

HUGH L. CAREY BATTERY PARK CITY AUTHORITY

Meeting of the Members
One World Financial Center, 24th Floor
New York, NY 10281
March 29, 2010

Members Present

William C. Thompson, Jr., Chairman
Frank J. Branchini, Member
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
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
Steven E. Harper, Vice President, Safety & Site Management
Robert Holden, Vice President, Human Resources &
Administration
Carl D. Jaffee, Senior Development Counsel and Corporate
Secretary
Karl Koenig, Controller
Wilson Kimball, Senior Vice President, Operations
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: Vince McGowan, Assistant Executive Director, Battery Park City
Parks Conservancy
Randolph Tancer, Human Resources Manager
Terese Loeb Kreuzer, Battery Park City Broadsheet
David Collins, Columbia University Graduate School of
Journalism
Julie Shapiro, Downtown Express
George Arzt, George Arzt Communications, Inc.

Brian Krapf, George Arzt Communications, Inc.
Adam Lisberg, NY Daily News
Greg Driscoll, KPMG, LLP
Brendan Kennedy, KPMG, LLP
Katrina Barykova, Trivision

The meeting, called on public notice in accordance with the New York State Open Meetings Law, convened at 10:25 a.m.

Mr. Jaffee began the meeting with a statement that the Authority's former Chairman, James F. Gill, resigned from his position as Member late in February. Subsequent to that, he continued, Governor Paterson, with the advice and consent of the Senate, appointed William C. Thompson, Jr. as a Member, succeeding to the seat of Charles J. Urstadt. Next, Mr. Jaffee opened the meeting to nominations for a new Chairman.

Mr. Branchini nominated Mr. Thompson as Chairman. There were no other nominations. By show of hands the Members unanimously voted to elect Mr. Thompson the new Chairman of the Authority.

Next, as newly elected Chairman, Mr. Thompson thanked his colleagues for their support and their votes. He congratulated them on their excellent work and stated that Battery Park City is a great community and his goal is to keep it a great community. He noted his intent to pursue a collaborative approach in working to move Battery Park City forward.

Mr. Thompson stated, "[Mr. Urstadt is] defined as [] the father of Battery Park City by some people and [] I would like to thank him for his service."

He next stated that the former Chairman, Mr. Gill, is his friend. He noted Mr. Gill is "somebody who I like, somebody who I respect and whose integrity is beyond question." "He will continue to be a friend and I will try and continue to serve as Chair in the manner that he did," he stated.

Next, Mr. Jaffee read the following statement submitted by Mr. Gill:

"I congratulate Bill Thompson on being elected Chair for the Hugh L. Carey Battery Park City Authority. He's an extremely well qualified candidate who will no doubt lead the Authority on the basis of merit and without regard to politics. My congratulations to Governor Paterson as well for making a great appointment. I have a great love for and a big stake in the Authority and I'm delighted that the governor chose Bill Thompson."

Mr. Thompson then thanked the Governor for his nomination and the New York State Senate for their confirmation. "It is an honor from both of them," he said. He also pledged to make the Governor's office, the Governor and those who confirmed this nomination proud.

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The first item on the agenda was the approval of the minutes of the February 23, 2010 meeting.

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

APPROVAL OF MINUTES OF THE FEBRUARY 23, 2010 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 23, 2010 are hereby approved.

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The next item on the agenda, presented by Ms. Altman, was a request to adopt a lobbying contact policy and to approve the appointment of a Lobbying Contacts Officer.

Ms. Altman explained that a new provision of the Public Authorities Law, Section 2987, requires authorities to adopt a policy with respect to lobbying contacts. She explained that records must be kept of contacts from registered lobbyists in the context of rule-making and regulatory proceedings. Both are very rare in the case of the Authority, she noted.

Mr. Cavanaugh explained that he recommended the appointment of Carl Jaffee as the Lobbying Contact Officer.

Mr. Thompson then requested a memorandum outlining the additional recent changes to the Public Authorities Law. Ms. Altman said she would supply such a memorandum to the Members after the meeting.

