

ERIE COUNTY MEDICAL CENTER CORPORATION
NOVEMBER 26, 2019 MINUTES OF THE
BOARD OF DIRECTORS REGULAR MEETING
DR. JOSEPH A. ZIZZI, SR. CONFERENCE CENTER

Present: Bishop Michael Badger (via phone), Ronald Bennett, Scott Bylewski, Ronald Chapin, Anthony J. Colucci, III (via phone), Jonathan Dandes, Darby Fishkin (via phone), Kathleen Grimm, MD, Sharon Hanson (via phone), Christopher O'Brien (via phone), William Pauly, Jennifer Persico, Jack Quinn, Thomas J. Quatroche, Eugino Russi, Michael Seaman

Excused: Michael Hoffert, James Lawicki

Also Present: Donna Brown, Peter Cutler, Richard Embden, Stephen Gary, Joseph Giglia, Al Hammonds, Donna Jones, Charlene Ludlow, Keith Lukasik, Brian Murray, MD, James Turner, Karen Ziemianski

I. Call to Order:

The meeting was called to order at 4:32 p.m.

II. Minutes

Upon a motion made by Jennifer Persico and seconded by Sharon Hanson, the minutes of the October 15, 2019 regular meeting of the Board of Directors were unanimously approved.

III. Board Presentations

ECMC Diversity and Inclusion
Cindy Bass, Director of Diversity and Inclusion

Mrs. Bass reported that ECMC is committed to building an inclusive culture for patients, employees, vendors and the community. Mrs. Bass presented the results from an organizational cultural assessment, described objectives of the program and the function of the Diversity and Inclusion Council.

IV. Action Items

Resolution Approving Execution of M&T Bank Lease Agreement
Moved by Michael Seaman and seconded by Jennifer Persico.
Motion approved unanimously

Resolution Approving Execution of Medtronic Capital Equipment Lease and Purchase

Moved by Michael Seaman and seconded by Jennifer Persico.

Motion approved unanimously

Resolution Approving Expenditures on the Main Lobby and Building Envelope

Moved by Michael Seaman and seconded by Ronald Chapin.

Motion approved unanimously

Resolution Approving Asbestos Abatement Work

Moved by Michael Seaman and seconded by Ronald Chapin.

Motion approved unanimously

Resolution Authorizing MWBE and Small Business Discretionary Purchases

Moved by Kathleen Grimm, MD, and seconded by Jennifer Persico.

Motion approved unanimously

Resolution Designating the Naming of Certain Spaces and Structures

Moved by Jack Quinn and seconded by Jennifer Persico.

Motion approved unanimously

Resolution Receiving and Filing Medical-Dental Staff Meeting Minutes

Moved by Kathleen Grimm, MD, and seconded by Jennifer Persico.

Motion approved unanimously

V. Reports from the Corporation's Leadership Team

Chief Executive Officer and President

Quality

Thomas Quatroche reported that the hospital received a B from the Leapfrog Safety Grade and that the Joint Commission has granted full reaccreditation to the institution. ECMC was chosen by AARP as a national example of a safety net hospital's role in the CARE Act. ECMC's application for Pathway to Excellence Accreditation has been accepted and graded at 100%.

Patient Experience

Veteran's Day was celebrated by recognizing both staff and patients who have served or are serving in the armed forces. The Patient Advocate group continued a weekly series focused on patient experience. Patient experience scores continue to meet benchmarks.

Culture

Dr. Quatroche reported on events within the institution hosted by the foundation and participation in community events and programs. A faith leaders breakfast was held

focusing on services for mental health. The hospital hosted a hat/glove, toy and food drive for School 84.

Operations

Dr. Quatroche reported that Northern Erie Clinic has moved to Sheridan Drive and UB Internal Medicine (Primary Care) is relocating to ECMC. The Capital Campaign has raised \$14.8 Million to date. The number of observation cases is 63% higher and both, case mix index and number of surgeries, is up from last year.

