

HUGH L. CAREY BATTERY PARK CITY AUTHORITY

Meeting of the Members
200 Liberty Street, 24th Floor
New York, NY 10281
March 13, 2018

Members Present

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

Authority Staff in Attendance: Benjamin Jones, President and Chief Operating Officer
Brett Beecham, Associate General Counsel
Freddy Belliard, Community Operations Supervisor
Lauren Brugess-Murtha, Paralegal/Assistant Corporate Secretary
Marie Cornielle, Deputy Treasurer
Gwen Dawson, Vice President, Real Property
Abby Ehrlich, Director of Community Partnerships and Engagement
Pamela Frederick, Chief Financial Officer/Treasurer
Joseph Ganci, Design Director
Abigail Goldenberg, General Counsel
Nimisha Haribaran, Executive Assistant/Contract Manager
Craig Hudon, Director of Parks Programming
Susie Kim, Deputy General Counsel
Karl Koenig, Controller
Kevin McCabe, Acting Chief Administrative Officer
Robert Nesmith, Chief Contracting Officer
Anne O'Neill, Dir. of Horticulture, Sustainability & Landscape Design
Anthony Peterson, Director of Diversity Programs
Bruno Pomponio, Director of Parks Operations
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
Kenneth Windman, Director of Facilities & Infrastructure Management

Others in Attendance: Warren Ruppel, Marks Paneth
Stephen Faber, PFM Asset Management
Bob Cheddar, 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 10:34 a.m.

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The first item on the agenda was the approval of the minutes of the January 24, 2018 meeting. Upon a motion made by Mr. Batista and seconded by Ms. McVay Hughes, the following resolution was unanimously adopted:

APPROVAL OF MINUTES OF THE JANUARY 24, 2018 MEETING

BE IT RESOLVED, that the minutes of the meeting of the Members of the Hugh L. Carey Battery Park City Authority held on January 24, 2018 are hereby approved.

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

For the month of January, Fiscal Year 2017-18, 31.75% or \$220,689.04 of the Authority's total expenditures of \$695,098.67 was paid to M/WBEs. Of this total amount, approximately 7.09% or \$49,252.26 was paid to MBEs and approximately 24.66% or \$171,436.78 was paid to WBEs. 13.04% of these amounts was paid directly to M/WBEs and 18.71% or \$130,064.89 was paid to MWBEs as sub-contractors.

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The next item on the agenda, presented by Ms. Frederick, was the review of the Investment Performance report for the quarter ended January 31, 2018.

Ms. Frederick began by providing an update on our fossil fuel investments. She then introduced Steve Faber and Bob Cheddar from PFM to provide a summary of our first quarter investment performance. Mr. Faber discussed that our assets under management increased about \$80 million from the prior quarter for a total of approximately \$520 million that are under management and invested very conservatively, with about 80% of the portfolio invested in U.S. treasuries or federal agency securities, with the balance invested in high-grade municipal securities and commercial paper. Mr. Faber confirmed that all investments are consistent with and in conformity with the Authority's investment guidelines and state statutes. He mentioned that the quarter in economic markets was marked by continued strength in the US economy and in the labor market with positive job gains. He said that their job is to meet or exceed the performance of the benchmarks, while managing liquidity needs, which are significant for the Authority. The quarter was very active, particularly in the short-term funds. We saw a significant increase in value in the short-term, high quality paper relative to treasuries and agencies, so a lot of activity in that space. In the long-term funds, which are the reserve fund operating reserves, the negative performance for the quarter managed to out-perform their respective benchmarks.

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Ms. McVay Hughes made a motion to enter Executive Session to discuss matters pertaining to litigation, which was seconded by Mr. Batista. The Members entered Executive Session at 10:47 a.m.

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Upon a motion made by Ms. McVay Hughes and seconded by Mr. Tsunis. The Members exited Executive Session at 11:36 a.m.

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There was one individual who presented during the period of public comment.

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The next item on the agenda, presented by Ms. Dawson, was the update on the Resiliency Plan.

