

**VIRTUAL MEETING OF THE
BOARD OF DIRECTORS
March 30, 2020 at 4:00 pm
Electronic ZOOM Call**

MINUTES

Directors Present:

Chair Diana Taylor
Thomas Berkman
Douglas Durst
Pamela Frederick
Lawrence Goldberg
Jon Halpern
Jeffrey Kaplan
Michael Kuh
Purnima Kapur
Eric Kulleseid
Tom Pegues
Leslie Wright

Appearances:

Hudson River Park Trust
Madelyn Wils, CEO and President
Daniel Kurtz, CFO and Executive Vice President, Finance & Real Estate
Sikander Zuberi, Director of Finance
Noreen Doyle, Executive Vice President
Christine Fazio, General Counsel

Also present:

Connie Fishman, Hudson River Park Friends
Robert Townley, Advisory Council Chair

Chair Diana Taylor asked if everyone could hear her clearly as she began speaking during the commencement of the virtual Board meeting. Chair Taylor then asked for confirmation that all Directors had joined the virtual call. President Wils informed Chair Taylor that Christine Fazio, General Counsel, would do a roll call for record keeping purposes and for the stenographer. Ms. Fazio then confirmed attendance of Directors present and kept a list of who joined the call.

With a quorum being present, Chair Taylor formally called the meeting to order at 4:00 p.m. and asked anyone who was not speaking to mute their microphone. Chair Taylor 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 and may ask questions or give comments in reference to the items on the agenda. Chair Taylor informed the audience that questions or comments from the audience would not be entertained.

Next, Chair Taylor stated there were a few items on the consent agenda for approval: Approval of Minutes and Ratification of the Actions Taken at the January 23, 2020 Meeting of the Hudson River Park Trust Board of Directors; Authorization to Contract with Abalon Exterminating Company for Parkwide Pest Inspection, Monitoring & Extermination Services; Ratification of and Authorization to Contract with EZ Docks Unlimited LLC for Pier 66 Plastic Floating Dock and Gangway Installation and Maintenance; Authorization to Amend Contract with The Pace Companies New York, Inc. for Pier 40 Fire Sprinkler Restoration; and Authorization to Amend Contract with Gage Meyer Engineers, PC d/b/a EDG for Pier 40 Roof Engineering Consulting Services.

Chair Taylor asked if there were any questions or comments. There being no questions or comments, upon a properly called motion, the following resolutions on the Consent Agenda passed unanimously.

HUDSON RIVER PARK TRUST - Approval of Minutes of and Ratification of the Actions Taken at the January 23, 2020 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 January 23, 2020 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.

HUDSON RIVER PARK TRUST – Authorization for Hudson River Park Trust to Contract with Abalon Exterminating Company, Inc. for Parkwide Pest Inspection, Monitoring & Extermination Services for a Total Board Authorized Amount of up to \$75,000

RESOLVED, based upon the materials presented to the Board of Directors at its meeting on March 30, 2020, 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 contract with Abalon Exterminating Company, Inc. for Parkwide Pest Inspection, Monitoring & Extermination Services for a three-year term for a Total Board Authorized Amount of up to \$75,000; 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.

HUDSON RIVER PARK TRUST – Ratification of and Authorization to Contract with EZ Docks Unlimited LLC for Pier 66 Plastic Floating Dock and Gangway Installation and Maintenance in an Amount of up to \$255,200

RESOLVED, based upon the materials presented to the Board of Directors at its meeting on March 30, 2020, a copy of which is ordered filed with the records of the Hudson River Park Trust, the Board hereby ratifies and authorizes the Hudson River Park Trust to contract with EZ Docks Unlimited LLC for Pier 66 Plastic Floating Dock and Gangway Installation and Maintenance for a three-year term in an amount of up to \$232,000, plus a 10% contingency, for a total authorization of up to \$255,200; 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.

HUDSON RIVER PARK TRUST – Authorization to Amend the Contract with the Pace Companies New York, Inc. for Pier 40 Fire Sprinkler Restoration

RESOLVED, based upon the materials presented to the Board of Directors at its meeting on March 30, 2020, 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 amend the contract with The Pace Companies New York, Inc. for Pier 40 Fire Sprinkler Restoration by an additional \$1,565,955 for a Total Board Authorization Amount of up to \$5,555,955; 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.

HUDSON RIVER PARK TRUST – Authorization for Hudson River Park Trust to Amend the Contract with Gage Meyer Engineers, PC d/b/a/ EDG for the Pier 40 Roof Engineering Consultant Services for an Additional Amount of \$46,000 for a Total Board Authorized Amount of \$428,008.

RESOLVED, based upon the materials presented to the Board of Directors at its meeting on March 30, 2020, 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 amend the contract with Gage Meyer Engineers, PC d/b/a EDG for the Pier 40 Roof Engineering Consultant Services for an additional amount of \$46,000 for a Total Board Authorized Amount of \$428,008; 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.

Chair Taylor then proceeded with the corporate action items on the agenda, introducing the next item of business, which was Approval of April 1, 2020 – March 31, 2021 Fiscal Year Operating Budget. President Wils began by explaining the Board would need to approve the 2020/21 budget. Ms. Wils stated that the Trust staff had been working hard for over a week to revise the draft that was reviewed by the Audit and Finance Committees on March 17th. Given the toll the health crisis is taking on the economy, the Trust had to cut its budget to reflect the new, and hopefully temporary, normal. Instead of hiring new employees to manage the upcoming park expansion, the Trust is now recommending a hiring freeze and hoping to be able to weather the storm. Given that it is unclear when the City will open for business, the Trust has taken a more conservative approach on its revenue, hoping that it will improve. Ms. Wils suggested a monthly check in with the Trusts’ Audit and Finance committees, for as long as it takes to get back to some stability. Ms. Wils also stated she would ask her assistant to reach out to the committee members to schedule. President Wils then turned the attention over to Dan Kurtz, the CFO, for the proposed budget presentation.

