HUDSON RIVER PARK TRUST
MINUTES
Of a
Meeting of the Directors
Held on
May 27, 2010
Hudson River Park Trust
City Planning
Spector Hall
22 Reade Street
New York, New York 10007
4:00 p.m.

Directors Present:
Robert C. Lieber, Vice Chairman
Adrian Benepe, Commissioner NYCDPR
Pamela Frederick
Lawrence B. Goldberg
Franz Leichter
Joseph B. Rose
Henry J. Stern
Paul Ullman
Rachel Gordon, Representing NYSOPRHP Commissioner Ash
Suzanne Mattei, Representing NYSDEC Commissioner Grannis

For the Corporation:
Connie Fishman, President
Noreen Doyle, Executive Vice President
Laurie Silberfeld, General Counsel
Maryann Monte, Assistant Secretary
Karen D. Jennings, Assistant Treasurer

HRPT Staff:
Marc Boddewyn
James Koth
Other Staff

Also Present:
Bob Townley, Chair HRPT Advisory Council
The Public
The Press
With a quorum present, Vice Chair Lieber called the May 27th, 2010 meeting of the Hudson River Park Trust to order at 4:08pm.

The first order of business was the approval of the Minutes of the March 25th, 2010 Board of Directors meeting.

Vice Chair Lieber asked if there were any comments or questions. There being none, he then asked for a motion to approve. Director Goldberg moved and Ms. Gordon seconded the motion. A vote was then taken and the following resolution was unanimously adopted:

HUDSON RIVER PARK TRUST - Approval of Minutes, and Ratification of the Actions Taken at the March 25th, 2010 Meeting of the Directors of Hudson River Park Trust

RESOLVED, that the Minutes of the Meeting of the Hudson River Park Trust Board of Directors held on March 25th, 2010 are hereby approved, all actions taken by the Directors present at such meeting, as set forth in the individual Minutes of such meeting, are hereby, in all respects, approved and ratified as actions of the Hudson River Park Trust, and copies of such approved Minutes are hereby ordered filed with the records of the Corporation.

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Vice Chair Lieber then asked President Fishman to present the next item before the Board, authorization to contract with Prima Paving Corp for replacement of the Chelsea Waterside Park athletic field.

President Fishman stated that over the past decade, the Trust has been operating the Chelsea Waterside Park at 23rd St., which was constructed by the New York State Department of Transportation as part of its Route 9A project. The park has a very popular athletic field with a synthetic turf surface that needs to be replaced because of wear and tear from the high demand. The field is booked every day from March through November and used well into the winter season.

The proposed Chelsea Waterside Park Athletic Field Reconstruction contract will provide for a new permanent synthetic field of the type used for football and soccer throughout the country. Our bid solicitation also requested alternate pricing for the reconstruction of the
perimeter fencing system around the athletic field which is also in need of replacement as it was never been designed for this purpose.

The contract was procured in the form of a lump sum base bid and alternate in accordance with our procurement guidelines. Five hundred thousand dollars ($500,000) of the funding for this work is being provided by Council Speaker Christine Quinn in the FY2010 capital budget. Pending board approval, construction is scheduled to begin this summer and be ready for the fall season.

Three firms submitted bid proposals ranging from $279,000.00 to $739,000.00 for the field replacement and $428,570.76 to $519,000.00 for the fence replacement. A committee of HRPT design and construction staff, Matthews Nielsen Landscape Architects and the construction manager Skanska USA, evaluated all proposals. Prima Paving Corp. was determined to be the lowest qualified and responsive bidder for the proposed work. References of Prima Paving Corp. were found to be supportive. Prima is also the prime upland contractor for the recently opened Chelsea area at Piers 62 and 63.

There is sufficient unspent contingency is the existing Chelsea upland contracts to fund the difference between the Prima bid for both the field and fence and the funds that have been provided by Council Speaker Quinn. With the approval of the Board, the Trust would be able to complete the entire project by joining the unspent upland contract monies with the City Council funding.

President Fishman requested authorization to contract with Prima Paving Corp. in an amount of $279,000 for the field replacement, $517,500 for the fence replacement, and a 10% contingency, for a total contract authorization of $876,150 for furnishing and installing the Chelsea Waterside Park Athletic Field Reconstruction.

Vice Chair Lieber asked if there were any questions or comments.

Director Stern asked if the warranty had expired.

President Fishman advised that the warranty had expired and that the current generation of the synthetic turf is better.
A detailed discussion ensured regarding the condition of and the need to replace the fence, which had not been designed with sufficient strength to withstand the high impact use it was getting.

