

HUGH L. CAREY BATTERY PARK CITY AUTHORITY
Meeting of the Members
One World Financial Center, 24th Floor
New York, NY 10281
January 27, 2016

Members Present

Dennis Mehiel, Chairman/CEO
Hector Batista, Member
Donald Capoccia, Member
Martha Gallo, Member
Lester Petracca, Member

Authority Staff in Attendance: Shari C. Hyman, President/COO
Lauren Bruggess, Paralegal/Assistant Corporate Secretary
Betty Chin, Director of Finance and Administration
Marie Cornielle, Deputy Treasurer
Gwen Dawson, Vice President, Real Property
Robin Forst, Vice President, External Affairs
Joseph Ganci, Design Director
Julissa Garcia, Chief of Staff, Park Operations
Abigail Goldenberg, Special Counsel and Risk Officer
Benjamin Jones, Vice President of Administration and Internal Audit
Karl Koenig, Controller
Kevin McCabe, Chief of Staff/Special Assistant to the Chairman/CEO
Brenda McIntyre, Vice President, Human Resources
Robert Nesmith, Chief Contracting Officer
Bruno Pomponio, Director of Parks Operations
Alix S. Pustilnik, General Counsel/Corporate Secretary
Jason Rachnowitz, Director of Financial Reporting
Robert M. Serpico, Chief Financial Officer
Seema Singh, Deputy General Counsel/Assistant Corporate Secretary
Alexis Torres, Special Advisor to the President/COO

Others in Attendance: Betty Chin, Battery Park City Parks Conservancy Corporation
Steve Faber, PFM
Daniel McElwey, Marks Paneth LLP
Hope Goldstein, Marks Paneth LLP
Samuel A. Ramirez Jr., Ramirez Asset Management
Therese Loeb Kreuzer, Downtown Post NYC
Matt Fenton, The Broadsheet

The meeting, called on public notice in accordance with the New York State Open Meetings Law, convened at 9:34 a.m.

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The first item on the agenda was the approval of the minutes of the December 4, 2015 meeting. Upon a motion made by Mr. Batista and seconded by Mr. Petracca, the following resolution was

unanimously adopted:

APPROVAL OF MINUTES OF THE DECEMBER 4, 2015 MEETING

BE IT RESOLVED, that the minutes of the meeting of the Members of the Hugh L. Carey Battery Park City Authority held on December 4, 2015 are hereby approved.

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The next item on the agenda was the M/WBE Report, for the third quarter of the State's 2015 fiscal year presented by Mr. Jones.

Mr. Jones updated the Members on the State's third quarter, which runs from October 1, 2015 to December 31, 2015, by stating that 33.20% or \$1,692,225.95 of the Authority's and the Conservancy's total expenditures of \$5,096,575.28 were paid to M/WBEs. Of this total amount, 23.89% or \$1,217,350.10 was paid to MBEs and 9.32% or \$474,874.85 was paid to WBEs. On January 15, 2016, the Authority's M/WBE Agency Plan for the State's 2016 Fiscal Year, which runs from April 1, 2016 to March 31, 2017, was submitted to the State, and included a goal that 30% of total expenditures would be paid to M/WBEs.

The year-to-date total through the end of the State's third quarter is \$15,381,086.89 in total expenditures, 28.80% or \$4,429,780.08 of which was paid to M/WBEs. Of the \$4,429,780.08, 18.47% or \$2,840,643.96 was paid to MBEs and 10.33% or \$1,589,136.12 was paid to WBEs.

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The next item on the agenda, presented by Mr. Jones, was the approval of the annual report for the Authority's fiscal year ended October 31, 2015.