Mr. Kurtz began by stating that he was joined by Sikander Zuberi, the Trust's Vice President of Finance, who was instrumental in developing the FY 2021 budget.

Mr. Kurtz explained that the Proposed Budget was reviewed in preliminary form at a joint meeting of the Audit and Finance committees in January, and a copy was provided to the full Board, after which the Preliminary Proposed budget was placed on the Trust's website. A companion document, the Annual Financing Plan, which describes sources and uses of funds for the completion of the park, was distributed to the Board and put on the Trust's website at the beginning of February. The capital cost by project, which appears on the last page of today's budget document, contains updates from the Financing Plan and identifies estimated amounts projected to be spent in FY 2021 together with funding sources. Mr. Kurtz noted that the availability of all City and State capital funds cannot be assumed in FY 2021, given the anticipated economic crisis, and the City has already notified us of a freeze on all non-emergency construction.

Mr. Kurtz further explained that the Preliminary Budget was updated in early March and reviewed again by the Audit and Finance committees at their March 17th meeting. At that time it was apparent that the Trust's revenue would be impacted by the current health crisis. At the committees' direction, staff continued to monitor potential effects, and the current Proposed Budget reflects those changes including reductions in both revenue and expenses. However, as the full dimensions of the current crisis remain unknown, staff will be reporting regularly to the Finance Committee on the Trust's financial status.

Mr. Kurtz clarified that the budget provides the spending framework for the Trust in the coming fiscal year. All new contracts in excess of \$200,000, all contract amendments in excess of previously authorized amounts, and all multi-year contracts are subject to board approval.

Mr. Kurtz explained that Exhibit 1 to the budget includes, in columns from left to right, the approved FY 2020 budget, the projected actual results for FY 2020, the January preliminary proposed FY 2021 budget, and on the far right, the proposed FY 2021 budget. The final audited results for FY 2020 will be available to the board in June. Also included in the Board packet is a copy of the unaudited 11 month financials including statement of reserves. Current unaudited financials are provided at every Board meeting.

Mr. Kurtz reported that the proposed FY 2021 budget presents revenue and expenses in a conservative manner given expected economic dislocations. For FY 2021, operating revenue of \$30.2 million is budgeted to be \$4.1 million greater than operating expenses of approximately \$26.0 million. This budgeted operating surplus will be applied to unfunded costs attributable to ongoing capital maintenance needs of \$8.4 million. To the extent that budgeted operating and capital maintenance expenses are authorized and expended during the fiscal year, and no additional operating revenue, capital grants, offsetting air rights proceeds, or contributions are secured, the Trust will have a pro forma deficit of \$4.2 million and see a decrease in its reserves of an equivalent amount in FY 2021. Mr. Kurtz explained that on a GAAP basis, which fully recognizes depreciation and does not take into account capital maintenance as an expenditure, or reimbursements as an offset, the Trust is budgeted to operate at a \$9.6 million deficit in FY 2021.

On a year over year basis, budgeted revenue from all sources of \$30.2 million is 10% less than budgeted FY 2020, and 14% less than January's preliminary FY 2021 revenue projection. This is primarily the result of COVID-19 related economic adjustments that are anticipated to adversely impact most sources of earned and other income. Actual results could be worse. Revenue from leases, occupancy permits and concession agreements, and fees is budgeted to decrease by 4%. A sharp decline in percentage rents and percentage fees on food, beverage and

cruise ticket sales is expected. Parking revenue is budgeted to decrease by a more modest 3%. Interest income is expected to decline reflecting declining balances and lower yields on investments in short term securities. Reductions in field, event and sponsorship fees mirrors our expectation that most venues will remain closed into at least June. Contributions from Hudson River Park Friends is budgeted at \$500,000, which is a decrease of \$600,000 from the budget amount for the current fiscal year.

Mr. Kurtz then turned to expenses. Portions of the expense budget represented by direct park operations, parking, administration (including IT, legal, and property management), labor costs and different categories of revenue are highlighted in Exhibit 2. Within the functional programmatic expense categories, expenditures for direct park operations are budgeted to increase by 12%, parking operation increases by 3%, while administration decreases by 2%. As an overall percentage of budgeted operating expenses, administration decreases from 27.5% to 25.2%.

Mr. Kurtz explained that the increase in direct park operations result largely from a new unfunded \$782,000 consultant study for Pier 40 seismic engineering before the Directors today for discussion. Increases not under the Trust's direct control include an escalation in prevailing wage for cleaning services and liability insurance (though that expense is reimbursed by the City and State). Utility costs for FY 2021 are budgeted to increase by 44% over the prior year budget, but this represents only a 2% increase against the projected actual FY 2020 expense. The Trust received water and sewer bills from NYC DEP that included previously unrecognized charges. The Trust has now implemented a better meter monitoring system to more accurately track and budget for this expense.

Overall personnel services, including wages and fringe benefits, are budgeted to increase by 2%, but the larger increase shown in the Preliminary Proposed Budget has been largely

eliminated. The increase in the personnel services budget reflects, in part, a headcount increase from 83 to 84 full time positions. Nine new positions previously budgeted in the Preliminary FY 2021 Proposed Budget to reflect expanded responsibilities in operations, horticulture, maintenance, facilities, estuary lab, and administration have been reduced to one horticulture position scheduled to start in September. This additional staff is needed for the opening of Pier 26.

