

HUGH L. CAREY BATTERY PARK CITY AUTHORITY  
MEMBERS' MEETING  
One World Financial Center – 24<sup>th</sup> Floor  
New York, NY 10281  
April 3, 2009

Members Present

James F. Gill, Chairman  
Charles J. Urstadt, Vice Chairman  
David B. Cornstein, Member  
Frank J. Branchini, Member (via telephone)  
Robert J. Mueller, Member  
Evelyn K. Rollins, 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  
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  
Robert Holden, Vice President, Human Resources & Administration  
Stephen E. Harper, Vice President, Safety & Site Management  
Carl D. Jaffee, Senior Development Counsel and Corporate Secretary  
Wilson Kimball, Senior Vice President, Operations  
Susan Long, Vice President, Strategic Planning  
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  
Antony Woo, Vice President, Construction

Others in Attendance: Tessa Huxley, Executive Director, Battery Park City Parks Conservancy  
Vince McGowan, Battery Park City Parks Conservancy  
Randy Tancer, Battery Park City Parks Conservancy  
Brian Krapf, George Arzt Communications, Inc.  
Matthew Fenton, Battery Park City Broadsheet

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

The first item on the agenda was approval of the minutes of the February 24, 2009 meeting.

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

**APPROVAL OF MINUTES OF THE FEBRUARY 24, 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 February 24, 2009 are hereby approved.

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The next item on the agenda, presented by Mr. Serpico, was a request to approve and authorize the filing of the Fiscal Year 2008 Procurement Contracts Report (the "Report").

Mr. Serpico explained that the Report is being presented to the Members for approval in accordance with the requirements of the Public Authorities Law. At the February 19, 2009 meeting, he stated, the Members approved the Procurement Guidelines which would normally be accompanied by the Report. Inadvertently, the Report was not included in the procurement materials presented to the Members at that meeting. Therefore, this report is being presented to the Members for approval now.

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

**APPROVAL OF THE PROCUREMENT CONTRACTS REPORT FOR THE FISCAL YEAR ENDED OCTOBER 31, 2008**

BE IT RESOLVED, that the Procurement Contracts Report of the Authority for the fiscal year ended October 31, 2008 in the form presented to this meeting, be, and hereby is approved; and be it further

RESOLVED, that the Treasurer of the Authority be, and hereby is, directed to file said Procurement Contracts Report with the New York State Division of the Budget and copies thereof to the New York State Department of Audit and Control, the Chairman and ranking Minority Member of the New York State Senate Finance Committee and the Chairman and ranking Minority Member of the New York State Assembly Ways and Means Committee, as required by Section 2879 of the Public Authorities Law; and be it further

RESOLVED, that any and all actions taken by any officer of the Authority in connection with the preparation of such Procurement Contracts Report are hereby ratified, confirmed and approved; and be it further

RESOLVED, that the Secretary of the Authority be, and hereby is, directed to file the Battery Park City Authority Procurement Contracts Report with the minutes of this meeting.

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The next item on the agenda, presented by Ms. Kimball, was a request to approve the 2009 Guidelines for the Disposition of Real and Personal Property (the "Guidelines").

Ms. Kimball explained that under the Public Authorities Accountability Act, the Members are required to annually approve comprehensive guidelines for the disposition of real and personal property owned by the Authority. Since all of the Authority's development sites have now been leased to private developers, the Guidelines will have most impact in the future with respect to the disposition of personal property, she stated.

As has been the Authority's practice, and as is set forth in the proposed guidelines, she continued, any personal property to be disposed of will be turned over to the State Office of General Services ("OGS"). OGS has the personnel and procedures in place to deal with this function and can handle property disposition much more effectively and expeditiously than the Authority would be able to do.

Mr. Cavanaugh explained that when the Authority has property that it no longer needs, the Authority informs OGS who then advertises the property on EBay. If OGS is unable to sell an item, he said, it then essentially has no value.

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

**APPROVAL OF GUIDELINES FOR THE DISPOSITION OF REAL AND PERSONAL PROPERTY**

BE IT RESOLVED, that the 2009 Guidelines for the Disposition of Real and Personal 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, as well as the name of the Authority's designated Contracting Officer, 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 Mr. Woo, was a request to authorize a contract with Tully Construction Company, Inc. in the amount of \$3,580,000 for the South Bridge Extension and Alteration project.

