

HUGH L. CAREY BATTERY PARK CITY AUTHORITY

Meeting of the Members  
200 Liberty Street, 24<sup>th</sup> Floor  
New York, NY 10281  
April 6, 2020

Members Present

George Tsunis, Chairman (via video)  
Louis Bevilacqua, Member (via video)  
Donald Capoccia, Member (via video)  
Martha Gallo, Member (via video)  
Catherine McVay Hughes, Member (via video)  
Anthony Kendall, Member (via phone)

Authority Staff in Attendance: Benjamin Jones, President and Chief Executive Officer (via video)  
Sharmila Baichu, Vice President of Human Resources (via video)  
Anthony Buquicchio, Senior Project Manager (via phone)  
Gwen Dawson, Vice President, Real Property (via video)  
Pamela Frederick, Chief Financial Officer/Treasurer (via video)  
Abigail Goldenberg, General Counsel (via video)  
Craig Hudon, Vice President of Parks Programming (via video)  
Susie Kim, Deputy General Counsel (via video)  
Eric Munson, Chief Operating Officer (via video)  
Lauren Murtha, Paralegal/Assistant Corporate Secretary (via video)  
Jahmeliah Nathan, Vice President of Administration (via video)  
Bruno Pomponio, Vice President of Parks Operations (via video)  
Nicholas Sbordone, Vice President of Communications and Public Affairs (via video)  
Alexis Torres, Chief of Staff (via video)

Others in Attendance: Steve Faber, PFM Asset Management (via video)  
Warren Ruppel, Marks Paneth (via video)

The meeting, called on public notice in accordance with the New York State Open Meetings Law, convened at 2:07 pm.

\* \* \*

The first item on the agenda was the approval of the minutes of the February 26, 2020 meeting. Upon a motion made by Mr. Capoccia and seconded by Mr. Bevilacqua, the following resolution was unanimously adopted:

**APPROVAL OF MINUTES OF THE FEBRUARY 26, 2020 MEETING**

BE IT RESOLVED, that the minutes of the meeting of the Members of the Hugh L. Carey Battery Park City Authority held on February 26, 2020 are hereby approved.

\* \* \*

There was one (1) presentation during the period of public comment, which was read by Mr. Sbordone.

\* \* \*

The next item on the agenda was the Audit Committee Report presented by Ms. Frederick. She noted that while there was no quorum of the Audit Committee present for the meeting, the Committee still (1) reviewed the fiscal year 2019 Form 990 and the CHAR-500 for Battery Park City Parks Conservancy (2) met with independent auditor, Marks Paneth, and (3) reviewed the prior Audit Committee meeting's Minutes.

\* \* \*

Ms. Frederick then presented the Investment Report, which focused on the current impact of the Covid-19 pandemic on the Authority's bonds and investments, and she introduced Steve Faber from the Authority's investment advisor, PFM Asset Management, to provide the Board with a general presentation on the financial markets.

Mr. Faber reviewed materials which had been distributed to the Board. He noted the US economy was projected to contract as a result of the pandemic, with forecasts varying on whether to anticipate a sharp contraction followed by a quick rebound or a protracted contraction followed by a gradual recovery. He provided (1) an overview of the drop in interest rates through the first quarter of 2020; (2) a summary of significant moves by the Federal Reserve to reduce interest rates while providing liquidity to the markets; and (3) an outline of changes to short-term credit spreads, focusing on commercial paper.

\* \* \*

The next item on the agenda was the M/WBE Utilization Report presented by Ms. Nathan.

Ms. Nathan reported that for February 2020, 32.64%, or approximately \$1 million of the Authority's total qualifying expenditures of approximately \$3 million was paid to MWBEs. Of this total amount, 14.73% was paid to MBEs, with 7.94% to MBEs as prime contractors, and 6.79% to MBE subcontractors. Of this total, 17.91% was paid to WBEs, with 5.5% percent of that to WBEs as primes, and 12.6% to WBEs as subcontractors.

\* \* \*

The next item on the agenda was the Resiliency Update presented by Mr. Jones. He began by thanking the Governor's Office and the State more broadly for guidance and support throughout the pandemic crisis. He also thanked the Authority staff who continued to work both from home and on site. On resiliency matters, he noted as follows: (1) the construction manager for the South Battery Park City project was approved and was working with the design team, with 75% percent design packages in development, (2) the Authority team was engaging with City stakeholders on necessary design reviews and permits for site investigations for the North Battery Park City project, (3) the Board would be hearing about a vendor for construction for the ballfields project during this meeting, and (4) the West Battery Park City RFP had been distributed with a due date of April 30th. He also noted an independent peer reviewer had been hired to review the resiliency efforts and that the Authority was finalizing its Sustainability Plan.

