

HUGH L. CAREY BATTERY PARK CITY AUTHORITY

Meeting of the Members
200 Liberty Street, 24th Floor
New York, NY 10281
January 25, 2023

Members Present

Martha Gallo, Acting Chair
Louis Bevilacqua, Member (via video)
Donald Capoccia, Member (via video)
Anthony Kendall, Member
Catherine McVay Hughes, Member
Lester Petracca, Member

Authority Staff in Attendance: Benjamin Jones, President and Chief Executive Officer
Sharmila Baichu, Vice President of Human Resources
Marie Baptiste, Deputy Treasurer
Zachary Bergen, Deputy General Counsel, Procurement & Contracts
Donna A. Canfield, Deputy General Counsel, Labor & Employment
Gwen Dawson, Vice President, Real Property
Pamela Frederick, Chief Financial Officer/Treasurer
James Gallagher, Special Counsel
Abigail Goldenberg, General Counsel
Nimisha Haribaran, Executive Assistant
Megan Hood, Deputy General Counsel, Real Estate
Craig Hudon, Vice President of Parks Programming
Karl Koenig, Controller
John Lonie, Communications & Public Affairs Coordinator
Eric Munson, Chief Operating Officer
Jahmeliah Nathan, Vice President of Administration
Jason Rachnowitz, Director of Financial Reporting
Nicholas Sbordone, Vice President of Communications and Public Affairs
Alexis Torres, Chief of Staff
Ryan Torres, Vice President of Parks Operations

Others in Attendance: Warren Ruppel, Marks Paneth
Phil Marciano, Marks Paneth
Robert Cheddar, PFM Asset Management
Marty Hammond, PFM Asset Management
Samantha Myers, PFM Asset Management
Jim Haddon, Ramirez Asset Management
Louis Sarno, Ramirez Asset Management
Various Members of the Public

The meeting, called on public notice in accordance with the New York State Open Meetings Law, convened at 2:03 pm.

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The first item on the agenda was a request for approval of the minutes of the Public Hearing and the December 14, 2022 meetings. Upon a motion made by Ms. McVay Hughes and seconded by Mr. Kendall, the following resolution was unanimously adopted:

APPROVAL OF MINUTES OF THE PUBLIC HEARING AND DECEMBER 14, 2022 MEETINGS

BE IT RESOLVED, that the minutes of the meetings of the Members of the Hugh L. Carey Battery Park City Authority held on December 14, 2022, are hereby approved.

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Next, there were two comments submitted by the public that were presented during the period of public comment.

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Ms. Frederick then provided the Members with an update from the Audit Committee which met immediately prior to this meeting and was attended by Committee Chair Anthony Kendall, and the Audit Committee members, Lester Petracca and Martha Gallo. The Committee reviewed the audit plan as presented by our independent audit firm, Mayer Hoffman & McCann, and recommended to the Board that it accept the financial statements as provided in the resolution to be discussed during the Board meeting.

Ms. Frederick then provided the Members with an update from the Investment Committee, which also met prior to this meeting and was attended by Committee Chair Lester Petracca and the Investment Committee members, Martha Gallo and Catherine McVay Hughes. The Committee reviewed the Investment Guidelines and Report for 2022, which was presented by PFM Asset Management and Ramirez Asset Management, as well as the forth quarter report and flow of funds. The Committee recommended to the Board that it approve the Investment Guidelines and authorize their filing as provided in the resolution.

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

Mr. Nathan reported that for the month of December 2022, 22.02% of the Authority's total qualifying spend of approximately \$600,000.00 was paid to MWBEs. Of this amount, 17.30% was paid to MBEs, and 4.72% was paid to WBEs. And of that total qualifying spend, 11.56% was paid to MWBE subcontractors. And I'd like to note that this month's numbers, as all month's numbers, are based on payments made in a 30-day period, and based on previous months' utilization we are trending towards meeting our annual goals.

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The next item on the agenda was an update on the Authority's resiliency projects by Mr. Jones.

