

**CAPITAL COMMITTEE  
MEETING AGENDA**

**April 11, 2022**

**10:00 AM**

**50 Water Street, Room 1515 A&B – Virtual**

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**CALL TO ORDER**

**Feniosky Peña-Mora**

- **ADOPTION OF MINUTES – March 14, 2022**
- **SENIOR VICE PRESIDENT’S REPORT**

**Feniosky Peña-Mora**

**Christine Flaherty**

**ACTION ITEMS**

- **Resolution** **Christine Flaherty**  
Authorizing the New York City Health and Hospitals Corporation (the “System”) to execute a five year revocable license agreement with T-Mobile Northeast LLC (the “Licensee”) to operate a mobile cellular communications system on an approximately 1,600 square foot parcel of land located on the campus of the former Neponsit Health Care Center (the “Facility”), located at 67 Rockaway Beach Boulevard, Queens, at an occupancy fee of \$50,000 to be escalated by 3% per year for a five-year total of \$265,457.

**Vendex: NA**  
**EEO: NA**

- **Resolution** **Christine Flaherty**  
Authorizing the New York City Health and Hospitals Corporation (the “System”) to execute a contract with Titan Industrial Services, Corp. (“Titan”) to raze the former Neponsit Hospital, restore the site to a grass field and erect a lifeguard facility for use by the Department of Parks at NYC Health + Hospitals / Neponsit Hospital Center with a 20% project contingency of \$3,816,000, for unexpected scope changes due to unknown site and concealed building conditions, yielding a total authorized expenditure not to exceed \$22,896,000.

**Vendex: Approved**  
**EEO: Approved**

- **Resolution** **Christine Flaherty / Manuel Saez**  
Authorizing the New York City Health and Hospitals Corporation (the “System”) to execute a three-year agreement with CBRE Group, Inc. (“CBRE”) for various facility management support services with the System holding two 1-year options to renew for an amount, over the potential five-year term, not to exceed \$100,000,000.

**Vendex: Approved**  
**EEO: Approved**

**OLD BUSINESS**

**NEW BUSINESS**

**ADJOURNMENT**

# **CAPITAL COMMITTEE MINUTES**

**MARCH 14, 2022**

**Capital Committee VIRTUAL Meeting - March 14, 2022**

**As reported by** Feniosky Peña-Mora

**Committee Members Present:** Feniosky Peña-Mora, José Pagán, Sally Hernandez-Piñero, Freda Wang - joined at 10:22 and Eric Wei representing Dr. Mitchell Katz in a voting capacity.

Mr. Peña-Mora called the meeting to order at 10:03 a.m.

Upon motion made and duly seconded the minutes of the Capital Committee meeting held on December 7, 2021 were unanimously approved.

**Senior Vice President's Report**

Mrs. Flaherty, Senior Vice President, Office of Facilities Development presented her report.

Mrs. Flaherty advised that the Office of Facilities Development was continuing to work on establishing the systems and initiating the pipeline of capital projects across facilities as they concurrently plan for future advocacy of capital funding in addition to \$1.3B Mayoral, bond, State, Borough President and City Council dollars secured over the course of the past year.

Over the past months, the System met a major milestone with the H+H bond Portfolio, with design completion of all projects. With designs complete, construction procurement and budget teams have been very busy, and one of the days' resolutions is the largest capital bond project within the portfolio. The latest update being that 19 (7 equipment) projects are in the construction procurement phase, 10 projects have started construction and 3 infrastructure and 24 equipment projects have been completed. The System is carefully monitoring bid results on the outstanding infrastructure projects and when needed look towards Mayoral capital reserves if required to ensure all urgent work is complete. The System is working on the anticipated cashflow expenditures, as requested, for the July meeting of the Capital Corporation with Finance.

Mrs. Flaherty said the System had started campus master-planning for Elmhurst Hospital and were working through an anticipated timeline and annual budget for system-wide assessments and master-planning efforts. The system-wide assessment and master-planning request for proposals (RFP) was expected to be issued to the market shortly.

In the past months the operational team has been enhancing sites; preparing for Joint Commission at Metropolitan, Jacobi/NCB, Harlem, Elmhurst and Woodhull and the cooling season.

In conclusion, Mrs. Flaherty acknowledged that significant work was underway, and she was happy to take any questions the Committee may have in advance of the five resolutions on the days' agenda.

Mrs. Hernandez-Piñero asked for detail on the RFP. Mrs. Flaherty said an RFP for system-wide assessments and master planning was in the works. It would provide a deep dive into both additional outstanding infrastructure modernization needs as well as long term, 5 to 10 year, plans per campus. Studies would provide needed detail for capital planning requests and will allow local campuses to look at community needs with a level of stakeholder engagement.

Mrs. Hernandez-Piñero said that sounded terrific.

That concluded Mrs. Flaherty's remarks.

Mrs. Flaherty read the resolution:

**Authorizing the New York City Health and Hospitals Corporation (the "System") to execute a renewal of a five-year revocable license agreement with Consolidated Edison Company of New York Inc. (the "Licensee") to operate a radio communications system in approximately 50 square feet of space on the roof of the Martin Luther King Pavilion Building at Harlem Hospital Center (the "Facility") at an annual occupancy fee of \$36,295.60 to be escalated by 3% per year for a five-year total of \$192,698.27.**

Mrs. Flaherty was joined by Leora Jontef, Assistant Vice President, Office of Facilities Development, to present the license agreement. Together they narrated a presentation providing background information on the proposed vendor, and licenses terms.

Mrs. Hernandez-Piñero asked if energy charges had increased recently. Mrs. Flaherty said she could not speak to that but the Energy team did monitor system-wide usage.

Dr. Wei asked what due diligence was performed to ensure there were no adverse interactions with hospital equipment and/or services. Mrs. Flaherty said with this relatively old system that had been functional for a long period of time there were no indicators of concern. For any new equipment there is coordination with Enterprise Information Technology Services (EITS).

After discussion and upon motion duly made and seconded the resolution was approved for consideration by the Board of Directors.

Mrs. Flaherty read the resolution:

**Authorizing New York City Health and Hospitals Corporation (the "System") to sign a five-year revocable license agreement with Panera, LLC ("Panera") for the use and occupancy of approximately 3,167 square feet in three locations, including a basement production facility of approximately 2,341 square feet and two retail locations, within NYC Health + Hospitals/Bellevue ("Bellevue") for the operation of a restaurant at a monthly charge of \$20,833.33/month for the first year of operation with annual increases of 2.5%, provided there shall be**

**a three month abatement of the occupancy fee at the start of the agreement, for a total revenue to the System of \$1,251,581.93 over the five-year term.**

Mrs. Flaherty was joined by Marcia Peters, Deputy Executive Director, NYC Health + Hospitals / Bellevue to present the license agreement. Together they narrated a presentation providing background information on the proposed vendor, and licenses terms.