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

ADOPTION OF LOBBYING CONTACT POLICY AND APPOINTMENT OF LOBBYING CONTACTS OFFICER

BE IT RESOLVED, that the lobbying contact policy set forth below be and hereby is adopted as the official policy of the Authority:

LOBBYING CONTACT POLICY

1. For the purposes of this Policy:
 - A. "Lobbyist" shall have the same meaning as defined in **Section 1.c** of the Legislative Law.
 - B. "Lobbying" shall mean and include any attempt to influence (i) the adoption or rejection of any rule or regulation having the force and effect of law by the Authority and (ii) the outcome of any rate making proceeding by the Authority.
 - C. "Contact" shall mean any conversation, in person or by telephonic or other remote means, or correspondence between any lobbyist engaged in the act of lobbying and any person within the Authority who can make or influence a decision on the subject

of the lobbying on behalf of the Authority, and shall include all Members and officers of the Authority.

2. The Authority shall maintain a record of all lobbying contacts made with it.

3. Every Member, officer or employee of the Authority who is contacted by a lobbyist shall make a contemporaneous record of such contact containing the day and time of the contact, the identity of the lobbyist and a general summary of the substance of the contact.

4. The President and Chief Executive Officer of the Authority shall appoint a "Lobbying Contacts Officer" to whom all such records shall be delivered. Such officer shall maintain such records for not less than seven years in a filing system designed to organize such records in a manner so as to make such records useful to determine whether the decisions of the Authority were influenced by lobbying contacts; and be it further

RESOLVED, that Carl D. Jaffee be, and is hereby approved, as the Lobbying Contacts Officer.

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The next item on the agenda, introduced by Mr. Cavanaugh, was a request to adopt the Authority's mission statement and performance measures which will be used to determine whether the goals of the mission are being met. Both are required by a new provision of the Public Authorities Law, Section 2824-a, he stated.

Ms. Altman then explained that the proposed mission statement is the same statement that has been in effect since 2002. The performance measures, she noted, are new. The statement delineates what the Authority feels are its primary concerns with respect to developing Battery Park City. The performance measures are significant because, going forward, the Members will be required to perform a self-evaluation, she said. These measures are a fair basis by which the Authority can judge itself and address each year how the board has acted in furtherance of its goals.

Ms. Rollins suggested that the changing needs of both the City and State of New York be added to performance measure #7, and Mr. Cavanaugh acknowledged that such entities should be considered part of the community served by the Authority.

In response to inquiry by Mr. Shenoy, Ms. Remauro noted that the Authority surpassed its annual MWBE goals this year. The Authority is among the highest of any authority or agency for setting its own goals and for surpassing those goals, she stated. The Authority has also been seeking a change in the law because the Authority is not currently credited to report its dollars spent under its leases in the computation of whether its goals have been met.

Mr. Mueller suggested that the Members might wish to discuss the performance measure further at succeeding meetings, and Mr. Thompson stated that the mission statement should be published on the website.

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

ADOPTION OF MISSION STATEMENT AND PERFORMANCE MEASURES

BE IT RESOLVED, that the mission statement and performance measures set forth below be and hereby are adopted as the official policy of the Authority:

MISSION STATEMENT

The Hugh L. Carey Battery Park City Authority is a New York State public benefit corporation whose mission is to plan, create, co-ordinate and maintain a balanced community of commercial, residential, retail, and park space within its designated 92-acre site on the lower west side of Manhattan. There is recognition that, as development of new parcels is completed, the importance of maintenance within the mission will become more significant.

The Mission will be accomplished by following these core values:

Public Private Partnerships

Public-private partnerships will continue to be the model for private sector development utilizing a competitive public bid process to optimize value.

Balance and Esthetics

New development will continue according to the approved Master Plan utilizing adaptable and sustainable quality design to create a model mixed use development which exemplifies excellence in architecture and urban planning.

Environmental Responsibility

All new development, as well as maintenance of parks, public spaces, and other property under Authority stewardship, will employ the latest high-performance environmental designs and techniques available.

Public Benefit

All decisions will reflect the public interest and support a public benefit to our stakeholders, the City of New York, tenants of the Authority, residents and workers in Battery Park City, the downtown community, and tourists/visitors to Battery Park City, in the development of properties, creation of spaces, and in the provision of opportunity to the M/WBE community to share in the economic growth of the Battery Park City community. As an integral part of the lower Manhattan fabric, the Authority will seek to cooperate with and support both public and private sector entities whose missions are in concert with that of the Authority, and whose efforts directly benefit furtherance of same.

PERFORMANCE MEASURES

1. Complete development of office buildings in Battery Park City (BPC).
2. Complete development of residential buildings in BPC
3. Complete development of public buildings in BPC
4. Complete construction of the BPC park system
5. Maximize revenues/ collect rents and PILOTs due under leases, etc.

