

HUGH L. CAREY BATTERY PARK CITY AUTHORITY

Meeting of the Members
One World Financial Center, 24th Floor
New York, NY 10281
May 23, 2013

Members Present

Dennis Mehiel, Chairman/CEO
Frank J. Branchini, Member
Martha J. Gallo, Member
Fernando Mateo, Member
Carl Mattone, Member

Authority Staff in Attendance: Demetrios A. Boutris, President/Chief Operating Officer
Gwen Dawson, Senior Vice President, Real Estate Development &
Management
Anne Fenton, Deputy Chief Operating Officer
Lapshan Fong, Director of Design
Luis Garcia, Assistant Treasurer
Angela Howard, Senior Project Manager
Kevin McCabe, Assistant to the President
Brenda McIntyre, Senior Vice President of Human Resources
Matthew Monahan, Senior Vice President, Public Information
Anthony Peterson, Director of Diversity Programs
Karl Koenig, Controller
Robert M. Serpico, Executive Vice President, Finance and
Treasurer/Chief Financial Officer
Seema Singh, Senior Counsel
Kirk Swanson, Chief Administrative Officer, Internal Control
Officer and Chief Contracting Officer
Phyllis Taylor, Executive Vice President/General Counsel,
Corporate Secretary

Others in Attendance: Tessa Huxley, Battery Park City Parks Conservancy
Eileen Foley, no affiliation
Christopher Franks, Willis
Therese Loeb Kreuzer, Downtown Express
Giselle Valdez, no affiliation

The meeting, called on public notice in accordance with the New York State Open Meetings Law, convened at 10:03 a.m.

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The first item on the agenda was the approval of the minutes of the April 16, 2013 meeting. Upon a motion made by Mr. Mateo and seconded by Mr. Mattone, the following resolution was unanimously adopted:

APPROVAL OF MINUTES OF THE APRIL 16, 2013 MEETING

BE IT RESOLVED, that the minutes of the meeting of the Members of the Hugh L. Carey Battery Park City Authority held on April 16, 2013 are hereby approved.

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The next item on the agenda was the Chairman's Report. Mr. Mehiel updated the Members on the progress of discussions with the Mayor and City Comptroller regarding the approval of the Capital Plan. He remarked that staff has met with and has been responding to questions from both the City's Office of Management and Budget and the Comptroller's Office. He noted there has been positive feedback and support from the Comptroller's Office. Mr. Serpico then added we need the City's approval before going to market, which is planned for August or September of this year.

Next, Mr. Mehiel discussed the West Thames Street Bridge Project. He mentioned that at the last meeting this was downsized to a design project for slightly over \$2 million, which the Board approved with certain caveats. "We are not yet fully synchronized with EDC but, hopefully, he continued, we will be able to initiate this project, and continue the dialogue with the other agencies that need to be part of it."

Ms. Fenton next reported on the storm which took place in Battery Park City on May 11, 2013. Ms. Fenton began by describing the storm as a "wall of wind [that] hit the trees" that seemed to happen pretty fast. She reported significant tree damage on the two entrances at Merchant's Riverhouse Restaurant, where most of the damage occurred. Mr. Fleisher was able to get a crew together and they started taking the trees apart. In the meantime, the fire department was there to make sure that the trees did not fall into any lines or anything that would make them dangerous other than people having to climb over them. Mr. Fleisher mobilized his horticulture people and they were there until about 9:00p.m. Saturday night and then all day Sunday, she noted. Mr. Mateo asked if there was any way of salvaging these trees. Ms. Fenton replied no, but that we were able to repurpose them and we were able to make mulch out of them. Mr. Boutris mentioned that we are exploring whether the initial damage of the trees goes back to the Super Storm Sandy.

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The next item on the agenda was the Governance Committee report. Mr. Mattone began by stating there were only three items on the agenda: 1) the recommendation of the proposed Governance documents, 2) the recommendation of a corporate secretary in an official capacity; and 3) a policy regarding the use of prequalified consultants.

On motion a motion made by Mr. Mateo and seconded by Mr. Mattone, Items 1 and 2 passed unanimously. Item 3 did not require a vote of the Members.