Chief Financial Officer

A summary of the financial results through September 30, 2019 was briefly reviewed and the full set of these materials are received and filed.

Dr. Quatroche recognized Steve Gary for his years of service to ECMC.

V. Reports from Standing Committees

- a. **Executive Officers Committee:** Mr. Dandes announced the dedication of the 10th floor to Rocco Venuto, MD. Mr. Dandes requested that the Board be 100% vested by participating in the Annual Fund.
- b. **Finance Committee:** Michael Seaman thanked Steve Gary for his service.
- c. **Buildings and Grounds Committee:** Ronald Bennett reported on the ongoing construction projects.
- d. **HR Committee:** No additional information was reported.
- e. **Quality Improvement and Patient Safety Committee:** No additional information was reported.

All reports except that of the Performance Improvement Committee meeting are received and filed.

VI. Recess to Executive Session – Matters Made Confidential by Law

Moved by Jennifer Persico and seconded by Michael Seaman to enter into Executive Session at 5:37 p.m. to consider matters made confidential by law, including certain personnel matter, litigation matters, strategic investments, and business plans.

Motion approved unanimously.

VII. Reconvene in Open Session

Moved by Jennifer Persico and seconded by Kathleen Grimm, MD, to reconvene in Open Session at 6:00 p.m. No action was taken by the Board of Directors in Executive Session.

Motion approved unanimously.

VIII. Adjournment

Moved by Jennifer Persico and seconded by Jack Quinn to adjourn the Board of Directors meeting at 6:01 p.m.

A handwritten signature in dark ink, reading "Michael A. Badger", is written over a horizontal line. The signature is cursive and fluid.

Michael A. Badger
Corporation Secretary

Resolution Approving Execution of M&T Bank Lease Agreement

Approved November 26, 2019

WHEREAS, Erie County Medical Center Corporation (the "Corporation") has determined the Corporation has need to acquire the use of certain equipment for various purposes benefitting the Corporation, including information technology, imaging, and surgical services; and

WHEREAS, the Corporation has determined that the most economical and efficient means of acquiring the use of said equipment is pursuant to a lease of the equipment; and

WHEREAS, pursuant to all applicable procurement laws and the Corporation's procurement guidelines, the Corporation issued a Request for Proposals for such a lease, and determined that, of the proposals received, M&T Bank's proposal represented best value to the Corporation; and

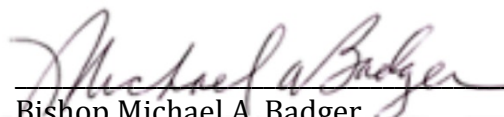
WHEREAS, the Corporation has included the impact of the lease in the 2020 Operating and Capital Budgets approved by the Board of Directors on September 24, 2019; and

WHEREAS, the proposed lease arrangement has been reviewed and approved by the Finance Committee of the Board of Directors of the Corporation; and

WHEREAS, the Board of Directors wishes to authorize the lease transaction as proposed;

NOW, THEREFORE, the Board of Directors resolves as follows:

1. The Corporation is, following approval by the Corporation's General Counsel, authorized to execute and deliver a Master Equipment Lease Agreement up to \$15 million, and any equipment schedules required thereunder between the Corporation as lessee and M&T Bank as lessor, with all riders, certificates, schedules, and amendments thereto (the "Lease"), and any purchase orders, certificates or other instruments required to effectuate the Lease.
2. The appropriate officers of the Corporation are authorized and directed to do or cause to be done all such other acts, including making all payments, required pursuant to the Lease and related documents.
3. All actions heretofore taken by the officers of the Corporation in connection with the acquisition of the equipment and negotiation and execution of the Lease are hereby approved, ratified and confirmed in all respects.
4. This resolution shall take effect immediately.