6. Advance sustainable development/operation of BPC
7. Adapt operations/build environment to changing needs of the State and City of New York/community/tenants/residents
8. Maximize opportunities for M/WBE participation in BPCA contracts and development projects

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

Under the Public Authorities Accountability Act of 2005, the Authority is required by March 31 annually, to review and approve guidelines for the disposition of real and personal property, Ms. Kimball explained. There have been recent changes to the Public Authorities Law sections relating to disposition of property including the new requirement regarding disposition of property for less than fair market value, she stated. Since all but one of the Authority's development sites were leased to private developers before the Act took effect with respect to Battery Park City, she continued, the Guidelines will likely only impact the disposition of personal property, not real property.

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

APPROVAL OF GUIDELINES FOR THE DISPOSITION OF REAL AND PERSONAL PROPERTY

BE IT RESOLVED, that the 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, on before the thirty-first of March, 2010 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, introduced by Mr. Cavanaugh, was a request to approve further efforts to plan and seek funding for a pedestrian bridge at West Thames Street.

Mr. Cavanaugh explained that since 2002, the temporary bridge at Rector Street has provided a safe West Street crossing for residents and visitors to the southern part of Battery Park City, but a permanent pedestrian bridge to replace this temporary structure has always been

the Authority's plan. The Authority has previously requested that the City include a pedestrian bridge at West Thames Street in the Authority's Capital Plan but was not approved, he stated.

Since that time, however, the community has galvanized behind this project especially with the anticipated opening of the new school. The community board has also passed a resolution in favor of it, he added. To help pay for this proposed project, Mr. Cavanaugh continued, Management has decided that \$7 million from the \$15 million sea wall appropriation can instead be put toward the pedestrian bridge because the sea wall project has been delayed.

Following a brief overview of the design plan for the pedestrian bridge presented by Ms. Gelb, Mr. Cavanaugh then stated that the Authority is not seeking approval of this project at this point but would like the Members' authorization to seek permission to explore this and other sources of funding with the City. Ms. Remauro noted that Community Board One has sent a request to the City Office of Management and Budget to fund this project.

Mr. Mueller noted that the crossing at West Thames Street is extremely unsafe. He also noted that the population of Battery Park City has increased significantly since the temporary bridge was built.

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

**AUTHORIZATION OF FURTHER EFFORTS TO PLAN AND SEEK FUNDING FOR
PEDERSTRIAN BRIDGE AT WEST THAMES STREET**

BE IT RESOLVED, that the President and his designated representatives are hereby authorized to explore methods of funding a pedestrian bridge across West Street at West Thames Street, and to seek the approval of the Mayor and Comptroller to include such a bridge in the Authority's capital plan.

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The next item on the agenda, introduced by Mr. Branchini, was a request to approve and authorize the filing of the Authority's financial statements for the fiscal year ending October 31, 2009 with the required government entities, the trustees under the Authority's various bond resolutions, the Authority's website and the Public Authorities Report Information Systems.

Mr. Branchini stated that the Audit Committee had met before this meeting and reviewed the report of the Authority's public accountant, KPMG, LLP on the Authority's financial statements.

Mr. Serpico stated that at the Audit Committee, he presented the financial highlights for the previous year to the Members and KPMG presented its letters formally to the Audit Committee, including its opinion of the financials, its letter on internal controls and its investment **and SAS letters**.

Next, Mr. Driscoll stated that KPMG had performed its audit in accordance with generally accepted audit standards and government audit standards. First, he explained, KPMG

provides an opinion on the financial statements. KPMG also issues a report on internal control over financial reporting and compliance and other matters, he stated. KPMG does not give an opinion on the Authority's internal controls, he explained, but to the extent that there are deficiencies in controls that rise to a certain level, significant deficiencies or material weaknesses, KPMG outlines them in its report on internal control and financial reporting. Further, KPMG reports on the Authority's compliance with grants, contracts, laws and regulations and other matters which typically relate to fraud. In this case, he stated, KPMG did not identify any material weaknesses or significant deficiencies or any instances of non-compliance or other matters that would need to be brought to the attention of management, the Audit Committee or the Board.

KPMG also issues a management letter which outlines any performance improvement observations or minor instances of internal control matters, Mr. Driscoll continued, and a report on the Authority's compliance with the investment laws of the State of New York. He stated that no exceptions were set forth in this letter.