Dr. Wei asked if all arrangements for food at the facilities were license agreements structures like this one or were there any where the System received a share of revenue or profits.

Mrs. Flaherty said there was a combination of license agreements and concession agreements but there is an effort to transition to license agreements for all.

Dr. Wei asked if there was a ballpark estimate on profit for these sites.

Mrs. Flaherty said no but she did know that they were keeping pricing reasonable and any increases had to be approved by Bellevue.

Mrs. Hernandez-Piñero asked whether there was a subsidy included that provided for better pricing. Mrs. Flaherty said no subsidizing but H+H is providing a tremendous volume of utilization, which may be allowing the cost reasonable rates.

Mr. Peña-Mora asked how these sites complimented the other food offered at Bellevue. Ms. Peters said the alternate site provides sit down services, with ethnically diverse options, whereas the Panera sites are basic soup, salad, sandwich options in a grab-and-go style.

After discussion and upon motion duly made and seconded the resolution was approved for consideration by the Board of Directors.

Mrs. Flaherty read the resolution:

**Authorizing the New York City Health and Hospitals Corporation ("NYC Health + Hospitals") to execute a contract with Interstate Mechanical Services (the "Contractor") for an amount not to exceed \$17,686,300 for construction services necessary for the replacement of the cooling tower and the upgrade the chilled water system at NYC Health + Hospitals / Bellevue Hospital Center ("Bellevue") with a 7% project contingency of \$1,768,630.00, for unexpected changes in scope yielding a total authorized expenditure not to exceed \$19,454,930.**

Mrs. Flaherty was joined by Marcia Peters, Deputy Executive Director, NYC Health + Hospitals / Bellevue, and Oscar Gonzalez, Assistant Vice President, Office of Facilities Development, to present the agreement. Together they narrated a presentation providing overview of the solicitation and project details.

Ms. Wang asked if the contingency was budgeted as 10% construction cost. Mr. Gonzalez said yes, it is typically around 10%. This reflects the contingency against the full project budget so that brings the percentage down a bit.

Mrs. Hernandez-Piñero asked if the contractors select the MWBE firms and begin the project with them or do we provide them with MWBEs and do we monitor the performance of the MWBEs.

Mrs. Flaherty said these are hard money construction bids so the contractor selects the subcontracts and includes that with their bids. However, the System engages in outreach to MWBEs and that allows for awareness in upcoming bids. With regards to compliance, the Office of Facilities Development (OFD) works with Supply Chain to monitor participation throughout project execution.

Mr. Peña-Mora asked for an outline of how heating would be handled during the heating season(s) while this project was being completed.

Mrs. Flaherty said that urgent/emergency work was underway on the cooling tower to help the facility make it through the season and there was some capital work underway as well. The facility and OFD were working closely to ensure there are no problems.

Mr. Peña-Mora asked if the emergency contracts mentioned above would come before the Board. Mrs. Flaherty said no, they are smaller value awards, that do not require Board approval but all Operating Procedure criteria was being met.

Mr. Peña-Mora asked when, in 2023, the project was expected to be complete. Mr. Gonzalez said the project was anticipated for completion by Spring of 2023.

Mr. Peña-Mora asked for that to be added to the presentation.

After discussion and upon motion duly made and seconded the resolution was approved for consideration by the Board of Directors.

**MEMBER RECUSAL:** Mr. Peña-Mora recused himself at this point in the meeting and turned it over to Mr. Pagán.

Mrs. Flaherty read the resolution:

**Authorizing the New York City Health and Hospitals Corporation ("NYC Health + Hospitals") to execute a contract with Jemco Electrical Contractor (the "Contractor") for an amount not to exceed \$27,559,902 for construction services necessary for the decanting of NYC Health + Hospitals / Woodhull Hospital Center with an 8% project contingency of \$3,130,858 for unexpected changes in scope yielding a total authorized expenditure of \$30,690,760.**

Mrs. Flaherty was joined by George Calliste, Executive Director, NYC Health + Hospitals / Woodhull, and Oscar Gonzalez, Assistant Vice President, Office of Facilities Development, to present the agreement. Ms. Peters and Mr. Gonzalez narrated a presentation providing overview of the solicitation and project details.

Ms. Wang asked for clarification that the request was specifically for the Jemco contract and not the full project. Mr. Gonzalez said yes.

Ms. Wang asked if the other expenditures/contracts were already procured. Mr. Gonzalez said the Construction Manager (CM), designer, and Project Manager (PM) had been awarded but there were place holders for abatement and Furnitures Fixtures and Equipment (FFE).

Ms. Wang asked whether the amounts in the budget were final amounts or estimates. Mrs. Flaherty said that specific contracts had come before the Board but a few had gone to the Contract Review Committee (CRC), dependent on the amount of the contract.

Ms. Wang asked if the award of this contract would impact Jemco's ability to perform under their on-call construction contract. Mr. Gonzalez said that was not expected.

Mrs. Hernandez-Piñero asked for elaboration on the statement that the lowest bidder was not able to self-perform. Mr. Gonzalez explained that there is a requirement that every prime contractor must perform, with their own labor, 25% of the contract work and in this case the vendor was unable to do so.

Mrs. Hernandez-Piñero asked if there has been a disruption of patient service delivery to date or whether any were anticipated. Mr. Calliste said there had been no disruption to date and there was none anticipated. Work was being performed in vacant spaces, so work would be complete and then the unit moved in. Staging was very well coordinated so that disruptions would not occur.

After discussion and upon motion duly made and seconded the resolution was approved for consideration by the Board of Directors.

Mrs. Flaherty read the resolution:

**Authorizing the New York City Health and Hospitals Corporation (the "System") to increase the funding for seven Construction Management ("CM") consulting firms namely AECOM USA Inc, Armand Corporation, Gilbane Building Company, Jacobs Project Management Co., McKissack & McKissack, TDX Construction Corporation, The McCloud Group LLC (together, the "Vendors"), to provide professional construction management services on an as-needed basis by \$40 Million to bring the limit for all Vendors to a new amount not to exceed of \$50 Million.**

Mrs. Flaherty was joined by Oscar Gonzalez, Assistant Vice President, Office of Facilities Development, to present the agreement. Mr.



Gonzalez narrated a presentation providing overview of the solicitation and project details.

Ms. Wang asked if the influx of funding was the only driver behind the needed increase. Mrs. Flaherty said it was a combination of that and a modified approach to put dedicated resources on projects to ensure all deliverables were being met, utilizing professional project management firms to support execution of capital work.

Mrs. Flaherty noted that there were individual solicitations for CM services being performed for specific projects as well.

