

HUGH L. CAREY BATTERY PARK CITY AUTHORITY  
Meeting of the Members  
200 Liberty Street, 24<sup>th</sup> Floor  
New York, NY 10281  
January 24, 2018

Members Present

Dennis Mehiel, Chairman/CEO  
Louis Bevilacqua, Member  
Catherine McVay Hughes, Member  
George Tsunis, Member

Authority Staff in Attendance: Benjamin Jones, Acting President, Chief Administrative Officer and VP of Internal Audit  
Brett Beecham, Associate General Counsel  
Lauren Brugess-Murtha, Paralegal/Assistant Corporate Secretary  
Marie Cornielle, Deputy Treasurer  
Gwen Dawson, Vice President, Real Property  
Pamela Frederick, Chief Financial Officer/Treasurer  
Abigail Goldenberg, Special Counsel and Risk Officer  
Nimisha Haribaran, Executive Assistant/Contract Manager  
Craig Hudon, Director of Parks Programming  
Susie Kim, Deputy General Counsel  
Karl Koenig, Controller  
Kevin McCabe, Chief of Staff/Special Assistant to the Chairman/CEO  
Robert Nesmith, Chief Contracting Officer  
Anne O'Neill, Dir. of Horticulture, Sustainability & Landscape Design  
Anthony Peterson, Director of Diversity  
Bruno Pomponio, Director of Parks Operations  
Alix Pustilnik, General Counsel  
Jason Rachnowitz, Director of Financial Reporting  
Jose Rosado, Director of Site and Property Management  
Nicholas Sbordone, Director of Communications and Public Affairs  
Nicole Stallworth-Roper, Associate General Counsel  
Alexis Torres, Special Advisor to the President/COO

Others in Attendance: Warren Ruppel, Marks Paneth  
Steve Faber, PFM Asset Management  
Various Members of the Public

The meeting, called on public notice in accordance with the New York State Open Meetings Law, convened at 2:37 p.m.

Mr. Tsunis made a motion to enter Executive Session to discuss matters pertaining to litigation, which was seconded by Mr. Bevilacqua. The Members entered Executive Session at 2:38 p.m.

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Upon a motion made by Ms. McVay Hughes and seconded by Mr. Tsunis, the Members exited Executive Session at 2:50 p.m. and resumed the public meeting.

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[The first item on the agenda [A1] was the appointment of the President and Chief Operating Officer of the Battery Park City Authority.

Upon a motion made by Mr. Tsunis and seconded by Ms. McVay Hughes, the following resolution was unanimously adopted:

**APPOINTMENT OF THE PRESIDENT AND CHIEF OPERATING OFFICER OF THE BATTERY PARK CITY AUTHORITY, THE "AUTHORITY"**

BE IT RESOLVED, that pursuant to Article II, Section 6 of the Authority's Bylaws, the following person is hereby appointed to the office indicated next to his name to serve until his successor shall be duly elected, unless he resigns, is removed from office or is otherwise disqualified from serving as an officer of the Authority, and that he shall take his office on January 24, 2018:

President and Chief Operating Officer .....Benjamin Jones

and be it further

RESOLVED THAT Benjamin Jones is hereby authorized to do all the acts, deeds and things which are necessary, desirable, appropriate and attendant to performing the duties for the aforesaid appointment; 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 second item on the agenda was the approval of the minutes of the October 23, 2017 meeting. Upon a motion made by Ms. McVay Hughes and seconded by Mr. Tsunis, the following resolution was unanimously adopted:

**APPROVAL OF MINUTES OF THE OCTOBER 23, 2017 MEETING**

BE IT RESOLVED, that the minutes of the meeting of the Members of the Hugh L. Carey Battery Park City Authority held on October 23, 2017 are hereby approved.

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There were two individuals who presented during the period of public comment.

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The next item on the agenda was the M/WBE Report presented by Mr. Peterson.

Mr. Peterson reported on the State's third quarter of Fiscal year 2017, 44.96% or \$1,922,317.27 of the Authority's total allowable expenditures of \$4,275,583.49 was paid to M/WBEs. Of this total amount, approximately 21.81% or \$932,353.12 was paid to MBEs and approximately 23.15% or \$989,964.15 was paid to WBEs and 100% of these amounts were paid directly to M/WBEs.

He also reported that for the third quarter of Fiscal year 2017, 39.26% or \$2,092,088.96 of the Authority's total allowable expenditures of \$5,328,279.18 was paid to SDVOBs and of this total approximately 0.25% or \$13,105.52 was paid directly to SDVOB's.

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The next item on the agenda, presented by Ms. Kim, was the ratification, confirmation and authorization to sign financial and bank-related documentation.