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The next item on the agenda was the MWBE report, presented by Mr. Boutris in Mr. Peterson's absence. Mr. Boutris began by stating Mr. Peterson and the department here at BPCA is the statewide leader in MWBE, not just for the recent quarter, but beyond that annually. Mr. Peterson was invited by the Empire State Development Corporation to lead a statewide webinar for the Governor's agencies and to relate to them the processes he has been utilizing very successfully. Mr. Boutris noted that Mr. Peterson has been invited to several statewide forums on behalf of our agency and on behalf of the Governor, and in the near future he is going to the National Hispanic Business Group to develop a green workshop focused exclusively on MWBEs, which is another area he has demonstrated leadership statewide. Mr. Mateo thanked the Board and all of the Members for their support in allowing Mr. Peterson to do his job and he thanked the President and everyone on the Board for encouraging Mr. Peterson and allowing him "to go out there and do what he does". Mr. Mattone also commented that Mr. Peterson has done a great job.

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The next item on the agenda, presented by Mr. Serpico, was an authorization to enter into contracts with CB Richard Ellis as Real Estate Consultant and with Public Financial Management, Inc. as Financial Advisor.

Mr. Serpico stated that the Authority has commitments of projects beyond what is left of the proceeds from the 2009 bond issue and we need money. Mr. Serpico continued by explaining that there is some savings to be had and we can lower the rate with the lowest historical fixed rate market municipal debt in our lifetime. He further stated that we have variable rate debt outstanding and it's about \$614 million collectively under the 2003B and C series. At any rate we're paying out about 2.6 percent collectively in debt service on all that debt. It is very good, Mr. Serpico stated, under the terms and conditions of when we issued that debt, however subject to market rate, interest rate increases. So we've got to be careful here, we've got to evaluate it now, we don't want to be caught short if the interest-rate market starts to rise on us.

The real estate consultant is an integral part of the Financing team, he explained. They project a 30-year revenue stream on which we issue our debt. It is an independent report done by a credible and reliable real estate consultant that the rating agencies can rely on, the bond holders can rely on, we can rely on in terms of getting a credible revenue projection.

Mr. Serpico went on to state that CBRE is the incumbent. They were on the December 2009 financing, and they did not increase their price from 2009.

Mr. Serpico then continued by explaining how the financial advisor is a very important position to the Financing team. It advises the CFO, the Board, and this Authority on all financing matters, scheduling matters and most importantly pricing matters. He also noted they

are not paid on any percentage or anything related to the deal; they are paid on a flat-rate base contract, meaning they don't have any incentive to be biased.

Mr. Serpico explained that PFM is highly regarded and that PFM works with all the underwriters, they do weekly bond deals, they are a professional group with good recommendations and they submitted a good price both in the context of what we have done in the past and what we are recommending PFM.

Upon a motion made by Mr. Mateo and seconded by Mr. Mattone, the following resolutions were unanimously adopted:

AUTHORIZATION TO ENTER INTO A CONTRACT WITH CB RICHARD ELLIS FOR REAL ESTATE ADVISORY SERVICES

BE IT RESOLVED, that in accordance with the materials presented at this meeting, the President of the Authority or his designee(s) be, and each of them hereby is, authorized and empowered to enter into a contract (“the Contract”) with CB Richard Ellis in the amount of \$475,000, with a contingent upset limit cap of \$100,000 if the financing is delayed and/or the scope of the assignment increases, for real estate consulting advisory services in connection with the issuance of debt securities by the Authority; and be it further

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

RESOLVED, that the President of the Authority or 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 confirmed and approved.

AUTHORIZATION TO ENTER INTO A CONTRACT WITH PUBLIC FINANCIAL MANAGEMENT TO SERVE AS FINANCIAL ADVISOR TO THE AUTHORITY

BE IT RESOLVED, that in accordance with the materials presented to this meeting, the President of the Authority or his designee(s) be, and each of them hereby is, authorized and empowered to enter into a contract (“the Contract”) with Public Financial Management (PFM) in the amount of \$210,000 for financial advisory services in connection with the issuance of debt securities by the Authority; and be it further

RESOLVED, that the President of the Authority or his designee(s) be, and each of them hereby is, authorized and empowered to execute and deliver the Contract on behalf of the Authority,

subject to such changes as the officer or officers executing the Contract shall, with the advice of counsel, approve as necessary and appropriate and in the best interest of the Authority, such approval to be conclusively evidenced by the execution and delivery of the Contract; and be it further

RESOLVED, that the President of the Authority or 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 confirmed and approved.

