

HUGH L. CAREY BATTERY PARK CITY AUTHORITY
Meeting of the Members
One World Financial Center, 24th Floor
New York, NY 10281
April 14, 2015

Members Present

Dennis Mehiel, Chairman/CEO
Frank Branchini, Member
Martha Gallo, Member
Lester Petracca, Member

Authority Staff in Attendance: Shari C. Hyman, President/COO
Lauren Bruggess, Paralegal/Assistant Corporate Secretary
Anthony Buquicchio, Director of Site Management
Marie Cornielle, Deputy Treasurer
Gwen Dawson, Vice President, Real Property
Robin Forst, Vice President, External Affairs
Benjamin Jones, Vice President, Administration
Karl Koenig, Controller
Luis Garcia, Assistant Treasurer
Abigail Goldenberg, Special Counsel and Risk Officer
Kevin McCabe, Chief of Staff/Special Assistant to the Chairman/CEO
Brenda McIntyre, Vice President, Human Resources
Robert Nesmith, Chief Contracting Officer
Anthony Peterson, Director of Diversity Programs
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
Ken Windman, Director of Facilities & Infrastructure Management

Others in Attendance: Tessa Huxley, Battery Park City Parks Conservancy Corporation
Steve Faber, PFM
Tim Sheehan, CBRE
Mark Godfrey, CBRE
Devin Dillard, Citigroup
Kristen Johanson, Citigroup
Dennis O'Connor, Citigroup
Rainer Perkins, Citigroup
Therese Loeb Kreuzer, Downtown Post NYC
Matt Fenton, The Broadsheet
Amanda Woods, Tribeca Trib
Sue Malesevic, Downtown Express

The meeting, called on public notice in accordance with the New York State Open Meetings Law, convened at 9:55 a.m.

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The first item on the agenda was the approval of the minutes of the March 12, 2015 meeting. Upon a motion made by Mr. Branchini and seconded by Mr. Petracca, the following resolution was unanimously adopted:

APPROVAL OF MINUTES OF THE MARCH 12, 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 March 12, 2015 are hereby approved.

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Ms. Hyman informed the Members about the Irish Hunger Memorial app that was recently developed with the assistance of Kevin McCabe. The app is now available free of charge through Google Play and the iTunes App Store. The Irish Hunger Memorial app allows you to hear from the Memorial's artist, Brian Tolle, about his thought process in designing the Memorial. The app includes a GPS map that allows visitors to walk through the Irish Hunger Memorial, hit each of the stones in the Memorial and learn more about the Irish county that the stone comes from. Ms. Huxley added that on May 3rd Brian Tolle will give a public tour and talk on the Irish Hunger Memorial.

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

Mr. Peterson updated the Members on the Authority's and Conservancy's numbers for March 2015. He explained that 32% of the Authority's and Conservancy's total expenditures was paid to M/WBEs - 29% was paid to MBEs and 20% was paid to WBEs. The Authority is above its State mandated goal again and there will be no problem in the Authority reaching its goal for the quarter.

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The next item on the agenda was a presentation of the Authority's outstanding debt profile by Kristen Johanson of Citigroup. Ms. Johanson provided a recap of current market conditions and the current position of the Authority's debt profile.

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The next item on the agenda, presented by Ms. Hyman, was an authorization to increase the funding for the West Thames Street Bridge ("Bridge") Project.

She explained that the Members voted in 2013 to authorize the Authority to act solely as a conduit for the \$2.02 million in funding for the design phase of the Bridge. The current cost of the design phase for the Bridge is going to cost an additional \$750,000. In order to perform the Authority's function as the conduit, Ms. Hyman added, the Members must increase the funding of the design phase of the Bridge by \$750,000, so the new total for this phase would be \$2.77 million.

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

AUTHORIZATION TO ACT AS A CONDUIT FOR AN ADDITIONAL \$750,000 FOR THE WEST THAMES STREET BRIDGE DESIGN PROJECT

BE IT RESOLVED, that the President and Chief Operating Officer (the "President") of the Battery Park City Authority (the "Authority") or her/his designee(s) be, each of them hereby is, authorized and empowered to enter into one or more written agreements with the City of New York, acting through the New York City Economic Development Corporation, and the Lower Manhattan Development Corporation (collectively, the "Agreements") to act as a conduit for an additional \$750,000 for the design phase of the West Thames Street Bridge Project; 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 Agreements on behalf of the Authority, subject to such changes as the officer or officers executing the Agreements 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 Agreements; 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 Benjamin Jones, was an approval of guidelines for the Disposition of Real and Personal Property. Mr. Jones stated that the guidelines have not changed from the version that was approved in the prior year. He also mentioned that no circumstances were identified for which any change was necessary. There were no questions on this matter.

Upon a motion made by Mr. Branchini and seconded by Ms. Gallo, 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 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 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 Ms. Dawson, was an authorization to execute a contract with Community Electric, Inc. for the south neighborhood street light electrical system repair and replacement.

Ms. Dawson began by explaining that this project, which was included in our capital plan, is the next phase of the electrical maintenance program. She further explained that the street light system in Battery Park City is divided into five (5) distinct grids, two (2) in the north neighborhood and three (3) in the south neighborhood. The Authority performed the first phase of the Electrical Maintenance Program in 1999 in the Vesey Street/Murray Street loop, and in 2009, it performed the work in the POD III grid, which encompasses the area between Liberty Street and Albany Street. As a result of recurring failures and problems with the electrical grid in the south neighborhood, the Authority plans to proceed with the next phase at the South Grid location.