Ms. Dawson presented an update on the resiliency plans that would protect Battery Park City from future storm damage and sea level rise. Ms. Dawson explained that we have been engaged in a series of studies focused on identifying Battery Park City's vulnerabilities and have come up with a series of plans for a system of storm barriers within Battery Park City based on the 500-year storm projections. We have also been coordinating very closely with the City of New York because ultimately we want to be able to connect with the larger Lower Manhattan coastal resiliency plan going forward under the Mayor's Office of Recovery and Resiliency. Ms. Dawson discussed plans to move forward with in detailed engineering and design work in four locations in Battery Park City Authority.

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The next item on the agenda, presented by Ms. Frederick, was the update on the Bond Financing Plan.

Ms. Frederick provided an update on the Authority's financing structure and discussed the plan to use our existing financing capacity for some of our immediate needs while the Authority pursues a longer-term capital funding mechanism. From a financial planning perspective, the new tax law reduced some of our flexibility of timing to do a financing and caused an increase in the floating interest rate we are paying. We are planning to refund two of our three variable rate notes this year and the third one in 2019, each in an amount just under \$200 million. The Authority is also looking to do an incremental funding in the amount of \$80 million to fund the initial resiliency costs, which consists of primarily planning, including architectural plan, in 2018 and 2019 and then any general capital costs we would normally face. We will keep the existing swap in place that is currently underwater about \$57 million, so it is a negative mark to market of about 57, which has moved dramatically lower. The Authority has started to seek state approval to raise our debt capacity.

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The next item on the agenda, presented by Mr. Jones, was the approval of General Counsel and the ratification, confirmation and authorization for Ms. Goldenberg to sign financial and bank-related documentation.

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

APPOINTMENT OF THE GENERAL COUNSEL AND CORPORATE SECRETARY OF THE BATTERY PARK CITY AUTHORITY (THE "AUTHORITY")

BE IT RESOLVED, that pursuant to Article II, Sections 2 and 8 of the Authority's Bylaws, the following person is hereby appointed to the offices indicated next to her name to serve until her successor shall be duly elected, unless she resigns, is removed from office or is otherwise disqualified from serving as an officer of the Authority, and she shall take such offices on March 13, 2018:

General Counsel and Corporate Secretary.....Abigail Goldenberg
and be it further

RESOLVED, that Abigail Goldenberg shall, and is hereby authorized to, do all the acts, deeds and things that 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.

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, Abigail Goldenberg, 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 Mr. McCabe, was the authorization to enter into an agreement with NYC Bike Share, LLC, for Citi Bike valet services.

Mr. McCabe explained that the Authority wants to enter a five (5) year agreement with Citi Bike to appropriately staff and service certain Citi Bike locations within Battery Park City.

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

AUTHORIZATION TO ENTER INTO A FIVE YEAR CONTRACT WITH NYC BIKE SHARE, LLC.

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 five (5) years, between the Authority and NYC Bike Share, LLC for valet services at certain locations in Battery Park City at no cost to the Authority.

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 the authorization to enter into a contract with M&N Engineering, PC for the Phase 6 Pile Remediation Design and Engineering Services.

Ms. Dawson explained that we have an annual program for pile remediation to make sure the existing piles supporting the esplanade are healthy and do not need any repairs and to repair the items that do. We have completed five phases of the pile remediation, and phase six is scheduled for this year. After issuing an RFP three bids were received and one was disqualified. M&N was the highest technically rated proposer. Its cost proposal was slightly higher but still within a reasonable range. Therefore, the evaluation committee considered M&N to be the best value proposer for the Authority. So, we are asking the Board to enter into a contract for fifteen (15) months in the amount of \$128,767.

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

AUTHORIZATION TO EXECUTE A CONTRACT WITH M&N ENGINEERING, PC FOR THE PHASE 6 PILE REMEDIATION DESIGN & ENGINEERING SERVICES PROJECT

BE IT RESOLVED, that the President and Chief Operating Officer of the Authority (the “President”) or her designee(s) be, each of them hereby is, authorized and empowered to enter into one or more contracts (collectively, the “Contract”) with M&N Engineering, PC, for the Phase 6 Pile Remediation

Design & Engineering Services Project, for a term of fifteen (15) months and in the not-to-exceed amount of \$128,767.00; and be it further

RESOLVED, that the President or her designee(s), 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 conclusive evidence by the execution and delivery of the Contract; and be it further

RESOLVED, that the President or her 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. Dawson, was an authorization to amend the on-call contract with KS Engineering PC for on-call engineering services.