(Director Rose entered Spector Hall)

Director Goldberg commented on having recently toured the new section of park at Piers 62 and 63. He thinks it is a great achievement on the part of the Trust staff. Director Goldberg stated that he thought the park was magnificent, and he didn’t want to go further without noting what a good job everybody did to make this beautiful segment of the park.

President Fishman asked Mr. Marc Boddewyn, head of Trust design and construction, to stand and take a bow.

In response to Director Stern’s question, President Fishman advised that the carousel is open from 11am until 7:00 pm, and the cost is $2.00 per ride.

Vice Chair Lieber asked if there were any comments or questions concerning the proposed Prima Paving Corp contract. There being none, he then asked for a motion to approve, Ms. Gordon moved, and Director Frederick seconded such motion. A vote was then taken and the following resolution was unanimously adopted:

HUDSON RIVER PARK TRUST -Authorization for Hudson River Park Trust to Contract with Prima Paving Corp. for Segment 5 – Chelsea Waterside Park Ballfield Reconstruction Work for a total not to exceed contract authorization of $876,150.00.

RESOLVED, based on the materials presented to this meeting, a copy of which is ordered filed with the records of the Corporation, the Directors hereby authorize the Hudson River Park Trust to contract with Prima Paving Corp. for a total not to exceed contract authorization of $876,150.00 for Segment 5 – Chelsea Waterside Park Ballfield Reconstruction Work; 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 his designee(s) may deem necessary or appropriate in order to implement the foregoing resolution.

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Vice Chair Lieber asked President Fishman to please present the next item, authorization to extend the contract with the New York City Department of Parks and Recreation for Park Enforcement Patrol known as PEP security services.

President Fishman explained that The New York City Parks & Recreation Enforcement Patrol (PEP) has been providing security services for Hudson River Park since its inception through a series of contracts and contract amendments. Over the past several years, the Board has approved one-year contract extensions to the PEP contract to allow for continued park security services. Staff seeks to extend the contract with the Parks Department for an additional year commencing as of April 1, 2010 and running through March 31, 2011. As discussed at the March 25, 2010 Board meeting, City Parks agreed to continue providing PEP services over the past two months with the understanding that the extension would be retroactive to April 1st. As with the prior PEP contracts, the proposed extension will provide for compensation based on actual hours worked and authorized expenses incurred based on time sheets and receipts submitted.

The current contract does not change the overall spending cap on PEP services for FY2011. However, due to a rise in the cost of overhead and fringe benefits we are reducing the total number of PEP officers by an average of 12 over the course of the year -- from 33 to 21 roughly. We will look at using less expensive security guard services at some fixed-post locations to increase staffing efficiency. Staff also continues to explore whether a less expensive but effective park policing model exists that could be implemented in the future, as PEP is currently our largest operational contract cost and is growing rapidly.

President Fishman requested authorization to extend the current contract with the New York City Department of Parks & Recreation for park security services for a one-year term in an amount not to exceed $2,100,000.00.

The Vice Chair asked if there were any questions or comments.
Director Leichter asked the value of these services provided by PEP and it certainly was a need to maintain good security in the park. But have we ever audited the contract, the services provided under the contract.

President Fishman stated that the contract itself is really a contract almost primarily for labor. The Trust pays based on the time sheets that are submitted, and we do audit the time sheets. The Parks Department has either just, or is about to go to a system where, like our own maintenance workers, the time sheets are actually kept by somebody getting their hand electronically scanned. So that makes auditing much less of an issue, but also much easier. That goes directly into a time and payroll report.

We do regularly audit all of the bills submitted by the Parks Department.

Director Leichter asked if the contract included an amount for administrative costs.

President Fishman asked Jim Koth (VP, Trust Maintenance & Operations) what the administrative cost fee is. Mr. Koth reported the percentage is five and a quarter percent.

Director Leichter asked what was specifically covered by that.

Mr. Koth explained that it included the planning activities involved by higher level management within the PEP part of the Parks Department. They coordinate with the City and other agencies about larger events that come into the Park, and the time sheets, invoices, delivery of reports and other administrative functions associated with the executing the contract.

Director Leichter asked if we are in a position under the contract to ask for replacement of an officer if we feel they are not performing up to the standard and level.

President Fishman stated that if we have an officer we are unhappy with we can request a replacement. That has not been an issue. Historically, our biggest issue with PEP has just been their ability to have enough people to staff our needs every year. Additionally, it was the
practice of the Parks Department to rotate PEP officers from one assignment to another after a certain amount of time. If we have somebody who we really like and it has gone beyond that amount of time, we try to do what we can to keep them. Sometimes we are successful and other times we are not.

