTES – May 10, 2018

Mark Page

- VICE PRESIDENT'S REPORT

Roslyn Weinstein

ACTION ITEMS

- **Resolution** **Gregory Calliste**  
Authorizing the New York City Health and Hospitals Corporation (the "System") to execute a five year revocable license agreement with Eyes and Optics (the "Licensee") for its use and occupancy of 308 square feet of space to operate an optical dispensary at Woodhull Medical & Mental Health Center (the "Facility") at an occupancy fee of \$16,940 per year or \$55 per square foot to be escalated by 3% per year for a five year total of \$89,937.

Vendex: Pending.

- **Resolution** **Jeremy Berman**  
Authorizing the New York City Health and Hospitals Corporation (the "System") to execute a revocable license agreement with Public Health Solutions ("PHS") to allow PHS to maintain tables in lobby areas at NYC Health + Hospitals/Kings ("KCHC"), NYC Health + Hospitals/Jacobi ("Jacobi"), NYC Health + Hospitals/Lincoln ("Lincoln") and NYC Health + Hospitals/Elmhurst ("Elmhurst") to encourage eligible patients to enroll for the Supplemental Food and Nutrition Program ("SNAP") benefits, to assist them in enrolling in SNAP and provide counseling about, and referrals to, other programs available to address food insecurity for a period of three years with the occupancy fee waived.

Vendex: Pending.

- **Resolution** **Rickie Tulloch**  
Authorizing the New York City Health and Hospitals Corporation (the "System") to execute Job Order Contracts (JOC) with two (2) firms; Jemco Electrical Contractors, Inc.; and, Mac Fhionngnaile & Sons Electrical Contractors, Inc.; (the Contractors"), that were pre-qualified through the System's public bid process, to provide construction services on an as-needed basis at various facilities throughout the System. Each individual contract shall be for a term of two (2) years, for an amount not to exceed \$6,000,000. The total authorized value of these contracts is \$12 Million.

Vendex & EEO: Approved for both vendors.

- **Resolution**

**Rickie Tulloch**

Authorizing the New York City Health and Hospitals Corporation (the "System") to execute Job Order Contracts (JOC) with two (2) firms: AWL Industries, Inc.; and, Volmar Construction, Inc., (the Contractors"), that were pre-qualified through the System's public bid process, to provide construction services on an as-needed basis at various facilities throughout the System. Each individual contract shall be for a term of two (2) years, for an amount not to exceed \$6,000,000. The total authorized value of these contracts is \$12 Million.

Vendex & EEO: Approved for both vendors.

**INFORMATION ITEMS**

**OLD BUSINESS**

**NEW BUSINESS**

**ADJOURNMENT**

# **CAPITAL COMMITTEE MEETING MINUTES**

May 10, 2018

## MINUTES

### Capital Committee

Meeting Date: May 10, 2018

Time: 9:00 A.M.

Location: Board Room

### Board of Directors:

#### **Members of the Capital Committee**

Mark Page, Committee Chair  
Gordon Campbell, Vice Chair, Acting Chairman of the Board  
Josephine Bolus, RN, NP, BC  
Mitchell Katz, President, Chief Executive Officer

### HHC Staff:

PV Anantharam – Senior Vice President, Finance  
Jeremy Berman – Deputy General Counsel, Office of Legal Affairs  
Gregory Calliste – Chief Executive Officer, NYC Health + Hospitals / Woodhull  
Daniel Collins – Director, NYC Health + Hospitals / Coney Island  
Ricardo Corrales – Senior Associate Director, NYC Health + Hospitals / Woodhull  
Robert DeLuna – Communications & Marketing  
Colicia Hercules – Chief of Staff, Office of the Chairman  
Louis Iglhaut – Assistant Vice President, Office of Facilities Development  
Mahendranath Indar – Senior Director, Office of Facilities Development  
Dean Moskos – Director, Office of Facilities Development  
Lisa Scott-McKenzie – Deputy Executive Director, NYC Health + Hospitals / Woodhull  
Brenda Schultz – Senior Assistant Vice President, Finance  
Cyril Toussaint – Director, Office of Facilities Development  
Leithland Tulloch – Senior Director, Office of Facilities Development  
Roslyn Weinstein – Vice President, President's Office  
Dion Wilson – Director of Real Estate, Office of Legal Affairs  
Elizabeth Youngbar – Assistant Director, Office of Facilities Development

### **Outside Representatives:**

Michael Rivera – New York Power Authority

## CALL TO ORDER

The meeting was called to order by Mark Page, Committee Chair, at 9:01 A.M.

On motion, the Committee voted to adopt the minutes of the March 14, 2018, Capital Committee meeting.

## VICE PRESIDENT'S REPORT

Roslyn Weinstein, Vice President, advised that there were two action items on the agenda; a license agreement for parking for the new Coney Island Hospital building, a sign of the projects beginning, and things to come; and an energy related project at Woodhull, for upgrade to air handling units and the building management system, which are anticipated to result in significant savings as well as help meet energy reduction goals.