In response to member questions about the impact the pandemic may have on project timelines, Mr. Jones noticed that there were no delays at this time on construction or the approval process for permits.

\* \* \*

The next item on the agenda, presented by Ms. Frederick, was the authorization to enter into an amended contract with Mohanty Gargiulo, LLC for the provision of swap advisory services. She explained that the firm, a WBE, was hired in March 2019 and provided an analysis of the Authority's swap portfolio and led the portfolio restructuring of the swaps as part of the 2019 bond issuance. She said their work in the upcoming year would be critical as the Authority approaches market restructuring related to the sunset of LIBOR. She said the Authority was seeking to have continuity of the firm's swap advisory services through October 31, 2020 and that the Authority intended to issue a new discretionary procurement for swap advisory services from MBE, WBE, and SDVOB firms. As a result, she said the Authority sought approval to extend the contract with Mohanty Gargiulo LLC.

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

**AUTHORIZATION TO AMEND THE AGREEMENT WITH MOHANTY GARGIULO, LLC.**

BE IT RESOLVED that in accordance with the materials presented to this meeting, the President and Chief Executive Officer of the Hugh L. Carey Battery Park City Authority (the "President") or her/his designee(s) be, and each of them hereby is, authorized and empowered to amend Contract #19-2702 with Mohanty Gargiulo, LLC, to extend the contract expiration date from March 6, 2020 to October 31, 2020, 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 Hugh L. Carey Battery Park City Authority, subject to such changes as the officer or officers 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 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 further actions heretofore taken are hereby ratified and any actions hereafter taken are confirmed and approved.

\* \* \*

The next item on the agenda, presented by Ms. Nathan, was the authorization to enter into a contract for e-mail services. Ms. Nathan explained that the Authority's current contract with US Internet was expiring while the Authority had a continued need for e-mail service. She said the Authority had determined to conduct a single source procurement for a new contract with US Internet to continue the orderly development and fiscal management of various Authority projects and avoid the disruption of email services that would be necessitated by conducting a competitive procurement. In order to ensure that the Authority would pay fair market prices for e-mail services under the proposed single source contract, the MIS Department reached out to two competing vendors for price comparisons. These vendors were 12% and 79% more expensive than US Internet's quote of \$8.95 per e-mail address. Prior

to this meeting, a member of the Board had asked about Google's e-mail product, which comes with a base price of \$7.00 per e-mail address. However, she noted that e-mail product does not include BPCA's current security features, which would increase the Authority's cost to \$25.00 per address. Based on US Internet's pricing, MIS determined that a not-to-exceed contract amount of \$300,000.00 would provide adequate resources for a five-year contract term. This amount is based on the Authority's need for roughly 500 separate e-mail addresses, which includes both active and archived employee addresses and administrative accounts, for which it would be billed at the rate of \$8.95 per address for a total amount of roughly \$4,500.00 a month for a yearly total of roughly \$50,000.00. As a result, she said the Authority was seeking to enter in to an agreement with US Internet.

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

**AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH US INTERNET FOR EMAIL SERVICES**

BE IT RESOLVED that in accordance with the materials presented to this meeting, the President and Chief Executive Officer of the Hugh L. Carey Battery Park City Authority (the "President") or her/his designee(s) be, and each of them hereby is, authorized and empowered to enter into an agreement with US Internet to provide email services for a term of five (5) years for a not-to-exceed amount of \$300,000.00, 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 Hugh L. Carey Battery Park City Authority, subject to such changes as the officer or officers 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 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 further actions heretofore taken are hereby ratified and any actions hereafter taken are confirmed and approved.

\* \* \*

The next item on the agenda, presented by Mr. Hudon, was a request to enter into an agreement with Crossfire Sound Productions to provide sound and stage production and equipment rental services. Mr. Hudon provided the Board with background on the project: the Authority uses a vendor to support live concerts and musical events hosted by its Parks Programming Department; this vendor also functions as a de facto technical producer of these events, providing the temporary installation and breakdown of a portable, and operating sound, lighting, and staging production equipment.

Because the Authority's current contract with these services is set to expire on May 17, 2020, it issued an RFP in January. Seven proposers responded and the evaluation committee determined that Cross Fire Sound Productions had returned the highest-scoring proposal by a significant margin, with a mean technical score sixteen points higher than the second highest scoring proposer. The proposers also provided cost proposals for four production levels based on increasingly complex levels of production commonly needed at Authority events. Cross Fire's pricing was the second, fourth, second, and second highest pricing for the respective levels of the seven proposers; however, given the importance of the

technical qualifications of the selected vendor, the evaluation committee determined that the cost provided by Cross Fire Sound Productions was fair and reasonable and represented the best value for the Authority.