Mr. Jones explained that the Public Authorities Law imposes certain reporting and accounting requirements on public authorities. Each year, public authorities are required by Section 2800 of the Public Authorities Law to submit their Annual Report to various State entities. The Annual Report consists of several other documents, including, but not limited to, an organizational chart, schedule of debt, real property report and various governance items. The Authority's Annual Report must be submitted to the New York State Governor, the New York State Comptroller, the Authorities Budget Office, and the Chairman and ranking Minority Members of the New York State Senate Finance Committee and the New York State Assembly Ways and Means Committee. He added that the Authority must also post a copy of its Annual Report on the Public Authorities Report Information Systems and on the Authority's website.

Upon a motion made by Mr. Petracca and seconded by Ms. Gallo, the following resolution was unanimously approved:

AUTHORIZATION TO FILE THE ANNUAL REPORT

BE IT RESOLVED, that the Annual Report as presented to this meeting, be, and hereby is approved; and be it further

RESOLVED, that the Authority be, and hereby is, directed to file said Annual Report with the: (1) Governor of New York State; (2) New York State Comptroller; (3) Authorities Budget Office; the Chairman and ranking Minority Members of the (4) New York State Senate Finance Committee; and (5) New York State Assembly Ways and Means Committee, as required by Section 2800 of the Public Authorities Law; and be it further

RESOLVED, that the Annual Report be posted on the Public Authorities Report Information Systems and the Authority's website.

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The next item on the agenda, presented by Ms. Hyman, was a presentation of the fiscal year-end audit opinion letters by Marks Paneth LLP ("Marks Paneth") and approval of the financial statements for the fiscal year ended October 31, 2015.

Ms. Hyman began by giving a short explanation of the financial statements, which include a detailed management, discussion and analysis section for the last three fiscal years. She then turned the presentation over to Mr. Serpico who briefly discussed the implementation of the GASB requirements, and stated that the Authority's financial statements set a high bar for transparency and disclosure.

Next, Hope Goldstein, the partner in charge of the Authority's year-end fiscal audit for Marks Paneth, presented the auditors' required communication letters to the Members regarding its certified opinion of the financial statements for the fiscal year ended October 31, 2015, including letters on internal controls and investments. Ms. Goldstein noted that the presentation includes a draft report on internal controls, technology recommendations, draft financial statements and a draft report on compliance. There were no adjusting journal entries recommended by Marks Paneth and no major internal control deficiencies, Ms. Goldstein reported.

Prior to the vote on this agenda item, Mr. Capoccia entered the meeting at 9:56 a.m.

Upon a motion made by Mr. Batista and seconded by Ms. Gallo, the following resolution was unanimously approved:

RESOLUTION OF THE MEMBERS REGARDING THE AUTHORITY'S AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED OCTOBER 31, 2015

BE IT RESOLVED, that the Members hereby accept the Audited Financial Statements for the Fiscal Year ended October 31, 2015; and be it further

RESOLVED, that the Members authorize the filing of the Audited Financial Statements, in the form presented to this meeting, with the required governmental entities and with the trustees under the Authority's bond resolutions, and the posting of a copy of the Audited Financial Statements on the Public Authorities Report Information Systems and on the Authority's website.

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The next item on the agenda, presented by Mr. Serpico, was approval of the investment guidelines and investment report for the fiscal year ended October 31, 2015.

These guidelines, including policies, procedures, internal controls, and the charter for the Investment Committee, are typically updated annually, Mr. Serpico explained. This year the Investment Report and Guidelines include the Authority's updated requirements for MBE/WBE participation and Board oversight of the Authority's investment portfolio. Steve Faber of PFM, the Authority's investment advisory firm, along with Samuel Ramirez Jr. of Ramirez Asset Management, which works with PFM as the Authority's sub-investment advisor, presented the review of the Authority's investment performance for fiscal year 2015. There were no comments or questions.