Mr. Woo explained that New York State Route 9A is being realigned by the New York State Department of Transportation to coordinate with the construction of the Freedom Tower and the World Trade Center Memorial by the Port Authority of New York and New Jersey ("PANYNJ"). As a result of this realignment, he continued, the eastern pier of the South Bridge across West Street is being relocated and the bridge extended east by approximately 40 feet. This will require an additional eastern support which is to be located on top of the extended PANYNJ bathtub slurry wall, he noted.

As part of the overall Route 9A Project, Mr. Woo continued, the Authority will construct the extension of the eastern end of the South Bridge. The extension will be incorporated in the overall redevelopment of the World Trade Center and will land within a park on the eastern side of Route 9A.

In accordance with the Authority's Procurement Guidelines, Mr. Woo continued, Tully Construction Company, Inc. was determined to be the lowest responsible bidder for the work. However, Mr. Woo explained, due of the current economic condition, the price of steel has fallen. Following Mr. Cornstein's earlier recommendation, Tully was asked to re-evaluate its proposal and material costs. As a result, Tully reduced its proposed price from \$3,925,000 to \$3,580,000.

In response to an inquiry from Mr. Mueller, Mr. Woo explained that the South Bridge will not be closed during this project. There will be a detour at the end of the existing bridge on the Eastern side, across Route 9A to Cedar Street, he explained. Mr. Mueller then explained that having bridges closed, including the Rector Street Bridge, is a significant issue for Battery Park City resident who are often unsure of the bridges' status. Mr. Mueller further stated that this is a significant issue because crossing West Street and Albany Street is dangerous and there are no clear walkways available and there has been at least one fatality in that location. Ms. Remauro explained that the Authority updates the community on a regular basis and is working very closely with the various city agencies, the Community Board and the Downtown Alliance with respect to this matter. She added that she will soon attend a meeting at Assembly Speaker Silver's office to coordinate all of the agencies involved in trying to protect pedestrians who are crossing West Street.

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

**AUTHORIZATION OF CONTRACT WITH TULLY CONSTRUCTION COMPANY, INC. FOR SOUTH BRIDGE EXTENSION AND ALTERATION WORK**

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 Tully Construction Company, Inc. for the South Bridge Extension and Alteration project for the amount of \$3,580,000; 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, also presented by Mr. Woo, was a request to authorize an amendment to the consultant agreement between the Authority and Certified Site Safety, Inc., extending the term by three months and increasing the amount payable thereunder by an amount not to exceed \$119,291.25, bringing the total contract amount to \$480,542.50.

Mr. Woo explained that this item concerns the new of headquarters of Goldman Sachs. He explained that a construction accident on the site in 2008 resulted in the issuance of a Stop Work Order by the NYC Department of Buildings ("DOB"). In order to lift the Stop Work Order, DOB required, in part, that Goldman Sachs provide an independent Site Safety Manager, to be approved by the DOB.

In order to assure the independence of the Site Safety Manager, Mr. Woo explained, it was determined that the firm should be retained by the Authority. After a competitive bidding process, he stated, the Authority engaged Certified Site Safety, Inc. ("CSSI"), with DOB's approval, with the understanding that Goldman Sachs would reimburse the Authority for the costs of the firm's services.

The DOB required that additional safety inspection continue until the completion of the building's curtain wall, which was originally expected occur by the end of December, 2008, Mr. Woo continued. However, delays have extended the building's construction schedule. In December, 2008 the Board approved an amendment to CSSI Contract to provide for additional inspection services to March, 2009. It is now expected that full enclosure of the building will not occur until the end of June, 2009.

Therefore, Mr. Woo stated, the Authority requests that the term of the contract with CSSI be extended and increased by an amount not to exceed \$119,291.25. Goldman Sachs has already acknowledged that it must reimburse the Authority for this additional expense, he added.