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The next item on the agenda, presented by Ms. Singh, was the authorization to amend the Large Scale Commercial Development Plan for the World Financial Center (the "LSCDP") and to issue a Determination of Non-Significance (the "Negative Declaration") relating to the Fifth Amendment of the LSCDP.

Ms. Singh began by explaining that the LSCDP sets forth the regulations that relate to commercial development in the World Financial Center. It controls the land use regulations and limits the total retail space in the World Financial Center and includes use and square footage restrictions, broken down into Groups A and B.

Ms. Singh further explained that Group A under the LSCDP allows for clothing or variety stores in 10,000 square feet or less per establishment, but that is not currently permitted in Group B. Additionally, the LSCDP is silent as to physical culture or health establishments and whether they are allowed on the premises. Ms. Singh mentioned we have been requested to modify Group B to also include clothing or variety stores that are 10,000 square feet or less per establishment. In addition we have been asked to permit the introduction of a physical cultural or health establishment on the premises.

She noted that management does not believe that this proposed Fifth Amendment to the LSCDP is a major modification of the plan, however consistent with our prior practice and communication with the City Planning Commission, the City agrees with our assessments that this is a minor modification.

Upon a motion made by Mr. Mattone and seconded by Ms. Gallo, the following resolutions were unanimously adopted:

AUTHORIZATION TO ISSUE A NEGATIVE DECLARATION RELATING TO THE AMENDMENT OF THE LARGE SCALE COMMERCIAL DEVELOPMENT PLAN FOR THE WORLD FINANCIAL CENTER (the "WFC"), dated as of June 10, 1980 (as amended, the "LSCDP").

WHEREAS, the WFC is the commercial center of Battery Park City and is governed by the LSCDP, which controls use, bulk and other land use requirements; and

WHEREAS, an amendment to the LSCDP (the "LSCDP Amendment"), specifically permitting a "physical culture or health establishment" and allowing for clothing and variety stores of 10,000 square feet or less in Subsection 2.5 of the LSCDP are required; and

WHEREAS, the Authority's management has determined that the LSCDP Amendment is not a "major modification" to the LSCDP; and

WHEREAS, the LSCDP Amendment requires certain approvals by the Members, and such approvals are actions subject to the New York State Environmental Quality Review Act ("SEQRA") and the City Environmental Quality Review ("CEQR"); and

WHEREAS, the Authority declared its intent to the New York City Planning Commission (the "City Planning Commission") (the only other involved agency) to serve as lead agency for purposes of conducting the environmental review of the LSCDP Amendment required under SEQRA and CEQR; and

WHEREAS, having received no objection from the City Planning Commission, the Authority has prepared a Short Environmental Assessment Form (the "EAF") to examine the potential environmental impacts of the LSCDP Amendment; and

WHEREAS, the EAF examines the LSCDP Amendment's potential to result in significant adverse impacts in the following areas: land use, zoning and public policy; community facilities; open space; historic resources; urban design and visual resources; natural resources; hazardous materials; water and sewer infrastructure; solid waste and sanitation services; energy; transportation; air quality; greenhouse gas emissions; noise; public health; neighborhood character; and construction impacts; and

WHEREAS, as stated in the EAF, no significant adverse impacts would occur as a result of amending the LSCDP to (a) permit a "physical or culture health establishment" and (b) allow for clothing and variety stores of 10,000 square feet or less in Subsection 2.5 of the LSCDP.

NOW, THEREFORE, BE IT RESOLVED, that the Notice of Determination of No Significance for the LSCDP Amendment is hereby approved.