Mr. Page asked what the building maintenance system does. Ms. Weinstein explained that it is an electronic system connected to utilities. It could be used to open and/or close dampers, or perhaps shut-off air handling units because they function for a space that is empty, that would all be possible through the building maintenance system. You can also electronically connect other infrastructure items.

That concluded her report.

## ACTION ITEMS

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

Daniel Collins, Director, NYC Health + Hospital / Coney Island, read the resolution into the record on behalf of William Brown, Executive Director, NYC Health + Hospital / Coney Island.

Josephine Bolus, RN, NP, BC, noted that the lot was approximately .5 miles from the facility, and asked if there was a plan for days when inclement weather would make the walk difficult. Ms. Weinstein said there would be shuttle service Monday through Friday, but not on weekends, as the on-site lot was anticipated to accommodate weekend staff.

Mrs. Bolus asked if there would be security on site. Ms. Weinstein said yes.

Mr. Collins explained that the lot was an estimated 11 minute walk from the facility, it would hold approximately 300 cars, and would be managed by the parking lot vendor, selected by the Corporation. The vendor will also manage the shuttle.

Mr. Page asked if the property was paved. Mr. Collins said it was under construction, with paving and striping ongoing.

Mrs. Bolus asked if there were special accommodations for electric vehicles. Mr. Collins said no.

Mrs. Bolus noted that the 11 minute walk may impact the on time arrival of staff.

Mrs. Bolus asked why the wording for the resolution was slightly different than usual, with regards to the presentation of five successive one-year agreements, and not one agreement for five years.

Jeremy Berman, Deputy Counsel, explained that the property was owned by the City of New York, and the way the City handles the lease of property is very complicated so the approach has become to use license agreements and not leases, and the hallmark of a license in the City mindset is that it is not for more than a year and can be ended on short notice. The City believes that if a license covered more than a year than it would be a lease. We use this type of agreement with regards to other City property where we manage clinics, such as Guy Brewer Boulevard and La Clinica del Barrio. The Board is requested to approve a five year term so that presenting the new (annual) term is not required each year, even though the Department of Citywide Administrative Services (DCAS) will in fact be renewing each year.

Mr. Berman explained that it was likely that the full five years would not be needed but this allows for the full five years or approval.

Mrs. Bolus said she like the \$1.00 per month rent rate. Mr. Berman said he believed that was a typo and it was in fact \$1.00 per year.

Mr. Page asked that the resolution be voted on, with the corrected/amended \$1.00 per year annual rent.

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 amended resolution for the full Board's consideration.

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

Gregory Calliste, Chief Executive Officer, NYC Health + Hospital / Woodhull, read the resolution into the record. Mr. Calliste was joined by Lisa Scott-McKenzie, Deputy Director, NYC Health + Hospital / Woodhull, and Cyril Toussaint, Director, Office of Facilities Development.

Mr. Calliste explained that air handling and air conditioning units and services are unbalanced and not ideal for staff and patients. He understood that upgrades are necessary and this project will help with those issues and help with efficiency. He explained that the BMS system would make servicing the facility more timely, in that changes could be made in one single location and technicians would not need to go around the facility to make adjustments.

Mrs. Bolus asked how the work would affect services. Mrs. Scott-McKenzie said that all units were above patient areas and so services would not be disrupted.

Mr. Page asked if that meant that air conditioning services would continue to be provided while work was being completed. Ms. Scott-McKenzie said yes, in fact some units have already been upgraded, and those will be in use. At some point in the future, replacement will be necessary but the upgrades will improve service for years to come.

Mrs. Bolus was pleased that the project was being subsidized.

Mr. Page asked if the project would be managed by DCAS or NYPA. Mr. Toussaint said NYPA would manage the project and we would be overseeing NYPA.

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

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

There being no further business, the meeting was adjourned at 9:15 A.M.

**LICENSE AGREEMENT**

**EYES & OPTICS**

**NYC HEALTH + HOSPITALS / WOODHULL**



## RESOLUTION

Authorizing the New York City Health and Hospitals Corporation (the "System") to execute a five year revocable license agreement with Eyes and Optics (the "Licensee") for its use and occupancy of 308 square feet of space to operate an optical dispensary at Woodhull Medical & Mental Health Center (the "Facility") at an occupancy fee of \$16,940 per year or \$55 per square foot to be escalated by 3% per year for a five year total of \$89,937.

**WHEREAS**, the Facility's Ophthalmology Department performs vision screenings, diagnostic tests and ophthalmic procedures for its patient population; and

**WHEREAS**, the optical dispensary stores that the Licensee operates at Gouverneur Healthcare Services and Kings County Hospital Center have successfully met the optical needs of patients and staff; and

**WHEREAS**, the Licensee's optical dispensary will augment available ophthalmology and eye clinic resources for the Facility's patient population by providing an on-site ophthalmic dispensary; and

**NOW, THEREFORE**, be it

**RESOLVED**, that the New York City Health and Hospitals Corporation (the "System") be and hereby is authorized to execute a five year revocable license agreement with Eyes and Optics (the "Licensee") for its use and occupancy of 308 square feet of space to operate an optical dispensary at Woodhull Medical & Mental Health Center (the "Facility") at an occupancy fee of \$16,940 per year or \$55 per square foot to be escalated by 3% per year for a five year total of \$89,937.

