

**Andrew M. Cuomo**  
*Governor*

**Donald D. Lewis**  
*Acting President/Chief Executive Officer*  
*Vice President/General Counsel*

**Steven Chironis**  
*Vice President/Chief Financial Officer*



**Roosevelt Island Operating Corporation**  
of the State of New York  
591 Main Street, Roosevelt Island, NY 10044  
T: (212) 832-4540 F: (212) 832-4582  
<http://rioc.ny.gov>

**Board of Directors**  
Darryl C. Towns, *Chairperson*  
Fay Fryer Christian  
Dr. Katherine Teets Grimm  
David Kraut  
Robert L. Megna  
Howard Polivy  
Michael Shinozaki  
Margaret Smith

MINUTES OF THE FEBRUARY 28, 2013 MEETING OF THE  
ROOSEVELT ISLAND OPERATING CORPORATION  
BOARD OF DIRECTORS

A meeting of the Board of Directors was held at the Manhattan Park Community Center,  
8 River Road, Roosevelt Island on February 28, 2013 at 5:30 p.m.<sup>1</sup>

**Directors Present:**

Darryl C. Towns	RIOC Chair and Commissioner, the New York State Division of Housing and Community Renewal
Michael Kendall	Representing Robert L. Megna, Director, the New York State Division of Budget
Dr. Katherine Teets Grimm	Director
David Kraut	Director
Howard Polivy	Director
Michael Shinozaki	Director
Margaret Smith	Director

**Directors Absent:**

Fay Fryer Christian	Director
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**Officers and Staff Attending:**

Donald D. Lewis	Acting President/Chief Executive Officer, Vice President/General Counsel
Steven Chironis	Vice President/Chief Financial Officer
Arthur G. Eliav	Associate General Counsel
Alexander Snedkov	Director, Engineering Department
Lada V. Stasko	Assistant General Counsel

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<sup>1</sup> The RIOC Board Meeting commenced following a public comment period. The public comment period was not part of the meeting.

1 Mr. Towns called the Board meeting to order at 6:15 p.m. The roll was called and a  
2 quorum found to be assembled and present.

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4 \* \* \*

5 **APPROVAL OF MINUTES**

6  
7 The first item of business was the approval of the minutes of the January 17, 2013  
8 meeting of the RIOC Board of Directors.

9  
10 The proposed draft of the January 17, 2013 Board meeting minutes had been previously  
11 distributed to all Board members for their consideration. Upon a motion duly made concerning  
12 the minutes of January 17, 2013 meeting, seconded and carried by six votes in favor (Mr. Towns,  
13 Mr. Kendall, Dr. Grimm, Mr. Polivy, Mr. Shinozaki and Ms. Smith), and one abstention (Mr.  
14 Kraut), minutes were **APPROVED**, and ordered filed. Mr. Kraut explained that the reason for  
15 his abstention is that he had missed a substantial part of the last Board meeting.

16  
17 \* \* \*

18  
19 Upon a motion duly made, seconded and carried by unanimous vote in favor the Board  
20 meeting was adjourned at 6:18 p.m. to continue with the public comment period, which was not  
21 part of the meeting. Subsequently, upon a motion duly made, seconded and carried by  
22 unanimous vote in favor the meeting was resumed at 6:21 p.m.

23  
24 Mr. Towns noted that the new business item # 5 of the agenda will be discussed first to  
25 accommodate the request of the Southtown developers.

26  
27 \* \* \*

28 **NEW BUSINESS ITEM #5**

29  
30 The fifth item of new business was the authorization to enter into the Fourth Amendment  
31 of the Southtown Development Agreement.

32  
33 Mr. Chironis stated that this item had been discussed at several Real Estate Development  
34 Advisory Committee (“REDAC”) meetings and provided the summary of the proposal. He noted  
35 that an outside real estate consultant firm CBRE provided financial advice regarding the terms of  
36 the proposed amendment, and that an appraisal was performed by Jerome Haims Realty, Inc.

37  
38 Mr. Chironis stated that the parties agreed upon the tentative terms which are now being  
39 presented for Board approval. According to Mr. Chironis, the proposed agreement represents a  
40 discount of approximately 13% from what was agreed to in 2006. This fact is due to the change  
41 in market conditions.

42  
43 Mr. Lewis noted that RIOC entered into negotiations approximately a year ago. He stated  
44 that this issue was intended to be brought before the Board by December 2012. Mr. Polivy noted  
45 that REDAC discussed the proposed terms on numerous occasions and extended the time for  
46 negotiations to thoroughly review the deal.

