



Hudson River Park Trust

HUDSON RIVER PARK TRUST
Minutes of a
Meeting of the Board of Directors
at City Hall, 2nd Floor
Committee of the Whole Room, New York, New York
January 26, 2017 4:23 PM

Directors Present:

Diana L. Taylor, Chair

Mitchell Silver, Commissioner, New York City Department of Parks & Recreation

Jeffrey Kaplan

Jon Halpern

Joseph B. Rose

Karen Mintzer, representing Basil Seggos, Acting Commissioner, New York State Department of Environmental Conservation

Lawrence Goldberg

Scott Mason, representing the Hon. Rose Harvey, Commissioner, New York State Office of Parks, Recreation and Historic Preservation

Michael Kuh

Pamela Frederick

Appearances:

For the Hudson River Park Trust:

Madelyn Wils, President and Chief Executive Officer

Noreen Doyle, Executive Vice President

Gary O'Brien, General Counsel and Senior Vice President

Marc Boddewyn, Vice President of Design and Construction

Debra Kustka, Vice President of Operations

Also Present:

Connie Fishman, representing Friends of Hudson River Park

The Press

The Public

Chair Taylor called the meeting to order at 4:23 PM and noted that all the members of the Board of Directors (the “Directors” or the “Board”) of the Hudson River Park Trust (the “Trust”) had received the Board meeting materials in advance.

Chair Taylor introduced the first item on the agenda, a resolution to approve the minutes of the December 15, 2016 meeting of the Board of Directors of the Trust.

Upon a properly called motion, the following resolution passed unanimously.

HUDSON RIVER PARK TRUST - Approval of Minutes of and Ratification of the Actions Taken at the December 15, 2016 Meeting of the Hudson River Park Trust Board of Directors

RESOLVED, that the Minutes of the Meeting of the Hudson River Park Trust Board of Directors held on December 15, 2016 are hereby approved by the Board of Directors, and all actions taken by the Directors present at such meeting, as set forth in the Minutes, are hereby in all respects, approved and ratified as actions of the Hudson River Park Trust, and a copy of such approved Minutes are hereby ordered filed with the records of Hudson River Park Trust.

President Wils continued that at the Trust’s February 11, 2015 meeting, the Board authorized the Trust to enter into a lease agreement with Pier55, Inc. that will allow for the reconstruction of Pier 54 and operation of the reconstructed pier for park use, including significant cultural programming. The Board authorization followed completion of the requisite public review process under the Hudson River Park Act. Execution of the Lease occurred on June 29, 2016 following issuance of State and Federal permits for in-water work. To accommodate P55 proceeding with certain portions of the in-water work prior to taking formal possession of the leased premises, the Trust and P55 also executed a short term permit dated June 29, 2016 (the “Permit”). The Permit gives permission to P55 to enter upon the Premises and perform work on the balcony and access-ways at its own risk.

As the project has proceeded through the detailed design process it has become apparent that the project will be more costly than originally contemplated. In addition, the design process has resulted in greater clarity about the placement of project utilities outside of the leased Premises. Accordingly, the Trust and P55 have negotiated a proposed amendment to the Lease that sets forth the responsibilities of the parties with respect to project costs, off-Premises utilities, and certain related matters. A copy of the proposed Amendment has been previously provided to the Board and placed on the Trust's website.

The principal provisions of the Amendment include: (i) an increase in P55's obligation to fund project construction costs from \$139.5 million to \$185 million; (ii) an obligation of the Trust to perform work related to the placement of certain project electric utilities off-Premises and below the surface of the new adjacent waterfront esplanade at a cost of \$2.732 million; (iii) a recognition that P55's incurred construction costs under the Permit will be treated as project costs under the Lease; (iv) and a requirement that P55 and its donor provide early funding under an associated Construction Pledge in an amount of \$20.7 million, which has already occurred.