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

**AUTHORIZATION OF AMENDMENT TO AGREEMENT WITH CERTIFIED SITE SAFETY, INC. FOR INSPECTION SERVICES IN CONNECTION WITH THE CONSTRUCTION OF 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 Consultant Agreement dated as of June 25, 2008 between the Authority and Certified Site Safety, Inc., for safety inspection services with respect to the Goldman Sachs headquarters building, so as to (1) extend the term of the Agreement by three months, from March 31, 2008 to June 30, 2009, and (2) increase the "not-to-exceed" amount for fees and expenses payable thereunder by \$119,291.25 for the additional services to be rendered during said extended period; 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 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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Mr. Woo then introduced at once the next four items on the agenda, as they all related to the Parks Conservancy Headquarters construction on Site 3. Each item involved change orders to prime contracts under the "Wicks Law" with Unisys Electric, Inc., Crescent Contracting Corp., Brickens Construction, Inc., and Lafata-Corallo Plumbing & Heating, Inc.

Unisys Electric, Inc., Mr. Woo explained, is the electrical contractor for the project. The proposed change order covers two matters, he noted. The first is to provide labor and materials to supply missing electrical feeders for the heat pumps that were supplied by the building developer as part of the core and shell package. These electrical feeders were omitted from the coordination drawings between the Authority and the developer, he explained. The second portion of the change order concerns a revision to the electrical switch gear that did not originally reflect all of the current electrical requirements. The cost for the additional electrical work is \$64,534.69, bringing the total contract amount to \$3,427,990.66, Mr. Woo reported.

The second contractor, Crescent Contracting Corp., Mr. Woo continued, performs the heating, ventilation and air conditioning ("hvac") portion of the project. This change order is for provision of labor and materials to modify the smoke purge ductwork for the freight elevator shaft, in order to meet the Department of Building variance requirements for this elevator, and also to re-work the sprinkler heads around the atrium smoke curtain in order to meet code requirements for the four-story high atrium in the facility, he explained. The cost for the additional hvac work is \$69,093.01, bringing the total contract amount to \$4,607,726.14.

The third contractor in this group, Mr. Woo stated, is Brickens Construction, Inc., the general contractor. The original project commencement date for this project was October 1, 2007, but due to the developer's schedule, the Authority was not permitted to commence work on the Conservancy facility until January 2008, he explained. The original cost proposal from the contractor included minimal heating for the winter of 2007/2008 but due to this delay, a second, more comprehensive temporary heating solution was required this past winter, he reported. The second season temporary heating requirement was much more substantial than that of the first season, totaling \$82,417, which brings the total contract amount to \$5,263,807.95.

The fourth contractor, Lafata-Corallo Plumbing and Heating, Inc., Mr. Woo continued, performs the plumbing portion of the project. The proposed change order will provide labor and materials to install two sanitary and vent lines in the cellar space to the first floor, to relocate a water filter from pantry to an existing closet due to a field condition, and for additional gas work required for the connection of the gas booster pump to the hot water boiler, water heater and gas relief valve, he explained. These items were omitted from the Authority's and the developer's coordination drawings, he added. The cost for the additional plumbing work is \$31,980.62, bringing the total contract amount to \$650,693.98, he concluded.

In response to an inquiry from Ms. Rollins, Mr. Woo stated that even with the inclusion of these additional funds, this project is on budget.

Upon a motion made by Mr. Urstadt and seconded by Ms. Rollins, the following four resolutions were unanimously adopted:

**AUTHORIZATION OF CHANGE ORDER TO 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 a change order in the amount of \$64,534.69 to the contract with Unisys Electric, Inc. for electrical work for the Parks Conservancy headquarters project (the "Change Order"); 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 Change Order on behalf of the Authority, subject to such changes as the officer or officers executing the Change Order 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 Change Order; 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.

**AUTHORIZATION OF CHANGE ORDER TO 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 a change order in the amount of \$69,093.01 to the contract with Crescent Contracting Corp. for hvac work for the Parks Conservancy Headquarters project (the "Change Order"); 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 Change Order on behalf of the Authority, subject to such changes as the officer or officers executing the Change Order 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 Change Order; 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.