Finally, he stated, KPMG is also professionally required to make certain communications to the audit committee about the conduct of the audit and results, which had been done.

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

**APPROVAL OF AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR
ENDED OCTOBER 31, 2009**

BE IT RESOLVED, that the financial statements of the Authority at October 31, 2009 and for the year then ended, substantially in the form presented to this meeting, be, and hereby are, approved; and be it further

RESOLVED, that the Treasurer of the Authority be, and hereby is, authorized and directed to file the financial statements of the Authority at October 31, 2009 for the year then ended, substantially in the form presented at this meeting, with the Trustee of the Authority's outstanding bonds as required by 2003 General Bond Resolution; the Chairman and ranking Minority Member of the New York State Senate Finance Committee, the Chairman and ranking Minority Member of the New York State Assembly Ways and Means Committee, the Comptroller of the State of New York and State Division of Budget as required by Section 2800 of the Public Authorities Law, Public Authorities Accountability Act of 2005, and State Comptroller Regulations, and to post the same on the Authority's web site and the Public Authorities Reporting Information System; and that the Secretary of the Authority be, and hereby is, directed to file said financial statements with the Minutes of this meeting.

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The next item on the agenda, presented by Mr. Cavanaugh, was a request to authorize the execution of a 2010 Agreement and consent providing for payment of \$861 million of so-called “7A(ii) Funds” to the State of New York, the City of New York and the New York City Housing Development Corporation .

Mr. Cavanaugh stated that the Authority has received a facsimile of a signed agreement by Mayor Bloomberg and Comptroller Liu and has the request of Governor Paterson, represented by his Department of Budget, that the board enter into an agreement to dispose of its Joint Purpose Funds (“7A (ii) Funds”). Such agreement from the Mayor and Comptroller is required under the Authority’s agreements with the City for such expenditures.

First, Ms. Altman explained, the current balance of 7A(ii) Funds will be divided equally between the State and the City, as will future balances, until the State and City have each received \$200 million, for a total of \$400 million of payments.

Second, she continued, the next \$200 million of 7A (ii) Funds will be paid to the New York City Housing Development Corporation to finance affordable housing in the City (which amount will be supplemented by \$200 million of City capital funds to be allocated to the City’s Department of Housing Preservation and Development for affordable housing programs).

Last, she stated, the next \$261 million of 7A (ii) Funds will be used to fund capital projects of the City.

In response to inquiry by Ms. Rollins, Mr. Serpico explained that 7A(ii) Funds are, by definition, the net of the Authority’s operating, administrative and maintenance costs and debt service for the year in which the funds are earned, and therefore, the Authority’s ability to carry out its corporate obligations will not be impaired by this arrangement.

Mr. Mueller stated that giving \$400 million to the City and the State instead of using that money to benefit affordable housing is “not a good decision.” Mr. Cavanaugh explained that this would not be the first time 7A(ii) Funds have gone to provide budget relief to the City, and Mr. Thompson stated that this is an extraordinary time and both the City and the State are under great financial stress.

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

AUTHORIZATION OF 2010 AGREEMENT AND CONSENT PURSUANT TO SETTLEMENT AGREEMENT

WHEREAS, the Governor, and the Mayor and Comptroller of the City of New York have proposed that certain net revenues of the Authority be used to provide \$200 million to the State of New York to reduce the State’s budget gap, \$200 million to the City of New York to reduce the City’s budget gap, \$200 million to the New York City Housing Development Corporation for the creation of affordable housing, and \$261 million to fund City capital projects on a pay-as-you-go basis, pursuant to a 2010

Agreement and Consent Pursuant to Settlement Agreement to be entered into by the Authority and the City (the "2010 Agreement"); and

WHEREAS, The Members of the Authority find that the performance by the Authority of its financial obligations pursuant to such 2010 Agreement will not prevent the Authority from maintaining and operating the Project under the same standard of care as would be applied by an owner or operator of similar property in like circumstances;

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 a 2010 Agreement providing for payments as described in materials provided herewith to the Members and to make \$861 million of payments in accordance with the terms thereof; 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 transaction contemplated in the foregoing resolution, 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, introduced by Mr. Cavanaugh, was a request to authorize a contract with BP Mechanical Corp. to perform cooling system upgrade work at the Stuyvesant High School gymnasium for the lump sum amount of \$331,200.