Mrs. Hernandez-Piñero said this could appear to be a sole source contract and asked if time was the largest driver. Mrs. Flaherty said yes. She noted that the System would be continuing to perform individual solicitations as needed, and would likely perform an RFP for a new pool prior to the full term of the existing pool but it was a lengthy process and therefore this increase was being requested with an amount that allowed for some breathing room.

After discussion and upon motion duly made and seconded the resolution was approved for consideration by the Board of Directors.

There being no further business, the Committee Meeting was adjourned at 11:10 a.m.

# **LICENSE AGREEMENT**

**T-MOBILE NORTHEAST, LLC**

**FORMER NEPONSIT HEALTH CARE CENTER**

## **RESOLUTION**

Authorizing the New York City Health and Hospitals Corporation (the "System") to execute a five year revocable license agreement with T-Mobile Northeast LLC (the "Licensee") to operate a mobile cellular communications system on an approximately 1,600 square foot parcel of land located on the campus of the former Neponsit Health Care Center (the "Facility"), located at 67 Rockaway Beach Boulevard, Queens, at an occupancy fee of \$50,000 to be escalated by 3% per year for a five year total of \$265,457.

**WHEREAS**, in 2019 and 2021 the Board of Directors authorized the System to enter into a three month license agreement with the Licensee; and

**WHEREAS**, during each year of the five year license agreement term, the Licensee will operate its cellular communications system for an approximately four month period, beginning approximately two weeks prior to Memorial Day and ending when the Licensee removes its equipment, approximately two weeks after Labor Day; and

**WHEREAS**, the Licensee will operate a cellular communications system mounted on a wheeled platform designed to provide enhanced cellular communications; and

**WHEREAS**, the Licensee's cellular communications system complies with applicable federal statutes governing the emission of radio frequency signals, and therefore poses no health risk.

**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 T-Mobile Northeast LLC (the "Licensee") to operate a mobile cellular communications system on an approximately 1,600 square foot parcel of land located on the campus of the former Neponsit Health Care Center (the "Facility") located at 67 Rockaway Beach Boulevard, Queens, at an occupancy fee of \$50,000 to be escalated by 3% per year for a five year total of \$265,347.

## **EXECUTIVE SUMMARY**

### **LICENSE AGREEMENT T-MOBILE NORTHEAST LLC**

#### **THE FORMER NEPONSIT HEALTH CARE CENTER**

The NYC Health and Hospitals Corporation (the "System") seeks Board of Director's authorization to execute a five year revocable license agreement with T-Mobile Northeast LLC ("T-Mobile") to operate a mobile cellular communications system on the campus of the former Neponsit Health Care Center ("Neponsit"). During each year the five year license term, T-Mobile will operate its system for an approximately four month period commencing approximately two weeks prior to Memorial Day and ending when T-Mobile removes its equipment, approximately two weeks after Labor Day.

T-Mobile will operate a cellular communications system mounted on a wheeled platform designed to provide enhanced cellular communications. T-Mobile's equipment will be located on an approximately 1,600 square foot parcel of land located on the former Neponsit campus at 67 Rockaway Beach Boulevard, Queens. The equipment will be removed shortly after Labor Day. T-Mobile will pay an occupancy fee of \$50,000 to be escalated by 3% per year for a five year total of \$265,457. T-Mobile's cellular communications system complies with applicable federal statutes governing the emission of radio frequency signals, and therefore poses no health risk.

T-Mobile will indemnify and hold harmless the NYC Health and Hospitals Corporation and the City of New York from any and all claims arising out of its use of the licensed space, and shall provide appropriate insurance naming the NYC Health and Hospitals Corporation and the City of New York as additional insureds.

The term of this agreement shall not exceed five years without further authorization by the Board of Directors and shall be revocable by either party upon thirty days written notice.

# The Former Neponsit Health Care Center License Agreement – T-Mobile Northeast LLC

Capital Committee Meeting

April 11 , 2022

Christine Flaherty, Senior Vice President, OFD



# Background

- The vacant former Neponsit Health Care Center is located at 67 Far Rockaway Blvd., Queens, NY
- In 2019 and 2021 the Board of Directors authorized a three month license agreement with T-Mobile for the installation and operation of a mobile cellular communications system designed to enhance cellular communications.
- Under the proposed agreement the same type of equipment will be installed and operated at the site.
- The location of the T-Mobile equipment in 2022 will not impact future anticipated work at the site.



# Terms

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- T-Mobile's equipment will be installed for a 4-month period beginning about 2 weeks prior to Memorial Day and ending about 2 weeks after Labor Day.
- T-Mobile will occupy a 1,600 square foot parcel of land and will pay an occupancy fee of \$50,000.
- The fee will be annually escalated by 3% for a 5-year total of \$265,457.
- There are no comparable market rents for this type of short-term, ground sited, mobile antenna system. Most cell licenses are for multiple years on rooftops where space is tight. The size of the area licensed for the instant use is not a focus of concern because there are no other proximate activities as is the case with a roof top installation and so a per square foot rate comparison would not be useful.
- The term of this agreement be five years and shall be revocable by either party upon 30 days' written notice.



# Capital Committee Request

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Authorizing the New York City Health and Hospitals Corporation (the “System”) to execute a four-month revocable license agreement with T-Mobile Northeast LLC to operate a mobile cellular communications system on an approximately 1,600 square foot parcel of land on the campus of the former Neponsit Health Care Center (the “Facility”) located at 67 Rockaway Beach Boulevard, Queens, N.Y. at an occupancy fee of \$50,000 escalated by 3% annually for a five year total of \$265,457.





# **CONTRACT APPROVAL**

**TITAN INDUSTRIAL SERVICES, CORP.**

**DEMOLITION OF THE NEPONSIT HOSPITAL TO  
ALLOW FOR RESTORATION OF SITE AND  
CONSTRUCTION OF A NEW LIFEGAURD  
FACILITY**

## RESOLUTION

Authorizing the New York City Health and Hospitals Corporation (the “**System**”) to execute a contract with Titan Industrial Services, Corp. (“**Titan**”) to raze the former Neponsit Hospital, restore the site to a grass field and erect a lifeguard facility for use by the Department of Parks at NYC Health + Hospitals / Neponsit Hospital Center with a 20% project contingency of \$3,816,000, for unexpected scope changes due to unknown site and concealed building conditions, yielding a total authorized expenditure not to exceed \$22,896,000.