Bishop Michael A. Badger
Corporation Secretary

**Resolution Approving Execution of Medtronic
Capital Equipment Lease and Purchase**

Approved November 26, 2019

WHEREAS, Erie County Medical Center Corporation (the "Corporation") has determined that the Corporation has need to acquire certain surgical navigation systems for use by its surgeons; and

WHEREAS, the Corporation and Kaleida Health jointly contract with Medtronic USA, Inc. ("Medtronic") regarding certain spine products and equipment, such contract procured pursuant to NY Public Health Law § 2803-a; and

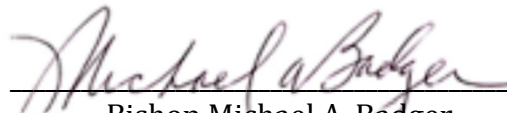
WHEREAS, under this agreement, Medtronic has offered to lease its StealthStation and O-arm system to the Corporation through an "earnout" whereby the Corporation may obtain full ownership of the system over a five-year period with a yearly annual Medtronic product purchasing commitment; and

WHEREAS, the terms of the proposal are recommended by Corporation administrators and have been reviewed and approved by the Finance Committee of the Board of Directors of the Corporation; and

WHEREAS, in accordance with NY General Municipal Law § 109-b, the Board of Directors must approve by resolution any installment purchase contracts entered into by the Corporation;

NOW, THEREFORE, the Board of Directors resolves as follows:

1. The Corporation is hereby authorized to execute and deliver such agreements as are necessary to obtain the equipment.
2. The appropriate officers of the Corporation are authorized and directed to do or cause to be done all such other acts, including making all payments, required pursuant to the agreements.
3. This resolution shall take effect immediately.



Bishop Michael A. Badger
Corporation Secretary

A Resolution Approving Expenditures on the Main Lobby and Building Envelope

Approved November 26, 2019

WHEREAS, Erie County Medical Center Corporation (the "Corporation") is performing numerous capital construction and renovation projects on its Grider Street campus (the "Projects"); and

WHEREAS, the Corporation obtained financing for the Projects through certain tax-exempt bonds issued by the Erie County Fiscal Stability Authority (the "Financing"); and

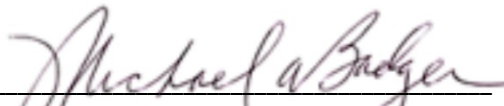
WHEREAS, changes in conditions regarding certain aspects of the Projects, as well as adjustments and additions in the overall scope of work, have necessitated increases in costs associated with the Projects; and

WHEREAS, the Corporation seeks approval from the Board of Directors of the Corporation to fund amounts exceeding those budgeted within the Financing from its general operating and/or capital budgets; and

WHEREAS, the Finance Committee of the Board of Directors reviewed this request at its November 19, 2019 meeting, and has voted to recommend its approval;

NOW, THEREFORE, the Board of Directors resolves as follows:

1. The Chief Financial Officer of the Corporation is authorized to allocate sums from the general and/or capital funds of the Corporation in amounts as presented to the Board in order to fund the increased costs associated with its ongoing capital projects.
2. This resolution shall take effect immediately.


Bishop Michael A. Badger
Corporation Secretary

Resolution Approving Asbestos Abatement Work

Approved November 26, 2019

WHEREAS, while in process of performing work related to its building envelope construction project, Erie County Medical Center Corporation (the “Corporation”) has become aware of asbestos in amounts above permissible levels in certain isolated rooms in its laboratory building and main tower; and

WHEREAS, despite the isolated nature of these results, while its construction manager obtains formal bids for asbestos abatement work, the Corporation has determined it has an immediate need to have such work performed on an emergent basis to remediate any rooms in which it has determined there is potential for asbestos danger, in order to ensure the safety of its staff, contractors, and patients; and

WHEREAS, the New York State Department of Labor has granted a variance for immediate work to begin on the asbestos abatement work; and