Mr. Jones began by stating work continues on the Northwest Battery Park City Resiliency Project, the design-build with the Turner Team. The focus right now was on the 30% design, expected to be completed in May. Another round of community engagement sessions will take place soon. And planning was in progress for what we've been discussing as reach specific community meetings where we will focus agendas on particular segments within the Northwest Resiliency Project.

With regard to the South Battery Park City Resiliency Project, the permanent fencing was installed at the Wagner Park site, and in the area adjacent to the Museum of Jewish Heritage. Public art pieces were being carefully moved to temporary locations within Battery Park City. Procurement was underway for the Pier A and Battery segments with bids expected at the end of February. Mr. Jones expressed being delighted that the Public Authority Control Board approved the Authority's "Resiliency Revolver" financial mechanism to provide bridge funding for capital projects, namely our resiliency efforts. Court filings in response to the Article 78 were made earlier this month.

In other climate adaptation news, work began on the permeable paver pilot with the first site at the end of South End Avenue in the final stages of installation. A compilation of incentive programs was made available to buildings in the neighborhood as well as elsewhere in the city to provide funding sources and technical resources to building owners and homeowners. This has been sent out to building managers and will be sent to condominium boards and posting on our sustainability website in the next couple of weeks. He mentioned that Buro Happold was the team working on the Authority's district energy assessment identifying pathways to provide less carbon intensive energy within the neighborhood, and the annual tree recycling program was on the verge of completion with over 1,500 trees being recycled. Our zero waste efforts continued with some additional waste audits this month, and appreciated getting a highlight in several areas this past month for our climate adaptation work.

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The next item on the agenda, presented by Ms. Frederick, was the Approval of Investment Report & Guidelines for Fiscal Year Ended October 31, 2022.

Ms. Frederick stated the recommendation was made by the Investment Committee for the Members to approve the Investment Guidelines and Report, and also to approve the filing of said report with the various State and Government entities, as well as to post that report on PARIS. The investment advisors, PFM Asset Management and Ramirez Asset Management, were present to answer any questions.

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

APPROVAL OF THE INVESTMENT GUIDELINES & REPORT FOR THE FISCAL YEAR ENDED OCTOBER 31, 2022

BE IT RESOLVED, that the Investment Guidelines & Report of the Hugh L. Carey Battery Park City Authority (the “Authority”) for the fiscal year ended October 31, 2022 in the form presented to this meeting, be, and hereby is approved; and be it further

RESOLVED, that the Chief Financial Officer and Treasurer of the Authority be, and hereby is, directed to file said Investment Guidelines and Report with the: (1) NYS Division of the Budget; (2) NYS Department of Audit and Control; (3) NYS Comptroller; (4) the Chairpersons and ranking Minority Members of the (a) New York State Senate Finance Committee; and, (b) New York State Assembly Ways and Means Committee, as required by Section 2925 of the Public Authorities Law, Public Authorities Accountability Act of 2005 and the New York State Comptroller’s Regulation 2 NYCRR (Part 203) ; and be it further

RESOLVED, that Investment Guidelines & Report be posted on the NY State Public Authorities Reporting System (PARIS) and the Authority’s website; and be it further

RESOLVED, that the Assistant Corporate Secretary of the Authority be, and hereby is, directed to file said Investment Guidelines & Report with the minutes of this meeting; and be it further

RESOLVED, that any and all actions taken by any officer of the Authority in connection with the preparation of such policies and procedures are hereby ratified, confirmed, and approved.

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The next item on the agenda, presented by Ms. Frederick, was acceptance of the audited financial statements for FY22 and authorization to file on PARIS.

Ms. Frederick stated that the Audit Committee made the recommendation for the Board to approve the audited financial statement for fiscal year ending October 31, 2022. The independent auditors were present and Warren Ruppel provided a brief overview of comments to the Board.

Mr. Ruppel stated there was a full discussion with the Audit Committee as to the results of the audit, which he reported was a very smooth audit. The Auditors had no comments and there were no internal control issues, etc. The Authority got the new Lease Accounting Standard this year, and did that very effectively. There was no further discussion on this item.