**AUTHORIZATION OF CHANGE ORDER TO 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 a change order in the amount of \$842,417.00 to the contract with Brickens Construction, Inc. for general contracting work for the Parks Conservancy Headquarters project (the "Change Order"); 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 Change Order on behalf of the Authority, subject to such changes as the officer or officers executing the Change Order 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 Change order; 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



**AUTHORIZATION OF CHANGE ORDER TO CONTRACT WITH LAFATA-CORALLO PLUMBING & HEATING, 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 change order in the amount of \$31,980.62 to the contract with Lafata-Corallo Plumbing & Heating, Inc. for plumbing work for the Parks Conservancy Headquarters Project; the Site 3 Parks Conservancy Maintenance Facility project (the "Change Order"); 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 Change Order on behalf of the Authority, subject to such changes as the officer or officers executing the Change Order 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 Change Order; 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

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The next item on the agenda, presented by Ms. Gelb, was a request to authorize an amendment to the contract with Hanrahan & Meyers Architects for design work in connection with the community center planned for Sites 23 and 24. Ms. Gelb reminded the Members that in January, 2005 the Authority entered into a contract with Hanrahan & Meyers to design the community center. The contract has been amended over time as the scope of work changed, she explained.

In response to inquiry by Mr. Cornstein, Ms. Gelb explained that the Hanrahan & Meyers is also performing some of the work of a general contractor on this project. There have been numerous delays on the project, she continued, and it is anticipate that there may be additional delays by the buildings' developer because of poor economic conditions. Therefore, she stated, an additional \$425,000 to the contract is being requested, bringing the total to \$4,245,506.

Ms. Rollins noted that, in response to a perceived community need, the Authority should consider renting out the auditorium space to groups who perform translations.

Mr. Cornstein stated that although the scope of work has expanded over time, he was troubled by the increase in the contract amount from the original \$2,300,000. Mr. Cavanaugh explained the difficulties in estimating the final amount to be spent on the community center largely due to the changing nature of the project. The Authority has spent much time working with the community to determine what exactly should be included in the facility, he stated. Further, Authority staff has done its best to minimize costs, he noted.

Ms. Gelb reported that the amount of the Hanrahan & Meyers contract makes up less than 10 percent of the community center's total cost. She also noted that Hanrahan & Meyers charges less per hour than do any of the Authority's other architects.

Mr. Mueller noted that Battery Park City is a very vibrant community with many families and children and that the "community center is looked upon by the constituency here as a very valuable resource."

Mr. Cornstein questioned the total cost of the project, and stated that he would like to see the architectural fees limited to their current amount as they had gone "way too far." Mr. Urstadt then requested that the Members be shown overall budgets for both the community center and the Conservancy headquarters facilities, as opposed to information as to individual contracts, in order to determine the overall picture for these projects. Mr. Cavanaugh re-affirmed an earlier statement from Mr.woo that the Conservancy headquarters is nearing completion and that the total cost is within \$100,000 or \$200,000 of the \$25 million budget.

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

**AUTHORIZATION OF AMENDMENT TO CONTRACT WITH HANRAHAN & MEYERS ARCHITECTS TO PROVIDE ARCHITECTURAL DESIGN SERVICES**

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 to execute an amendment to the contract with Hanrahan & Meyers Architects to provide design and related services pertaining to Battery Park City Community Center on Site 23/24 (the "Amendment"), increasing the amount payable under such contract by an amount not to exceed \$425,000; and be it further

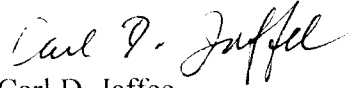
RESOLVED, that the President of the Authority or his designee(s) be, and each of them hereby is, authorized and empowered to execute and deliver the Amendment on behalf of the Authority, subject to such changes as the officer or officers executing the Amendment shall, with the advice of counsel, approve 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 then 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 Members then unanimously voted to recess the meeting pending a meeting of Directors of the Battery Park City Parks Conservancy Corporation. Following the recess, the Members unanimously voted to conduct an executive session for the purpose of discussing matters relating to the disposition of real property. No votes or actions were taken during the executive session. Upon the conclusion of the executive session, the regular meeting resumed, and there being no further business, the meeting thereupon adjourned at 11:40 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Carl D. Jaffee". The signature is written in a cursive, flowing style.

Carl D. Jaffee  
Corporate Secretary