

**TESTIMONY FROM NYCHA'S SENIOR VICE PRESIDENT FOR OPERATIONS SUPPORT  
SERVICES KEITH GROSSMAN  
WINTER PREPAREDNESS ACROSS NYCHA DEVELOPMENTS  
COMMITTEE ON PUBLIC HOUSING  
WEDNESDAY, DECEMBER 14, 2022 – 10:00 AM  
250 BROADWAY, 14<sup>TH</sup> FLOOR COMMITTEE ROOM, NEW YORK, NY**

Chair Alexa Avilés, members of the Committee on Public Housing, other distinguished members of the City Council, NYCHA residents, community advocates, and members of the public: good morning. I am Keith Grossman, NYCHA's Senior Vice President for Operations Support Services. I am pleased to be joined by Javier Almodovar, Senior Director of the Heating Management Services Department; Brian Honan, Senior Vice President for Intergovernmental Affairs; and other members of NYCHA's team.

We share your belief that NYCHA residents should have adequate and consistent heat in their homes. Thank you for this opportunity to discuss the advances we have made over the past several years to improve the delivery of heat and hot water services to residents. While there is more that must be done, the progress can be summarized this way: through targeted operational investments and improvements to process and management, we have brought down the number of heat outages by 37 percent this heating season compared to the same period of time last year. Additionally, we have reduced the time it takes to restore heat outages in that same time period by 13 percent (from 8 hours to 7 hours).

### **The Path of Progress**

Our progress is guided by our Federal Monitor-approved action plan, which outlines the procedures and protocols we follow to prevent and respond to outages. The action plan also details how we communicate with residents about outages and repairs, provide warming centers in certain scenarios, and investigate outages that cannot be restored within 12 hours. Along with this master action plan, we created individual heating action plans for every NYCHA development, which outline custom solutions for each development's unique challenges.

Our goal is to restore heat within an average of 12 hours overall, within 24 hours for 85 percent of heating outages, and always within 48 hours. So far this heating season, we

have exceeded these targets, resolving all heat outages within 24 hours (and within an average of 7 hours). Please note that an outage pertains to a total disruption of service on an entire apartment line, hallway, building, section of a development, or entire development; outages may be planned for scheduled maintenance or unplanned due to unforeseen emergencies. In the event of planned outages, NYCHA notifies residents in advance via robocalls and notices posted throughout the development.

I would now like to walk you through some of the specific work we have accomplished to better deliver heating services to residents.

### *Intensive Preparation for the Heating Season*

To prepare for each heating season, our Heating Management Services Department (HMSD) conducts annual preventive maintenance to preserve and restore the reliability of nearly 5,000 pieces of heating equipment. This involves cleaning, lubricating, adjusting, repairing, and replacing worn components and ensuring that equipment and mechanical areas are in satisfactory operating condition.

In preparation for the current heating season, HMSD and our vendors performed annual preventive maintenance and made repairs, where applicable, to 99.9 percent of all heating equipment. Additionally, we engaged a vendor to help conduct preventive maintenance on some of the boilers citywide, enabling HMSD staff to focus on repairs to heating distribution systems. To clarify, boilers and/or hot water units generate the heat or hot water, and the distribution system – such as pumps, vacuum tanks, and pipes – delivers heat to residents' homes.

Each year, we develop a list of critical heat and hot water equipment and systems that need replacement or extensive repair, and we procure extra parts so we are prepared when key items fail. For the past three years, we have invested a total of \$49 million in operational funding in our heating infrastructure before the heating season has even begun.

We maintain a reserve of staged and non-staged mobile boilers that can be activated in the event of a large-scale heating service disruption. There are currently 33 mobile

boilers in total, of which 25 are connected to developments and eight can be deployed where needed.

### *Increasing Staffing*

We also increased staffing coverage ahead of the winter heating season by adding evening plumbing teams and electrical teams available to be deployed in response to outages. Additionally, an overnight (12 a.m. to 8 a.m.) plumbing team is added when temperatures are below 32 degrees.

### *Better Organization*

For this heating season, we increased our head count. We have hired additional field supervisors, and are in the process of hiring 70 permanent Maintenance Workers, to support the reorganization of HMSD into a neighborhood-based model. As part of NYCHA's transformation efforts, the Heating Neighborhood Model will reorganize our coverage of developments from the current 13 clusters into 25 "neighborhoods." Smaller portfolios will enable each Field Heating Superintendent and Administrator to fully understand the needs of each heat and hot water system within their neighborhood. Neighborhoods will be led by a Field Heating Superintendent, who will report to a Heating Neighborhood Administrator (HNA). The HNA will report to one of three Field Operation Deputies and ultimately to the head of HMSD.

We will establish a Data Analytics Unit that will use key performance indicators to identify and track areas where we need to improve. A Planning and Skilled Trades Unit will address patterns of heat complaints and service disruptions before and during the heating season. HMSD's Special Teams, composed of highly experienced heating staff, will address the more complex issues that arise and perform preventive maintenance and repairs.