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

RESOLUTION OF THE MEMBERS REGARDING THE AUTHORITY’ S AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED OCTOBER 31, 2022

BE IT RESOLVED, that the Members hereby accept the Audited Financial Statements for the Fiscal Year ended October 31, 2022 and be it further

RESOLVED, that the Members authorize the filing of the Audited Financial Statements, substantially in the form presented at this meeting, with the required governmental entities and with the trustees under the Authority’ s bond resolutions, and the posting of a copy of the Audited Financial Statements on the Public Authorities Report Information System (“ PARIS”) and on the Authority’ s website.

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The next item on the agenda, presented by Mr. Munson, was an approval of the Proposed 2023 Procurement Guidelines and 2022 Procurement Report.

Mr. Munson began by explaining to the Members that this item stems from a New York State Public Authority's Law requirement presented annually for approval of the Guidelines that cover procurement activities, as well as a report for the past fiscal year's activities. He noted the Authority's spending would increase significantly in the months and years ahead as the resiliency construction efforts continue in earnest. He reported that we continue to make progress to that end, in particular our procurement team, its codified standard operating procedures that comport with our established guidelines that more clearly demarcate roles and responsibilities in an effort to simplify the review processes. And with regards to our higher risk procurements, Abby and Gwen have brought on key hires that deepen our bench on construction procurement and contracting matters in particular.

Mr. Munson continued to explain that our team was working diligently to modernize procurement practices to ensure fair, open, and competitive processes in line with applicable laws and best practices, also, keeping pace with our aggressive project schedules. He concluded that the procurement guidelines did not reflect any major departures and policy from our current practice; however, some syntax and other language was changed for clarity, and to align our guidelines with those of Empire State Development, and other public entities in New York State. He then recognized the Procurement Department, Robert, Analise, Shanay, Mike, and Jennifer, with oversight from Jahmeliah, as well as the countless other members of the BPCA staff for their hard work and collaboration on nearly 300 procurements and amendments in fiscal year '22.

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

APPROVAL OF PROCUREMENT GUIDELINES AND PROCUREMENT REPORT BE IT RESOLVED, that the 2023 Procurement Guidelines and the Procurement Report for the fiscal year ended October 31, 2022, in the form presented at this meeting, be, and hereby are approved; and be it further

RESOLVED, that the Chief Financial Officer of the Authority be, and hereby is, directed to file said Procurement Guidelines and Procurement Report, subject to such changes as the officer or officers filing the Procurement Guidelines or Procurement Report shall, with the advice of counsel, approve as necessary and appropriate and in the best interest of the Authority, with the New York State Division of the Budget and copies thereof with 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 policies and procedures is hereby ratified, confirmed and approved; and be it further

RESOLVED, that the Assistant Corporate Secretary of the Authority be, and hereby is, directed to file the Authority's Procurement Guidelines and Procurement Report with the Minutes of this meeting.

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The next item on the agenda, presented by Ms. Frederick, was an approval of Prompt Payment Policy and Prompt Payment Report for Fiscal Year Ended October 31, 2022.

Ms. Frederick stated that the Prompt Payment Policy and Report are approved on an annual basis. This report indicates that 122 payments were made beyond the 30-day payment period, and those penalties totaled about \$41,000.00 which will be paid out to the respective vendors.