Director Leichter asked if we have the ability to get extra staff for special events.

President Fishman advised that our standard schedule is different for the high season versus the low season. Within each of those periods we don’t adjust week by week except to accommodate for things like time off or people who are out sick. And if we have a special event like the 4th of July, then we actually ask for help from other PEP officers who are normally stationed in different parks but won’t be as busy that day to come help us deal with the special event.

Director Leichter asked if that is covered under the contract.

Mr. Koth explained that we can get extra staffing, and if it is above our cap there would be an additional amount. He also explained that the administrative cost it also covers training for the officers annually, communications and some other miscellaneous items.

Director Leichter asked if we have enough control over the personnel assign to HRPT.

President Fishman answered in the affirmative.

A detailed discussion ensued as to the cost of providing security; how best to train and deploy officers; and to how to control projected costs going forward

Director Benepe stated that he will recuse himself from this vote. He also suggested using CSAs as opposed to fully shielded officers as a way to control costs.
Vice Chair Lieber stated that staff should look into Director Benepe suggestion of using a mix of CSAS and PEP. Director Benepe also stated that he would facilitate getting a revised overhead rate so that the park might get several more officers under the same contract.

Vice Chair Lieber led a detailed discussion regarding the amount of revenue generated from the tickets written by the officers annually.

Vice Chair Lieber asked if there were any comments or questions. There being none, he then asked for a motion to approve, Ms. Gordon moved, and Director Frederick seconded such motion. A vote was then taken and the following resolution was passed, with a vote of 8 in favor and 1 abstention.

HUDSON RIVER PARK TRUST - Authorization for Hudson River Park Trust to extend the 2004 Contract with the New York City Department of Parks and Recreation for park security services for an additional one-year term in an amount not to exceed $2,100,000.00.

RESOLVED, based on the materials presented to this meeting, a copy of which is ordered filed with the records of the Corporation, the Directors hereby authorize the Hudson River Park Trust to extend the 2004 contract with the New York City Department of Parks and Recreation for park security services through their Parks Enforcement Patrol for an additional one-year term in an amount not to exceed $2,100,000.00; 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.

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Vice Chair Lieber asked President Fishman to please present the next item, approval and adoption of the Hudson River Park Trust Audit Committee Charter.

President Fishman stated that as a State public benefit corporation, HRPT is subject to the provisions and requirements of the Public Authorities Accountability Act of 2005 and the Public Authorities Reform Act of 2009. Such statutes require that all public authorities establish, among other things, a charter for its Board of Directors’ Audit Committee. The draft charter
forwarded with the board materials is intended to meet the dictates of such statutory requirements. The charter sets forth the purpose of the Audit Committee, its composition, powers and responsibilities. The model form published by the State Authority Budget Office as well as the charters adopted by other state authorities and public benefit corporations were reviewed and considered in preparing the draft charter.

President Fishman requested to approve the Hudson River Park Trust Audit Committee Charter.

Vice Chair Lieber asked if there were any additional questions or comments.

Director Stern asked if the word “dictates” be changed to read “standards.”

Director Leichter suggested that “dictates” be changed to say “mandates.”

Vice Chair Lieber asked for a motion with the word mandate to replace dictates, he asked if there were any additional comments or questions. There being none, he then asked for a motion to approve. Ms. Gordon moved and Director Rose seconded the motion. A vote was then taken and the following resolution was unanimously adopted.

HUDSON RIVER PARK TRUST – Approval of the Hudson River Park Trust Audit Committee Charter

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RESOLVED, based on the materials presented at this meeting, a copy of which is ordered filed with the records of the Corporation, the Directors hereby approve the Hudson River Park Trust Audit Committee Charter; 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.

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Vice Chair Lieber asked President Fishman to please present the next item, the approval and adoption of the Hudson River Park Trust Governance Committee Charter.

President Fishman stated that as with the Audit Committee Charter requirement, the Public Authorities legislation mandates that HRPT establish a charter for its Board of Directors’ Governance Committee. The draft charter included in the Board materials is intended to meet

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the dictates of such statutory requirements. The charter sets forth the purpose of the Governance Committee, its composition, powers and responsibilities. The model form published by the State Authority Budget Office as well as the charters adopted by other state authorities and public benefit corporations were reviewed and considered in preparing the draft charter.

The Directors are hereby requested to approve the Hudson River Park Trust Governance Committee Charter.