AUTHORIZATION TO ENTER INTO AN AMENDMENT TO THE LARGE SCALE COMMERCIAL DEVELOPMENT PLAN FOR THE WORLD FINANCIAL CENTER (THE "WFC"), DATED AS OF JUNE 10, 1980 (AS AMENDED, THE "LSCDP").

WHEREAS, the commercial center of Battery Park City, of which the WFC is the principal component, is governed by the LSCDP, which controls use, bulk and other land use requirements; and

WHEREAS, an amendment to the LSCDP, specifically permitting a “physical or culture health establishment” and allowing for clothing and variety stores of 10,000 square feet or less in Subsection 2.5 of the LSCDP are required; and

WHEREAS, the Authority’s management has determined that permitting a “physical or culture health establishment” and allowing for clothing and variety stores of 10,000 square feet or less in Subsection 2.5 of the LSCDP are not “major modifications” to the LSCDP.

NOW, THEREFORE, BE IT RESOLVED, that the President and Chief Operating Officer (the “President”) of the Authority, or his designee(s) be, and each of them hereby is, authorized and empowered to execute and deliver the amendment to the LSCDP in the form presented to this meeting, subject to such changes as the officer or officers executing such amendment shall, with the advice of counsel, approve as necessary and appropriate and in the best interest of the Authority, such approval to be conclusively evidenced by the execution and delivery of such documents; and be it further

RESOLVED, that the President of the Authority, or his designee(s) be, and each of them hereby is, authorized and empowered to execute all such other and further documents, and take all such other and further actions as may be necessary, desirable or appropriate, in connection with the transaction 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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The next item on the agenda, also presented by Ms. Singh, was an authorization to amend the 2007 Contract with Wilson, Elser, Moskowitz, Edelman & Dicker, LLP (WEMED). WEMED has served as our tort defense litigation counsel since July of 2007, she explained, and the contract was initially a three-year contract that has since been amended for both money and time and is currently set to expire in June of 2015. Under the prior retainer agreement they represented the Authority on two major types of cases: personal injury (we have about ten cases a year) and the 9-11 litigation.

The bulk of the costs under this contract have been due to the 9-11 litigation and, as of April 1, 2013, we have entered into a new contract with WEMED to serve as our personal injury counsel, splitting the two matters. The existing contract will still be related to 9-11 matters and all of our personal injury matters will be under the new contract. Staff is seeking to increase the retainer under the 2007 agreement by \$600,000. The 9-11 litigation has gone through many phases and is now currently in discovery, which is one of the most expensive phases of any litigation. We just want to make sure that we have the adequate resources and money available to go through a discovery and to be fully represented under the 2007 retainer. The \$600,000 increase will cover legal fees relating to the 9-11 litigation through December 2013. The current contract value is \$1.32 million and adding the \$600,000 will bring it to \$1.92 million. Again, the contract is set to expire in June 2015, so Staff is requesting that the Members authorize solely a dollar increase in the amount of this contract.

Upon a motion made by Mr. Branchini and seconded by Mr. Mattone, the following resolution was unanimously adopted:

AUTHORIZATION OF AMENDMENT TO 2007 CONTRACT WITH WILSON, ELSER, MOSKOWITZ, EDELEMAN & DICKER, LLP

BE IT RESOLVED, that in accordance with the materials submitted at this meeting, the President/Chief Operating Officer (the "President") of the Authority or his designee(s) be, and each of them hereby is, authorized and empowered to execute an amendment (the "Amendment") to the 2007 contract with Wilson, Elser, Moskowitz, Edelman & Dicker, LLP, for legal services, increasing the amount payable thereunder by an amount not to exceed \$600,000; and be it further

RESOLVED, that the President of the Authority or 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 interest 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 of the Authority or 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 confirmed and approved.

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The next item on the agenda was the approval and adoption of the Governance Documents which were discussed during the Governance Committee Meeting. The requested action was a recommendation from the Governance Committee to the Members to approve and adopt the Governance documents. Ms. Taylor reminded Mr. Mehiel that the appointment of the secretary, the corporate secretary and the assistant corporate secretaries was also being recommended for approval. There were no further questions.