Ms. Dawson added that on past projects the Authority has had a good working relationship with Community Electric.

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

AUTHORIZATION TO EXECUTE A CONTRACT WITH COMMUNITY ELECTRIC, INC. FOR THE SOUTH NEIGHBORHOOD STREET LIGHT ELECTRICAL SYSTEM REPAIR AND REPLACEMENT

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 enter into a contract with Community Electric, Inc. for the South Neighborhood Street Light Electrical System Repair and Replacement in the amount of \$743,000, 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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The next item on the agenda, presented by Ms. Dawson, was an authorization to execute a contract with CH2MHILL for the pile remediation contract management and diving inspection services.

Ms. Dawson explained that this is for Phase 4 of the pile remediation program. She reminded the Members that due to seasonal restrictions the work associated with the pile remediation programs

will be performed between the months of May and October each year. The current year's work will focus on the piles that are located on the southern end of the North Cove Marina. This will enable the Authority to complete all of the pile remediation around the North Cove Marina in 2015, without any need that the Authority disturb marina operations after this sailing season.

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

AUTHORIZATION TO EXECUTE A CONTRACT WITH CH2MHILL FOR THE 2015 PHASE 4 PILE REMEDIATION – CONSTRUCTION MANAGEMENT AND DIVING INSPECTION SERVICES PROJECT

BE IT RESOLVED, that the President and Chief Operating Officer of the Authority (the “President”) or her/his designee(s) be, each of them hereby is, authorized and empowered to enter into a contract (the “Contract”) with CH2MHILL for the 2015 Phase 4 Pile Remediation -- Construction Management and Diving Inspection Services Project in a total amount not to exceed \$423,667; 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. Hyman, was an authorization to execute a lease amendment with Pier A Battery Park Associates, LLC (the “Operator”).

Ms. Hyman explained that Pier A was supposed to open in the summer 2014, but due to construction delays the opening date was also delayed, which cut down on the use of space, including the outdoor space. As a result, she added, the Operator had much lower than expected revenue opportunities and requested a rent reduction from the Authority, which was declined. Instead, the Authority agreed to a deferral in rent pursuant to a negotiated schedule.

The Operator, she continued, will begin paying back the deferred rent in year four. This negotiated rent deferral does not in any way affect the revenue sharing between the Authority and the Operator. Any rents owed under the Operator's lease will not be affected with respect to any revenue sharing. The deferral will be fully paid by year eight, assuming there is no expedited repayment and the Operator's lease runs for 25 years in total. EDC has also been apprised of the Authority's request to enter into this deferred rent agreement with the Operator.

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

AUTHORIZATION TO AMEND THE OPERATOR'S LEASE WITH PIER A BATTERY PARK ASSOCIATES, LLC

BE IT RESOLVED, that in accordance with the materials presented to this meeting, the President and Chief Operating Officer (the "President") of the Battery Park City Authority (the "Authority") or her/his designee(s) be, and each of them hereby is authorized to execute an amendment (the "Amendment") to the Operator's Lease with Pier A Battery Park Associates, LLC to modify the schedule of Base Rent payable thereunder; 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 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 execute a contract with the Southern Services Group for the Pier A Array Frames.

Ms. Dawson explained that the river water geothermal system, known as the array system, is made of nickel/copper alloy and each array is housed in its own steel frame which is installed on steel I-beam cradles. Since completion of the Pier A HVAC system in 2013, the Authority has periodically inspected and maintained this underwater array system and frames. The underwater inspection work included dive inspections performed in August 2013 and, February, June, and September 2014.

However, Ms. Dawson continued, the dive in September 2014 indicated that the frames that are holding the arrays were experiencing some corrosion. The Authority at the time contacted Blanke Marine, a marine engineer specialist in corrosivity, and a subsequent dive was undertaken in October 2014, which revealed additional corrosion. Ms. Dawson said there was concern that some remedial action needed to take place in order to forestall any additional problems. The installation of anodes on the frame was conducted in November 2014, which helped mitigate any further corrosion until a more permanent solution could be devised. Blanke Marine subsequently recommended that the array frames be replaced.

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

AUTHORIZATION TO EXECUTE A CONTRACT WITH SOUTHERN SERVICES GROUP FOR THE PIER A GEOTHERMAL ARRAY FRAMES REPLACEMENT

BE IT RESOLVED, that the President and Chief Operating Officer of the Authority (the "President") or her/his designee(s) be, each of them hereby is, authorized and empowered to enter into a contract (the "Contract") with Southern Services Group for the Pier A Geothermal Array Frames Replacement in a total not-to-exceed amount of \$269,204; 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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Mr. Branchini made a motion to enter Executive Session to discuss matters pertaining to the proposed acquisition, sale or lease of real property and litigation, which was seconded by Mr. Petracca. The Members entered Executive Session at 10:51 a.m.

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The Members exited Executive Session at 11:20 a.m. and resumed the public meeting.

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There being no further business, upon a motion made by Mr. Branchini and seconded by Mr. Petracca, the Members unanimously voted to adjourn the meeting. The meeting thereupon adjourned at 11:21 a.m.

Respectfully submitted,



Lauren Brugess
Assistant Corporate Secretary