The new payment and performance obligations of P55 under the proposed Amendment exceed those of the Trust and the proposed Amendment is therefore, on balance, beneficial to the Trust. As is the case with all construction work to be undertaken by the Trust under the Lease, each proposed construction contract for work to be performed by the Trust pursuant to the proposed Amendment would be procured in accordance with the Trust's guidelines and subject to the review and approval of the Board. The first such proposed contract is on the agenda for consideration by the Board today.

There being no further comments, upon a properly called motion, the following resolution passed unanimously.

HUDSON RIVER PARK TRUST - Authorization for Hudson River Park Trust to enter into an amendment to Lease with Pier55, Inc.

RESOLVED, based upon the materials presented to the Board at its meeting on January 26, 2017, a copy of which is ordered filed with the records of the Hudson River Park Trust, the Board hereby authorizes the Hudson River Park Trust to enter into an amendment to the Lease Agreement dated June 29, 2016 with Pier55, Inc.; and be it further

RESOLVED, that the President or her designee(s) be, and each of them is hereby authorized to take such actions as the President or her designee(s) may deem necessary or appropriate in order to implement the forgoing resolution.

The next item introduced was a request for authorization to contract with M&N Engineering P.C. for park wide reconstruction services.

President Wils continued that the Park has a continuing need for in-water field inspections of all of its piers, bulkheads, and other marine structures. The Trust now seeks the Board's authorization to retain an in-water marine dive inspection firm for a multi-year period to provide field inspections and engineering reports:

(i) for Pier 40 to support CH2M's design work for repairing the piles and subsequent construction inspections during the period of pile restoration work;

(ii) for the Park's other constructed piers, platforms, floating docks, bulkheads, and pile fields to document conditions and make recommendations for on-going capital maintenance and repair; and

(iii) to review and perform follow-up inspections, as necessary, of engineering surveys prepared on behalf of certain of the Trust's tenants.

The proposed contract period is four years. Eight firms submitted proposals on December 1, 2016. The proposals ranged from \$4,849,294 to \$7,757,189. The Trust's selection committee

interviewed the three most highly ranked firms and found Moffat & Nichol Engineering to be the most qualified firm to perform the Services.

The sum total of all work is \$4,849,294. M&N has committed to meet the Trust's 30% combined M/WBE participation goal for this contract.

Funding for the Pier 40 work under this contract in the amount of \$3,041,627 (plus 10% contingency) is expected to be made available from funds provided from the transfer of Pier 40 development rights to the property known as 550 Washington Street. Funding for the remainder of the contract in the amount of \$1,807,667 (plus 10% contingency) will be made available through the Trust's capital maintenance budget.

Director Goldberg then asked if the contractor has performed work for the Trust in the past. President Wils replied that she does not know if the contractor has performed work for the Trust before, but she has personally worked with them in the past.

With no further questions and upon a properly called motion, the following resolution passed unanimously.

HUDSON RIVER PARK TRUST - Authorization for Hudson River Park Trust to Enter into a Contract with M&N Engineering, P.C. for the Park-wide Marine Inspection Services for a four year period in an Amount of \$4,849,294.00 (base amount) plus a 10% Allowance, for a Total Board Authorization Amount of up to \$5,334,223.00

RESOLVED, based upon the materials presented to the Board of Directors at its meeting on January 26, 2017, a copy of which is ordered filed with the records of Hudson River Park Trust, the Board hereby authorizes the Hudson River Park Trust to enter into a contract with M&N Engineering, P.C. for Park-wide Marine Inspection Services for a four year period in an amount of up to \$4,849,294.00 (base amount) plus a 10% allowance, for a total Board authorization amount of up to \$5,334,223.00; and be it further

RESOLVED, that the President or her designee(s) be, and each of them is hereby authorized to take such actions as the President or her designee(s) may deem necessary or appropriate in order to implement the forgoing resolution.

The next item was a request for authorization to contract with EIC Associates for the Morton Street bulkhead restoration and construction.

President Wils explained that approximately 350 linear feet of historic bulkhead wall at Morton Street have shifted outward toward the river. In addition, adjacent upland paved esplanade and landscaped areas have experienced related settlement. The Trust continues to monitor the condition of this area for stability and has concluded that there is no imminent public safety hazard. However, the conditions require repair and stabilization of the bulkhead wall and restoration of the adjacent paved esplanade and landscaped areas.