Ms. Dawson explained that the Authority entered into a contract in March 2015 with KS Engineering PC for on-call engineering services. We are requesting to extend the contract until July 31, 2018 in order to allow for the completion of the in-progress projects they are already working on, with no additional money added.

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

AUTHORIZATION TO AMEND CONTRACT WITH KS ENGINEERING P.C. FOR THE ON CALL ENGINEERING SERVICES PROJECT

BE IT RESOLVED, that the President and Chief Operating Officer of the Authority (the “President”) or her/his designee(s) be, and each of them hereby is, authorized and empowered to amend a contract with KS Engineering P.C. for the On Call Engineering Services Project to extend the expiration date to July 31, 2018; 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 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 conclusive evidence by the execution and delivery of the Contract; 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 confirmed and approved.

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The next item on the agenda, presented by Ms. Dawson, was an authorization to amend the on-call contract with McLaren Engineering Group for on-call engineering services.

Ms. Dawson explained that the Authority entered into a contract in March 2015 with McLaren Engineering Group for on-call engineering services. We are requesting to extend the contract until December 31, 2018 in order to allow for the completion of the in-progress projects they are already working on, with an additional \$50,000 added to the contract.

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

AUTHORIZATION TO AMEND CONTRACT WITH MCLAREN ENGINEERING GROUP FOR THE ON-CALL ENGINEERING SERVICES PROJECT

BE IT RESOLVED, that the President and Chief Operating Officer of the Authority (the "President") or her/his designee(s) be, and each of them hereby is, authorized and empowered to amend a contract (the "Contract") with McLaren Engineering Group for the On-Call Engineering Services Project, extending its term to December 31, 2018 and increasing the contract value from \$675,000 to \$725,000; and be it further

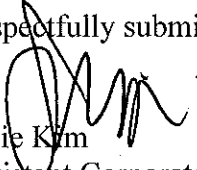
RESOLVED, that the President or her/his designee(s) be, and each of them hereby is, authorized and empowered to execute and deliver the Contract on behalf of the Authority, subject to such changes as the officer or officers executing the Contract shall, with the advice of counsel, approve as necessary and appropriate and in the best interest of the Authority, such approval to be conclusive evidence by the execution and delivery of the Contract; 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 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 12:07 p.m.

Respectfully submitted,


Susie Kim
Assistant Corporate Secretary

Public Comment
March 13, 2018 Board Meeting

1. Public Comment by Rosalie Joseph:

Good morning. I'm here on behalf of the board of the Gateway Plaza Tenants Association and I'd like to bring something to your attention facing the residents about our electric bill. We have been inundated with e-mails from tenants about the exorbitant increase in electric bills between December and January. Now, Gateway tenants pay their own electric heat which is supplied through Gateway, purchased from Con Ed, and billed to residents through a third-party AMPS-ELEMCO. Many residents have received bills this month that have been double or triple or more than prior month. Tenants have reported an increase anywhere from 55% to 354%. The last one that I just mentioned went from \$161 to \$731. We have reached out to Gateway management and they advised us that they have no control over the electric rates and that all inquiries and complaints should be directed to AMPS-ELEMCO. A few of us have contacted them. They have cited the cold January temperatures and an increase in Con Ed's bulk rate to explain these increases. While we understand that Gateway does not control electric rates, we believe there are factors in their control that may affect usage. Now, Gateway has provided guidance to tenants regarding the operation of these relatively new PTAC units, which is our heating and conditioning, to achieve efficiency. And virtually everybody we spoke to follows these guidelines. Despite the bills-- Despite this, bills have gone up significantly. Perhaps the PTAC units themselves are not functioning efficiently or perhaps there's a problem with the meters. And I would also like to point out that in 2014, there was a similar issue when utility bills were comparable to the bills we are now experiencing. So the elected officials worked with the Tenants Association and management installed new PTAC units, new meters, and new windows to remedy these excessive bills. Now, after all those capital improvements that have been made, our bills are still exorbitant. And finally, there is no transparency about what fees may be included in our bills. We've reached BPCA Board Meeting March 13, 2018 out to the elected officials and we hope to meet with the Public Service Commission to discuss the issue, but we would also ask for your support and involvement to resolve the situation. Thank you for your time. I think that was just it.