Upon a motion made by Mr. Petracca and seconded by Mr. Capoccia, the following resolution was unanimously approved:

APPROVAL OF THE INVESTMENT REPORT AND GUIDELINES FOR THE FISCAL YEAR ENDED OCTOBER 31, 2015

BE IT RESOLVED, that the Investment Report and Guidelines of the Hugh L. Carey Battery Park City Authority (the "Authority") for the fiscal year ended October 31, 2015 in the form presented to this meeting, be, and hereby is approved; and be it further

RESOLVED, that the Treasurer of the Authority be, and hereby is, directed to file said Investment Report (including the Guidelines) with the: (1) New York State Division of the Budget; (2) New York State Department of Audit and Control; the Chairman and ranking Minority Members of the (3) New York State Senate Finance Committee; and (4) New York State Assembly Ways and Means Committee, as required by Section 2925 of the Public Authorities Law, Public Authorities Accountability Act of 2005 and the New York State Comptroller's Regulation 2 NYCRR (Part 203); and be it further

RESOLVED, that the Assistant Corporate Secretary of the Authority be, and hereby is, directed to file said Investment Report (including the Guidelines) with the minutes of this meeting; and be it further

RESOLVED, that Investment Report and Guidelines be posted to the Authority's website and the New York State Public Authorities Reporting System; and be it further

RESOLVED, that any and all actions taken by any officer of the Authority in connection with the negotiation or preparation of such policies and procedures are hereby ratified, confirmed and approved.

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The next item on the agenda, also presented by Mr. Serpico, was the approval of the prompt payment report and prompt payment policy for the fiscal year ended October 31, 2015.

Mr. Serpico began by stating that this policy has not changed in years. The policy requires the Authority to make its payments to vendors and contractors alike, in a prompt manner, and provides that there are penalties or interest charges if payments are not promptly made. The Authority did not make any payments of fees or interest charges relating to violations of the prompt payment policy. There were no comments or questions.

Upon a motion made by Ms. Gallo and seconded by Mr. Batista, the following resolution was unanimously approved:

APPROVAL OF THE PROMPT PAYMENT REPORT AND PROMPT PAYMENT POLICY FOR THE FISCAL YEAR ENDED OCTOBER 31, 2015

BE IT RESOLVED, that the Prompt Payment Report of the Authority for the fiscal year ended October 31, 2015 and the Prompt Payment Policy in the form presented to this meeting, be, and hereby are approved; and be it further

RESOLVED, that the Treasurer of the Authority be, and hereby is, directed to file said Prompt Payment Report and Prompt Payment Policy with the (1) New York State Division of the Budget; (2) New York State Department of Audit and Control; the Chairman and ranking Minority Members of the (3) New York State Senate Finance Committee; and (4) New York State Assembly Ways and Means Committee, as required by Section 2880 of the Public Authorities Law; and be it further

RESOLVED, that the Assistant Corporate Secretary of the Authority be, and hereby is, directed to file the Prompt Payment Report and Prompt Payment Policy with the minutes of this meeting; and be it further

RESOLVED, that Prompt Payment Report and Prompt Payment Policy be posted to the Authority's website and the NY State Public Authorities Reporting System; and be it further

RESOLVED, that any and all actions taken by any officer of the Authority in connection with the preparation of such policies and procedures is hereby ratified, confirmed and approved.

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The next item on the agenda, presented by Mr. Jones, was the approval of the procurement guidelines and contract report for the fiscal year ended October 31, 2015.

Mr. Jones stated that the Public Authorities Law requires the annual approval of the Authority's procurement guidelines and procurement report. This year, the guidelines were refined with two main goals: to tighten controls within the guidelines to reflect internal audits and financial recommendations and to make them easier to navigate to follow those regulations and controls. In substance, he added, most of the guidelines did not change. He also noted that the guidelines reflect uniform procedures for both the Authority's and Parks Operations' public procurements so they now both have the same standards.

After some discussion, the Members requested that the procurement guidelines be amended to provide that all contracts with a value above \$500,000 will always be presented for a vote. In addition, Members will now receive a report on any contracts that have been approved since the previous Members' meeting and a report of projects that are currently in the pipeline.