47

1 Upon a motion duly made, seconded and carried by six votes in favor (Mr. Towns, Mr.  
2 Kendall, Dr. Grimm, Mr. Kraut, Mr. Polivy and Ms. Smith) and one vote against (Mr.  
3 Shinozaki), the following resolution was ADOPTED:

4  
5 **RESOLUTION**

6  
7 **AUTHORIZATION TO ENTER INTO THE FOURTH AMENDMENT**  
8 **OF THE SOUTHTOWN DEVELOPMENT AGREEMENT**  
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10  
11 **RESOLVED** by the Board of Directors of the Roosevelt Island Operating Corporation of the  
12 State of New York (“RIOC”), as follows:

13  
14 Section 1. that RIOC is hereby authorized to negotiate and enter into the Fourth Amendment  
15 of the Southtown Development Agreement, upon such terms and conditions  
16 substantially similar to those outlined in the Memorandum from Steven Chironis  
17 to the Board of Directors dated February 26, 2013, attached hereto;

18  
19 Section 2. that the Acting President/Chief Executive Officer or his designee is hereby  
20 authorized to take such actions and execute such instruments as he deems  
21 necessary to effectuate the foregoing; and

22  
23 Section 3. that this resolution shall take effect immediately.

24  
25 \* \* \*

26  
27 Upon a motion duly made, seconded and carried by unanimous vote in favor, the meeting  
28 was adjourned at 6:35 p.m to continue with the public comment period, which was not part of the  
29 meeting. Subsequently, upon a motion duly made, seconded and carried by unanimous vote in  
30 favor, the meeting was resumed at 7:22 p.m.

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32 \* \* \*

33  
34 **NEW BUSINESS ITEM #1**

35  
36 The first item of new business was the authorization to enter into contract with American  
37 Business Continuity Centers, LLC for disaster recovery services.

38  
39 Mr. Chironis explained the purpose of the contract. He noted that this item had been  
40 discussed by the Operations Advisory Committee. An RFP for this contract was published and  
41 only one proposal was received in response. According to Mr. Chironis, the company will  
42 provide disaster recovery services for RIOC including daily data off-site back up for up to ten  
43 computers, workgroup Tier-I services and workgroup recovery Tier-II services. Mr. Chironis  
44 recommended the contract for Board approval.

45  
46 Upon a motion duly made, seconded and carried by six votes in favor (Mr. Towns, Mr.  
47 Kendall, Dr. Grimm, Mr. Kraut, Mr. Polivy and Ms. Smith) and one vote against (Mr.  
48 Shinozaki), the following resolution was ADOPTED:

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**RESOLUTION**

AUTHORIZATION TO ENTER INTO CONTRACT WITH AMERICAN BUSINESS  
CONTINUITY CENTERS, LLC FOR DISASTER RECOVERY SERVICES

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**RESOLVED** by the Board of Directors of the Roosevelt Island Operating Corporation of the State of New York (“RIOC”), as follows:

Section 1. that RIOC is hereby authorized to negotiate and enter into a contract with American Business Continuity Centers, LLC for Disaster Recovery Services, upon such terms and conditions substantially similar to those outlined in the Memorandum from Steven Chironis to the Board of Directors dated February 7, 2013, attached hereto;

Section 2. that the Acting President/Chief Executive Officer or his designee is hereby authorized to take such actions and execute such instruments as he deems necessary to effectuate the foregoing; and

Section 3. that this resolution shall take effect immediately.

\* \* \*

**NEW BUSINESS ITEM #2**

The second item of new business was the authorization to enter into contract with Streetline, Inc. for Smart Parking System.

Mr. Chironis explained the nature of the Smart Parking System project. He noted that RIOC expects revenues from this web-based software program, which is convenient because it shows on smart phones where parking is available. According to Mr. Chironis, this project will also be helpful for enforcement of parking rules and regulations. Mr. Chironis noted that this item was discussed at Operations Advisory Committee meeting and recommended the contract for Board approval.

Upon a motion duly made, seconded and carried by five votes in favor (Mr. Towns, Mr. Kendall, Dr. Grimm, Mr. Polivy and Ms. Smith) and two votes against (Mr. Kraut and Mr. Shinozaki), the following resolution was ADOPTED:

**RESOLUTION**

AUTHORIZATION TO ENTER INTO CONTRACT WITH  
STREETLINE, INC. FOR SMART PARKING SYSTEM

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**RESOLVED** by the Board of Directors of the Roosevelt Island Operating Corporation of the State of New York (“RIOC”), as follows:

1  
2 Section 1. that RIOC is hereby authorized to negotiate and enter into a contract with  
3 Streetline, Inc. for Smart Parking System, upon such terms and conditions  
4 substantially similar to those outlined in the Memorandum from Steven Chironis  
5 to the Board of Directors dated February 5, 2013, attached hereto;

6  
7 Section 2. that the Acting President/Chief Executive Officer or his designee is hereby  
8 authorized to take such actions and execute such instruments as he deems  
9 necessary to effectuate the foregoing; and

10  
11 Section 3. that this resolution shall take effect immediately.