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

APPROVAL OF THE PROMPT PAYMENT POLICY AND PROMPT PAYMENT REPORT FOR THE FISCAL YEAR ENDED OCTOBER 31, 2022

BE IT RESOLVED, that the Prompt Payment Report of the Authority for the fiscal year ended October 31, 2022 and the Prompt Payment Policy 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, directed to file said Prompt Payment Report and Prompt Payment Policy with the (1) New York State Division of the Budget; (2) New York State Department of Audit and Control; the Chairman and ranking Minority Members of the (3) New York State Senate Finance Committee; and (4) New York State Assembly Ways and Means Committee, as required by Section 2880 of the Public Authorities Law; and be it further

RESOLVED, that the Assistant Corporate Secretary of the Authority be, and hereby is, directed to file the Prompt Payment Report and Prompt Payment Policy with the minutes of this meeting; and be it further

RESOLVED, that Prompt Payment Report and Prompt Payment Policy be posted to the Authority's website and the NY State Public Authorities Reporting System; and be it further

RESOLVED, that any and all actions taken by any officer of the Authority in connection with the preparation of such policies and procedures is hereby ratified, confirmed and approved.

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The next item on the agenda, presented by Ms. Dawson, was an authorization to amend contract with AECOM USA, Inc. ("AECOM") for the South Battery Park City Resiliency Project.

Ms. Dawson began by explaining that this was a contract entered into by the Authority in 2018 for design and engineering related to the South Battery Park City Resiliency Project. The contract was previously amended with the appropriate approvals and the current value is currently \$17,426,083.44. Since the time of the last contract amendment a year ago, she continued, AECOM was asked to perform additional design-related services and modifications outside of the existing

contract scope of work in order to achieve construction cost savings, respond to community feedback and comments, address certain regulatory requirements as we have approached construction commencement, and coordinate with area utilities and other project stakeholders. The total fees associated with these additional services is \$2,446,007.41 and when added to the current value of the contract, the resulting value of the contract will be a not-to-exceed amount of \$19,872,090.85. She then asked that the Board approve the contract amendment for AECOM.

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

AUTHORIZATION TO AMEND THE AGREEMENT WITH AECOM (THE “AECOM CONTRACT”) TO PROVIDE DESIGN & ENGINEERING SERVICES FOR THE SOUTH BATTERY PARK CITY RESILIENCY PROJECT

BE IT RESOLVED, that in accordance with the materials submitted at this Board meeting, the President and Chief Executive Officer (the “President”) of the Battery Park City Authority (the “Authority”) or his/her designee(s) be, and each of them hereby is, authorized and empowered to amend the AECOM Contract to add the additional services as referenced in the associated Memorandum, and to increase the value of said Contract by the not-to-exceed amount of \$2,446,007.41, resulting in a new not-to-exceed total of \$19,872,090.85 (the “Amendment”); and, be it further,

RESOLVED, that the President or his/her designee(s), 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 or his/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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The next item on the agenda, presented by Mr. Munson, was an authorization to amend a contract with Crowe LLP for Internal Audit and Consulting Services.

Mr. Munson began by explaining that Crowe provides internal audit and consulting services for the Authority. A competitive procurement was conducted for audit and consulting services, and the selection process for a successor consultant was concluding and would be brought to the March Board meeting. In the meantime, funds were required to cover critical work in addition to the ongoing internal audits and reviews that are proceeding apace. Crowe’s most notable work for the weeks and months ahead was the migration of our remaining IT infrastructure to the cloud. Crowe helped us plan the migration over the past few months and wrapped up that first phase of work last week. The second phase of work, he noted, was the migration itself, which

should provide for the centralization of our IT infrastructure, and the implementation of some leading best practices with regards to cyber security and other controls.

Mr. Munson mentioned that Crowe agreed to honor last year's rates for the planned work in question, and the cloud migration project is expected to precipitate some significant cost savings to the Authority both on the capital and expense side as we won't need to purchase or maintain on premises servers going forward, and we'll be able to phase out some third-party applications that will be included in this sort of omnibus cloud licenses that we'll be purchasing from Microsoft. He said the expectation was that the project will extensively pay for itself within about three years. The migration project was approved as part of our request to the City this last go around and Crowe's engagements are budgeted in the Authority's operating and capital plan as appropriate.