The proposed work will include: (i) excavation and removals of bulkhead wall elements; (ii) construction of new drilled-in steel pipe piles and lateral soil anchors; and (iii) restoration of the bulkhead elements. The proposed contract has an anticipated completion date of late 2017.

The lowest bid was \$9,838,000 and the highest bid was \$19,800,000. The low bid was from EIC and satisfied all relevant evaluative criteria. EIC has committed to meet the Trust's 30% combined M/WBE participation goal for this contract. Funding for this proposed contract will be made available from State of New York EPF appropriations.

There being no further questions, upon a properly called motion, the following resolution passed unanimously.

HUDSON RIVER PARK TRUST – Authorization to Contract with EIC Associates, Inc. for the Morton Street Bulkhead Restoration Work in the Amount of \$9,848,000.00 plus a 10% Contingency, for a Total Board Authorization Amount of up to \$10,832,800.00.

RESOLVED, based upon the materials presented to the Board of Directors at its meeting on January 26, 2017, a copy of which is ordered filed with the records of the Hudson River Park Trust, the Board hereby authorize the Hudson River Park Trust to contract with EIC Associates, Inc. for the Morton Street Bulkhead Restoration Work in the amount of \$9,848,000.00 plus a

10% contingency, for a total Board authorization amount of up to \$10,832,800.00; and be it further

RESOLVED, that the President or her designee(s) be, and each of them is hereby authorized to take such actions as the President or her designee(s) may deem necessary or appropriate in order to implement the forgoing resolution.

The next item on the agenda for Board approval was a request to amend a contract with Mueser Rutledge Consulting Engineers Inc. for Morton Street bulkhead restoration engineering services.

President Wils continued that at the Trust's July 2014 meeting, the Board authorized the Trust to enter into a contract with Mueser Rutledge Consulting Engineers, Inc. for geotechnical investigation and engineering services for the stabilization of the bulkhead and adjacent paved esplanade and landscaped areas.

At the time of the submission of the concept design repair report, Mueser presented three repair options to address the movement of the bulkhead wall. Each solution had different variables with regards to cost, aesthetics, and permitting considerations.

Additional field investigation measures were required to confirm the extent of settlement, location of voids, and to support the development of a comprehensive construction scope. The additional investigation measures included ground penetrating radar, preparation of a detailed topographic survey, and in-water and subsurface borings. These additional measures were by the Trust, with the exception of the in-water borings, which were competitively bid by Mueser. Accordingly, approximately 91% of the additional measures were competitively bid.

Further additional engineering services by Mueser are now necessary to support the bulkhead restoration and repair work. The additional engineering services will cost \$399,814 above the July 2014 Board authorization.

Funding for this capital maintenance contract will be made available from EPF funds from the State of New York appropriations.

Director Kaplan then inquired if these last two authorizations will be all the work required on the Morton Street bulkheads or if there will still be additional work required. President Wils clarified that there will still be additional landscaping work after but these two authorizations represent the majority the work needed for the bulkhead. Director Kaplan followed up with a funding question and President Wils explained that it will come from New York State.

There being no further questions, and upon a properly called motion, the following resolution passed unanimously.

HUDSON RIVER PARK TRUST – Authorization for Hudson River Park Trust to Amend the Contract with Mueser Rutledge Consulting Engineers, Inc. for the Morton Street Bulkhead Restoration Engineering Services in an Amount of \$399,814.00, for a Total Board Authorization Amount of up to \$978,150.00

RESOLVED, based upon the materials presented to the Board at its meeting on January 26, 2017, a copy of which is ordered filed with the records of the Hudson River Park Trust, the Board hereby authorize the Hudson River Park Trust to amend the contract with Mueser Rutledge Consulting Engineers, Inc. for the Morton Street Bulkhead Restoration Engineering Services in an amount of \$399,814.00, for a total Board authorization amount of up to \$978,150.00; and be it further

RESOLVED, that the President or her designee(s) be, and each of them is hereby authorized to take such actions as the President or her designee(s) may deem necessary or appropriate in order to implement the foregoing resolution.