WHEREAS, New York State law and the Corporation’s Procurement Guidelines permit emergency procurements in the event of an immediate threat to public health, welfare, or safety; and

WHEREAS, such emergency procurements are limited to those supplies, services, or items necessary to meet the immediate emergency; must be made with such competition as is practicable under the circumstances; require approval of the Corporation Chief Executive Officer; and require ratification by the Corporation Board of Directors; and

WHEREAS, the Corporation’s construction manager, Gilbane Building Company, has obtained three quotes from local asbestos abatement companies, and has identified Metro Environmental as the lowest qualified contractor to perform the abatement; and

WHEREAS, the Chief Executive Officer of the Corporation has approved this procurement on an emergency basis necessary to meet the immediate needs of the Corporation, as set forth in the attached Emergency Procurement Justification form; and

WHEREAS, the Board has reviewed the facts and circumstances and has determined that this emergency procurement is necessary due to the immediate threat posed to public health, welfare or safety;

NOW, THEREFORE, the Board of Directors resolves as follows:

1. The Corporation is hereby directed to authorize Gilbane Building Company to contract with Metro Environmental on an emergency basis while it seeks a contractor through a formal bidding process to perform long-term asbestos abatement work on an as-needed basis.
2. The Corporation authorizes an increase in the budget for the building envelope project in amounts concurrent with those necessary to perform the abatement work.
3. The Corporation is authorized to take all steps necessary to effect this

procurement in accordance with this resolution, New York State law, and the Corporation's Procurement Guidelines.

- 4. This resolution shall take effect immediately.


Bishop Michael A. Badger
Corporation Secretary



EMERGENCY PROCUREMENT JUSTIFICATION

In the case of a public emergency arising out of an accident or other unforeseen occurrence or condition whereby circumstances affecting public buildings, public property or the life, health, safety or property of ECMCC's patients or staff, require immediate action which cannot await competitive bidding or competitive offering, contracts for public work or the purchase of supplies, material or equipment may be let by the appropriate officer, board or agency of a political subdivision or district therein. See NY General Municipal Law § 103(4).

ECMCC's procurement guidelines require the following:

- (1) The emergency Procurement shall be limited to those supplies, services or construction items necessary to meet the immediate emergency;
- (2) Whenever practicable, approval of the CEO shall be obtained prior to the Procurement;
- (3) Emergency Procurements shall be made with such competition as is practicable under the circumstances;
- (4) **The official responsible for the Procurement shall submit to the Board of Directors a written determination of the basis for the emergency and for the selection of the particular Contractor prior to the next meeting of the Board and the Board shall ratify the Emergency Procurement at such Board meeting.**

Vendor: Metro Environmental	Date: 11/15/19
Official Responsible for Procurement: Mike Drozdowski	Total Dollar Amount: Approximately \$35,000-\$50,000
Dept./Title: Director Of Capital Projects	Phone/e-mail: mdrozdowsk@ecmc.edu

Attach dated quote and any other relevant documentation regarding the procurement.

1. Name of product and manufacturer or supplier:

Metro Environmental.

2. Fully describe the circumstances leading to the immediate need for this emergency procurement.

As part of its building envelope project, during the removal and replacement of certain exterior windows, unforeseen asbestos-containing joint compound was encountered along the interior perimeter of the window openings. This condition was identified at various locations in the Lab building, with potential for findings in other future work locations, requiring the evacuation of potentially-affected areas pending testing and ultimate abatement work. An emergency clean-up variance was solicited and approved by the NYS Department of Labor on 11/12/19 to clean the known impacted work areas.

3. Describe how this vendor can meet ECMCC's immediate needs.

The construction manager on this project, Gilbane Building Company, has solicited three proposals for the cleanup scope of work. The lowest proposal was submitted by Metro Environmental at approximately half the cost of the next lowest proposal. Additionally, Metro Environmental is already performing asbestos abatement work in the stair towers of the main building for other portions of the building envelope project. They are ready to mobilize and start the work this week. In the meantime, Gilbane will seek to engage a longterm asbestos abatement contractor via traditional procurement methods to address any future issues that may arise. The scope of this emergency request is therefore only to the extent required to perform work in the interim.