**EXECUTIVE SUMMARY**  
**LICENSE AGREEMENT**  
**EYES AND OPTICS**  
**WOODHULL MEDICAL & MENTAL HEALTH CENTER**

The New York City Health and Hospitals Corporation (the "System") seeks authorization from the Board of Directors to execute a five year revocable license agreement with Eyes and Optics for its use and occupancy of 308 square feet of space to operate an optical dispensary at Woodhull Medical & Mental Health Center ("Woodhull").

Woodhull's Ophthalmology Department performs vision screenings, diagnostic tests and ophthalmic procedures for its patient population. The Eyes and Optics optical dispensary will augment available Ophthalmology Department resources by providing an on-site dispensary where patients are able to fill prescriptions for eye glasses, protective goggles, contact lenses and other related products. Eyes and Optics offers a range of moderate-to-low cost options for children and adults and its product lines are available for customers at all income levels. Eyes and Optics operates optical dispensary stores at Gouverneur Healthcare Services and Kings County Hospital Center, and have successfully met the optical needs of patients and staff.

Eyes and Optics will have use and occupancy of 308 square feet of space on the ground floor of the main lobby area at Woodhull. Eyes and Optics will pay an occupancy fee of \$55 per square foot, or \$16,940 per year. The fee will be escalated by 3% per year. Over the five year term the occupancy fee will total \$89,937. The occupancy fee represents the fair market value of the space. The cost of renovating the space will be Eyes and Optics' responsibility. The cost of security, utilities, and housekeeping are included in the occupancy fee.

Eyes and Optics will indemnify and hold harmless the Corporation and the City of New York from any claims arising by virtue of its use of the licensed space and will also provide appropriate insurance naming each of the parties as additional insureds.

The term of this agreement shall not exceed five (5) years without further authorization of the Board of Directors of the Corporation. The license agreement shall be revocable by either party on ninety (90) days notice.

# SAVITT PARTNERS

April 12, 2018

Mr. Dion Wilson  
Director of Real Estate  
NYC Health + Hospitals  
125 Worth Street, Rm 527  
New York, NY 10013

Re: Fair Market Value/appraisal of proposed Eyes & Optics located on the ground floor lobby entrance area within the Woodhull Hospital facility located at 760 Broadway, Brooklyn, New York 11206  
On behalf of NYC Health + Hospitals

Dear Dion:

On Wednesday, March 28, 2018, I visited the referenced premises in order to assess the Fair Market Value (FMV) of the identified space for retail use by Eyes & Optics. Our evaluation and conclusions are set forth below.

This assessment is inclusive of the value of the requested tenant improvements and specified operating expenses such as utilities, housekeeping, security, service contracts, repairs and maintenance, etc. As the owner is designated as a not-for-profit (501C3) real estate taxes may not be applicable, however this expense will also be considered when evaluating the value of the space in order to provide a comprehensive FMV. This appraisal will assess the estimated value of the base rent inclusive of the necessary tenant improvements and operating expenses. This evaluation is subject to the following:

- The proposed Eyes & Optics space is or will be appropriately zoned for the use (retail) within the space.
- The premises is located within the medical facility on the ground floor in the main lobby area.
- This evaluation is for the purpose of establishing the FMV to lease/license the referenced property and considers numerous factors including but not limited to location, market conditions, market area comparables, lease terms and conditions, as well as tenant improvements.

There are two variables that must be considered in this evaluation which are in fact weighted greater than other variables. These unique factors are location and use.

The location of the space provides the tenant with an immediate and “captured” client base according to the facility operator, NYC Health + Hospitals. Eye wear prescriptions generated by ophthalmology and optometry physicians within the medical facility will generate roughly 90% of the client base for this tenant. The community medical center also benefits by providing this amenity to the patients; the convenience of access to a retailer that can fill the prescription

immediately. The proposed retail operation compliments the physician practices with an optical modality. The balance of the Eyes & Optics patient base comes from the existing customer referral. There also may be some walk-in street traffic.

It would be inappropriate to evaluate the value of the referenced space as true retail. Despite the obvious benefit of the readily available retail client base the space does not have the one most important value to be considered retail, street presence. Therefore, the space must be assessed as commercial property with a retail build out and operation. Our assessment of the value of the tenant improvement for an optical, retail operation within the hospital at this specific location would be that it is dramatically less than the cost for a typical store front optical store. The space is open (minimal walls or partitions) with extensive space for display cases, both free standing and mounted on the unit's walls. The tenant will provide its own installation for its tenant improvements and the space is being delivered in "as-is" condition.