Vice Chair Lieber asked if there were any questions or comments. There being none, he then asked for a motion to approve. Director Rose moved and Director Goldberg seconded the motion. A vote was then taken and the following resolution was unanimously adopted.

HUDSON RIVER PARK TRUST –Approval of the Hudson River Park Trust Governance Committee Charter

RESOLVED, based on the materials presented at this meeting, a copy of which is ordered filed with the records of the Corporation, the Directors hereby approve the Hudson River Park Trust Governance Committee Charter; 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.

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The Vice Chair asked President Fishman to present the President’s report.

President Fishman informed the Directors that as hopefully all are aware, the Trust opened Piers 62 and 63 in Chelsea last week in a ceremony attended by the Governor and all of our local elected officials. The new park area seems to be garnering uniformly rave reviews.

Our construction in Tribeca at Pier 25 and the upland continues and our goal is to have an opening in the first part of October. In the meantime, the many recreational features are taking shape, including the sports field, miniature golf, beach volleyball, playground and basketball court. Our next construction project in this area will be the Pier 26 boathouse and café concession. Depending on our final city/state budget appropriations for FY2011, that construction would be followed by the construction of the Pier 26 boathouse/café and then the completion of the missing piece of upland between Laight St. and N. Moore St., which could
begin in the fall. Early in June, State DOT will also complete the new playground and landscaping being constructed in segment 2 next to Battery Park City. With the vast majority of construction in Chelsea and Lower Manhattan coming to a close by the end of this year, you can finally get a sense of what the waterfront will one day feel like when the entire Hudson River Park is built.

Internally, we are preparing the materials necessary to bid out the scope of safety work and ADA improvements to Pier 40 that were approved in this year’s capital maintenance budget. Most of that work will be on the agenda for this fall. Our Pier 40 building inspector has recently completed his follow-up roof inspection and will be summarizing his findings in the next several weeks. He has preliminarily told us that although the roof deterioration has accelerated in the areas previously described as damaged due to water infiltration, he does not anticipate recommending the closure of any new areas at this time.

This past weekend a corner of the old timber piles supporting Pier 54 at the very southwest corner collapsed and was immediately closed to the public. As is happens, our pier repair contractor was already mobilized to begin pile posting at Pier 54, which is something that we do annually in advance of our summer events program, and so they will remove the last 10 feet of the pier in the process of doing their regular repairs. The entire pier is currently closed while the work is underway.

At our last meeting we discussed the Macy’s July 4th fireworks event from last year and the effect that the celebration had on our overtime budget. When we learned that the fireworks will again be returning to the Hudson River, we contacted Macy’s to request that they assist the Trust with the financial burden that this creates for us through either a sponsorship opportunity or a donation. Their response to us is among the materials you have in front of you today. Unfortunately, they have declined our request for assistance.

Finally, it appears that the State’s FY11 capital appropriation to the park will be $3 million dollars when a State budget is passed. This would be matched by the City, which currently has $6 million for Hudson River Park in its July 1 budget appropriation.

Director Stern asked what ‘sponsorship opportunity’ means.
President Fishman explained that if there is a way for us to allow them to do something like banners related to the event, that would be worth something monetarily, just maybe one of their sponsors would be interested.

Director Frederick explained that we are asking Macy’s to pay for the use of the Park.

The Vice Chair stated that we should look to see if this is going to be an ongoing request, and if so, develop plans to offset the economic costs associated with it.

A full and detailed discussion ensued regarding the 4th of July Fire Works in the Park sponsored by Macy’s, why they will not offset our costs such as over time, and the decision to keep the fireworks in the Park.

Director Goldberg asked for an update on the Pier 57 negotiations.

Executive Vice President Doyle informed the Directors of what she talked about at the Advisory Council. We are in a phase right now where we are spending basically two afternoons a week hashing out a lot with the YoungWoo team.

We are going through both the conditional designation document and the MOU document which really defines essentially pre-lease terms in many respects.

One of the challenges that we have and they have is that prior to the conditional designation, the Phillips de Pury Auction House essentially stopped returning their calls after they were bought by this Russian conglomerate.

That is a significant change of use, so we have been working with them to identity parameters for a substitute use. We are moving along.

Vice Chair Lieber thanked President Fishman and Ms. Doyle and asked Robert Townley, Chair of the HRPT Advisory Council to give his report.
Advisory Chair Townley introduced himself and proceeded to give his report (see attached).

There being no further business, Vice Chair Lieber requested a motion to adjourn. Director Rose moved to adjourn. All voted in favor and the meeting was adjourned at 5:07 p.m.

Respectfully submitted,

Maryann Monte