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

APPROVAL TO AMEND THE AGREEMENT WITH CROWE LLP FOR INTERNAL AUDIT & CONSULTING SERVICES

BE IT RESOLVED, that in accordance with the materials submitted at this Board meeting, the President and Chief Executive Officer (the "President") of the Battery Park City Authority or his/her designee(s) be, and each of them hereby is, authorized and empowered to amend the Agreement with Crowe LLP to increase the contract amount by \$400,000.00, and be it further

RESOLVED, that the President or his/her designee(s), and each of them hereby is, authorized and empowered to execute and deliver the Agreements on behalf of the Authority, subject to such changes as the officer or officers executing the Agreements 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 Agreement; and be it further

RESOLVED, that the President or his/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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The next item on the agenda, presented by Ms. Gallo, was an amendment to BPCA Bylaws Revising Article III, Section 7.

Ms. Gallo began by explaining that this was to adopt changes that have been introduced to the Public Officer's Law. The Authority proposed a specific amendment to the by-laws so that we have procedures governing members who are videoconferencing. Only two members can be remote and being remote does not count for quorum, although they are counted for purposes of voting. This was presented last time for discussion and was presented to approve and adopt this by-law change.

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

APPROVAL AND ADOPTION OF THE BYLAWS OF THE BATTERY PARK CITY AUTHORITY

BE IT RESOLVED, that the Bylaws of the Battery Park City Authority in the form presented to the Board be, and hereby are, approved and adopted; and be it further

RESOLVED, that any and all actions taken by any officer of the Authority in connection with the preparation of such Bylaws is hereby ratified, confirmed and approved.

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Mr. Petracca made a motion to enter Executive Session, which was seconded by Ms. McVay Hughes, to discuss proposed, pending or current litigation. The Members entered Executive Session at 2:31 p.m.

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The Members exited Executive Session at 3:30 p.m.

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There being no further business, upon a motion made by Mr. Petracca and seconded by Ms. McVay Hughes, the Members unanimously voted to adjourn the meeting. The meeting thereupon adjourned at 3:30 p.m.

Respectfully submitted,

Lauren Murtha
Assistant Corporate Secretary

Public Comment
January 25, 2023

1. **Miriam Rodnick:** Madame Chair, Ladies and Gentlemen of the Board, thank you for allowing me to speak to you today. As you know, Governor Hochul recently signed legislation extending the ground lease term until 2119 creating an opportunity for this Board to negotiate new affordable ground rent leases for all 18 Battery Park City condominiums within the Battery Park City Homeowner's Coalition for the next 50 years. Your efforts to improve the ballfields, the sidewalks, the parks, etc., in Battery Park City demonstrates that your priorities are skewed toward reconfiguring and redeveloping the structures, and the places within Battery Park City. However, you are losing sight of the heartbeat of Battery Park City, its residents. It is the residents who have forged a real bonded community here where you see a familiar face whenever you walk down any street. These same residents established roots so strong that they refused to flee even after the horrific events of 9-11. Unfortunately, it is the increasing lack of affordability which will drive them out sooner than later. Retired people on fixed incomes are ready to "throw in the towel after 30 years here," as was stated in a December letter to my Liberty Terrace Board from a long time resident. The Coalition is hearing this sentiment from condo owners more and more these days. In summary, we therefore ask you to please follow the lead of Governor Hochul and join the Coalition to negotiate new ground lease terms for the 18 condo buildings in Battery Park City until 2119. Thank you.

2. **Jonathan Johnson:** Hello Madame Chairman and illustrious Board. I'm just going to drill down a little further because I just went, you know, I go through all the bonds and I go through everything, and I'm really not understanding how with bond payments going up and more bonds being issued how you could possibly lower the land lease payments for the individuals. So that's what I'm more interested in. And that's also for the commercial space as well, so as you noticed the payment is months behind because we're getting more and more commercial spaces empty, which is a detriment to the neighborhood. And I was wondering how the Authority help the commercial spaces to maybe move forward with different actors that can go into those spaces. When will you revert the 50 years to the residential and commercial owners? So that was my other question for you. And how could you possibly reduce the payments with all that understood? And lastly, it would be my pleasure, and I would spend countless hours if I was nominated to this Board. Thank you very much.