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13 \* \* \*

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15 **NEW BUSINESS ITEM #3**

16  
17 The third item of new business was the authorization to enter into contract with Arrow  
18 Steel Window Corp. for 504 Main Street windows replacement.

19  
20 Mr. Chironis noted that based on the approved agreement with the New York Public  
21 Library, RIOC is looking to issue a contract for windows replacement at 504 Main Street.  
22 According to Mr. Chironis, seven bids were received in response to the RFP. Arrow Steel  
23 Window Corp. was selected as the best qualified among the lowest bidders. Mr. Chironis  
24 explained that due to delay of the Child School leasing of the second floor, the contract currently  
25 will be limited to the replacement of the first floor windows and entry way. He noted that the  
26 contractor will hold the price for the second floor windows for six months. Mr. Chironis noted  
27 that this item was discussed at the Operations Advisory Committee meeting and recommended  
28 the contract for Board approval.

29  
30 Upon a motion duly made, seconded and carried by unanimous vote in favor (Mr. Towns,  
31 Mr. Kendall, Dr. Grimm, Mr. Kraut, Mr. Polivy, Mr. Shinozaki and Ms. Smith), the following  
32 resolution was ADOPTED:

33  
34 **RESOLUTION**

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36 **AUTHORIZATION TO ENTER INTO CONTRACT WITH**  
37 **ARROW STEEL WINDOW CORP. FOR 504 MAIN STREET WINDOWS REPLACEMENT**

38  
39  
40 **RESOLVED** by the Board of Directors of the Roosevelt Island Operating Corporation of the  
41 State of New York (“RIOC”), as follows:

42  
43 Section 1. that RIOC is hereby authorized to negotiate and enter into a contract with Arrow  
44 Steel Window Corp. for 504 Main Street Windows Replacement, upon such terms  
45 and conditions substantially similar to those outlined in the Memorandum from  
46 Steven Chironis to the Board of Directors dated February 7, 2013, attached  
47 hereto;

1 Section 2. that the Acting President/Chief Executive Officer or his designee is hereby  
2 authorized to take such actions and execute such instruments as he deems  
3 necessary to effectuate the foregoing; and  
4

5 Section 3. that this resolution shall take effect immediately.  
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7 \* \* \*  
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9 **NEW BUSINESS ITEM #4**  
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11 The fourth item of new business was the authorization to enter into amendment of  
12 License Agreement for Octagon composting area.  
13

14 Mr. Eliav noted that RIOC previously issued a permit to the developer of The Octagon  
15 for a plot of land near that development for the purpose of operating and maintaining a small  
16 garden and composting site for the benefit of the residents. He stated that the permit is currently  
17 expired and that the developer seeks to extend it for another three years. According Mr. Eliav,  
18 RIOC's Engineering Department inspected the area and approved the site.  
19

20 Mr. Polivy noted that license extension for Octagon composting area has been discussed  
21 at the REDAC meeting and recommended its approval.  
22

23 Upon a motion duly made, seconded and carried by unanimous vote in favor (Mr. Towns,  
24 Mr. Kendall, Dr. Grimm, Mr. Kraut, Mr. Polivy, Mr. Shinozaki and Ms. Smith), the following  
25 resolution was ADOPTED:  
26

27 **RESOLUTION**  
28

29 **AUTHORIZATION TO ENTER INTO AMENDMENT OF**  
30 **LICENSE AGREEMENT FOR OCTAGON COMPOSTING AREA**  
31

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32  
33 **RESOLVED** by the Board of Directors of the Roosevelt Island Operating Corporation of the  
34 State of New York, as follows:  
35

36 Section 1. that RIOC is hereby authorized to negotiate and enter into an amendment of the  
37 license agreement for Octagon composting area, upon such terms and conditions  
38 substantially similar to those outlined in the Memorandum from Arthur G. Eliav  
39 to the RIOC Board of Directors dated February 26, 2013, attached hereto;  
40

41 Section 2. that the Acting President/Chief Executive Officer or his designee is hereby  
42 authorized to take such actions and execute such instruments as he deems  
43 necessary to effectuate the foregoing; and  
44

45 Section 3. that this resolution shall take effect immediately.  
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1 **NEW BUSINESS ITEM #6**

2  
3 The sixth item of new business was the authorization to create the Executive Search  
4 Advisory Committee.