The chief benefit of this reorganization is that the crucial decision-making which occurs during an outage is moved closer to the root of the issue. Additionally, NYCHA's heating staff will gain a deeper understanding of a particular development's needs and challenges; work orders and resources will be better distributed; and there will be greater collaboration between residents, NYCHA staff, and community organizations. This new

staffing model will also assign additional managerial employees to the evening Heat Desk operations, streamlining decision-making for issues that arise after traditional business hours and during weekends and holidays. In sum, the Heating Neighborhood Model will increase accountability, oversight, and efficiency, promoting more hands-on management of our heating assets and faster resolution of issues.

This reorganization builds on the increased oversight created by the Heat Desk, a 24/7 operation we established that monitors potential service disruptions from various data and dispatches staff accordingly. Other ways we improved heat services for residents include implementing a 24/7 staffing model for repair teams; establishing a Situation Room when necessary to expedite service restoration; and enhancing staff training.

### *Modernizing Systems and Resident Communications*

We have modernized heating controls at 48 developments, which involves the installation of a building management system and apartment temperature sensors; we are in the process of completing this work at an additional 12 developments. Apartments that were typically overheated are now at a more comfortable range of 72-74 degrees during the day and 69-71 degrees at night, with the heat coming on in cycles to prevent overheating and underheating and to reduce energy costs. We can also monitor building temperatures and heating and hot water systems in real time at these developments.

We also enhanced our communication with residents. That involves ensuring residents are notified of outages through building flyers and robocalls; enabling residents to automatically let us know if they are still experiencing a service disruption when they receive a service restoration robocall (so we can address any lingering issues); and posting information about outages on our website and social media. Residents can also get notifications about outages on their smartphones via our upgraded MyNYCHA app. We added additional triage questions that residents are asked when they submit heat complaints via the Customer Contact Center (CCC) or MyNYCHA app – with this additional data, we can more effectively deploy the appropriate staff to complete repairs. We do request that all residents report issues they are experiencing through either the CCC or MyNYCHA, so we can most effectively identify and respond to issues.

## **The Challenges and Their Solutions**

Our heating operation is vast, and our infrastructure and buildings are old. Despite the improvements to the way we work, aging infrastructure remains a significant obstacle. The average age of our boilers is 26 years old, beyond the 20-25-year average expected useful life of a boiler. Beyond boilers, it is often issues with heat distribution systems and heating components that cause outages. That is why our work of boiler overhauls and preventive inspections and maintenance is critical to the delivery of heating services to residents.

We have identified funding to address some of the issues: Through 2026, we are replacing 346 boilers across 76 developments thanks to \$3.4 billion in City, State, and federal funding; we will address an additional nearly 900 boilers at over 100 developments through the PACT program by 2026. Since 2019, we have replaced 82 boilers through capital projects and addressed over 250 boilers through PACT.

And we're not just replacing in kind but are putting in place more effective systems. For instance, to improve hot water service, we are incorporating modern designs in our new heating plants, decoupling hot water equipment from heating equipment so that issues with one do not affect the other.

Where possible, we are moving away from steam-generating hot water systems (by deploying geothermal energy and electric heat pumps) and improving the building envelope through window replacements – advancements that help reduce outages, enhance system performance, benefit the environment, and keep residents safe and comfortable.

Through the Clean Heat for All Challenge – a collaboration between NYCHA, the New York Power Authority, and the New York State Energy Research and Development Authority – an initial \$70 million investment will result in the development and production of 30,000 new heat pumps for NYCHA residents. This environmentally friendly, easily installable technology will provide reliable heating and cooling for thousands of residents.

We invested more than \$300 million in Energy Performance Contracts, replacing boilers and modernizing heating systems at 70 developments. We are also taking advantage of “direct install” programs, where local vendors repair and replace apartment radiator valves and traps at no cost to NYCHA (the work is funded by local utilities). These efforts improve steam distribution and residents’ comfort.

But for the bulk of our portfolio, the aging infrastructure presents near daily challenges and there is no funding to address it. Through preservation programs like PACT and the Trust, however, we can generate the funding needed to provide residents with fully upgraded heating systems and improved quality of life.

## **Conclusion**

One of our top priorities is to ensure that residents have adequate and consistent heat. NYCHA is committed to continuous improvement – to overcome the challenges that are inherent to managing aging buildings which have been underfunded for decades and become a better landlord for residents. That means looking back to see where we need to improve operationally – as we do each heating season. It also means looking ahead to see where we can strategically invest our limited funding, and how we can raise the significant funds needed through innovative approaches like PACT and the Trust.

While we may not yet be where we need to be, we are making progress. As the Federal Monitor Bart Schwartz stated in his recent report, “NYCHA has since made significant upgrades to its overall heating program, which among other things led to a much more effective off-season maintenance program this past summer.” He also said: “These planned improvements represent a substantial commitment by NYCHA to improve its heating services. NYCHA has quickly begun work on many of these initiatives, including obtaining funding for much of the proposed staffing increases and revamping its entire heat staff training process.”

The Council’s partnership is vital to our continued progress. Thank you for your support as we work to improve the quality of life for NYCHA residents. We are happy to answer any questions you may have.

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