

Andrew M. Cuomo
Governor

Charlene M. Indelicato
President/Chief Executive Officer

Donald D. Lewis
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
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<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 MAY 30, 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 May 30, 2013 at 5:30 p.m.¹

Directors Present:

Darryl C. Towns	RIOC Chair and Commissioner, the New York State Division of Housing and Community Renewal
Elaine McCann	Representing Robert L. Megna, Director, the New York State Division of Budget
Fay Fryer Christian	Director
Dr. Katherine Teets Grimm	Director
David Kraut	Director ²
Howard Polivy	Director
Michael Shinozaki	Director
Margaret Smith	Director

Officers and Staff Attending:

Charlene M. Indelicato	President/Chief Executive Officer
Donald D. Lewis	Vice President/General Counsel
Steven Chironis	Vice President/Chief Financial Officer
Arthur G. Eliav	Associate General Counsel
Claudia McDade	Director, Human Resources
Lada V. Stasko	Assistant General Counsel

Others Attending:

Michael Brothers	Vice President, Hill International, Inc.
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¹ The RIOC Board Meeting commenced following a public comment period. The public comment period was not part of the meeting.

² Mr. Kraut was not present during the approval of the minutes.

1 Mr. Towns called the Board meeting to order at 6:50 p.m. The roll was called and a
2 quorum found to be assembled and present.

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6 **APPROVAL OF MINUTES**

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8 The first item of business was the approval of the minutes of the April 4, 2013 meeting of
9 the RIOC Board of Directors.

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11 The proposed draft of the April 4, 2013 Board meeting minutes had been previously
12 distributed to all Board members for their consideration. Upon a motion duly made concerning
13 the minutes of the April 4, 2013 meeting, seconded and carried by unanimous vote in favor (Mr.
14 Towns, Ms. McCann, Ms. Christian, Dr. Grimm, Mr. Polivy, Mr. Shinozaki and Ms. Smith),
15 minutes were **APPROVED**, and ordered filed.

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19 Mr. Towns noted that the new business item # 7 of the agenda will be addressed first and
20 that the new business item # 6 will be removed form the agenda.

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25 **NEW BUSINESS ITEM #7**

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27 The seventh item of new business was the authority to “Override” the New York City
28 Zoning Resolution in connection with the development of Southtown Building 7 and take related
29 actions.

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31 Mr. Brothers stated that Hill International, Inc. was asked to review the request in
32 connection with the zoning “override” and certain changes to previous construction plans for
33 Building 7. He noted that the proposal is in compliance with the original Southtown
34 Development Agreement and the General Development Plan.

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36 Mr. Polivy noted that Real Estate Development Advisory Committee met on three
37 occasions to discuss this project. He thanked Hill International Inc. for a thorough review of the
38 project. Mr. Polivy recommended the item for Board approval.

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40 Upon a motion duly made, seconded and carried by unanimous vote in favor (Mr. Towns,
41 Ms. McCann, Ms. Christian, Dr. Grimm, Mr. Kraut, Mr. Polivy, Mr. Shinozaki and Ms. Smith),
42 the following resolution was ADOPTED:

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PROPOSED RESOLUTION

AUTHORITY TO 'OVERRIDE' THE NEW YORK CITY ZONING RESOLUTION
IN CONNECTION WITH THE DEVELOPMENT OF SOUTHTOWN BUILDING 7
AND TAKE RELATED ACTIONS

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WHEREAS, the Roosevelt Island Operating Corporation (the "Corporation"), except as to requirements that adversely affect public safety or health, consistent with Section 6389(3) of the RIOC Act (McKinney's Unconsolidated Laws Sections 6385-6399), has the authority to waive compliance with local laws, ordinances, codes, charters and regulations, including but not limited to, the New York City Zoning Resolution (the "Override Authority") for the development of Southtown to the extent that the requirements of the Zoning Resolution are at variance with the General Development Plan for Roosevelt Island, the Revised Roosevelt Island Southtown Plan and Project approved by the Board of Directors on September 22, 1999 and the Design Guidelines for the construction of Southtown (the "Southtown Planning Documents");