Upon a motion made by Mr. Petracca and seconded by Ms. Gallo, the following resolution was unanimously approved:

APPROVAL OF THE PROCUREMENT CONTRACTS REPORT FOR THE FISCAL YEAR ENDED OCTOBER 31, 2015 AND THE PROCUREMENT GUIDELINES

BE IT RESOLVED, that the Procurement Contracts Report of the Authority for the fiscal year ended October 31, 2015 and the Procurement Guidelines in the form discussed at, and amended pursuant to, this meeting, be, and hereby are approved; and be it further

RESOLVED, that the Chief Financial Officer of the Authority be, and hereby is, directed to file said Procurement Contracts Report and Procurement Guidelines, subject to such changes as the officer or officers filing the Procurement Contracts Report and Procurement Guidelines shall, with the advice of counsel, approve as necessary and appropriate and in the best interest of the Authority, with the New York State Division of the Budget and copies thereof with the New York State Department of Audit and Control, the Chairman and ranking Minority Member of the New York State Senate Finance Committee and the Chairman and ranking Minority Member of the New York State Assembly Ways and Means Committee, as required by Section 2879 of the Public Authorities Law; and be it further

RESOLVED, that any and all actions taken by any officer of the Authority in connection with the preparation of such policies and procedures is hereby ratified, confirmed and approved; and be it further

RESOLVED, that the Secretary of the Authority be, and hereby is, directed to file the Authority's Procurement Contracts Report and Guidelines with the Minutes of this meeting.

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The next item on the agenda, presented by Mr. Jones, was the approval of the guidelines for the Disposition of Real and Personal Property.

Mr. Jones began by stating that these guidelines are the Authority's current policy, there has been no change and the guidelines require annual approval. The key pieces are that personal property needs to be disposed of through OGS and real property needs to be disposed of through a public bid process. This has been the practice for several years and has worked well for the Authority.

Upon a motion made by Mr. Capoccia and seconded by Mr. Batista, the following resolution was unanimously approved:

APPROVAL OF GUIDELINES FOR THE DISPOSITION OF PERSONAL AND REAL PROPERTY

BE IT RESOLVED, that the Guidelines for the Disposition of Personal and Real Property Owned by the Authority (the "Guidelines") as presented to this meeting, be, and hereby are approved; and be it further

RESOLVED, that the Contracting Officer shall file the Guidelines on before the thirty-first of March 2016 with the New York State Comptroller; and be it further

RESOLVED, that the Guidelines be posted on the Authority's internet website; and be it further

RESOLVED; that the Assistant Corporate Secretary of the Authority be, and hereby is, directed to file the Guidelines with the minutes of this meeting.

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The next item on the agenda, presented by Mr. Jones, was an authorization to amend the contract with Summit Security Services, Inc. ("Summit Security") for the Community Center Security Services.

Mr. Jones stated that the Authority utilizes an OGS contractor, Summit Security, for security services inside the community center at Stuyvesant High School. The recommendation is to continue with Summit Security by extending its contract for one year and increasing the amount payable thereunder by \$34,655.74.

Upon a motion made by Mr. Petracca and seconded by Mr. Capoccia, the following resolution was unanimously approved:

AUTHORIZATION TO AMEND THE CONTRACT WITH SUMMIT SECURITY SERVICES, INC. FOR SECURITY SERVICES

BE IT RESOLVED, that in accordance with the materials presented to this meeting, the President and Chief Operating Officer (the "President") of the Authority or her/his designee(s) be, and each of them hereby is, authorized and empowered to execute an amendment (the "Amendment") with Summit Security Services, Inc. for security services, extending the contract term to January 31, 2017 and increasing the total amount payable thereunder to \$258,032.07; and be it further

RESOLVED, that the President or her/his designee(s) be, and each of them hereby is, authorized and empowered to execute and deliver the Amendment on behalf of the Authority, subject to such changes as the officer or officers executing the Amendment shall, with the advice of counsel, approve as necessary and appropriate and in the best interests of the Authority, such approval to be conclusively evidenced by the execution and delivery of the Amendment; and be it further

RESOLVED, that the President or her/his designee(s) be, and each of them hereby is, authorized and empowered to execute all such other and further documents and to take all such other and further actions as may be necessary, desirable or appropriate, in connection with the transactions contemplated in the foregoing resolutions, and any such execution of documents and any other and further actions heretofore taken are hereby ratified and any actions hereafter taken are in all respects confirmed and approved.