Another important factor is the value of the space for ancillary medical use. It is our experience that space within built medical facilities is valued at a premium simply due to the fact that it is a finite resource which is in demand. It is apparent that proximity within the medical facility complex is attractive to this tenant and benefits the facility's patients as well. The provision of tenant services that are uncommon for retail facilities, i.e., 24-7 access, even if not utilized and the provision of full time services such as HVAC, repairs and maintenance, security, etc. must also be factored in this evaluation. However, when assessing the value the fact that the client base is limited to foot traffic within the medical facility impacts the success of the tenant. The tenant has little opportunity to promote its presence and the average pedestrian walking by the building would not be aware of this retail operation.

The referenced ancillary medical retail space is located on the ground floor at the main entrance of the medical center. When assessing the FMV for this space we took into consideration the referenced factors and used comparables for medical space, hospital space and retail space within the immediate market where available to establish benchmarks for market rents. The proposal offers the licensee a full service building with amenities typically provided only by hospitals and full service medical office buildings and not retail properties. Typical retail operations are triple net, with the tenant absorbing all of the related operational expenses. However, this opportunity provides the tenant with comprehensive services which will be reflected in our evaluation.

Market conditions for each use were established for comparison. Medical space, specifically physician, private offices garners gross rents at \$45 - \$68 per RSF in the vicinity of the Eyes & Optics location. In and around the Broadway area, net retail rents are \$40 - \$75 per RSF. Asking rents in this market remained have increased, as has commercial real estate generally throughout this Brooklyn area. Although these areas have medical offices, the lack of product, i.e., rental opportunities has added to a stable rental market.

## **CONCLUSION**

The ability to access the space and the provision of services without interruption is an amenity that benefits this retail tenant. This retail tenant, however, remains viable only as long as an eye care practice remains present at the premises. The minimal expense for tenant improvements was a variable that was evaluated as well.

The location that was inspected for this report is handicapped accessible, and as stated earlier, has 24/7 security which is a valuable and attractive amenity. All of the lavatories throughout the building are ADA compliant; however, this space does not have its own private restroom. The corridors and the lobby are also wheelchair accessible.

For the purpose of this appraisal, we shall assume that all operating expenses, i.e., security, refuse removal, utilities, repairs and maintenance, service contracts, etc. are provided by the facility as part of any agreed to rent.

In conclusion this analysis finds that the FMV for this space is essentially a hybrid due to the location of the space, proposed use and lack of opportunity to promote a true retail operation. However, it also provides the retailer with an immediate client base.

It is our professional opinion that the value of the referenced space is **\$50 - \$55** per RSF. It would not be appropriate to provide a tenant with a construction concession of rent abatement given the size of the unit.

It would be appropriate for the tenant to negotiate an escalation provision to the base rent/fee of 2.75% to 3% commencing in the second year of the license agreement. These would be commercially fair and reasonable terms based on the data and information assessed in this report.

In the event I can be of any further assistance to you, please do not hesitate to call me.

Very truly yours,

A handwritten signature in black ink, appearing to read "Michael Dubin", written in a cursive style.

Michael Dubin  
Partner

## Woodhull Eyes & Optics

Year	Occupancy Fee
1	16,940
2	17,448
3	17,972
4	18,511
5	19,066
	89,937

Note: \$55psf, 3% esc.

Floor area: 308sf

# LICENSE AGREEMENT

## PUBLIC HEALTH SOLUTIONS – SUPPLEMENTAL FOOD AND NUTRITION PLAN (SNAP)

NYC HEALTH + HOSPITALS / ELMHURST  
NYC HEALTH + HOSPITALS / JACOBI  
NYC HEALTH + HOSPITALS / KINGS  
NYC HEALTH + HOSPITALS / LINCOLN

## RESOLUTION

Authorizing the New York City Health and Hospitals Corporation (the "System") to execute a revocable license agreement with Public Health Solutions ("PHS") to allow PHS to maintain tables in lobby areas at NYC Health + Hospitals/Kings ("KCHC"), NYC Health + Hospitals/Jacobi ("Jacobi"), NYC Health + Hospitals/Lincoln ("Lincoln") and NYC Health + Hospitals/Elmhurst ("Elmhurst") to encourage eligible patients to enroll for the Supplemental Food and Nutrition Program ("SNAP") benefits, to assist them in enrolling in SNAP and provide counseling about, and referrals to, other programs available to address food insecurity for a period of three years with the occupancy fee waived.

