

HUGH L. CAREY BATTERY PARK CITY AUTHORITY
MEETING OF THE MEMBERS
One World Financial Center, 24th Floor
New York, NY 10281
November 17, 2009

Members Present

James F. Gill, Chairman
Charles J. Urstadt, Vice Chairman
Frank J. Branchini, Member
David B. Cornstein, Member
Robert J. Mueller, Member
Andy K. Shenoy, Member

Authority Staff in Attendance: James E. Cavanaugh, President and Chief Executive Officer
Alexandra Altman, Executive Vice President and General Counsel
Gwen Anderson, Vice President, Strategic Planning
Daniel Baldwin, Senior Development Counsel
Lauren Brugess, Administrative Assistant
Megan Churnetski, Assistant General Counsel and Assistant Corporate Secretary
Sidney Druckman, Director, Special Projects
Stephanie Gelb, Vice President, Planning & Design
Antigona Hajdaraj, Special Assistant to the President
Carl D. Jaffee, Senior Development Counsel and Corporate Secretary
Susan Kaplan, Director, Sustainability
Wilson Kimball, Senior Vice President, Operations
Karl Koenig, Controller
Lisa Miller, Vice President, Internal Audit and Compliance
Stan Molinski, Director, Information Technology
Leticia Remauro, Vice President, Community Relations, Affirmative Action and Press
Robert M. Serpico, Senior Vice President, Finance and Treasurer/Chief Financial Officer

Others in Attendance: Tessa Huxley, Executive Director, Battery Park City Parks Conservancy
Randy Tancer, Battery Park City Parks Conservancy
Julie Shapiro, Downtown Express
Maria Capotorto, George Arzt Communications, Inc.
Matt Dunning, Tribeca Tribune
Katrina Barykova, Trivision

The meeting, called on public notice in accordance with the New York State Open Meetings Law, convened at 2:05 p.m.

The first item on the agenda was approval of the minutes of the October 13, 2009 meeting.

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

APPROVAL OF MINUTES OF THE OCTOBER 13, 2009 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 13, 2009 are hereby approved.

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The next item on the agenda, presented by Mr. Molinski, was a request to authorize an amendment to the contract with MIG & Co. ("MIG"), increasing the amount payable thereunder from \$245,000 to \$345,000, to allow MIG to continue to provide technical support to the Authority and Parks Conservancy financial systems.

Mr. Molinski explained that since 2005, MIG has provided financial systems support to the Authority and has successfully performed the Conservancy's accounting system conversion. MIG, with its deep technical skill set and intimate knowledge of the Authority's business systems, is in the best position to provide this support and continued success during the post implementation phase of the complex conversion project for the Conservancy. An increase in the contract amount of \$100,000 is expected to cover the cost of providing this service for the next year, he concluded.

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

AUTHORIZATION TO AMEND CONTRACT WITH MIG & CO.

BE IT RESOLVED, that in accordance with the materials presented to this meeting, the President of the Authority or his designee(s) be, and each of them hereby is, authorized and empowered to execute an amendment (the "Amendment") to the contract with MIG & Co., to provide technical maintenance and support of Authority and Battery Park City Parks Conservancy financial systems, increasing the amount payable thereunder by \$100,000; 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 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 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 Ms. Kaplan, was a request to authorize a contract with Community Electric, Inc. to perform the north neighborhood ball field's relocation and upgrade of electrical service work for the lump sum amount of \$521,000.

Ms. Kaplan explained that this work is necessary because the existing power currently supplying the electricity in the ball fields is insufficient to accommodate the additional loads needed for the new ice rink to be operated there. The work of this project also includes installation of the cabinet and switchgear and all associated underground cable and conduit, she noted.

The Authority went to bid for this project and Community Electric, Inc. was the lowest bidder at \$469,000, Ms. Kaplan continued. She stated that at the bid interviews, proposers were asked to submit a price for an additional item of work that was not a part of the original RFP, resulting from comments received from the Department of Buildings Advisory Board. Community Electric, Inc.'s revised proposal amount is \$521,000, she concluded.