The next item on the agenda for Board approval was a request for authorization to enter into a contract with Carr Business Systems, Inc. for the purchase of five printer/copiers and related five-year service agreement.

President Wils explained that the Trust utilizes copiers/printers/scanners for its administrative and program activities. At the Board's July 2012 meeting, the Board authorized the Trust to enter into a five year lease with TGI Office Automation for five Toshiba multi-function machines. That lease expires on October 24, 2017.

The Trust now seeks Board authorization to purchase five machines together with related services in lieu of the procurement of a replacement lease.

The Trust used the GSA centralized contracting system to determine that purchasing the machines will save the Trust approximately \$29,000 over five years.

There being no further questions, and upon a properly called motion, the following resolution passed unanimously.

HUDSON RIVER PARK TRUST – Authorization to Contract with Carr Business Systems, Inc. for the Purchase of Printer/Copier/Scanner Equipment and Related Services in an Amount of up to \$115,235.

RESOLVED, based upon the materials presented to the Board at its meeting on January 26, 2017, a copy of which is ordered filed with the records of the Hudson River Park Trust, the Board hereby authorize the Hudson River Park Trust to contract with Carr Business Systems, Inc. for the purchase of Printer/Copier/Scanner Equipment and Related Services in an Amount of up to \$115,235; and be it further

RESOLVED, that the President or her designee(s) be, and each of them is hereby, authorized to take such actions as the President or her designee(s) may deem necessary or appropriate in order to implement the forgoing resolution.

The last item on the agenda for Board approval was a request to appoint Gary O'Brien as General Counsel, Senior Vice President and Secretary of the Trust.

President Wils continued that Section 7.1(d)(vii) of the Hudson River Park Act authorizes the Trust to appoint such officers as it may require for the performance of its duties, including a General Counsel to serve as the Trust's chief legal officer. Our prior general counsel, Amy Jedlicka, left the Trust earlier this year. Gary O'Brien joined the Trust in January. Prior to accepting this position, Mr. O'Brien worked as legal counsel to Siemens Real Estate, a division of Siemens Corporation and, most recently, as Vice President and General Manager for operations at Siemens Real Estate. Mr. O'Brien has also practiced commercial real estate law at Saul Ewing and McCarter & English LLP. Mr. O'Brien is a 1994 graduate of SUNY at Old Westbury and received his law degree in 1999 from New York Law School. A copy of his resume is attached.

There being no further question, upon a properly called motion, the following resolution passed unanimously.

HUDSON RIVER PARK TRUST – Appointment of Gary O'Brien as General Counsel

RESOLVED, based upon the materials presented to the Board of Directors at its meeting on January 26, 2017, a copy of which is ordered filed with the records of the Hudson River Park Trust, the Board hereby approves the appointment of Gary O'Brien to hold the office of Senior Vice President, General Counsel and Secretary in the manner provided for in the Hudson River Park Act and the By-Laws of the Hudson River Park Trust; and it be further

RESOLVED, that the President or her designee(s) be, and each of them is hereby authorized to take such actions as the President or her designee(s) may deem necessary or appropriate in order to implement the foregoing resolution.

The Board items being concluded, President Wils began the President's Report by calling up Deb Kustka to answer any questions about Park safety statistics that remained unanswered at the December 2016 Board meeting and to present the current park wise public safety statistics in the Board's packets.

Ms. Kustka explained that the Park partnered with NYC Parks since 2004 to provide security services. The primary focus of Park security has been on quality of life violations and are enforced as ECB summonses- more serious crimes are typically referred to the NYPD. PEP officers are called for request of services on a variety of matters, which can be resolved in the field with verbal instructions, or wholly unfounded. Thus, there is a discrepancy between the number of requests for services and the number of summonses actually issued. However, criminal report summonses have increased recently due to PEP's initiatives for bikeway safety to keep motorized bicycles and scooters off the bikeway.