**WHEREAS**, within the System’s real estate portfolio is the former Neponsit Hospital which sites on approximately 4.5 acres of beachfront property adjacent to Jacob Riis Park in the Rockaway area of Queens which has been unused, vacant and deteriorating since its closure in 1998; and

**WHEREAS**, the property is subject to a state legislative restriction enacted in 1906 at the time the property was acquired for use by the City of New York (the “**City**”) which limits the possible uses of the property to parkland or a hospital; and

**WHEREAS**, for the last several years, the System has licensed a small portion of the property to the City’s Parks Department for a trailer to house a lifeguard station; and

**WHEREAS**, it is better not to keep the property in its as-is state, because doing so costs the System approximately \$250,000 annually for security and minimal maintenance, the old hospital buildings are in such a state of deterioration that they pose a risk to anybody that enters them or comes close to them and the buildings are an unsightly blight on an otherwise beautiful piece of property; and

**WHEREAS**, the System solicited bids as part of a competitive, public bidding process and Titan proposed the lowest responsive and responsible bid; and

**WHEREAS**, under the proposed agreement, Titan will demolish the existing structures, including all foundations and footings, bring in 6 inches of topsoil, fill in all voids left from the removal of the foundations, grade the property and seed the resulting lawn and construct a new lifeguard facility; and

**WHEREAS**, the entire project will involve fees for design and construction management such that the total amount budgeted for the project, including the amounts for which authorization is sought by the subject resolution, will be \$25,054,714; and

**WHEREAS**, the project described in this Resolution is not expected to conflict with the proposed license to T-Mobile Northeast LLC for a mobile cell site because the cellular equipment will be located closer to the beach and away from the demolition; and

**WHEREAS**, the System’s Senior Vice President for Facility Development will be responsible for the management of the proposed agreement.

### **NOW THEREFORE, be it**

**RESOLVED**, that the New York City Health and Hospitals Corporation (the “**System**”) be and hereby is authorized to execute a contract with Titan Industrial Services, Corp. (“**Titan**”) to raze the former Neponsit Hospital, restore the site to a grass field and erect a lifeguard facility for use by the Department of Parks at NYC Health + Hospitals / Neponsit Hospital Center with a 20% project contingency of \$3,816,000, for unexpected scope changes due to unknown site and concealed building conditions, yielding a total authorized expenditure not to exceed \$22,896,000.

**EXECUTIVE SUMMARY**  
**DEMOLITION CONTRACT WITH TITAN INDUSTRIAL SERVICES, CORP.**  
**FOR DEMOLITION OF THE FORMER NEPONSIT HOSPITAL,**  
**RESTORATION OF THE PROPERTY AND CONSTRUCTION**  
**OF A LIFEGUARD FACILITY**

**OVERVIEW:** In 1906 the Legislature authorized the City to acquire the Neponsit property but stipulated that it could be used only for parkland or a hospital. A hospital was erected for the treatment of children with TB. The hospital was closed in 1955 and was then used as a nursing home until the facility was closed in 1998 when its conditions were deemed to be unsafe. Since then, the property has sat idle and has continued to deteriorate. The City has provided the necessary capital funding to take down the old buildings, restore the property to parkland and to construct a new lifeguard facility.

**PROCUREMENT** Public bids were solicited and Titan submitted the lowest responsive and responsible bid.

**PROJECT:** Under the proposed agreement, Titan will demolish the existing structures, including all foundations and footings, bring in 6 inches of topsoil, fill in all voids left from the removal of the foundations, grade the property, seed the resulting lawn and construct a new lifeguard facility.

<b>COSTS:</b>	Construction	\$19,080,000.00*
	Design	\$1,395,495.00
	Construction Manager	\$763,318.00
	Project Contingency	\$3,816,000.00*
	<b>Total</b>	<b><u>\$25,054,714.00</u></b>

*\*Note that the amount of the Construction Contract plus the Project Contingency together total the amount requested to be approved in the resolution presented. The other two items are shown not for approval but to indicate for information purposes, the full cost of the project*

**SCHEDULE:** The project is estimated to be finished within a year.

**MWBE:** 30% MWBE plan

# **Contract for Demolition of the Neponsit Hospital to Allow for Restoration of Site and Construction of a New Lifeguard Facility**

**Capital Committee**

**April 11, 2022**

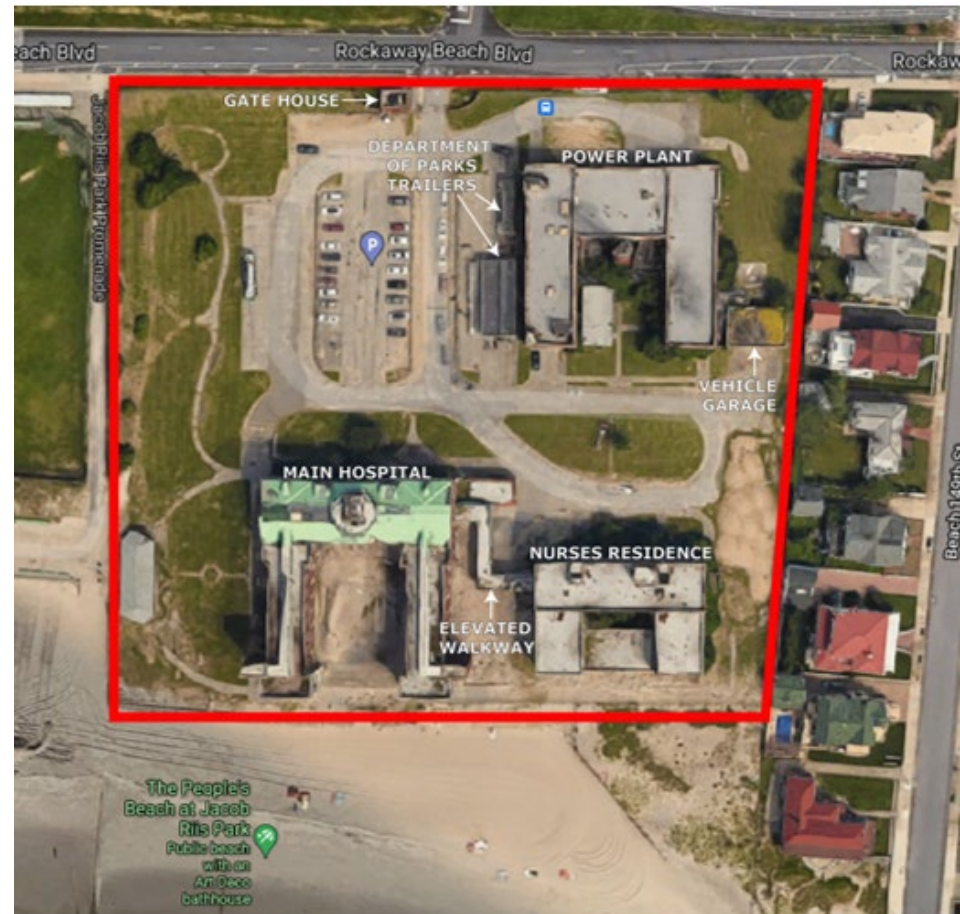
**Christine Flaherty, Senior Vice President, Office of Facilities Development**



# Background

- The vacant former Neponsit Health Care Center is located at 67 Far Rockaway Blvd., Queens, NY
- Approved by the Board of Directors in June 2015, the NYC Parks Department and H+H entered into a license agreement for the Parks Department to utilize a portion of the site to house lifeguard operations supporting the beach season
- Aside from this discrete NYC Parks use, the site remains vacant, with annual operating costs of to maintain security and grounds maintenance.
- The condition of the site was flagged to H+H in 2020 . Planning for design of the demolition and site improvement commenced in 2021.