5  
6 Ms. Smith stated that the Governance Committee was concerned about the Board’s lack  
7 of action regarding open executive positions at RIOC. Therefore, the Board members sent a  
8 letter to the Authorities Budget Office (“ABO”) asking for guidance. Ms. Smith read out loud an  
9 excerpt section from the ABO response.

10  
11 Mr. Shinozaki noted that Operations Advisory Committee also recommended creating the  
12 Executive Search Advisory Committee. It was agreed that the Chair will appoint members of the  
13 new Committee at a later point.

14  
15 Upon a motion duly made, seconded and carried by unanimous vote in favor (Mr. Towns,  
16 Mr. Kendall, Dr. Grimm, Mr. Kraut, Mr. Polivy, Mr. Shinozaki and Ms. Smith), the following  
17 resolution was ADOPTED:

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19 **RESOLUTION**

20  
21 **AUTHORIZATION TO CREATE THE EXECUTIVE SEARCH ADVISORY COMMITTEE**  
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23  
24 WHEREAS, Article VIII, Section 2, of the By-Laws of the Roosevelt Island Operating  
25 Corporation (the “Corporation”) provides that the Board of Directors may establish advisory  
26 committees;

27  
28 NOW, THEREFORE, BE IT HEREBY:

29  
30 RESOLVED, by the Board of Directors of the Corporation as follows:

- 31
- 32 1. The Board of Directors hereby authorizes the creation of the Executive Search  
33 Advisory Committee;
  - 34 2. The Executive Search Advisory Committee shall advise the Board on selection  
35 criteria and qualifications of candidates for executive staff positions;
  - 36 3. The Executive Search Advisory Committee shall serve at the pleasure of the  
37 Board of Directors and shall be comprised of not more than three members of the  
38 Board of Directors, to be appointed by the Corporation’s Chairperson;
  - 39 4. This resolution shall take effect immediately.
  - 40
  - 41
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1 **PRESIDENT’S REPORT**

2  
3 Mr. Lewis provided an update on the Cultural Center renovation. He noted that  
4 demolition phase was concluded on February 22, and the next phase would be the actual  
5 restoration.

6  
7 Mr. Lewis informed the Board that the Blackwell House design work has begun. The  
8 lighting and decoration work at Motorgate garage are about to commence. Also an electrical  
9 repair work at the Lighthouse Park is on its way.

10  
11 Mr. Lewis noted that the Steam Plant will be closing soon. As the site will be ultimately  
12 surrendered to RIOC, a Request for Expressions of Interest (RFEI) is being drafted and will be  
13 published soon.

14 \* \* \*

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17 **COMMITTEE REPORTS**

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19 **AUDIT COMMITTEE**

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22  
23 Mr. Polivy stated that the Audit Committee met on February 11, 2013. The Committee  
24 discussed the Public Safety Department (“PSD”) operational audit.

25  
26 **GOVERNANCE COMMITTEE**

27  
28 Ms. Smith stated that the Governance Committee did not meet.

29  
30 **OPERATIONS ADVISORY COMMITTEE**

31  
32 Ms. Shinozaki stated that the Operations Advisory Committee met on January 30,  
33 February 13 and February 25 to discuss items presented to the Board of Directors today.

34  
35 **REAL ESTATE DEVELOPMENT ADVISORY COMMITTEE**

36  
37 Mr. Polivy stated that the Real Estate Development Advisory Committee met on  
38 February 26, 2013. The Committee discussed issues concerning the Cultural Center  
39 rehabilitation. The Committee also held an executive session to review the proposed Board  
40 resolution regarding the ground lease for the Southtown Development, as well as to discuss  
41 Steam Plant and Cornell University negotiations. Mr. Polivy noted that no votes were taken  
42 during the executive session.

43 \* \* \*

1 **PUBLIC SAFETY REPORT**

2  
3 Mr. Towns noted that the Public Safety Report was included on the board disk.

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5 \* \* \*

6  
7 Upon a motion duly made, seconded and carried by unanimous vote in favor (Mr. Towns,  
8 Mr. Kendall, Dr. Grimm, Mr. Kraut, Mr. Polivy, Mr. Shinozaki and Ms. Smith), the meeting was  
9 adjourned at 7:55 p.m.

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Donald D. Lewis, Secretary