Ms. Kim began by requesting that the Members approve Pamela Frederick, our CFO, to be an authorized officer who would be permitted to instruct banks and other financial institutions on behalf of the Authority, as well as to issue or sign financial instruments such as checks, vouchers and requisitions. The Board has approved the President, the General Counsel and the CFO to perform such functions and now Ms. Frederick would be formally included in an incumbency certificate to perform those acts. The resolution also provides that for any checks in excess of \$25,000, the signature of two of those three officers is required which is consistent with our past practice.

Upon a motion made by Mr. Tsunis and seconded by Ms. McVay Hughes, the following resolution was unanimously adopted:

**RATIFICATION, CONFIRMATION AND AUTHORIZATION TO SIGN FINANCIAL AND BANK-RELATED DOCUMENTATION, INCLUDING CHECKS, VOUCHERS, REQUISITIONS AND OTHER INSTRUMENTS**

BE IT RESOLVED, that consistent with the Battery Park City Authority's (the "Authority") enabling legislation and By-Laws, we hereby ratify, confirm and authorize the officers identified below and on the attached Incumbency Certificate to transact business and issue instructions to banking and financial institutions on behalf of the Authority, provided that any documentation relating to such transactions that exceeds \$25,000 must be signed by at least two of the following Authorized Officers: Benjamin Jones, President & Chief Operating Officer, Alix Pustilnik, General Counsel, and Pamela Frederick, Chief Financial Officer/Treasurer. This authorization shall include, but not be limited to, execution of documentation in connection with financial and banking transactions, requisitions of monies, signing of checks, vouchers, requisitions and other instruments made by the Authority or to which the Authority may be a party; and be it further

RESOLVED, that any and all actions taken by any of the Authorized Officers in connection with the above transactions, actions or filings are hereby ratified, confirmed and approved; and be it further

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

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The next item on the agenda, presented by Ms. Frederick, was the annual audit presentation for fiscal year ended October 31, 2017.

Ms. Frederick began by presenting the Authority's operating revenues totaling \$295 million, representing an increase of \$16.2 million, which was a 5.8% increase over the prior fiscal year. This consisted of \$219 million in PILOT revenues, \$61 million in base rent and \$15 million in civic facility maintenance fees, as well as others including retail revenues and some supplemental rentals. The PILOT represented 74% of revenues on an accrual basis, base rents were 21% of revenues which remained, and CFM and other as 5% of revenues. The transfer to New York City is the primary use of revenues and for 2017, we have a provision to transfer \$149 million for PILOT. She also reported \$42 million will be transferred for the 2010 agreement that amended the settlement agreement. The balance of revenues are used to fund operations, debt service and other project costs, she reported, and the operating expenses represented about \$48 million. The 3.2% increase with non-operating expenses of \$224-\$225 million is mainly for our interest expenses and the transfer of \$191 million to New York City.

Ms. Frederick then introduced Warren Ruppel, our independent auditor from Marks Paneth and he presented findings of the fiscal year end 2017 audit presentation.

Upon a motion made by Mr. Bevilacqua and seconded by Ms. McVay Hughes, the following resolution was unanimously adopted:

**RESOLUTION OF THE MEMBERS REGARDING THE AUTHORITY'S AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED OCTOBER 31, 2017**

BE IT RESOLVED, that the Members hereby accept the Audited Financial Statements for the Fiscal Year ended October 31, 2017 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 Ms. Frederick, was the approval of the prompt payment report and prompt payment policy for fiscal year ended October 31, 2017.

Ms. Frederick explained that the prompt payment policy is required by the New York Public Authorities Law and states that public entities are required to make prompt payments, defined as 30 days, of amounts duly owed. The determination of prompt is made upon receipt of a proper invoice, both in form and substance that is presented to the finance department. Payment after 30 days requires an interest payment and such interest rate is determined by the state under its corporate tax rate, in this case, it would be an 8% rate. During the fiscal year that ended October 31, 2017 all payments were promptly made within the required 30 days period and no interest was paid in this fiscal year.

Upon a motion made by Ms. McVay Hughes and seconded by Mr. Tsunis, the following resolution was unanimously adopted:

**APPROVAL OF THE PROMPT PAYMENT REPORT AND PROMPT PAYMENT POLICY FOR THE FISCAL YEAR ENDED OCTOBER 31, 2017**

BE IT RESOLVED, that the Prompt Payment Report of the Authority for the fiscal year ended October 31, 2017 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 Ms. Frederick, was the approval of investment report and investment guidelines for fiscal year ended October 31, 2017.

Ms. Frederick explained that the Authority held total investments of \$471 million. Of this, she noted, bond restricted assets were \$371 million with corporate escrowed and OPEB assets of \$100 million. The funds are managed by the Authority's investment manager to conform to the Authority's guidelines including the investment objectives. These objectives being legal compliance, safety of principal, liquidity, meeting liquidity needs and lastly, to maximize the legally allowable rate of return. Investments are subject to Section 98 of the New York State Finance Law and the only changes to the guidelines have been updates to reflect the Section 98 references that were updated.