## Existing Conditions



# Project Background

## ■ Exterior – Existing Conditions

- Extensive damage to the building envelope
- Loose masonry and terracotta
- Large areas of roofing lost
- Broken and missing windows
- Significant cracks and displacement at parapets

## ■ Interiors – Existing Conditions

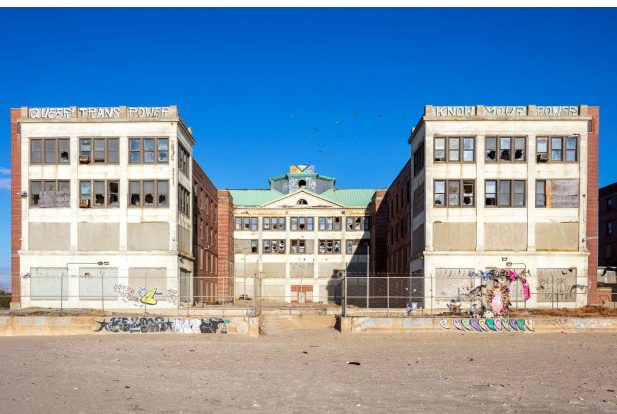
- Elevator shafts are missing doors
- Collapsed ceilings and inadequate lighting
- Delaminated hazardous material debris scattered throughout
- Avian and/or animal waste throughout
- Below grade sections flooded

**All Buildings are in an Unsafe Condition**

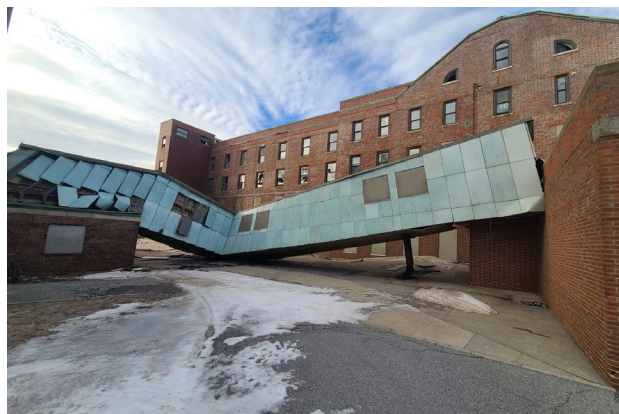




# Existing Conditions



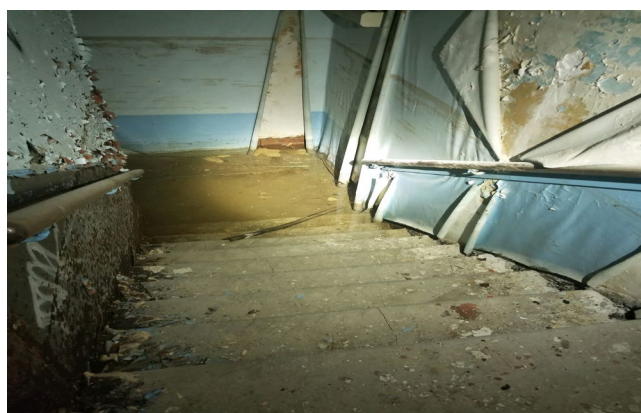
View of Main Hospital from Beach



View of collapsed overhead walkway bridge



View of Power Plant



# Scope of Work

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- Neponsit Project – Demolition will include the removals of all building structures, including various roof types, asbestos materials, exterior walls, building foundation walls and floor slabs above and below grade. Additional, removal of roadways, pathways, curbs, tunnels, manholes, utilities lines above and below grade to the point of connection at third party utilities.
  - Demolish All Buildings to Bottom of Cellar/Basement Foundations
  - Remove All Internal Roadways, Pathways, Curbs and Utilities Tunnels
  - Remove Hazardous Material from within all Buildings and Utility Tunnels

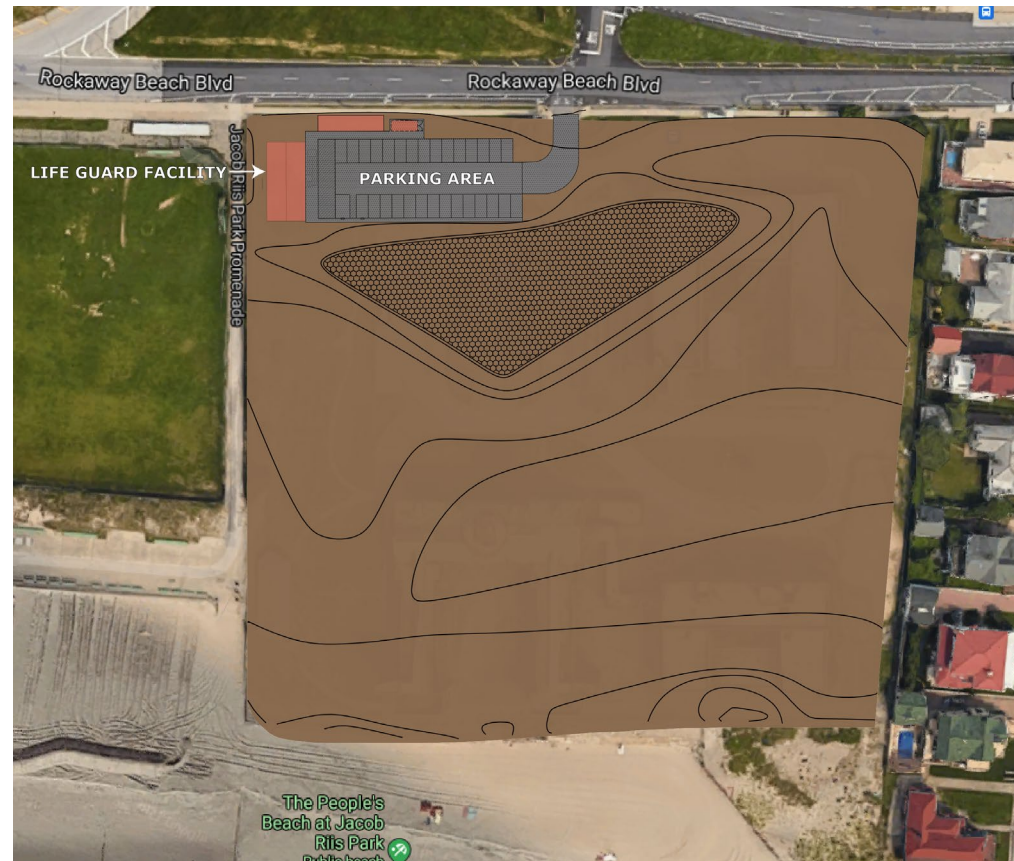




# Completed Project Site

- Construction of new lifeguard facility with required parking for NYC Parks and associated utilities infrastructure.
- Re-grading of site contours for new green infrastructure to comply with NYC DEP, NYS DEC Stormwater Pollution Prevention Plan (SWPPP) and water retention requirements
- The site will be left in a natural state with new 6 inches of topsoil and reseeded of new lawn throughout the site
- Project has complied with SEQRA and SHPO regulatory requirements