Overall, operating expenses have been reduced by approximately \$1.7 million, or 6%, from the January Preliminary proposed budget. Budgeted capital maintenance for upland and park piers shows a decrease of 6%, while capital maintenance for marine structures is reduced by 58% reflecting the completion of bulkhead work north of Pier 40 in the Morton Street area and at the Pier 66a float bridge.

Capital maintenance for Pier 40 is expected to double due to continuation of expanded pile restoration, and additional urgently needed repair projects such as the Pier 40 roof and façade. Schedule allowing, the Trust will be doing “make-up” pile repair work as the Phases 3 and 4 pile repair contractor failed to complete its assigned number of piles. Most of the Pier 40 work is funded by on-hand air rights proceeds, with some additional work funded by NYC.

Mr. Kurtz pointed to Exhibit 7 of the budget that lists \$46.7 million of capital expenditures budgeted for equipment and software at \$1.3 million, and capital maintenance at \$45.4 million. The budget provides a separate breakdown for capital maintenance for upland parks and piers at \$4.5 million, marine structures at \$2.6 million, and Pier 40 (including pile repair) at \$38.4 million. These capital maintenance amounts are “gross,” i.e., before reimbursement or application of restricted funds. As mentioned previously, most of the Pier 40 costs are covered by air rights proceeds. Included in the equipment and software budget is funding needed to move the Trust’s

system to the “cloud” to reduce long term data storage costs and future server purchases, and allow for more efficient third party software maintenance. Certain essential functions such as security cameras will continue to be serviced in-house.

Mr. Kurtz directed the Directors attention to the last page of the budget that lists the new parks construction projects mentioned at the beginning of the budget presentation. The Trust hopes to complete and open Pier 26 to the public later this year, commence new Park construction at Pier 97 and at the Gansevoort Peninsula, and start a program of estuary enhancements during the budget year. The Trust’s ability to undertake and complete these projects within the timetable outlined in the February Financing Plan will depend on the lifting of the current construction suspension, the availability of previously budgeted City and State capital funds remain committed.

Mr. Kurtz finished by noting that the Trust will continue to generate modest operating surpluses -- though this year will be challenging. The longer term structural weakness of the Trust’s financing plan is that capital maintenance costs are projected to exceed the projected operating surpluses in future years. Unless new sources of revenue can be generated, the long term outlook for funding park maintenance and operations may be compromised. Mr. Kurtz then opened up for Board discussion or questions.

Chair Taylor explained that the Finance Committee reviewed the budget twice, most recently on March 17 and recommend that the Directors approve the Budget. In response to an inquiry by Director Goldberg, Director Halpern explained that as Chair Taylor reported, the Audit and Finance committees reviewed the revised budget and that in light of the coronavirus, the budget is very conservative with the exception of the unknown as nobody at this point knows how deep this recession is going to go. But the budget reflects fair and reasonable placeholders. The Directors also discussed the high costs related to Pier 40 repairs.

Chair Taylor then asked the Directors if there was a motion to approve the budget, and, upon a properly called motion, the following resolution passed unanimously.

HUDSON RIVER PARK TRUST - Approval of the Hudson River Park Trust April 1, 2020 – March 31, 2021 Fiscal Year Operating Budget

RESOLVED, based upon the materials presented to the Board of Directors of the Hudson River Park Trust at its meeting on March 30, 2020, a copy of which is ordered filed with the records of the Hudson River Park Trust, the Board hereby approves the April 1, 2020 – March 31, 2021 fiscal year Operating Budget; 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.

Chair Taylor commended Mr. Kurtz on his presentation and President Wils added thanking Mr. Zuberi. Chair Taylor then proceeded with the next item of business: which was Authorization to Contract with Cambridge Seven Associates Architects, P.C. for Aquaria Exhibit Design Services for the Hudson River Park Estuarium. President Wils briefed the Directors on the plans for Hudson River Park, which had long featured an “estuarium,” a center for education and public discovery about the Hudson River and the Estuarine Sanctuary. The Estuarium would be located on the upland area adjacent to Pier 26. The building project is in the preliminary planning stage as full funding is currently being sought.

As the aquaria exhibits are foundational to the plans for the Estuarium and will inform many decisions about the building, the Trust has initiated a first phase of planning for the aquaria exhibits and therefore seeks the services of a qualified design firm to advance this effort. The Trust issued a Request for Proposals for the Aquaria Exhibit Design Services on November 27, 2019 and received three proposals on the submission deadline. A selection committee comprised of Trust staff reviewed the submissions and determined that Cambridge Seven Associates Architects was the top ranked consultant based on the scoring criteria provided in the RFP. Cambridge Seven has extensive specialized experience designing aquaria and related exhibits at small and large scales, at multiple budget levels. After interviewing Cambridge Seven, the Trust negotiated a fee reduction from the initial proposal of approximately \$85,000, bringing their cost proposal to \$298,097.

President Wils then requested Board authorization to contract with Cambridge Seven for the Aquaria Exhibit Design Services for the Hudson River Park Estuarium for an amount not to exceed \$298,097 plus 10% contingency for a Total Board Authorized Amount of \$327,907. Partial funding for this contract is available from a New York State Department of Environmental Conservation Grant, with the balance from the Trust's reserve budget.

Chair Taylor thanked Ms. Wils and asked the Board if there were any questions or comments. There being none, upon a properly called motion, the following resolution passed unanimously.