4. Describe any efforts used to determine that this vendor is the best opportunity available to ECMCC under the circumstances.

Multiple quotes were obtained by the construction manager (see comments above).

JUSTIFICATION OF EMERGENCY PROCUREMENT



Signature of Preparer

11/15/19

Date

APPROVED AS EMERGENCY PROCUREMENT



Signature of ECMCC CEO

11/18/19

Date

**Resolution Authorizing MWBE and
Small Business Discretionary Purchases**

Approved November 26, 2019

WHEREAS, New York Public Authorities Law Section 2879 requires Erie County Medical Center Corporation (the "Corporation") to adopt procurement guidelines which include provisions relating to the circumstances under which the board may by resolution waive competition, including the purchase of goods or services from small business concerns or businesses certified as minority or women-owned business enterprises ("MWBEs") without a formal competitive process ("Discretionary Spends");

WHEREAS, on March 31, 2015 the Board of Directors of the Corporation (the "Board") authorized such Discretionary Spends in amounts up to \$200,000, in accordance with the then-applicable law; and

WHEREAS, in 2019, the New York State Legislature increased the permissive amount of such Discretionary Spends from \$200,000 to \$500,000, effective January 13, 2020; and

WHEREAS, the Board accordingly wishes to authorize the Corporation to increase the amount of its Discretionary Spends to \$500,000 without engaging in a formal competitive process, provided that the price of such commodities or services is determined to be reasonable; and

WHEREAS, in accordance with New York Public Authorities Law and the Corporation's Procurement Guidelines, the Board must grant the authority to the Corporation to effectuate such Discretionary Spends by resolution of the Board;

NOW, THEREFORE, the Board of Directors resolves as follows:

1. The Corporation is hereby authorized to award contracts for commodities or services in amounts not to exceed \$500,000 to MWBEs and small business concerns without a formal competitive process, provided that the price of the commodities or services is determined to be reasonable in accordance with the Corporation's Procurement Guidelines and applicable laws and regulations.

2. The Corporation is authorized to do all things necessary and appropriate to effectuate this resolution.

3. This resolution shall take effect January 13, 2020.



Bishop Michael A. Badger
Corporation Secretary

**Resolution Designating the
Naming of Certain Spaces and Structures**

Approved November 26, 2019

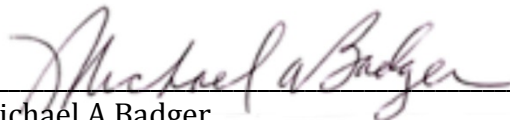
WHEREAS, by Resolution approved by the Corporation's Board of Directors on October 31, 2017, the Corporation set forth its policy regarding the naming of spaces and structures owned or otherwise controlled by the Corporation; and

WHEREAS, consistent with the Corporation's policy, the ECMC Foundation, Inc. has engaged in negotiation with several donors to the Foundation regarding acknowledgement of donations that includes, among other things, the opportunity to name a Corporation space or structure in the honor or memory of a person or entity; and

WHEREAS, the Foundation has provided a listing of the information called for by the Corporation policy and is seeking the approval of the Board of Directors of the Corporation regarding the naming of spaces and structures as detailed on the attachment to this resolution;

NOW, THEREFORE, the Board of Directors resolves as follows:

1. The recommendations submitted by the Foundation as detailed on the attachment to this resolution are hereby approved.
2. The Foundation is delegated the authority to implement the naming substantially in accordance with the information contained in the attachment and in accordance with the Corporation's October 31, 2017 policy as approved by the Board of Directors.
3. This resolution shall take effect immediately.



Michael A Badger
Corporation Secretary