**WHEREAS**, PHS is a not-for-profit corporation formed in 1957 to improve health and create opportunities for New York City's vulnerable families and neighborhoods through the provision of health services, linkages to government benefits and community-based and capacity-building services; and

**WHEREAS**, PHS has been offering its services at KCHC, Jacobi, Lincoln and Elmhurst over the last year pursuant to agreements allowing PHS' presence during such limited hours that a formal license agreement was not required under the System's rules; and

**WHEREAS**, PHS' work has been successful and welcomed by the patients served and by the administrators of KCHC, Jacobi, Lincoln and Elmhurst so that PHS and the System wish to extend the hours of PHS' operations from 2 – 3 days per week to 3 – 5 days per week, varying by hospital, such that the approval of the System's Board of Directors is required for the expanded program; and

**WHEREAS**, the Vice President for Population Health shall be responsible for administering the license agreement.

**NOW THEREFOR**, it is hereby resolved that the New York City Health and Hospitals Corporation be and hereby is authorized to execute a revocable license agreement with Public Health Solutions ("PHS") to allow PHS to maintain tables in lobby areas at NYC Health + Hospitals/Kings, NYC Health + Hospitals/Jacobi, NYC Health + Hospitals/Lincoln and NYC Health + Hospitals/Elmhurst to encourage eligible patients to enroll for the Supplemental Food and Nutrition Program ("SNAP") benefits, to assist them in enrolling in SNAP and provide counseling about, and referrals to, other programs available to address food insecurity for a period of three years with the occupancy fee waived.



## EXECUTIVE SUMMARY

### License Agreement with Public Health Solutions for space at KCHC, Lincoln, Jacobi and Elmhurst

- Background:** Founded in 1957, Public Health Solutions (PHS) is the largest public health nonprofit organization focusing on New York City. PHS works to improve health and create opportunities for NYC's vulnerable families and neighborhoods through the provision of health services, linkages to government benefits and community-based and capacity-building services.
- Need:** There is sufficient evidence that addressing patients' unmet social needs helps them achieve better health and manage their chronic conditions. Some studies have shown that connection to SNAP enrollment reduced patients' unnecessary health care utilization, as measured via inpatient and emergency department visits. In NYC, 14% of residents are food insecure. There are hundreds of thousands of SNAP-eligible but unenrolled New Yorkers. Embedding SNAP enrollers at NYC Health + Hospitals facilities makes them accessible to patients. Research has supported SNAP as highly effective at reducing food insecurity, supporting short and long term benefits for enrolled patients. Sixty-seven percent of SNAP benefits go to households with children. SNAP benefits reduce the incidence of low birth-weight between 5-23%, contribute to an 18% point increase in the likelihood of completing high school, a 16% decline in the likelihood of adult obesity, and reductions in conditions associated with heart disease and diabetes. Given the substantial uptake in these services for the first 6 months of the program, there is justification to expand the on-site weekly presence.
- Program:** At NYC Health + Hospitals, PHS' Benefits Counselors provides SNAP benefits pre-screening, enrollment, and post-enrollment services. PHS staff members are culturally and linguistically competent and identify with the communities they serve. They help clients navigate through what can be a complicated and confusing application process, step by step.
- Occupancy:** PHS will staff tables set up in specified lobbies of the participating hospitals. The tables will be staffed with benefit counselors. Depending on the needs and demand at the four hospitals, PHS will be present from 3 – 5 days per week from 8:30 or 9:00 until 4:00 or 4:30.
- Terms:** The System will waive any occupancy fee in view of the benefit of the services to the patients. The System will maintain the licensed premises and will provide any utilities needed for PHS' functions. PHS will defend, indemnify and hold harmless the System and the City of New York.

# **CONTRACT APPROVAL**

## **JOB ORDER CONTRACTS – ELECTRICAL**

**JEMCO ELECTRICAL CONTRACTORS, INC.**

**MAC FHIONNGNAILE & SONS ELECTRICAL CONTRACTORS, INC.**

**NYC HEALTH + HOSPITALS / SYSTEM WIDE**

## RESOLUTION

Authorizing the New York City Health and Hospitals Corporation (the "System") to execute Job Order Contracts (JOC) with two (2) firms; Jemco Electrical Contractors, Inc.; and, Mac Fhionngnaile & Sons Electrical Contractors, Inc.; (the Contractors"), that were pre-qualified through the System's public bid process, to provide construction services on an as-needed basis at various facilities throughout the System. Each individual contract shall be for a term of two (2) years, for an amount not to exceed \$6,000,000. The total authorized value of these contracts is \$12 Million.

**WHEREAS**, the facilities of the System may require professional construction services, such as, Electrical Contracting services; and

**WHEREAS**, the System has determined that such needs can best be met by utilizing outside firms, on an as-needed basis, through a Job Order contracts; and

**WHEREAS**, the System's Operating Procedure No. 100-5 requires approval by the Board of Directors contracts of \$5,000,000 and above; and

**WHEREAS**, the System published a request for bids for professional Electrical services, bids received were publicly opened on April 3, 2018 and April 4, 2018, and the New York City Health and Hospitals Corporation determined that the Contractors are the lowest responsible bidders for these contracts; and

**WHEREAS**, the Contractors have met all, legal, business and technical requirements and are qualified to perform the services as required in the contract documents.