HUDSON RIVER PARK TRUST – Authorization for Hudson River Park Trust to Contract with Cambridge Seven Associates Architects, P.C. for Aquaria Exhibit Design Services for the Hudson River Park Estuarium for an amount not to exceed \$298,097 plus a 10% contingency, for a Total Board Authorization of up to \$327,907

RESOLVED, based upon the materials presented to the Board of Directors at its meeting on March 30, 2020, 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 contract with Cambridge Seven Associates Architects, P.C. for Aquaria Exhibit Design Services for the Hudson River Park Estuarium for an amount not to exceed \$298,097 plus a 10% contingency, for a Total Board Authorization of up to \$327,907; 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.

Chair Taylor then directed attention to the next item of business on the agenda, which was authorization to contract with WSP USA Buildings Inc. for Pier 40 Seismic Engineering Study. President Wils stated that the Trust had issued a Request for Proposals for a Pier 40 Seismic Engineering Study for the period of August 13, 2019 through September 6, 2019 and received seven proposals by the submission deadline. A selection committee comprised of Trust staff reviewed the submissions and evaluated each firm according to the identified selection criteria in the RFP, and short-listed and invited the top five firms for an interview. Trust staff also requested a best and final offer from each short-listed firm with responses due November 8, 2019.

WSP USA Buildings Inc. was the top ranked consultant based on the scoring criteria. Funding is available in the Trust's operating budget and if the Directors wish to proceed, the Trust would need Board authorization to contract with WSP for the Pier 40 Seismic Engineering Study

for an amount not to exceed \$781,800.00 plus a 10% contingency for a Total Board Authorized Amount of up to \$859,980.00. Ms. Wils then requested that the Directors discuss and confirm that the Trust should proceed with this engineering study now given the existing economic situation with a significant decrease in expected revenue this year as was previously discussed by Dan. President Wils opened it up to discussion by the Directors.

Director Frederick commented on whether or not it was rational to continue the authorization to contract with WSP USA Buildings Inc. believing it would be more tenuous. Director Goldberg stated that while the Directors voted for it because the Trust believed it would have to be done regardless, he is now not sure if the rationale is still applicable in light of the new circumstances.

Director Kulleseid asked how the Piers 40/76 taskforce would be informed or if it was just sort of a general study. President Wils responded that the seismic study would not inform the task force because it would not be able to be completed in time, but the study would inform the Trust in terms of future seismic, the soil conditions amongst other things. Director Kulleseid asked if it lead to better estimates. President Wils replied that it would enable the Trust to release an RFP with a little bit more detail. If they had that information, it could be useful. President Wils finished by saying it would be beneficial knowing the information. She assured that she was not suggesting whether it should be done, but rather questioning whether or not it should be done now.

President Wils brought up the possibility of there not being legislation in June, because of the current pandemic. If they were able to get legislation in June, then that might be useful to move forward, but if not, there's potentially no need to authorize so quickly. Director Kulleseid responded to this by saying he believes that it is important information from the standpoint of the Trust. He thinks properly and fully evaluating what one knows could argue Pier 40 being even more important to our future than ever before given this financial crisis. However, Director Kulleseid, believed, given the current health crisis and uncertainty, that the study should be tabled for a couple months. Directors Durst and Kapur agreed to table the study. Chair Taylor asked for other opinions, but there was no response.

Chair Taylor thanked Ms. Wils and asked the Board if there were any other questions or comments. A discussion ensued. The discussion concluded and the Board decided not to move forward with the agenda item and to revisit it at a later date.

Chair Taylor then directed attention to the next item of business on the agenda, which was ratification of and authorization to contract with Carrier Communications, Inc. for Phase 7 Parkwide Security Camera Expansion Project.

President Wils explained, previously, the Trust installed security cameras within and around Pier 40, in the Tribeca and Greenwich Village sections of the Park, and in the area between Chelsea Piers and Pier 84. The cameras installed are actively monitored by the Trust's contracted PEP officers and are being used to record and document incidents that may occur. The Trust identified Clinton Cove, Chelsea Waterside Park, and Pier 25 Golf Building as locations that are in need of pro-active camera monitoring. The Trust also identified existing cameras at Pier 40 that have exceeded their expected life span and are in the need of replacement. In addition, new camera installations will be necessary at Pier 26 when that section of the Park opens to the public later in the year.

The Trust purchased the security cameras and installation services from Carrier Communications for the earlier phases of the work and has been very satisfied with the services provided. Carrier Communications is a contractor under the list of OGS centralized contracts and thus the Trust does not need to undertake a competitive procurement process to contract with it for this additional work. Funding for this contract is through the Trust's operating budget as an equipment purchase. To the extent possible, the Trust will seek funding support from the City of New York.

President Wils then stated that the Trust seeks (i) ratification by the Board for the purchase of the security cameras and related equipment from Carrier Communications at a cost of about \$165,433 via an issued purchase order, and (ii) authority by the Board to enter into a contract with Carrier Communications for (a) the purchase of the remaining balance of equipment and installation services at a cost of \$188,744, plus (b) an additional \$25,000 contingency for other services or purchases that may be necessary, for a total Board Authorization Amount of up to \$380,000.

Chair Taylor thanked Ms. Wils and asked the Board if there were any questions or comments. There being none, upon a properly called motion, the following resolution passed unanimously.

HUDSON RIVER PARK TRUST – Ratification of and Authorization to Contract with Carrier Communications, Inc. (d/b/a Multi-Media Communications, Corp.) for the Phase 7

Parkwide Security Camera Expansion Project in a Total Board Authorization Amount of to \$380,000

RESOLVED, based upon the materials presented to the Board of Directors at its meeting on March 30, 2020, a copy of which is ordered filed with the records of the Hudson River Park Trust, the Board hereby ratifies and authorizes the Hudson River Park Trust to contract with Carrier Communications, Inc. (d/b/a Multi-Media Communications, Corp.) for the Phase 7 Parkwide Security Camera Expansion Project for up to a one-year term in a Total Board Authorization Amount of up to \$380,000; 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.