Ms. Frederick also noted the formation of the Investment Committee to be led by Board Member George Tsunis, with Catherine McVay Hughes and Lester Petracca as voting members and Chairman Mehiel as a non-voting member.

Ms. Frederick then introduced our investment advisors Steve Faber from PFM Asset Management and Jim Haddon from Ramirez Asset Management and Steve Faber gave a presentation to review the Authority's 2017 fiscal year investment strategy and performance.

Upon a motion made by Mr. Bevilacqua and seconded by Ms. McVay Hughes, the following resolution was unanimously adopted:

**APPROVAL OF THE INVESTMENT REPORT & GUIDELINES FOR THE FISCAL YEAR ENDED OCTOBER 31, 2017**

BE IT RESOLVED, that the Investment Report & Guidelines of the Hugh L. Carey Battery Park City Authority (the "Authority") for the fiscal year ended October 31, 2017 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) NYS Division of the Budget; (2) NYS 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 & Guidelines be posted on the Authority's website and the NY State Public Authorities Reporting System (PARIS); 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, presented by Ms. Pustilnik, was the approval of the procurement guidelines for fiscal year ended October 31, 2017.

Ms. Pustilnik explained that the Members are required to annually approve the procurement guidelines to ensure transparency, open competition in the Authority's procurements, as well as to promote the State's contracting goals. Non-substantive provisions were made to the guidelines as a result of internal conversations with staff and taking a look at what practices are in other similar Authorities. She mentioned some definitions were changed to be slightly clearer and some approvals were streamlined so that matters would not come to the Board or require President's approval unless they actually met thresholds that seemed to make that warranted.

After further discussion this item was passed subject to approval by Mr. Mehiel that the term personal services and the exclusions to personal services are clearly defined.

Upon a motion made by Mr. Tsunis and seconded by Mr. Bevilacqua, the following resolution was unanimously adopted, subject to defining the term personal services and the exclusions to such term:

**APPROVAL OF THE PROCUREMENT GUIDELINES**

BE IT RESOLVED, that the Procurement Guidelines in the form presented 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 Guidelines, subject to such changes as the officer or officers filing the 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 Assistant Corporate Secretary of the Authority be, and hereby is, directed to file the Authority's Procurement 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 Enter into an Agreement with the New York Power Authority ("NYPA") for Power Supply services.

Mr. Jones explained that the ten-year agreement with NYPA, which we do as a collective with a number of other government entities led by the City of New York is up, and as part of that collective, a new ten-year agreement has been negotiated maintaining the favorable terms attributed to the Authority. This is cost effective for us, he noted, because of the economies of scale by joining with these other government agencies in the City of New York and an annual assessment is done of the savings for each of the entities involved.

Upon a motion made by Mr. Tsunis and seconded by Ms. McVay Hughes, the following resolution was unanimously adopted:

**AUTHORIZATION TO ENTER INTO A SUPPLEMENTAL LONG TERM POWER AGREEMENT WITH THE NEW YORK POWER AUTHORITY**

BE IT RESOLVED, that in accordance with the materials presented to this meeting, the President of the Battery Park City Authority (the "Authority") or his designee(s) be, and each of them hereby is, authorized and empowered to execute the supplemental long term power agreement (the "Agreement"), between the Authority and New York Power Authority to provide electricity for a term of ten (10) years; 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 Agreement on behalf of the Authority, subject to such changes as the officer or officers executing the Agreement 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 Agreement; 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 in all respects confirmed and approved.

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The next item on the agenda, presented by Mr. Jones, was an authorization to enter into an agreement with RK Software, Inc. for Webmaster Services.

Mr. Jones explained that this contract for web services supports but also enhances our web sites. An RFP was issued for web services and two bids were received, both MWBE's, and the highest rated company RK was selected by the evaluation committee. He mentioned we have been working with them for a number of years now and have been very pleased with their services and range of hourly rates. Mr. Jones requested an approval to enter into a contract with a not-to-exceed amount of \$255,000 and mentioned if the scope of services ends up being less than projected, the cost will also be.

Upon a motion made by Mr. Tsunis and seconded by Ms. McVay Hughes, the following resolution was unanimously adopted:

**AUTHORIZATION TO ENTER INTO A FOUR YEAR CONTRACT WITH RK SOFTWARE, INC.**

BE IT RESOLVED, that the President and Chief Operating Officer (the "President") of the Authority, or her/his designees be, and each of them hereby is, authorized and empowered to execute an agreement for four (4) years, between the Authority and RK Software, Inc. in the not-to-exceed amount of \$255,000.00 (the "Agreement") to perform web consulting, maintenance, and support services; 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 Agreement on behalf of the Authority, subject to such changes as the officer or officers executing the Agreement 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 Agreement; and be it further

RESOLVED, that the President of the Authority, or her/his designees 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 in the foregoing resolution, 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. Dawson, was an authorization to enter into contract with Community Electric Inc. for Electrical Contracting Services for the Rector Grid Electric Upgrade.