**NOW, THEREFORE**, be it

**RESOLVED**, the New York City Health and Hospitals Corporation be and hereby is authorized to execute Job Order Contract (JOC) with two firms; Jemco Electrical Contractors, Inc.; and, Mac Fhionngnaile & Sons Electrical Contractors, Inc.; that were pre-qualified through the System's public bid process, to provide construction services on an as-needed basis at various facilities throughout the System. Each individual contract shall be for a term of two (2) years, for an amount not to exceed \$6,000,000. The total authorized to be spent under these contracts is \$12 Million.

## EXECUTIVE SUMMARY

### CONSTRUCTION SERVICES JOB ORDER CONTRACTING (JOC)

#### ELECTRICAL CONTRACTING SERVICES

#### JEMCO ELECTRICAL CONTRACTORS, INC.

And

#### MAC FHIONNGNAILE & SONS ELECTRICAL CONTRACTORS, INC

**OVERVIEW:** The New York City Health and Hospitals Corporation seeks to execute two (2) Job Order Contracts for a term of two years each, for individual amounts not-to-exceed \$6,000,000, to provide professional Electrical construction services on an as-needed basis at any NYC Health + Hospitals facility. The total authorized to be spent under these contracts is \$12 Million.

The method of Job Order contract proposed starts with fixed prices for thousands of materials utilized in a typical construction project. The prices are derived from widely published construction reference works to which the System subscribes that are updated at frequent intervals. The contractors awarded Job Order contracts under the proposed resolution are later invited to submit proposals for particular projects. The Job Order contractors submit proposals based upon acceptance of the fixed material prices and a multiplier based on such material costs to determine their labor cost proposals. For example, if a material to be installed is priced at \$10.00, and the contractor's labor multiplier to install that material is 1.0, the cost of that material and labor is \$10.00, inclusive of overhead and profit. If the multiplier is 1.2, then the cost of that material and labor is \$12.00, inclusive of overhead and profit.

This format has been used in previous New York City Health and Hospitals Corporation Job Order contracts, and continues to be used by the New York City School Construction Authority, the Dormitory Authority of the State of New York State, the New York City Department of Design and Construction, the New York City Department of Environmental Protection, the United States Postal Services and others. The program was developed by the Department of Defense and has been in existence for more than twenty years.

**NEED:** The various facilities of the System are likely to require electrical construction services that vary in frequency, size and urgency, which cannot be timely and cost effectively completed through a dedicated design, bid and award process.

**TERMS:** The construction services will be provided via a work order system within a two (2) year period, each for an amount not to exceed \$6,000,000.

**COSTS:** Not-to-exceed \$6,000,000 over two years, for each of the two (2) contracts for a total of \$12 Million.

**FINANCING:** Job Order contracts provide a pre-qualified approved mechanism for facilities to access construction services. The facility establish funding sources such as capital funds from bond proceeds, grants or expense (Other Than Personnel Services - OTPS) funds.

**SCHEDULE:** Upon contract execution these contracts shall be in effect for two years or until funds are exhausted.

**CONTRACT FACT SHEET**

**JOB ORDER CONTRACTING (JOC)**

**ELECTRICAL CONTRACTING SERVICES**

**JEMCO ELECTRICAL CONTRACTORS, INC**

**CONTRACT SCOPE:** Electrical Contracting Services

**CONTRACT DURATION:** Two (2) years

**CONTRACT AMOUNT:** \$6,000,000

**ADVERTISING PERIOD:** Advertised in City Record February 20, 2018

**BIDS RECEIVED:** Four (4) bid proposals received for consideration. Jemco Electrical Contractors, Inc. was recommended as lowest responsive bidder.

**HHC EXPERIENCE:** There have been many non JOC contracts between Jemco Electrical Contractors, Inc. and the New York City Health and Hospitals Corporation; including \$13.9 million for the Upgrade of Harlem Hospital's Electrical System to a Type 1 EES, and \$5.6 million for the Feeder Upgrade for the Standby Generator at Woodhull Hospital.

**VENDEX:** Approved.

**EEO:** Approved.

**CONTRACT FACT SHEET**

**JOB ORDER CONTRACTING (JOC)**

**ELECTRICAL CONTRACTING SERVICES**

**MAC FHIONNGNAILE & SONS ELECTRICAL CONSTRUCTORS, INC**

**CONTRACT SCOPE:** Electrical Contracting Services

**CONTRACT DURATION:** Two (2) years

**CONTRACT AMOUNT:** \$6,000,000

**ADVERTISING PERIOD:** Advertised in City Record February 20, 2018

**BIDS RECEIVED:** Five (5) bid proposals were received for consideration and Mac Fhionngnaile & Sons Electrical Contractors, Inc. was recommended as the lowest responsive bidder.

**HHC EXPERIENCE:** This is the first contract between Mac Fhionngnaile & Sons Electrical Contractors, Inc. and the New York City Health and Hospitals Corporation.