The members inquired into the relative costs of the other highest ranking technical proposers, and after a discussion, it was determined that the item would be tabled until the next Board meeting.

\* \* \*

The next item on the agenda, presented by Ms. Dawson, was a request for authority to enter into a construction contract for the Authority's ballfields resiliency project. Ms. Dawson provided background on the project, an interim measure to protect the ballfields and the community center for a period of up to ten years while the Authority completes other resiliency projects.

She noted that the Authority had issued an RFP late in 2019, received four proposals, and after both a technical evaluation and a request for best and final offers, Specialty Construction System was both the highest rated technical proposer and represented the best value to the Authority. As a result, the real property department recommend that the Authority enter into a contract with Specialty Construction to perform the general contractor services for the ballfields and community center resiliency project.

The members and staff engaged in a discussion on the timeline and detailed budget of the project. It was determined that the item would be tabled until the next Board meeting.

\* \* \*

Ms. Frederick presented the next item on the agenda by requesting the Authority increase the value required for dual signatures from a current threshold in excess of \$25,000 to values in excess of \$50,000. She recommended this change to increase the speed and efficiency with which the Authority is able to execute payments, checks and other financial instruments. She said that prior to the current pandemic, these processes had largely been implemented with the passing of paper approvals and paper check signing, but since the pandemic, the Authority has moved largely to an electronic approval practice. While this has improved efficiency, there remained a significant number of transactions under \$50,000 that require both the CEO and CFO's signatures. She said no other changes in the approval process were being requested, thus maintaining other payment and procurement checks and balances. As a result, she said the Authority was seeking approval to increase the value of financial and bank-related transactions that require the signatures of two (2) Authorized Officers of the Authority from transaction values in excess of \$25,000 to transaction values in excess of \$50,000.

Upon a motion made by Mr. Capoccia and seconded by Ms. Gallo, 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 \$50,000 must be signed by at least two of the following Authorized Officers: Benjamin Jones, President & Chief Executive Officer, Abigail Goldenberg, General Counsel, Pamela Frederick, Chief Financial Officer/Treasurer, and Eric Munson, Chief Operating Officer. 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.

\* \* \*

The next item on the agenda was presented by Mr. Munson. He noted that each year the Authority is required to submit Disposition Guidelines for Personal and Real Property to the State Comptroller and post them on the Authority's website. He said this year the Authority was making no changes to its Guidelines and was recommending that the unedited version that was approved by the Board last year be approved again. As a result, he and asked that Board to approve and authorize the filing of the Guidelines for the Disposition of Personal and Real Property owned by the Authority.

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

**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 immediately with the New York State Comptroller; and be it further

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

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

\* \* \*

There being no further business, upon a motion made by Mr. Tsunis and seconded by Ms. McVay Hughes, the Members unanimously voted to adjourn the meeting. The meeting thereupon adjourned at 2:57 pm.

Respectfully submitted,

Lauren Murtha  
Assistant Corporate Secretary

**Public Comment**

**April 6, 2020**

1. **Gateway Plaza Tenants Association:** On behalf of the Gateway Plaza Tenants Association, thank you for your work in support of our community. As you know, Gateway Plaza was the first residential building in Battery Park City. It was conceived as middle-income housing in the original Master Plan, and financed under Mitchell-Lama. It has stood as a foundational pillar of Battery Park City.

The first rent stabilization agreement (now called QRS) was negotiated in 1987 to assure that a mixed income community could co-exist with future commercial and residential development. Rent increases would be governed by rates set by the Rent Guidelines Board. This agreement, which covered all residents, was extended several times with no major change until 2009. At that time, protections were limited only to tenants residing in Gateway on June 30, 2009. That agreement expires on June 30<sup>th</sup> just 85 days from today.

GPTA has been working closely with BJ Jones and our elected officials, to push for a long-term extension of stabilization for ALL residents. This includes a return to the scope of the agreement in place from 1987 and 2009 covering all tenants, regardless of move-in date.

We believe that the COVID-19 crisis has cast a different light on the economics. Although recent years have seen steady increases in Manhattan rents, COVID-19 provides a vivid reminder that the real estate market can hit a negative streak with little notice. The result is that the cost to the landlord of agreeing to limit rent increases is likely to be far lower than what anyone might have estimated just a few weeks ago. It is likely that market rents will decrease in the coming year and beyond. We suggest BPCA seize the opportunity to strike a new QRS deal, covering ALL tenants.

The Gateway community, with its many families, helped build much of what Battery Park City is today, including two public schools, a library, ballfields and parks. This same community came back after 9/11 to rebuild. It is our desire to maintain this community that has been so vital to the development and stability of Battery Park City.

We strongly believe that a long-term QRS agreement for all tenants is absolutely crucial to the maintenance of our community.

Thank you so much for your leadership.