Chair Taylor then directed attention to the next item of business on the agenda, which was authorization to amend contract with NY Asphalt, Inc. for asphalt pavement repairs and on-call paving.

President Wils stated that, following a competitive procurement process, at the January 31, 2019 meeting, the Board authorized the Trust to enter into a contract with HHJR Construction Ltd. for Parkwide Asphalt Pavement Repairs and On-Call Paving Services for a three-year term in an amount of up to \$547,264. In order to expedite the completion of a number of paving projects throughout the Park, Trust staff elected to also award a second contract to the second highest scoring contractor in its RFP process, NY Asphalt, Inc. NY Asphalt was awarded a one-year contract in the amount of \$189,623, which expires on March 31, 2020. NY Asphalt successfully performed paving services for the promenade area at Pier 84 and the Pier 83 plaza driveway. The Trust has now identified a need for additional work to commence in the near future at Pier 40 and recommends using NY Asphalt. Funding for the contract amendment is available in the Trust's operating and capital maintenance budget.

President Wils then requested Board authorization to amend the contract with NY Asphalt, Inc. for Parkwide Asphalt Pavement Repairs and On-Call Paving Services for an additional two-year term and increase the contract amount by \$200,000 for a Total Board Authorization for the contract of up to \$389,623.

Chair Taylor thanked Ms. Wils and asked the Board if there were any questions or comments. There being none, upon a properly called motion, the following resolution passed unanimously.

HUDSON RIVER PARK TRUST - Authorization to Amend Contract with NY Asphalt, Inc. for Parkwide Asphalt Pavement Repairs and On-Call Paving Services

RESOLVED, based upon the materials presented to the Board of Directors at its meeting on March 30, 2020, a copy of which is ordered filed with the records of the Hudson River Park Trust, the Directors hereby authorize the Hudson River Park Trust to amend the contract with NY Asphalt, Inc. for Parkwide Asphalt Pavement Repairs and On-Call Paving Services to extend the term for an additional two-year period and increase the contract amount by \$200,000 for a Total Board Authorization for the contract of up to \$389,623; 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.

Chair Taylor then directed attention to the next item of business on the agenda, which was authorization to contract for Pier 40 façade restoration. President Wils stated that, although restoration of the façade of the Pier 40 building was required to ensure public safety, it turned out the project would have to be re-bid in order to reduce the number of items included in the scope. This item would have to be readdressed at the May Board meeting.

Chair Taylor then directed attention to the next item of business on the agenda, which was authorization to Contract for Pier 40 Roof Reconstruction Project Phase 4.

President Wils reminded the Board, the Pier 40 roof had under gone repair for Phases 1, 2 and 3 on the north and west sides of the building. At the time Trust staff performed repairs several years ago, the Board asked the Trust not to proceed with Phases 4 and 5. The Trust continued the services of EDG Engineering to continue monitoring the condition of the roof. Several months ago, Trust staff notified the Directors that the EDG sent a letter stating the critical need to proceed with Phase 4 within the next year, and warned that portions of the underlying structure are compromised and in immediate need of repair.

President Wils stated Trust staff seeks Board approval to enter into a contract for the Phase 4 roof repair work with a contractor to be selected pursuant to a Request for Proposals that was

released for the period of February 4 through March 20, 2020 and in which the Trust received five proposals by the submission deadline. The Trust determined that the work, which includes removal of deteriorated and damaged roofing materials, repairs to precast concrete planks, roof waterproofing for surface parking, waterproofing for the re-install and waterproofing of bulkhead structure roofs, is valued at approximately \$12,000,000. After selection of a contract, Trust staff will seek ratification of the contract at the Board's May meeting.

Funding for the contract is available from the Trust's capital maintenance budget, with funding provided through air rights sale proceeds and capital funds allocated for Pier 40 infrastructure repair by the City of New York. President Wils then requested authorization by the Board of Directors to contract for the Pier 40 Roof Reconstruction Phase 4 project for an amount not to exceed \$12,000,000 plus a 10% contingency for a Total Board Authorized Amount of \$13,200,000.

Chair Taylor thanked Ms. Wils and asked the Board if there were any other questions or comments. Director Frederick asked what would be the cost to replace as opposed to repair the roof and Ms. Wils stated that would require replacing all the concrete and thus very expensive. Director Goldberg asked how many engineering opinions did we receive about the need for repairs given the high cost and Ms. Wils explained that the Trust is very pleased with the work of the existing engineer. Trust staff then explained that five bidders responded with pricing ranging from \$8.8 million to \$24 million and that staff determined that the budget was around \$12 million. Trust staff explained that the Trust is worried about debris falling and thus the repair involves replacing a few concrete planks and patching many more to make them their original strength. If work is not done, water will continue to permeate the concrete causing more failed concrete planks. President Wils reminded the Directors that after the work is complete, there may be additional revenue of \$2.5 million to \$3 million for additional parked car spaces. Director Durst asked what was the lifespan of the work and Trust staff responded 20 years, which is the same life span as a new roof.

Chair Taylor asked if the Directors were ready to take a vote, and upon a properly called motion, the following resolution passed unanimously.

HUDSON RIVER PARK TRUST – Authorization for Hudson River Park Trust to Contract for the Pier 40 Roof Reconstruction Phase 4 for an Amount Not To Exceed \$12,000,000 Plus 10% Contingency for a Total Board Authorized Amount of \$13,200,000.