## Completed Site



# Project Budget

## Neponsit Project

Construction	\$19,080,000
Design	\$1,395,495
Construction Manager	\$763,218
Project Contingency (20%)*	\$3,816,000
<b>Total</b>	<b>\$25,054,714</b>

\* project contingency for unexpected scope changes due to unknown site and concealed building conditions

# Construction Contract

- Sourced via public bid
- Titan Industrial Services Corp. was the lowest of seven bidders
- MWBE subcontractor utilization plan presented 30%

Subcontractor	Certification	Supplies/Services	Utilization Plan %
ASAR International	WBE	Abatement Services	25%
Energy Fencing	MBE	Fencing	1%
Tri-State Solutions	MBE	De-Watering	4%

- Contract amount is \$19,080,000.
- MWBE amount is \$5,724,000.
- MOCs evaluation was not available so we contacted 4 references all of which said they would hire Titan again.
- Projected completion in 2023



## Capital Committee Request

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Authorizing the New York City Health and Hospitals Corporation (the “System”) to execute a contract with Titan Industrial Services, Corp. (“Titan”) to raze the former Neponsit Hospital, restore the site to a grass field and erect a lifeguard facility for use by the Department of Parks at NYC Health + Hospitals / Neponsit Hospital Center with a 20% project contingency of \$3,816,000, for unexpected scope changes due to unknown site and concealed building conditions, yielding a total authorized expenditure not to exceed \$22,896,000.



To: Colicia Hercules  
Chief of Staff, Office of the Chair

From: Keith Tallbe  
Senior Counsel Tallbe, Keith  
Office of Legal Affairs

Re: Vendor responsibility, EEO and MWBE status

Vendor: Titan Industrial Services Corp.

Date: April 5, 2022

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Digitally signed by  
Tallbe, Keith  
Date: 2022.04.05  
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The below chart indicates the vendor's status as to vendor responsibility, EEO and MWBE:

**Vendor Responsibility**  
Approved

**EEO**  
Approved

**MWBE Utilization Plan**  
30%

The above status is consistent and appropriate with the applicable laws, regulations, and operating procedures to allow the Board of Directors to approve this contract.

**CONTRACT APPROVAL**

**CBRE GROUP, INC.**

**IMMEDIATE PROCUREMENT AND FACILITY  
MANAGEMENT AND PROFESSIONAL  
SERVICES**

## RESOLUTION

Authorizing the New York City Health and Hospitals Corporation (the “**System**”) to execute a three-year agreement with CBRE Group, Inc. (“**CBRE**”) for various facility management support services with the System holding two 1-year options to renew for an amount, over the potential five-year term, not to exceed \$100,000,000.

**WHEREAS**, the System contracted with Johnson Controls, Inc. (“**JCI**”) on March 16, 2012 for JCI to take responsibility for the management of the physical plant of all of the System’s facilities over a nine-year term including all repairs, maintenance staffing of on-site management positions and the procurement of all supplies and materials required (the “**JCI Contract**”); and

**WHEREAS**, in early 2015 JCI purported to assign the JCI Contract to CBRE; and

**WHEREAS**, the System protested the purported assignment and to resolve the dispute, the System, JCI and CBRE agreed that the assignment would be permitted but that the System and CBRE would enter into a much smaller and limited contract to replace the JCI Contract; and

**WHEREAS**, the successor contract with CBRE was made on July 1, 2016 pursuant to which CBRE furnished to the System the services of six Directors of Engineering assigned to six of the System’s hospitals and dedicated a small group of staff to purchase for the System a narrow class of urgently needed maintenance and repair supplies and services (the “**CBRE Agreement**”); and

**WHEREAS**, the System has reduced its reliance on CBRE for the six Directors of Engineering; and

**WHEREAS**, the System has performed a careful analysis of the relative costs and benefits of bringing all the CBRE services in-house rather than executing a new agreement with a contractor for such services; and

**WHEREAS**, with the approval of the Contract Review Committee, the System conducted an open competitive RFP process, considered multiple proposals and determined that CBRE’s was the proposal most in the System’s interest;

**WHEREAS**, the management of the proposed new agreement will be under the direction of the Sr. Vice President – Office of Facilities Development.

**NOW THEREFORE, be it**

**RESOLVED**, the New York City Health and Hospitals Corporation is hereby authorized to execute a three-year agreement with CBRE Group, Inc. (“**CBRE**”) for various facility management support services with the System holding two 1-year options to renew for an amount, over the potential five-year term, not to exceed \$100,000,000.

**EXECUTIVE SUMMARY**  
**CRITICAL FACILITY MANAGEMENT PURCHASING SERVICES AGREEMENT**  
**CBRE GROUP, INC.**

**OVERVIEW:** The System seeks approval for new a three-year agreement with CBRE to provide facility management support services with the System holding two 1-year renewal options, for a potential total of five years. The CBRE Agreement is a vestige of a much larger predecessor agreement with JCI. To resolve a dispute, the System agreed to allow CBRE to take over the JCI Contract but at a fraction of the original size. Under the CBRE Agreement, CBRE furnished to H+H the services of 6 Directors of Engineering, all of whom were employees of the System prior to the implementation of the JCI Contract in 2012, and CBRE also handles urgent purchases of goods and services needed in the maintenance and repair of the System's facilities.

**NEED:** Over the last six years, CBRE has performed immediate procurement and on-call staffing services for the System. The System has performed a careful analysis of the relative costs and benefits of bringing all the CBRE services in-house rather than renewing the contract and determined that it was cost effective to continue to outsource such services. Currently, through attrition, the System has eliminated all full time CBRE-supplied Directors of Engineering. Second, CBRE is able to source goods and services needed urgently by the System because they tap into CBRE's extensive relationships and contracts and they are able to pay suppliers very quickly. For the System to take over this purchasing function, it will need to add staff to Supply Chain and develop a rapid pay capacity to motivate vendors and suppliers to act immediately.

