

HUGH L. CAREY BATTERY PARK CITY AUTHORITY

Meeting of the Members
One World Financial Center, 24th Floor
New York, NY 10281
December 20, 2011

Members Present

William C. Thompson, Jr., Chairman
Frank J. Branchini, Member
Donald A. Capoccia, Jr., Member
David B. Cornstein, Member (by telephone)
Fernando Mateo, Member

Authority Staff in Attendance: Gayle M. Horwitz, President and Chief Executive Officer
Megan Churnetski, Assistant General Counsel and Assistant
Corporate Secretary
Gwen Dawson, Director, Strategic Planning
Sydney Druckman, Director, Special Projects
Anne Fenton, Senior Research Analyst
Carl D. Jaffee, Senior Development Counsel and Corporate
Secretary
Karl Koenig, Controller
Matthew Monahan, Senior Vice President, Public Information
Robert M. Serpico, Senior Vice President, Finance and
Treasurer/Chief Financial Officer
Phyllis Taylor, Executive Vice President/General Counsel and
Chief Administrative Officer

Others in Attendance: Tessa Huxley, Battery Park City Parks Conservancy
Hector Calderon, former employee
Kevin Finnegan, former employee
Danielle Fyffe, former employee
Leticia Remauro, former employee
Margarita Santana, former employee
Therese Kreuger, Downtown Express
Steve Rossi, Milford Management

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

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The first item on the agenda was the approval of the minutes of the October 25, 2011 meeting.

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

APPROVAL OF MINUTES OF THE OCTOBER 25, 2011 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 25, 2011 are hereby approved.

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Next, upon a motion by Mr. Thompson, the Members voted unanimously to conduct an executive session pursuant to Section 105.1 of the Public Officers Law for the purpose of discussing matters regarding litigation, leases and personnel. No actions were taken by formal vote at the executive session, and the Members thereupon resumed after the conclusion of the executive session.

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Next, Mr. Thompson explained that, with regard to those employees of the Authority whose employment was recently terminated, in the absence of a stated severance policy, the Members have requested that the Authority's staff develop a severance policy within the next week to ten days. "The Board is authorizing me to approve that policy, so that we can expeditiously make payments," he said. The Members will officially ratify that policy at the next Board meeting, he stated.

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The next item, presented by Ms. Horwitz, was a request to authorize an amendment to the contract with ACS System Associates, Inc. ("ACS") for Pier A Phase III Core & Shell HVAC work.

Ms. Horwitz reminded the Members that in 2007, the Authority entered into an agreement by which the Authority was designated to lease and redevelop Pier A. The restoration work at Pier A was divided into phases, she continued. ACS was retained as the HVAC contractor for the core and shell work at an original contract amount of \$1,947,000, she said. On March 8, 2011, she stated, the Members subsequently approved an amendment increasing the amount of ACS' contract to \$4,048,995 in order to cover the costs of an upgrade to the Pier A mechanical system and a river water geothermal system.

Subsequently, Ms. Horwitz explained, the Pier A design team, headed by H3 Hardy Collaboration Architecture, had to make additional changes and adjustments to its already upgraded mechanical system design to achieve the required capacity. Additionally, she stated, this work requires modifications to the fourth floor attic access and the mechanical ventilation.

Ms. Horwitz reported that ACS has submitted a change order request in the amount of \$300,156 to cover the cost of additional mechanical system access, ventilation and Building Information Modeling ("BIM") coordination materials and services.

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

**AUTHORIZATION TO AMEND CONTRACT WITH ACS SYSTEMS INC. FOR
ADDITIONAL HVAC WORK FOR THE RESTORATION OF PIER A**

BE IT RESOLVED, that the President of the Authority or his designee(s) be, each of them hereby is, authorized and empowered to execute an amendment (the "Amendment") to the contract with ACS Systems Inc. Inc. for the Pier A Core and Shell HVAC Work, increasing the total amount of the contract by a sum not to exceed \$300,156; 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 conclusive evidence 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 are hereby ratified and any actions hereafter taken are confirmed and approved.

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The next item, presented by Ms. Horwitz, was a request to authorize an amendment to the Authority's ground lease with the condominium known as 1 Rector Park.

1 Rector Park was not part of the eleven condominiums previously seeking rental adjustments to their ground leases, which adjustments were authorized by the Members in May of this year. 1 Rector Park, which was formerly a rental building and is now a condominium, has now made a request for a similar rental adjustment, she explained.

Ms. Horwitz noted that the new rent schedule would take effect as of January 1st, 2011, the date of the originally-scheduled rent re-set. The underlying structure of the proposed new schedule is commensurate with the agreements made with original eleven condominiums, she explained, in that the condominiums would receive a six percent reduction in their previously scheduled rent increases in the first 15 years after the first scheduled rent increase and a fifty percent reduction in the second 15 year period.

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

**AUTHORIZATION OF AMENDMENT TO GROUND LEASE FOR ONE RECTOR
PARK CONDOMINIUM**

BE IT RESOLVED, that in accordance with the materials presented to this meeting, the

President of the Authority or her designee(s) be, each of them hereby is, authorized and empowered to execute an amendment to the ground lease with the condominium known as One Rector Park(the "Amendment"); and be it further

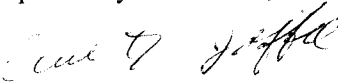
RESOLVED, that the President of the Authority or her designee(s) be, and each of them hereby is, authorized and empowered to execute and deliver the Amendment on behalf of the Authority, subject to such changes as the officer or officers executing the Amendment shall, with the advice of counsel, approve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

RESOLVED, that the President of the Authority 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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There being no further business, the meeting thereupon adjourned at 12:15 a.m.

Respectfully submitted,


Carl D. Jaffee
Corporate Secretary