RESOLVED, based upon the materials presented to the Board of Directors at its meeting on March 30, 2020, 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 contract for the Pier 40 Roof Reconstruction Phase 4 project for an amount not to exceed \$12,000,000 plus a 10% contingency for a Total Board Authorized Amount of \$13,200,000; 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.

Chair Taylor then directed attention to the next item of business on the agenda, which was authorization to increase funding to Hunter Roberts Construction Group, LLC's Parkwide Construction Management Services Retainer Agreement.

President Wils began with reminding the Board that at the July 24, 2019 meeting, the Board authorized Trust staff to enter into three-year retainer agreements totaling \$900,000 with Armand Corporation and Hunter Roberts to serve as on-call construction managers for anticipated construction and capital maintenance/repair projects, with the understanding that additional amounts could be authorized as more work was assigned. Subsequent to the Board meeting, the anticipated construction management work was divided between the two firms such that Hunter Roberts was to manage Pier 40 projects including façade restoration and office renovations as well as the Pier 54 Arch restoration. At its January 23, 2020 meeting, the Board authorized an amendment to the Hunter Roberts contract for up to an additional \$1,425,000 to cover additional work assignments at Pier 40 including the courtyard field reconstruction and the roof reconstruction.

Since the January Board meeting, Hunter Roberts has been assigned additional work, including (i) off-hours supervision of Pier 40 pile restoration night work in order to accelerate the pace of the pile repair work; and (ii) preliminary estimating and planning work related to the Governor's request for the Trust to provide any legislative recommendations required to achieve public open space and revenue goals for Pier 40 and Pier 76 to him by May 1, 2020. Hunter Roberts

will perform this additional work consistent with its current hourly rates that the Trust found was fair and reasonable when first evaluating the Hunter Roberts' proposal last summer.

Funding for the additional Parkwide Construction Management Services is available through the operating and capital maintenance portions of the Trust's budget. The sources of this funding for the Pier 40 pile component of the work are anticipated from air rights sale proceeds.

President Wils then requested authorization by the Board of Directors to increase the authorized funding by an additional \$300,000 for a Total Board Authorization of up to \$2,100,000 for the Hunter Roberts Parkwide Construction Management Services Retainer Agreement.

Chair Taylor thanked Ms. Wils and asked the Board if there were any questions or comments. There being none, upon a properly called motion, the following resolution passed unanimously.

HUDSON RIVER PARK TRUST – Authorization to Increase the Funding for the Hunter Roberts Construction Group, LLC's Parkwide Construction Management Services Retainer Agreement by an Additional \$300,000

RESOLVED, based upon the materials presented to the Board of Directors at its meeting on March 30, 2020, 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 increase the funding for the Hunter Roberts Construction Group, LLC's Retainer Agreement by an additional \$300,000 for a Total Board Authorization in the aggregate for the two on-call Parkwide Construction Management Services Retainer Agreements of up to \$2,625,000; 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.

Chair Taylor stated the Board items for approval had been completed. Chair Taylor asked President Wils to present the President's Report. President Wils thanked Chair Taylor and began with her presentation.

President Wils began her presentation with informing the Directors that, for the past three weeks, Trust Executives and staff had been working very long hours to address the Corona Virus pandemic that unexpectedly changed all of our lives. Initial efforts involved adding more cleaning services in all of our facilities throughout the Park following the recommendations of the New

York State and New York City Departments of Health. We are very pleased at the dedication our staff has shown throughout this crisis and we are grateful to all of them. We also thank Fed Cap and the Doe Fund for continuing to show up day after day and provide the necessary cleaning services essential at this time. Trust Executives have also been participating on daily calls with the City and State and has been provided updates as both continue to respond to the crisis.

When we learned that the Governor would be issuing a series of Executive Orders to reduce the number of people working at our Pier 40 office, the Trust's IT department spent many hours obtaining additional citrix licenses so that more staff can work at home along with other licenses for video conferencing, such as Zoom. IT has been assisting all staff on working remotely. This meeting is also the first test case of holding a virtual Board meeting and President Wils stated she appreciate the Directors' patience as everyone learns how to run meetings with no one actually in the Pier 40 office.

President Wils stated operations and facilities employees were also doing a terrific job in responding very quickly to additional closings of facilities in the Park, such as the basketball courts and dog runs that began over a week ago. President Wils expressed her appreciation for the tremendous dedication that Debra Kustka, Bill Rettig, Alex Mezzatesta, and all their staff were showing and the PEP officers who were working on very short notice to address all the ongoing changes needed in the Park that seem to change daily as more governmental mandates get issued. Dennis McCartney, the new Senior Director of Public Safety, most recently a Lieutenant with New York's Finest, started March 1st at the Trust and has been such an asset to the Trust as we deal with the health crisis and Ms. Wils stated that she hopes that all the Directors can meet him soon. In addition, PEP and NYPD have been monitoring the Park to encourage the separation of Park patrons. As you know, with so many people at home, there has been a surge in local residents using the Park for exercise and to enjoy the beautiful early spring days. The Trust has produced scores of signs encouraging social distancing, but this has proved quite challenging, since at the end of the day, it is up to individuals to remain vigilant to help reduce the rate of transmission and be responsible for their actions. Unfortunately, we are seeing people in the southern end of the park not complying with social distancing, but we are doing what we can to encourage it.

President Wils also thanked Dan, Noreen, Chris and all the other Trust employees that were still coming to Pier 40 and the Park to provide essential services as the Trust has kept a skeleton crew in place to continue to provide Park cleaning and maintenance services. In summation,

President Wils wanted all the Directors to know just how proud she was of the Hudson River Park Trust staff's commitment to serving the public and how responsive and resilient everyone had been during very challenging times and she couldn't express how appreciative she was to be working with so many dedicated colleagues.