**PROCUREMENT:** With the approval of the Contract Review Committee, the System conducted an open competitive RFP process, considered multiple proposals and determined that CBRE's was the proposal most in the System's interest.

**TERMS:** The System reimburses CBRE for its personnel costs for its employees dedicated to the System without markup and for its purchases of goods and services required by the System with a markup of 7% on goods and a markup of 7-15%\* for on-call services. Of the projected \$100,000,000 contract funding limit, approximately \$94.5M is expected to be reimbursement for CBRE's costs for the goods and services the System obtains through CBRE, including its agreed markup and \$5,500,000 is expected to be reimbursement for CBRE's personnel costs.

**MWBE:** CBRE has committed to a 37.2% MWBE subcontracting plan.

\*CBRE has proposed a 15% management fee on their on-call services and H+H is currently negotiating the reduce that fee to 7%-10%. We anticipate having this finalized prior to the April meeting of the Capital Committee.



# Immediate Procurement and Facility Management Professional Services

Capital Committee  
April 11, 2022

Christine Flaherty, Senior Vice President, Office of Facilities Development  
Manuel Saez PhD., Assistant Vice President, Office of Facilities  
Development



## Background

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- In 2012 NYC Health + Hospitals entered into a nine-year agreement with JCI to manage the system's plant maintenance operations at a total cost of \$498,255,144
  - Approximately 50 JCI staff supported the work of the Office of Facilities Development, consisting of management, finance and critical procurement
- CBRE purchased JCI's facilities management business
- NYC Health + Hospitals negotiated with CBRE a significantly reduced scope of the assigned contract and brought most of the services in house
  - Reduced CBRE staff to ten
  - Returned management of trade staff to NYC Health + Hospitals
  - CBRE only responsible for urgent purchasing



## Background Continued

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- The original contract expired on March 15, 2021
- H+H subsequently entered into a three month extension to allow time for CBRE to establish a MWBE plan for a proposed best interest renewal
- H+H subsequently entered into a one year best interest extension, with a MWBE subcontracting plan of 30% that was approved by the CRC. The Board approved the contract on May 10<sup>th</sup>, 2021
- Current agreement is set to expire June 30, 2022
- The current annual NTE of \$17.75M is for urgent supplies, repairs and facility support
  - \$16M for goods and urgent repairs
  - \$1.75M for staffing consisting of facility management operations, finance and procurement staff
- CBRE follows OP 100-5 in all procurements executed on behalf of H+H



# Background Continued

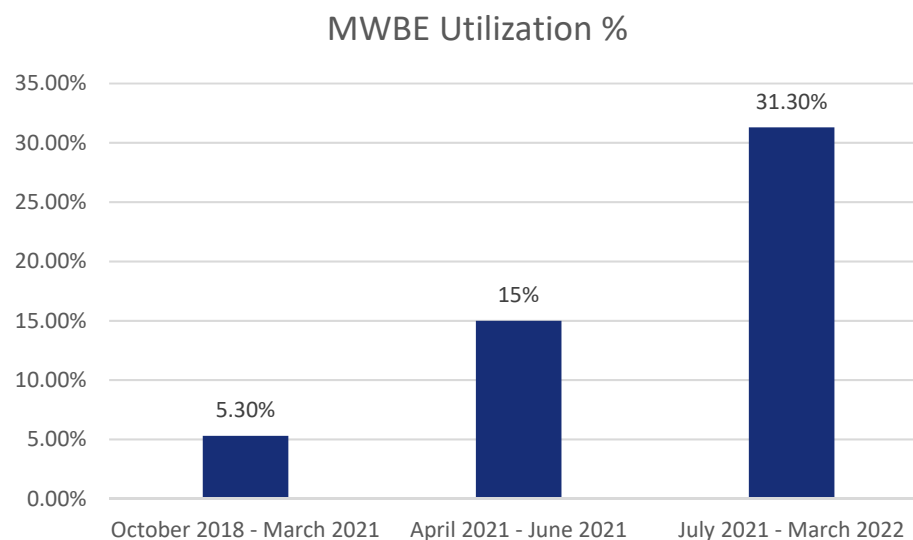
## Current Spend FY22 YTD

- Labor - \$759,510 (includes 7% mark-up)
- Supplies & Services (OTPSE) - \$11,792,065 (includes 7% mark-up)

## Purchase Order (PO) Information

FISCAL YEAR	# of POs Issued	Average PO Value
FY17	3498	\$4,319.45
FY18	2980	\$5,107.07
FY19	2508	\$5,203.64
FY 20	2714	\$5,077.00
FY 21	2544	\$5,535.97

## MWBE Utilization



# RFP Criteria

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- Minimum criteria:
  - 5 years in business
  - Minimum 5 years experience in urgent purchasing for facility specific commodities and services, complex infrastructure troubleshooting, and regulatory compliance support
  - MWBE Plan, waiver, or certification
- Substantive Criteria
  - 25% Proposed Approach and Methodology
  - 25% Appropriateness and Quality of firm's experience
  - 25% Qualifications of proposed staff
  - 15% MWBE
  - 10% Cost
- Evaluation Committee:
  - Two OFD Representatives
  - AED Kings County
  - AED Metropolitan
  - AED Gouverneur
  - DOE Lincoln
  - DOE Jacobi
  - DOE Bellevue
  - Supply Chain Representative
  - Finance Representative
  - EITS Representative



# Scope of Services for RFP

- Urgent Purchasing & Timely Payment of Physical Plant Goods & Services
  - Entirely electronic standardized procurement system
    - Electronic vendor invoicing
    - Electronic facility receiving of goods and services
    - Electronic facility review and approval of vendor invoice
    - Real time reporting
  - 24-hour turn around of PO's to support urgent facility based requests for physical plant needs
  - Repairs of systems & infrastructure
  - Parts and supplies to repair and replace systems & infrastructure
  - Regulatory Urgent assessments of unanticipated concerns
  - Joint Commission related urgent supplies/repairs required during regulatory review of Environment of Care
  - Comply with OP 100-5 in all procurements executed on behalf of H+H
- On-call Technical Staff Expertise
  - Expert on call support for Physical Plant
  - Expert Troubleshooting of complex infrastructure issues
  - Support Joint Commission & regulatory compliance, as required
- Payment Terms
  - Net 60 days
- Future Contract
  - \$94.5 M of new contract will be towards urgent goods and services
  - \$5.5M towards staffing



# Overview of Procurement

- 02/08/22: RFP posted on City Record, sent directly to 9 vendors
- 02/15/22: Pre-proposal conference held, 7 vendors attended
- 03/01/22: Proposal deadline, 2 proposals received. One proposal rejected as it did not meet the scope of work requirements.