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

AUTHORIZATION OF CONTRACT WITH COMMUNITY ELECTRIC, INC.

BE IT RESOLVED, that the President of the Authority or his designee(s) be, each of them hereby is, authorized and empowered to execute a contract (the "Contract") with Community Electric, Inc. for the Ball fields – Relocation & Upgrade of Electrical Service Work in the amount of \$521,000; 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 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 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 approved.

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The next item on the agenda, presented by Mr. Cavanaugh, was a request to authorize an amendment to the contract with Certified Site Safety, Inc. to perform additional safety inspection of the Goldman Sachs headquarters construction, increasing the amount payable thereunder by \$120,595 to a total of \$695,012.50.

Mr. Cavanaugh reminded the Members that a construction incident on the site in 2008 resulted in the issuance of a Stop Work Order by the New York City Department of Buildings ("DOB"). In order to have the Stop Work Order lifted, he explained, Goldman Sachs was required by DOB to provide an independent Site Safety Manager. To maintain the safety manager's independence, the contract was issued by the Authority. However, the Authority is being reimbursed by Goldman Sachs for the costs of Certified Site Safety, Inc.'s services.

DOB required that this additional safety inspection occur until the building was fully enclosed, Mr. Cavanaugh continued. Delays have extended the schedule for the building to be fully enclosed, and it is anticipated that this will be complete by the end of February 2010. Until then, he stated, the independent safety inspector will remain on site.

Certified Site Safety has submitted a cost estimate of \$120,595.00 for the additional time, consistent with the most recent invoices and number of hours of inspection required. The cost of this work will continue to be borne by Goldman Sachs via reimbursement to the Authority, Mr. Cavanaugh concluded.

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

AUTHORIZATION OF AMENDMENT TO CONTRACT WITH CERTIFIED SITE SAFETY, INC. TO PROVIDE SAFETY INSPECTION SERVICES FOR THE CONSTRUCTION OF THE GOLDMAN SACHS HEADQUARTERS

BE IT RESOLVED, that in accordance with the materials presented to this meeting, the President of the Authority or his designee(s) be, and each of them hereby is, authorized and empowered to execute an amendment (the "Amendment") to the contract with Certified Site Safety, Inc., for safety inspection services, increasing the amount payable thereunder by the amount of \$120,595; 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, and 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 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 approved.

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Ms. Kaplan then introduced the next three agenda items by reminding the Members that in the Visionnaire, the new residential development on Site 3, a 42,000 square foot space being created for the Battery Park City Parks Conservancy's new headquarters is nearing completion. The building developer has built the core and shell of the space and the Authority is fitting it out and supplying the furniture, fixtures and equipment ("FF&E"), she explained. Construction of the headquarters work by the Authority is a "Wicks Law" project, she noted, which means that pursuant to New York State law, the project is broken into four prime contracts (general construction, electrical, plumbing and heating ventilation and air conditioning (HVAC)), rather than built under a single general construction contract. The following three items on our agenda are change orders for three of the main contractors for this project, she stated.

The first of these items on the agenda was a request to authorize an amendment to the contract with Crescent Contracting Corp. for the HVAC work, which will bring the contract amount to \$5,004,771.35.

The proposed contract amendment covers several items of work, Ms. Kaplan explained. One item is the installation of four balancing valves to the supply and return lines on the heat pumps that are part of the geothermal well system. This is required because there is not sufficient flow capacity in the well, and valves are therefore necessary to regulate the flow of water, she stated.

Other work includes a change to the woodshop dust collection system ductwork, Ms. Kaplan continued. The original design called for the reuse and relocation of the existing duct collection system from the Conservancy's current maintenance space at 2 South End Avenue. However, she reported, the equipment was found to be not code-compliant, and a new system was required that used larger ductwork.