Upon a motion made by Mr. Mateo and seconded by Mr. Mattone, the following resolution was unanimously adopted:

APPROVAL AND ADOPTION OF THE BYLAWS OF THE BATTERY PARK CITY AUTHORITY (THE "AUTHORITY"), BYLAWS OF THE BATTERY PARK CITY PARKS CONSERVANCY CORPORATION (THE "CONSERVANCY"), BOARD MEMBER RESPONSIBILITIES, AUDIT & FINANCE COMMITTEE CHARTER, GOVERNANCE COMMITTEE CHARTER AND INVESTMENT COMMITTEE CHARTER.

BE IT RESOLVED, that the Bylaws of the Authority, Bylaws of the Conservancy, Board Member Responsibilities, Audit & Finance Committee Charter, Governance Committee Charter and Investment Committee Charter (collectively, the "Governance Documents") in the form presented to the Board be, and hereby are, approved and adopted; and be it further

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

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

APPOINTMENT OF CORPORATE SECRETARY AND ASSISTANT CORPORATE SECRETARIES OF THE BATTERY PARK CITY AUTHORITY (THE "AUTHORITY")

BE IT RESOLVED, that pursuant to Article II Section 2 of the Authority's By-laws, the following officers are hereby appointed to the offices indicated next to their names to serve until their successors shall be duly elected, unless any of them resigns, is removed from office or is otherwise disqualified from serving as an officer of the Authority, and that each shall take her respective office immediately upon such appointment:

Corporate Secretary.....Phyllis Taylor
Assistant Corporate Secretaries.....Nancy Harvey and Seema Singh;

and be it further

RESOLVED THAT Phyllis Taylor, Nancy Harvey and Seema Singh shall and they are hereby authorized to do all the acts, deeds and things which are necessary, desirable, appropriate and attendant to performing the duties for the aforesaid appointments; and be it further resolved that any actions taken as may be necessary, desirable or appropriate, in connection with the duties contemplated in the foregoing resolutions, and any further actions taken prior to the date hereof are hereby ratified, confirmed and approved.

This resolution shall take effect immediately and shall be filed in the Authority's official corporate records.

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The next item on the agenda was the authorization to fund improvements relating to the Tower A western frontage area as part of the Route 9A Project, presented by Ms. Dawson. She explained State Department of Transportation ("State DOT") has been in the planning stages for a realignment and a reconstruction of 9A since the 9-11 attacks. Starting in 2006-2007 State DOT began having discussions with the Authority and Brookfield Properties regarding improvements and the realignment.

Both the Authority and Brookfield Properties, she continued, believed at the time that in addition to the standard frontage improvements that additional security measures were warranted

in this particular area. So we looked at the improvements for 9A in three different phases and the conclusion between the Authority and Brookfield, she noted, was that the institution of a series of security walls with static and retractable bollards would be appropriate. The first phase is slated for construction this spring and summer.

Ms. Dawson explained that Brookfield and the Authority have agreed to allocate the costs between them since both parties stand to benefit by these security enhancements with the Authority assuming the costs for the security wall and associated improvements and Brookfield Properties assuming the costs for the static and retractable bollards. She stated that the Authority is proposing at this point to pay to State DOT the sum of \$1,036,016 as its share of the allocation of these enhanced security improvements related to Phase I of the 9A frontage project.

Ms. Dawson pointed out that Phases II and III will be occurring in the next couple of years and that we do not have the actual design and budget for those phases of the project. It is anticipated that if we choose to go ahead with those as well, that the allocation and costs would be very similar to what we are looking at with Phase I.

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

AUTHORIZATION TO FUND IMPROVEMENTS RELATING TO THE TOWER A WESTERN FRONTAGE AREA AS PART OF THE ROUTE 9A PROJECT, SUBJECT TO THE APPROVAL OF THE NEW YORK CITY MAYOR AND THE COMPTROLLER

BE IT RESOLVED, that the President/Chief Operating Officer (the "President") of the Authority or his designee(s) be, each of them hereby is, authorized and empowered to fund Improvements in the amount of \$1,036,016, as defined in the attached Memorandum, relating to the Tower western frontage area as part of the Route 9A Project, subject to the Mayor and City Comptroller's approval of the Authority's Capital Plan; and be it further

RESOLVED, that the President of the Authority or his designee(s), and each of them hereby is, authorized and empowered to fund the Improvements on behalf of the Authority, subject to such changes as the officer or officers authorizing the fund improvements shall, with the advice of counsel, approve as necessary and appropriate and in the best interest of the Authority, such approval to be conclusive evidence by the execution and delivery of the contract; and be it further

RESOLVED, that the President of the Authority or 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 confirmed and approved.