Mr. Cavanaugh explained that the Battery Park City Parks Conservancy operates the Community Center in Stuyvesant High School, which utilizes the gymnasiums, swimming pool, and weight room, among other areas. The two gymnasiums on the third and sixth floors are not air conditioned, he said. There is a residual fund of about \$500,000 remaining from the building of Stuyvesant High School several years ago, which is the custody of the Authority. As the fund is meant to be used for the school's benefit, Management is proposing to fund the air conditioning work out of this fund.

Next, Mr. Woo explained that the project was advertised in the New York State Contract Reporter and the Minority Commerce and Employment Weekly. In addition, names of contractors were solicited from the Affirmative Action Department, he explained. A total of sixteen firms picked up proposal packets, two of which were M/WBE firms.

Proposals were received from five firms, one of which is an M/WBE firm, Mr. Woo continued. Pre-award meetings were held with staff, the Authority's Design Engineer and the three lowest proposers. After these meetings, he said, it was determined that BP Mechanical Corp., which had submitted the lowest proposal, has a clear understanding of the scope of work, has met the qualifications required, presented a clear comprehension of the project specifics and can complete the work in a timely fashion.

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

AUTHORIZATION OF CONTRACT WITH BP MECHANICAL CORP. FOR THE STUYVESANT HIGH SCHOOL GYMNASIUM COOLING UPGRADE WORK

BE IT RESOLVED, that in accordance with the materials submitted at this meeting, the President of the Authority or his designee(s) be, each of them hereby is, authorized and empowered to execute a contract (the "Contract") to BP Mechanical Corp., to perform the Stuyvesant High School Cooling Upgrade for the amount of \$331,200; 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 conclusively 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. Molinski, was a request to increase the amount payable under the Authority's contract with Verizon Internet Services Inc. from \$245,000 to \$300,000.

The Authority contracted with Verizon Internet Services Inc. in 2005 to provide internet services, Mr. Molinski explained. The contract, in the amount of \$245,000 expires on August 1 of this year and the remaining unspent amount will not cover the projected costs through the end of the contract term. Therefore, Management proposes adding \$55,000 to the contract amount in order to pay for the remaining monthly bills, he said.

In response to an inquiry by Mr. Thompson, Mr. Molinski explained that when this contract expires, the Authority would likely be able to renegotiate better terms with Verizon and added that the Authority is currently performing due diligence to see what other services are available for equal or lesser cost.

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

AUTHORIZATION TO AMEND AGREEMENT WITH VERIZON INTERNET SERVICES, INC.

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 amend the agreement (the "Amendment") between the Authority and Verizon Internet Services Inc., to provide internet connectivity services as well as related technical maintenance and support, increasing the fee payable thereunder by an amount not to exceed \$55,000; 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 final item on the agenda, introduced by Mr. Cavanaugh, was a request to authorize an amendment to the contract with H3 Hardy Collaboration Architecture for design work in connection with the Pier A plaza and for engineering work in connection with Pier A. It is anticipated that the fee for this work will not exceed \$700,000, including reimbursables, for a total of \$4,400,000.

Mr. Cavanaugh stated that the Authority has a long- term lease on Pier A with New York City and is undertaking a \$30 million restoration of this historic landmark building. As the Authority is using city dollars, this is very much a partnership with the Economic Development Corporation ("EDC"). Originally, he continued, EDC did not want to allocate money for the plaza, but because bids for other portions of the Pier renovation are coming in lower than anticipated, the Authority, with EDC's concurrence, would like to use the balance of the \$30 million budget amount to design and build a plaza.

The original architectural contract did not include a plaza so the Authority will also need to amend that contract to include this additional work, he said. Ms. Gelb further explained that the original design for the mechanical system for the Pier was an open river water geothermal loop system. After the Authority found that permitting for this system could not be done in a manner consistent with the project schedule, a closed loop geothermal system was chosen instead. Additional engineer costs will be incurred as a result of this change, she said.

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

**AUTHORIZATION OF AMENDMENT TO CONTRACT WITH H³ HARDY
COLLABORATION ARCHITECTURE**

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 H³ Hardy Collaboration Architecture to provide design and related services pertaining to Pier A in Battery Park City (the "Amendment"), and increasing the amount payable under such agreement by an amount not to exceed \$700,000; 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 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 11:40 a.m.

Respectfully submitted,



Carl D. Jaffee
Corporate Secretary