President Wils took time to also thank Sikander and Dan for their work in preparing the budget that was discussed earlier, including the more recent efforts to forecast reductions in revenue expected, even though we live in uncertain times and do not know how long these closures will last.

Next, President Wils provided more detail about the increase in the general liability premium that, as expected, occurred again this year. Effective February 28, 2020, the premium for the Trust's \$100 million general liability and umbrella insurance coverage and property insurance increased by 17.8 percent from last year's premium. The Trust's insurance broker – Cool Insuring Agency – reached out to 38 carriers, many of which did not provide a quote. The final pricing for a one year period is over \$3.93 million, which includes the OGS 5% administrative fee, up from \$3.34 million last year. The primary coverage and first \$3 million of excess rose only modestly – about 4 percent. The next layer of excess \$10 million rose over 48 percent from last year's. We understand that premiums for general liability insurance across the nation have increased substantially this past year and Cool and OGS were thus not surprised by the 17.8 percent increase for the Trust. Other factors that account for the large premium increase include the amount of projected construction in the Park, risks due to park operations, the New York City venue, terrorism concerns, construction exposures, and the Trust's claims history. President Wils noted that the Trust only had six claims this past year and six the prior year compared to the 52 claims that occurred in the 2017 to 2018 policy period. However, the carriers tend to review a full three year period when deciding whether to provide a quote.

Trust staff, Trust Board member Tom Pegues, OGS and Cool had a conference call to discuss the increase in insurance costs this past February. In order to be able to plan better for our annual budget requests to the State, President Wils had asked if the Trust could procure insurance for a 9 month period so that it ends closer to the calendar year. That way, there would be enough time to ask the State for an adjustment in the next budget year. Per the recommendations made on that call, the Trust procured the general liability insurance policy for a 9-month period – through December 1, 2020 as opposed to the usual policy term that ended on February 28 of each year.

President Wils stated, for this year, it should be expected that in December 1, there may be another increase in the premiums and thus the Trust has left some cushion in the budget for this last quarter contingency. President Wils asked if there were any questions or comments. Director Pegues further explained that this is a hard market and that insurance premiums are up 15 to 20 percent across the board. He concluded that the broker did a very good job reaching out to many different insurance companies. There being no other questions or comments, President Wils continued her presentation.

At the January meeting, President Wils reported the Governor had tasked the Trust with leading a holistic conversation about the Park and the roles that Pier 40 and Pier 76 can play in it, both with respect to increased public open space and their contributions to the Park's overall care into the future. The Trust is further directed to provide formal recommendations on any legislation necessary to achieve these goals by May, and has also been told to provide preliminary recommendations to the Governor's staff by April 1. To accomplish these goals, the Trust reached out to Community Boards 1, 2 and 4, elected officials, the Advisory Council and Friends and has formed a Task Force which has met 5 times. Although the Trust was prepared and the final presentation was sent out to all task force members, due to the health crisis, the meeting that was to have happened remotely this past Friday was cancelled.

President Wils continued stating the staff had been working with several consultants to prepare visual and financial studies to inform our planning. Lisa Switkin and her team from James Corner Field Operations -- the landscape designer for the Gansevoort section of Hudson River Park, HR&A led by Carl Weisbrod and Kristina Pecorelli, ARUP Engineers and Hunter Roberts Construction -- have helped identify physical conditions and other factors that will inform opportunities at both piers. Among these is that future open space and infrastructure costs at Pier 76 will far exceed those at Pier 40 even though Pier 76 is approximately one third Pier 40's size. This is because prior air rights sales at Pier 40 have been used to repair the steel pile and pier deck, lessening the burden on a potential future developer. Field Operations is also helping participants understand how buildings at both piers could be planned to increase the amounts of public open space.

HR&A, supported by a huge amount of work from Dan, has prepared materials that demonstrate the projected funding gap that the Park faces in the future due to the continuing need for park wide capital maintenance. The Trust estimates needing \$10M-\$15M in new annual

operating revenues by 2029 to fund ongoing capital maintenance and to retain a reserve to protect the Park against lost income or unexpected damages such as those occurring today amidst this coronavirus crisis. To fill this gap, projected future revenue needs require an estimated \$12.5M in ground rent from Pier 40 & \$6M from Pier 76—or \$15.6M & \$7.5M in 2029\$—assuming the gap is filled entirely through redevelopment.

Among the conversation topics at the Task Force is considering the beneficial effects that additional sources of revenue from sources or methods beyond redeveloping Piers 40 and 76 could have on both piers. By reducing the amount of ground rent that could be required, the amount of development at Pier 40 could be reduced, while at Pier 76, increased revenue could partially offset the higher costs of public infrastructure. When the Task Force next meets, we will discuss such ideas as collecting Parking Taxes, Sales Taxes on commercial day cruise tickets, and Commercial Rent Taxes generated within the park and possibly extending the boundaries for air rights capture sites up to 2 blocks inland instead of the one block currently allowed as potential ways to achieve this.

Clearly, the Trust is aware that the State and City are facing extraordinary financial challenges at this time, and that any legislative proposals that we may suggest would have to be considered in this context. If any of these ideas were to be considered favorably, staff does not imagine that they could be implemented at this time, but rather triggered at some date in the future.