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Ms. Dawson presented the next item on the agenda which was the authorization to reimburse the Port Authority of New York & New Jersey for the costs of integrating the South (Liberty Street) Pedestrian Bridge into the World Trade Center Vehicle Security Center. She explained that during the 9-11 attacks the eastern portion of the Liberty Street Pedestrian Bridge was destroyed and there was an insurance claim that was filed with \$4,405,000 allocated to the rebuilding of the bridge.

The Authority undertook responsibility for the building of this bridge, she reported, but it has been delayed several times. The current plan is for the bridge to be connected to the World Trade Center Vehicle Security Center. Late last year the Authority was notified by the Port Authority that they had incurred certain costs for steel footings, columns and connections to the Vehicle Security Center for the bridge and that we now owe them \$2.9 million. She explained there is no written agreement between the Authority and the Port Authority regarding the payment of the costs of these footings. However, the Port Authority has now asked BPCA to reimburse them for these costs since they are directly related to the construction and completion of the pedestrian bridge. She further explained we are proposing to reimburse Port Authority for the \$2.9 million that they have already expended and we will deduct from that our verified costs of storage and materials handling associated with the delay. We are currently estimating at this point that those costs would be \$159,137. There were no questions or comments.

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

AUTHORIZATION TO REIMBURSE THE PORT AUTHORITY OF NEW YORK & NEW JERSEY FOR COSTS OF INTEGRATING THE SOUTH (LIBERTY STREET) PEDESTRIAN BRIDGE INTO THE WORLD TRADE CENTER VEHICLE SECURITY CENTER

BE IT RESOLVED, that the President/Chief Operating Officer (the "President") of the Authority or his designee(s) be, each of them hereby is, authorized and empowered to reimburse the Port Authority of New York & New Jersey, in full payment of its request for payment, in the amount of \$2.9 million for costs associated with the eastern landing of the Bridge Extension, less the Authority's final confirmed cost of material handling and storage fees (currently estimated to be \$159,137.37) incurred as a result of the delay in the construction of the Bridge Extension beginning in March 2010; and be it further

RESOLVED, that the President of the Authority or his designee(s), and each of them hereby is, authorized and empowered to facilitate the reimbursement on behalf of the Authority, subject to such changes as the officer or officers authorizing the reimbursement shall, with the advice of counsel, approve as necessary and appropriate and in the best interest of the Authority, such approval to be conclusive evidence by the execution and delivery of the contract; and be it further

RESOLVED, that the President of the Authority or 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 confirmed and approved.

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The next item on the agenda, also presented by Ms. Dawson, was the ratification, confirmation and authorization of actions taken by the Authority's Emergency Contracts Subcommittee and authorization to increase the level of authorized expenditures from \$10,648,555.26 million to \$11,034,247.91 million.

Ms. Dawson reported we are closing in on completion of Pier A and the Community Center. It is expected that the remainder of these items will be completed as of May 31st and they will be at a stage of substantial completion and Asphalt Green will have access to the remainder of the building as of that time. Regarding Pier A, she stated the interior of the building will be substantially completed by the end of the month, the painting on the exterior is getting held up by the rain, but within by the first week of June or so the exterior painting will be done and the tenant will be in the building in June. The remainder of the storm-related work, she reported, is underway or near to being underway. The South Cove repair is underway; we have sent out an RFP for certain electrical work and certain other electrical work is going to be coming during the summer.

Ms. Dawson then requested that the Board ratify the actions taken within the last month by the Emergency Subcommittee to increase the level of authorized expenditures to \$11,034,247.91.