**VENDEX:** Approved.

**EEO:** Approved.

31312G

Keith Tallbe  
Associate Counsel, Director of Procurement  
Legal Affairs, Supply Chain Services

**TO:** Clifton Mc Laughlin  
Office of Facilities Development  
Contract Services

**FROM:** Keith Tallbe *KT*

**DATE:** June 19, 2018

**SUBJECT:** EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

The proposed contractor/consultant, JEMCO Electrical Contractors, Inc., has submitted to the Supply Chain Services Diversity Office a completed Contract Compliance Questionnaire and the appropriate EEO documents. This company is a:

Minority Business Enterprise  Woman Business Enterprise  Non-M/WBE

Project Location(s): Various Locations

Contract Number: \_\_\_\_\_

Project: Electrical Service at Various NYC Health + Hospitals Facilities City-wide

Submitted by: Office of Facilities Development Contract Services

EEO STATUS:

1.  Approved
2.  Approved with follow-up review and monitoring
3.  Not approved
4.  Conditionally approved subject to EEO Committee Review

COMMENTS:

KT:srp

**32204**

Keith Tallbe  
Associate Counsel, Director of Procurement  
Legal Affairs, Supply Chain Services

**TO:** Clifton Mc Laughlin  
Office of Facilities Development  
Contract Services

**FROM:** Keith Tallbe *KT*

**DATE:** June 18, 2018

**SUBJECT:** EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

---

The proposed contractor/consultant, Mac Fhionnghaile & Sons Electrical Contracting, Inc., has submitted to the Supply Chain Services Diversity Office a completed Contract Compliance Questionnaire and the appropriate EEO documents. This company is a:

Minority Business Enterprise  Woman Business Enterprise  Non-M/WBE

Project Location(s): Various Facilities

Contract Number: \_\_\_\_\_

Project: Electrical Work #2 at Various NYC  
H+H Facilities City-wide

Submitted by: Office of Facilities Development Contract Services

EEO STATUS:

1.  Approved
2.  Approved with follow-up review and monitoring
3.  Not approved
4.  Conditionally approved subject to EEO Committee Review

COMMENTS:

KT:srp



# **CONTRACT APPROVAL**

## **JOB ORDER CONTRACTS – HVAC**

**AWL INDUSTRIES, INC.**

**VOLMAR CONSTRUCTION, INC.**

**NYC HEALTH + HOSPITALS / SYSTEM WIDE**

## RESOLUTION

Authorizing the New York City Health and Hospitals Corporation (the "System") to execute Job Order Contracts (JOC) with two (2) firms: AWL Industries, Inc.; and, Volmar Construction, Inc., (the Contractors"), that were pre-qualified through the System's public bid process, to provide construction services on an as-needed basis at various facilities throughout the System. Each individual contract shall be for a term of two (2) years, for an amount not to exceed \$6,000,000. The total authorized value of these contracts is \$12 Million.

**WHEREAS**, the facilities of the System may require professional construction services, such as, Heating, Ventilation and Air Conditioning (HVAC) Contracting services; and

**WHEREAS**, the System has determined that such needs can best be met by utilizing outside firms, on an as-needed basis, through a Job Order contracts; and

**WHEREAS**, the System's Operating Procedure No. 100-5 requires approval by the Board of Directors contracts of \$5,000,000 and above; and

**WHEREAS**, the System published a request for bids for professional Mechanical services, bids received were publicly opened on April 3, 2018 and April 4, 2018, and the New York City Health and Hospitals Corporation determined that the Contractors are the lowest responsible bidders for these contracts; and

**WHEREAS**, the Contractors have met all, legal, business and technical requirements and are qualified to perform the services as required in the contract documents.

**NOW, THEREFORE**, be it

**RESOLVED**, the New York City Health and Hospitals Corporation be and hereby is authorized to execute Job Order Contract (JOC) with two firms AWL Industries Inc., and Volmar Construction, Inc. that were pre-qualified through the System's public bid process, to provide construction services on an as-needed basis at various facilities throughout the System. Each individual contract shall be for a term of two (2) years, for an amount not to exceed \$6,000,000. The total authorized to be spent under these contracts is \$12 Million.