M/WBE Status	# Invited	# Responded	# Meeting Goal	# Requesting Waiver
M/WBE	3	1	N/A	N/A
Non-M/WBE	6	1	1	0

- 03/15/22: CBRE presented proposal solution to evaluation committee and was scored
- 03/16/22: CBRE was selected with a score of 9.3 out of 10.0



## Non-Participating Vendor Feedback

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Vendor due diligence was conducted on the major non-responding market competitors which yielded the following responses:

- Unable to meet M/WBE target of 35%
- Inability to employ facility experts for on call staffing
- Providing on-demand facility expertise in compliance, MEP, and healthcare is not consistent with their delivery model
- Did not agree to NYC Health + Hospitals terms and conditions
- Did not possess a procurement software tool which met the needs as outlined in the RFP
- Unable to accommodate the short term nature of the sourcing requests.
- Capability to provide staff augmentation within the required timetable is limited





# Vendor Performance Evaluation

Department of Supply Chain Vendor Performance Evaluation CBRE Evaluations collected from all Acute Care sites, Long Term Care sites, and Gotham	
DESCRIPTION	ANSWER
Did the vendor meet its budgetary goals, exercising reasonable efforts to contain costs, including change order pricing?	Yes
Has the vendor met any/all of the minority, women and emerging business enterprise participation goals and/or Local Business enterprise requirements, to the extent applicable?	Yes
Did the vendor and any/all subcontractors comply with applicable Prevailing Wage requirements?	Yes
Did the vendor maintain adequate records and logs, and did it submit accurate, complete and timely payment requisitions, fiscal reports and invoices, change order proposals, timesheets and other required daily and periodic record submissions (as applicable)?	Yes
Did the vendor submit its proposed subcontractors for approval in advance of all work by such subcontractors?	N/A
Did the vendor pay its suppliers and subcontractors, if any, promptly?	Yes
Did the vendor and its subcontractors perform the contract with the requisite technical skill and expertise?	Yes
Did the vendor adequately supervise the contract and its personnel, and did its supervisors demonstrate the requisite technical skill and expertise to advance the work	Yes
Did the vendor adequately staff the contract?	Yes
Did the vendor fully comply with all applicable safety standards and maintain the site in an appropriate and safe condition?	N/A
Did the vendor fully cooperate with the agency, e.g., by participating in necessary meetings, responding to agency orders and assisting the agency in addressing complaints from the community during the construction as applicable?	Yes
Did the vendor adequately identify and promptly notify the agency of any issues or conditions that could affect the quality of work or result in delays, and did it adequately and promptly assist the agency in resolving problems?	Yes
<b>Performance and Overall Quality Rating Satisfactory</b>	<b>Excellent</b>



# CBRE's MWBE Utilization Plan

- RFP M/WBE Goal: 35%
- CBRE's M/WBE Goal: 37.20%

Subcontractor Name	Certifying Agency	Certified as	Ethnicity	M/WBE Utilization	Subcontractor's SOW
DVM Industries LLC	NYC	MWBE	Hispanic	7.60%	HVAC Services, Chillers, Cooling Towers, & Plant Services
Proedge FM LLC	NYC	MWBE	Asian-Indian	5.50%	Fire/Smoke Door & Exit Signs, Damper & Fire Stopping
Mico Cooling Corp	NYC	WBE	Non-Minority	4.50%	Heating, Air Conditioning, and Refrigeration
Metal Solutions Inc	NYS	WBE	Non-Minority	3.50%	Infection Prevention & Control Equipment
Ashnu International	NYC & NYS	MBE	Asian-Indian	3.00%	General Contractor – All Union Workers
Woodall Mechanical	NYC	WBE	Non-Minority	2.60%	Mechanical Contractor
Pina Solutions	NYS	WBE	Non-Minority	1.10%	MRO items
Turtle & Hughes Inc.	NYC & NYS	WBE	Non-Minority	1.00%	Electrical & Industrial Distributor
Rosewood Fire Equipment	NYC & NYS	WBE	Non-Minority	0.66%	Fire Safety & Prevention
NRM Systems	NYC	MWBE	Asian-Indian	0.61%	Fire Services, Repairs & Installations
Lee Risk Management	NYS	MWBE	Asian	0.51%	Boiler Insurance
A Alport & Son Inc.	NYC & NYS	WBE	Non-Minority	0.51%	Plumbing Supplies
Automated Building Management	NYC	MBE	Asian-Indian	0.51%	BMS - Alerton Controllers Only
GRR Cooling Experts Inc.	NYC	WBE	Non-Minority	0.51%	HVAC Systems
Jersey Infrared Consultants	NYC	WBE	Non-Minority	0.51%	Infrared Inspections
American Commercial Equipment Repair	NYC	MBE	Hispanic	0.51%	HVAC Equipment Service Repair & Maintenance
Active Fire Control	NYC	WBE	Non-Minority	0.51%	Fire Protection Services
Power Cooling Inc.	NYC	WBE	Non-Minority	0.51%	Heating, Cooling & Ventilation Specialists
Star Fire Protection	NYC & NYS	MBE	Asian-Pacific	0.51%	Central Station Monitoring
Zaman Construction	NYC & NYS	MBE	Asian-Pacific	0.51%	Central Station Monitoring
C.R.P Plumbing & Heating Inc.	NYC & NYS	MBE	Asian-Indian	0.51%	General Contractor
Coastal Floor Solutions	NYC & NYS	MBE	Black	0.51%	Plumbing
NJX Enterprise Corp.	NYC & NYS	WBE	Non-Minority	0.51%	Flooring, counter tops, specialty building materials
Royal Electrical Contracting Corp.	NYC	MBE	Asian-Indian	0.50%	Electrical Installation. Repairs for Heating, Power & Lighting



## Capital Committee Request

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Authorizing the New York City Health and Hospitals Corporation (the “**System**”) to execute a three-year agreement with CBRE Group, Inc. (“**CBRE**”) for various facility management support services with the System holding two 1-year options to renew for an amount, over the potential five-year term, not to exceed \$100,000,000.



To: Colicia Hercules  
Chief of Staff, Office of the Chair

From: Keith Tallbe  
Senior Counsel  
Office of Legal Affairs

Re: Vendor responsibility, EEO and MWBE status

Vendor: CBRE Group, Inc.

Date: April 5, 2022

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Digitally signed by  
Tallbe, Keith  
Date: 2022.04.05  
14:16:34 -04'00'

The below chart indicates the vendor's status as to vendor responsibility, EEO and MWBE:

**Vendor Responsibility**  
Approved

**EEO**  
Approved

**MWBE Utilization Plan**  
37.2%

The above status is consistent and appropriate with the applicable laws, regulations, and operating procedures to allow the Board of Directors to approve this contract.