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The next item on the agenda, presented by Ms. Pustilnik, was an authorization to amend the retainer agreements with Gonzalez Saggio & Harlan LLP (landlord/tenant), Sive Paget Reisel PC (litigation), and Windels Marx Lane & Mittendorf LLP (real estate counsel).

Ms. Pustilnik began by stating that these three law firms all came to work for the Authority through competitive procurement processes and were selected for the various tasks based on their expertise. The current request is to add \$300,000 to each of the retainers. This is not a guarantee that the money added will be spent, but if something unpredictable comes up and it is needed, then the Authority would be able to respond quickly.

Upon a motion made by Ms. Gallo and seconded by Mr. Batista, the following resolution was unanimously approved:

AUTHORIZATION TO AMEND THE RETAINER AGREEMENTS WITH GONZALEZ SAGGIO & HARLAN LLP, SIVE PAGET REISEL PC AND WINDELS MARX LANE & MITTENDORF LLP

BE IT RESOLVED, that in accordance with the materials submitted at this meeting, the President and Chief Operating Officer (the "President") of the Battery Park City Authority or her/his designee(s) be, and each of them hereby is, authorized and empowered to execute amendments (collectively, the "Amendments") to the retainer agreement with (1) Gonzalez Saggio & Harlan LLP, increasing the amount payable thereunder by \$300,000 for a total not-to-exceed amount of \$475,000; (2) Sive Paget Reisel PC, increasing the amount payable thereunder by \$300,000 to a total not-to-exceed amount of \$350,000 and extending the contract term through August 2017; and (3) Windels Marx Lane & Mittendorf LLP, increasing the amount payable thereunder by \$300,000 to a total not-to-exceed amount of \$550,000 and extending the contract term through April 2017; and be it further

RESOLVED, that the President of the Authority or her/his designee(s) be, and each of them hereby is, authorized and empowered to execute and deliver the Amendments on behalf of the Authority, subject to such changes as the officer or officers executing the Amendments shall, with the advice of counsel, approve as necessary and appropriate in the best interest of the Authority, such approval to be conclusively evidenced by the execution and delivery of the Amendments; and be it further

RESOLVED, that the President of the Authority or her/his designee(s) be, and each of them hereby is, authorized and empowered to execute all such other and further documents, and to take all such other and further actions as may be necessary, desirable or appropriate, in connection with the transactions contemplated in the foregoing resolutions, and any such execution of documents and any other further actions heretofore taken are hereby ratified and any actions hereafter taken are confirmed and approved.

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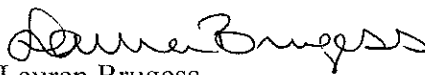
Before the Members broke for Executive Session, Ms. Hyman commended Mr. Pomponio and the rest of Parks Operations on their great efforts in clearing the snow in Battery Park City after the recent blizzard.

Mr. Petracca made a motion to enter Executive Session to discuss matters pertaining to litigation, which was seconded by Ms. Gallo. The Members entered Executive Session at 11:06 a.m.

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The Members exited Executive Session at 11:54 a.m. and resumed the public meeting. There being no further business, upon a motion made by Mr. Petracca and seconded by Mr. Capoccia, the Members unanimously voted to adjourn the meeting. The meeting thereupon adjourned at 11:54 a.m.

Respectfully submitted,


Lauren Brugess
Assistant Corporate Secretary