## EXECUTIVE SUMMARY

### CONSTRUCTION SERVICES JOB ORDER CONTRACTING (JOC)

#### MECHANICAL CONTRACTING SERVICES

#### AWL INDUSTRIES INC. AND VOLMAR CONSTRUCTION INC

- OVERVIEW:** The New York City Health and Hospitals Corporation (the "System") seeks to execute two (2) Job Order Contracts for a term of two years each, for individual amounts not-to-exceed \$6,000,000, to provide professional mechanical construction services on an as-needed basis at any NYC Health + Hospitals facility. The total authorized to be spent under these contracts is \$12 Million.
- The method of Job Order contract proposed starts with fixed prices for thousands of materials utilized in a typical construction project. The prices are derived from widely published construction reference works to which the System subscribes that are updated at frequent intervals. The contractors awarded Job Order contracts under the proposed resolution are later invited to submit proposals for particular projects. The Job Order contractors submit proposals based upon acceptance of the fixed material prices and a multiplier based on such material costs to determine their labor cost proposals. For example, if a material to be installed is priced at \$10.00, and the contractor's labor multiplier to install that material is 1.0, the cost of that material and labor is \$10.00, inclusive of overhead and profit. If the multiplier is 1.2, then the cost of that material and labor is \$12.00, inclusive of overhead and profit.
- This format has been used in previous New York City Health and Hospitals Job Order contracts, and continues to be used by the New York City School Construction Authority, the Dormitory Authority of the State of New York State, the New York City Department of Design and Construction, the New York City Department of Environmental Protection, the United States Postal Services and others. The program was developed by the Department of Defense and has been in existence for more than twenty years.
- NEED:** The various facilities of the System are likely to require mechanical construction services that vary in frequency, size and urgency, which cannot be timely and cost effectively completed through a dedicated design, bid and award process.
- TERMS:** The construction services will be provided via a work order system within a two (2) year period, each for an amount not to exceed \$6,000,000.
- COSTS:** Not-to-exceed \$6,000,000 over two years, for each of the two (2) contracts for a total of \$12 Million.
- FINANCING:** Job Order contracts provide a pre-qualified approved mechanism for Networks to access construction services. The facility establish funding sources such as capital funds from bond proceeds, grants or expense (Other Than Personnel Services - OTPS) funds.
- SCHEDULE:** Upon contract execution these contracts shall be in effect for two years or until funds are exhausted.

**CONTRACT FACT SHEET**  
**JOB ORDER CONTRACTING (JOC)**  
**MECHANICAL CONTRACTING SERVICES**  
**AWL INDUSTRIES INC.**

**CONTRACT SCOPE:** Mechanical Contracting Services

**CONTRACT DURATION:** Two (2) years

**CONTRACT AMOUNT:** \$6,000,000

**ADVERTISING PERIOD:** Advertised in City Record February 20, 2018

**BIDS RECEIVED:** Three (3) bid proposals received for consideration. AWL Industries Inc. was recommended as lowest responsive bidder.

**HHC EXPERIENCE:** This is the first Job Order contract between AWL Industries Inc. and New York City Health and Hospitals Corporation, however, AWL Industries, Inc. has previously had construction contracts with the System.

**VENDEX:** Approved.

**EEO:** Approved.

**CONTRACT FACT SHEET**  
**JOB ORDER CONTRACTING (JOC)**  
**MECHANICAL CONTRACTING SERVICES**  
**VOLMAR CONSTRUCTION, INC**

**CONTRACT SCOPE:** Mechanical Contracting Services

**CONTRACT DURATION:** Two (2) years

**CONTRACT AMOUNT:** \$6,000,000

**ADVERTISING PERIOD:** Advertised in City Record February 20, 2018

**BIDS RECEIVED:** Three (3) bid proposals received for consideration. Volmar Construction, Inc. was recommended as lowest responsive bidder.

**HHC EXPERIENCE:** \$6,000,0000 Job Order Contract for services at various facilities, 2015 - 2018.

**VENDEX:** Approved.

**EEO:** Approved.

30498C

Keith Tallbe  
Associate Counsel, Director of Procurement  
Legal Affairs, Supply Chain Services

**TO:** Clifton Mc Laughlin  
Office of Facilities Development  
Contract Services

**FROM:** Keith Tallbe *KT*

**DATE:** June 28, 2018

**SUBJECT:** EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

---

The proposed contractor/consultant, AWL Industries, Inc., has submitted to the Supply Chain Services Diversity Office a completed Contract Compliance Questionnaire and the appropriate EEO documents. This company is a:

Minority Business Enterprise  Woman Business Enterprise  Non-M/WBE

Project Location(s): Various Locations

Contract Number: \_\_\_\_\_

Project: JOC-HV-2 Services

Submitted by: Office of Facilities Development Contract Services

EEO STATUS:

1.  Approved
2.  Approved with follow-up review and monitoring
3.  Not approved
4.  Conditionally approved subject to EEO Committee Review

COMMENTS:

KT:srp

**31311F**

Keith Tallbe  
Associate Counsel, Director of Procurement  
Legal Affairs, Supply Chain Services

**TO:** Clifton Mc Laughlin  
Office of Facilities Development  
Contract Services

**FROM:** Keith Tallbe *KT*

**DATE:** June 20, 2018

**SUBJECT:** EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

---

The proposed contractor/consultant, Volmar Construction, Inc., has submitted to the Supply Chain Services Diversity Office a completed Contract Compliance Questionnaire and the appropriate EEO documents. This company is a:

Minority Business Enterprise  Woman Business Enterprise  Non-M/WBE

Project Location(s): Various Locations

Contract Number: \_\_\_\_\_

Project: JOC-HVAC-2 Service

Submitted by: Office of Facilities Development Contract Services

EEO STATUS:

1.  Approved
2.  Approved with follow-up review and monitoring
3.  Not approved
4.  Conditionally approved subject to EEO Committee Review

COMMENTS:

KT:srp