Ms. Dawson explained that as part of our ongoing capital maintenance program, we have a program whereby we phase format, and upgrade our electric light grids throughout Battery Park City.



She noted that there has been an upgrade on three of the grids, the most recent of which was the south grid which was completed in 2017 and the current plans are to perform the street light upgrade for the Rector grid in 2018. That project includes all of the streets on the south side of Albany Street to West Thames Street and it includes the removal of existing feeder cables, cleaning and repair of conduits, the installation of new feeder cables, waterproofing of splices and modernization of controls in the cabinets. She then explained that an RFP was issued in September and two proposals were received from contractors, both of which are familiar to the Authority. The evaluation committee evaluated the proposals and Community Electric Inc. showed a clear winner in terms of the technical evaluation and the cost proposal which was significantly lower than the other proposal. She then asked that the Board approve entering into a one (1) year contract with Community Electric for a total of \$1,430,241.

Upon a motion made by Ms. McVay Hughes and seconded by Mr. Bevilacqua, the following resolution was unanimously adopted:

**AUTHORIZATION TO ENTER INTO A ONE YEAR CONTRACT WITH COMMUNITY ELECTRIC, INC. RECTOR GRID ELECTRIC UPGRADE**

BE IT RESOLVED, that the President and Chief Operating Officer (the "President") of the Authority, or her/his designees be, and each of them hereby is, authorized and empowered to execute an agreement for one (1) year, between the Authority and Community Electric, Inc. in the not-to-exceed amount of \$1,043,241.00 (the "Agreement") to perform the electrical maintenance in the Rector Grid; and be it further

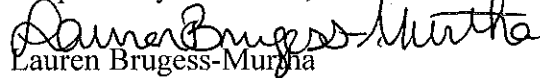
RESOLVED, that the President or her/his designee(s) be, and each of them hereby is, authorized and empowered to execute and deliver the Agreement on behalf of the Authority, subject to such changes as the officer or officers executing the Agreement shall, with the advice of counsel, approve as necessary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

RESOLVED, that the President of the Authority, or her/his designees 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 in the foregoing resolution, 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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There being no further business, upon a motion made by Ms. McVay Hughes and seconded by Mr. Tsunis, the Members unanimously voted to adjourn the meeting. The meeting thereupon adjourned at 3:47 p.m.

Respectfully submitted,

  
Lauren Brugess-Murtha

Assistant Corporate Secretary

**Public Comment**  
January 24, 2018 Board Meeting

1. Public Comment by Maryanne Braverman:

Hello, so, I am Maryanne Braverman. I've been a resident and owner in this building since... in this neighborhood since the very earliest phase. I really wanted to speak to thank you, Board, for appointing Benjamin as the President. I can't speak for the work he does internally but I will say that he was a refreshing change at the last open community meeting. He was open. That took away a lot of the agitation that tends to, you know, just be in those meetings before they even start. And there were changes made that just made it clear that he was listening to people and presumably would take what he's hearing to heart. So, I was really happy to hear that. I'll just add one other comment and that is I really would hope that BPCA Board Meeting January 24, 2018 the community meetings could be put on a schedule so all of us can know in advance that in July or October or February there'll be a meeting on a certain date and we can calendar those. We're always busy. So, I thank you for that.

2. Public Comment by Aaron Foldenauer:

Good afternoon. My name is Aaron Foldenauer. I've lived here in Lower Manhattan for over 12 years. Last year I was a candidate for City Council right here downtown. And I'm here today to comment on what has been reported to be a pilot proposal to deputize private security officers here in Battery Park City and give them certain police powers. I'm here today to express my views on the subject. And as well intentioned as this idea may be, I think it is a dangerous one, and I urge the Authority to reject it. First, this will come at the additional expense of the citizens of Battery Park City. And more problematic, this will create enormous liability risks which will ultimately be borne by the residents of Battery Park City. And secondly, it creates the risk of arbitrary and improper enforcement of laws, rules and regulations. And I'm concerned that these individuals would not be properly trained to enforce the complex rules that exist in our neighborhood and our general society. And I'm concerned that it will lead to additional disputes as to the proper exercise of police power. If, in fact, we need more police officers here in Battery Park City, let's urge the NYPD to provide them, not to incur the additional risk and additional expense that these private officers would cost. Thank you.