Director Silver echoed added that NYC Parks will first attempt to educate park patrons on violations of park rules and avoids issuing summonses if possible. Ms. Kustka confirmed that PEP at the Park is aligned with NYC Parks' philosophy as well.

Director Rose then asked if there have been any updates on the motorized bike discussions from the December 2016 Board meeting. Ms. Kustka explained that PEP issues criminal summonses whenever possible. A discussion about setting a speed limit on the Park bikeway then took place between various Directors and President Wils. President Wils explained that the bikeway in the Park is part of highway 9A and governed by State DOT. Thus, the Trust cannot impose a speed limit on the bikeway without conferring with NYS. Presidents Wils concluded the bikeway speed limit with discussion by stating she will follow-up with the appropriate agencies.

President Wils continued the report by noting that provided in the packets to the Board were the financial statements for the first ten months of fiscal year 2016-2017, including a report on the status of FEMA funding.

Site preparation and removals work is nearing completion between Morton Street and Christopher Street for the upcoming Morton Street Bulkhead Restoration (Marine) contract. The removal and salvage of the existing granite esplanade paving, bulkhead railings, light poles, benches, etc. is largely complete. This work is on course for completion by the end of January 2017.

The construction of the new Route 9A layby bikeway between Bloomfield and West 14th Street is complete. The bikeway was reopened for public use on January 13th. The marine platform portion of the site is currently being prepared for the final phase of the site work, which will include all the paving, seating and railing and plantings at the esplanade, as well as the new planters along Route 9A.

At Pier 84, the RFP for a food concession was issued October 19th. The interior space is approximately 2,400 square feet and the outdoor space is about 4,000 square feet. The concession term is up to four years with two renewal options for an additional five years. The RFP has had 13 proposals submitted, which the Trust is currently reviewing.

President Wils then thanked the current General Counsel and Senior Vice President, Amy Jedlicka, for her tireless work at the Trust and closing the Pier 55 documents, Pier 57 documents and Pier 40 MOU and PSA. The Trust will miss Ms. Jedlicka's expertise in real estate transactions and wishes Amy well in all her future endeavors.

President Wils also reported an update to Hudson River Park's Estuarine Sanctuary Management Plan, or what is commonly referred to as "the ESMP." The original ESMP

document was drafted pursuant to the park's enabling legislation in consultation with the public, DEC and other cooperating organizations and was approved by the Board in 2002. This guidance document identifies management policies for the Park's 400 acres of sanctuary waters with respect to resource protection, public access and recreation, education and research activities. The ESMP update will report on the progress that the Trust has made to date on achieving the objectives and goals of the original plan. It will also set forth a new set of objectives and goals to inform and guide the Trust's planning and programming for the future.

The Trust will schedule a meeting of the Board's Sanctuary Committee in the coming weeks to discuss the specifics of this update process and will be updating the committee periodically on any progress. This committee is comprised of DEC, State Parks, City Parks and Pam Frederick.

President Wils concluded her report by thanking Laura Black, the Trust's Deputy General Counsel, for her hard work and dedication to the Trust over the last thirteen years.

Next was a report by Connie Fishman from Friends of the Hudson River Park. Ms. Fishman started with news of a playground committee luncheon being sold out at 250 attendees, as part of the Friends' \$200,000 fundraising goal. Chair Taylor inquired how much has been raised through tickets for the luncheon, which Ms. Fishman estimated at about \$121,000 or more.

The second item discussed was Friends preparation of their budget for the upcoming fiscal year by meeting local officials, the Trust and internal strategic planning to secure sources of funding. The sources of funding for Friends and Friends' goals for programming and fundraising within the Park will all be part of Friends' March board meeting.

There being no further approval items for the meeting, Chair Taylor then asked for a motion for the Board to have, as permitted by Open Meetings Law, an Executive Session, and the motion was approved by the Board at 5:01 PM.

At 5:22 PM, the Executive Session of the Hudson River Park Trust was adjourned and the Public Meeting reconvened. There being no further business, and on a properly-called motion, the meeting was adjourned at 5:52 PM.