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

RATIFICATION, CONFIRMATION AND AUTHORIZATION OF ACTIONS TAKEN BY THE BATTERY PARK CITY AUTHORITY EMERGENCY CONTRACTS SUB-COMMITTEE, AS SET FORTH ON THE ATTACHED SCHEDULE A

WHEREAS, the Members approved a delegation of authority to the Emergency Contracts Subcommittee on January 29, 2013 to approve Emergency Contracts, as such term is defined in the January 29, 2013 resolution (copy attached), up to an aggregate amount not-to-exceed \$6 million, which amount was last increased to a not-to-exceed amount of \$16 million by resolution dated April 16, 2013, payable from corporate insurance reserves and advances on insurance proceeds; and

WHEREAS, pursuant to the delegations, the Emergency Contracts Sub-Committee has approved Emergency Contracts in the total amount of \$11,034,247.91 through May 15, 2013, as set forth in Exhibit A.

NOW THEREFORE BE IT RESOLVED, that in accordance with the materials presented at this meeting, the actions of the Emergency Contract Sub-Committee, as set forth in the attached "Schedule A," are hereby ratified, confirmed and authorized; and

BE IT FURTHER RESOLVED, that the President of the Authority or his designee(s) be, and each of them hereby is, authorized and empowered to execute all such other and further documents, and then 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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Ms. Dawson presented the next item on the agenda which was an authorization to amend the contract with Ove Arup & Partners, P.C. She explained that the Board approved a design contract last year with Ove Arup and their subcontractor, Rogers Marvel Architects in the amount of \$394,264 for the design of the Plaza. The scope of that contract included whatever work was necessary in order to get the approvals by both the Department of City Planning and the Public Design Commission. Because those processes can be protracted, she explained, it is difficult to know in advance exactly how many times you are going to have to revise something or how long it is going to take.

There were a series of reasonable assumptions that were made at the time between Ove Arup and endorsed by the staff as being reasonable. However, Ms. Dawson explained, as the approval process has actually unfolded, the Public Design Commission process in particular, took much longer than had been originally anticipated, and there was a lot of delay and distraction that caused things to stretch out farther.

There were also a number of changes and modifications that had to be made. In addition to that there were certain efforts that were required of Arup that had not been originally anticipated such as: an updated survey that required the revision of the site plan, certain programmatic needs that had to be evaluated and incorporated into the plan. To cover all of those additional costs and to take it through the completion of the project, Staff is requesting authorization from the Board to increase the Ove Arup contract to a total of \$469,200.

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

AUTHORIZATION TO AMEND THE CONTRACT WITH OVE ARUP & PARTNERS FOR PIER A PLAZA DESIGN SERVICES TO INCREASE THE CONTRACT VALUE

BE IT RESOLVED, that in accordance with the materials presented to this meeting, the President/Chief Operating Officer (the "President") of the Authority or his designee(s) be, and each of them hereby is, authorized to amend the Authority's contract with Ove Arup & Partners for Pier A plaza design services to increase the contract amount by \$469,200; and be it further

RESOLVED, that the President of the Authority or 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 the amendment; and be it further

RESOLVED, that the President of the Authority or his designee(s) be, and each of them hereby is, authorized and empowered to execute all such other and further documents, and then take all such other and further actions as may be necessary, desirable or appropriate, in connection with the transactions contemplated in the foregoing resolution, 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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The final item on the agenda, presented by Mr. Serpico, was an informational item on the Quarterly Budget Summary for BPCA and BPCPC. Mr. Serpico noted that operationally our budget is on target and spending is at a level below the budgeted amounts approved by the Board. He pointed out three extraordinary items: OPEB post-retirement medical benefits, the settlement negotiation with AG, and the Parks Conservancy management of Peter Stuyvesant High School. With those items, he reported, everything else is under budget and operating smoothly. Revenues are coming in and there are no major uncollected amounts.

Mr. Serpico reported that he did not think there were any serious spending concerns in any areas and that the revenues were right on target.

There being no further business, upon a motion by Mr. Mattone and seconded by Ms. Gallo, the Members unanimously voted to adjourn the meeting. The meeting thereupon adjourned at 12:17 p.m.

Respectfully submitted,


Phyllis Taylor
Corporate Secretary