Aside from these ideas, other potential legislative changes that have been raised by the Trust within the Task Force are: allowing office use at both piers as a permissible use as is currently allowed at Pier 57, extending the lease term for Pier 40 to up to 99 years consistent with other park/commercial piers in the Park, and allowing for construction beyond the footprint of Pier 76 as it existed in 1998 with the purpose of increasing amount of passive/active open space. Similarly, it may be beneficial to allow for construction of the commercial use east of the bulkhead at Pier 76, provided again that doing so results in more open space on the pier.

President Wils said it should be noted that while these ideas have been discussed, there will need to be further discussion and there is not consensus on these ideas at this time. Since many Board members have also been participants in the Task Force, President Wils proposed to invite them to weigh in with their thoughts, comments and observations.

Director Kapur stated that the presentations by the consultants were very good and that it seemed even Community Board 2 was acknowledging that reconstructing the pier as is might not be the most viable option. Director Frederick agreed but also stated that she did not know where this would go as Trust staff has been trying to move the community along for years. Director Goldberg thought that the meetings were very good and that there seemed to be some movement towards consensus. Director Kulleseid he thought the presentations had been great and very useful to him to get up to speed and hopefully progress can be made once COVID starts to die down a bit.

President Wils also stated that the Governor had included language in the Budget bills requiring the NYPD tow pound to vacate Pier 76 and that she will inform the Board the outcome once the Budget is adopted.

President Wils continued with a report on construction and design in the Park. First, Pier 26 Construction was proceeding on schedule until the construction halt imposed by Executive Order this past Friday. Trevcon Construction completed installation of the ecological get-down and cantilevered walkway structure at the end of December. Steven Dubner Landscaping and E.J. Electric continued to install wood decking, lighting, and custom railings. Portions of the north wall with custom seating were delivered from Landscape Forms from Michigan and are currently being installed. Depending on how long this stop work order is in place, we are still hopeful that this project will be completed late summer 2020.

James Corner Field Operations has completed design development documents at Gansevoort Peninsula and these are under review by the Trust. We are currently coordinating with various utilities, agencies, and regulatory authorities to further refine the design as needed.

On March 16, 2020 the Public Design Commission granted conditional Preliminary approval for the Pier 97 park and canopy designs. !melk Landscape Architecture and Urban Design will continue to refine their design and develop details, working towards an April 13 submission of the 100% Design Development package. At the same time both !melk and our independent construction manager, Gilbane, have been preparing independent cost estimates for the 60% Design Development package that was submitted to the Trust. Information from these estimates will inform the design as it progresses. Toshiko Mori Architects had prepared multiple iterations of its concept design for the Comfort Station, addressing input from the Trust. The iterative process

resulted in a schematic design that was submitted to the Public Design Commission on March 20 for Preliminary review. We have been under a very tight timeline and will share the design with our Design committee shortly. President Wils asked if there were any questions about the ongoing design and construction for any of the projects and there were none.

Next President Wils stated the Trust had provided the Directors with the Financials for the first eleven months of FY 19/20. Total operating revenues were \$34.6 Million and operating expenses including capital maintenance and equipment were \$23.5 Million. President Wils stated the Trust did not provide the Directors with PEP statistics, a list of FEMA reimbursements, or a list of contracts between \$100,000-\$200,000 for this meeting given the urgent issues of the past few weeks, including transitioning to working remotely. President Wils ensured she would make sure the Directors had them for the May meeting.

President Wils asked if there were any questions and there were none. Chair Taylor thanked President Wils for the report and stated that despite the crisis, a ton of stuff was still getting done thanks to Ms. Wils and the Trust Staff. Chair Taylor then turned the meeting over to Bob Townley for the Advisory Council Report.

Mr. Townley began his report by stating it was last report as Chair. Mr. Townley stated he had been rotating Chair for about 16 years. Mr. Townley also stated the Advisory Committee meeting was canceled. Mr. Townley stated the work in the Park was still ongoing and as an advocate for the Park, he plans on making sure that he can be helpful in that.

Mr. Townley informed the Board and Trust staff that Jeffrey LeFrancois would be taking his place as Advisory Council Chair and that Mr. LeFrancois was on the call and a wonderful advocate for the Park. Mr. Townley thanked Chair Taylor and then gave Mr. LeFrancois an opportunity to speak. Mr. LeFrancois introduced himself and said he was excited to sit as chair and looked forward to working with the Board and Trust staff in the near future. Mr. Townley then thanked the Board and Trust staff and concluded his report.

Chair Taylor then asked Connie Fishman to provide the Hudson River Park Friends Report. Ms. Fishman began by informing the Trust and directors that all Friends' events were canceled through the end of May and expected to be extending that to the end of June.

Ms. Fishman stated Friends would be having the spring membership campaign beginning in April, which is an online and mail campaign, but it is really only a fraction of the fundraising that Friends would normally be doing at this time of year. Friends is also looking into the new programs for small business loans that are part of the Federal CARES Act that was just passed. They're available through the SBA, mostly through third-party administrators. Friends also had an appointment following the Board morning with the loan officer from the non-profit financing fund, who is one of the administrators and Friends' auditor had recommended as easy to work with. Friends was exploring eligibility with them. There is a separate SBA program that is a payroll protection program and Friends is going to be filing an application for that one as well. Friends has frozen all hiring, all raises and all promotions until they can see how things pan out. Friends is also part of a citywide consortium of parks, conservancies and Friends organizations that are lobbying the City for extra funds in the July budget stressing the out sized role that Parks have been playing during the crisis and the importance of physical and mental health benefits to New Yorkers that are being provided.

Chair Taylor thanked Ms. Fishman for the Friends' report and asked the Directors if there was any other business to discuss. There was no response. There being no other business, Chair Taylor called for a motion to adjourn and the meeting was adjourned at 5:55 p.m.