Additionally, she noted the boiler and two heat pumps that were supplied by the developer required integration into the full mechanical system, meaning that significant fine-tuning was required as well as start-up and filing with the Department of Buildings.

These and other miscellaneous work resulted in additional HVAC services in the amount of \$170,562.24.

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

AUTHORIZATION TO AMEND CONTRACT WITH CRESCENT CONTRACTING CORP.

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 (the "Contract") with Crescent Contracting Corp. for the Site 3 Parks Conservancy Headquarters project, increasing the amount payable thereunder to \$5,004,771.35; 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 Contract; 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 approved.

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The next Site 3-related agenda item on the agenda, was a request to authorize an amendment to the contract with Brickens Construction Inc. ("Brickens") for the general construction work, increasing the amount payable thereunder by \$20,000, and bringing the contract amount to \$5,515,214.95.

Ms. Kaplan reminded the Members that on July 17, 2007, they authorized a contract with Brickens to provide this work for the amount of \$4,948,591.26. The Members have subsequently authorized payment for additional work and change orders approved to date bring the contract amount to \$5,495,214.95, she stated.

The amendment for additional work now before the Members will provide for temporary heat for the Conservancy facility, Ms. Kaplan said. Due to the length of time needed to file and test the boiler, temporary heating for certain areas of the building will be required in order to keep the sprinkler lines from freezing and the fourth floor materials from being damaged, she explained.

In response to inquiry by Mr. Mueller, Ms. Kaplan explained that the Authority expects that the Headquarters will be completed by March.

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

AUTHORIZATION TO AMEND CONTRACT WITH BRICKENS CONSTRUCTION INC.

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 Brickens Construction Inc. for the Site 3 Parks Conservancy Headquarters project, increasing the amount payable thereunder by \$20,000; 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 Contract; 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 approved.

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The next item on the agenda was a request to authorize an amendment to the contract with Unisys Electrical Inc. for additional work in the amount of \$303,348.55, which will bring the contract amount to \$3,972,720.52.

The contract amendment for additional covers several items of work, Ms. Kaplan stated. One of the main items is the connection to the sprinkler/standpipe lines located in the High Bay Storage Area, she explained. The design of the High Bay storage system evolved after discussions and agreements were in place with the developer to build the core and shell of the facility. The incorporation of plastic bins to hold materials increased the hazard level of the storage area, she asserted. The amount and pressure of water supplied by the stand pipe is insufficient for the size, height, and hazard level of the final design. As a result, she continued, the system will now connect to the base building system and Unisys must tie this back to the Parks Conservancy's fire alarm panel.

Also, Ms. Kaplan explained that as part of the FF&E package, new equipment was purchased for the paint/spray booth, which requires a 400 amp electrical service, as opposed to the 250 amp service as per the original design. In addition, she stated that this proposed contract amendment includes the electrical power feed required for the atrium doors, gates and metal detectors not included in the construction drawings.

These and other miscellaneous changes resulted in additional electrical services in the amount of \$303,348.55, she concluded.

In response to inquiry by Mr. Urstadt, Ms. Kaplan stated that the total cost of the four contracts previously described, plus the original FF&E and core and shell work, is approximately \$25,000,000.

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

AUTHORIZATION TO AMEND CONTRACT WITH UNISYS ELECTRIC, INC.

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 Unisys Electric Inc. for the Site 3 Parks Conservancy Headquarters project for additional electric work in the amount of \$303,348.55; and be it further

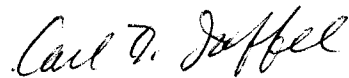
RESOLVED, that the President of the Authority or his designee(s) be, and each of them hereby is, authorized and empowered to execute and deliver the Amendment on behalf of the Authority, subject to such changes as the officer or officers executing the Amendment shall, with the advice of counsel, approve 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 approved.

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There being no further business, the meeting thereupon adjourned at 2:25 p.m.

Respectfully submitted,



Carl D. Jaffee
Corporate Secretary