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WHEREAS, the Related Companies, L.P. and the Hudson Companies Incorporated (collectively, "Developer" of the Southtown Project) have requested that the Corporation exercise its Override Authority to waive compliance with certain zoning provisions in connection with the development of Southtown Building 7, as set forth in the attached letter dated May 23, 2013 from Handel Architects; and

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WHEREAS, the Corporation's construction consultants have reviewed the Developer's request including the Handel Letter, and recommend that the Corporation exercise its Override Authority to waive compliance with certain zoning provisions in connection with the development of Southtown Building 7, as set forth in the attached letter from Michael Brothers, Vice President, Hill International, Inc. to Charlene Indelicato, dated May 24, 2013;

NOW THEREFORE, be it

RESOLVED by the Board of Directors of the Roosevelt Island Operating Corporation as follows:

Section 1: Under the State Environmental Quality Review Act ("SEQRA") RIOC shall serve as lead agency for the environmental review of the proposed override of certain requirements of the New York City Zoning Resolution for Southtown Building 7, which review has been coordinated with other necessary reviews pursuant to other applicable laws and regulations.

Section 2: RIOC hereby approves the Environmental Assessment, supplemental report and exhibits ("EA") in the form attached hereto, a copy of which is hereby ordered filed with the records of RIOC.

Section 3: On the basis of the EA, including its appendices, RIOC hereby (a) determines that the proposed override will not, either individually or cumulatively with other actions, have a significant adverse environmental impact and, accordingly, that no environmental impact statement is

1 required under SEQRA; and (b) authorizes the issuance of a Negative
2 Declaration under SEQRA.

3 Section 4. Except as to requirements that adversely affect public safety or health,
4 consistent with Section 6389(3) of the RIOC Act, the President/Chief
5 Executive Officer or her designee, after consultation with construction
6 consultants, is hereby authorized to exercise the Corporation's Override
7 Authority for the development of Southtown Building 7 to the extent that
8 the requirements of the N.Y.C. Zoning Resolution are at variance with the
9 Southtown Planning Documents.

10 Section 5. The President/Chief Executive Officer or her designee, after consultation
11 with construction consultants, is hereby authorized to amend the design
12 guidelines for Southtown as presented to this Board.

13 Section 6. The President/Chief Executive Officer is hereby authorized to take such
14 actions and execute such agreements as she deems necessary to effectuate
15 the foregoing.

16 Section 7. This resolution shall take effect immediately.

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19 **NEW BUSINESS ITEM #1**

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21 The first item of new business was the authorization to enter into Contract with Local
22 32BJ.

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24 Ms. McDade provided highlights of the proposed Memorandum of Understanding with
25 the Services Employees International Union, Local 32BJ, AFL-CIO. Ms. McDade noted that
26 RIOC followed the previous contract with 32BJ, with exception of certain noteworthy revisions,
27 which she discussed. Ms. McDade noted that in terms of the proposed salary increases, RIOC
28 followed the state pattern established by the New York State in agreements with its major
29 unions.

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

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35 **RESOLUTION**

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37 **AUTHORIZATION TO ENTER INTO CONTRACT WITH LOCAL 32BJ**

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

AUTHORIZATION TO ENTER INTO CONTRACT WITH GANDHI ENGINEERING, INC.
FOR THE ENGINEERING DESIGN SERVICES IN CONNECTION WITH THE
ROOSEVELT ISLAND HELIX RAMP REHABILITATION PROJECT

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 Gandhi Engineering, Inc. for the Engineering Design Services in connection with the Roosevelt Island Helix ramp rehabilitation project, upon the terms and conditions substantially similar to those outlined in the memorandum from Steven Chironis to the Board of Directors dated May 2, 2013, attached hereto;

Section 2. that the President/Chief Executive Officer or her designee shall take such actions and/or execute such instruments as necessary to effectuate the foregoing;

Section 3. that this resolution shall take effect immediately.

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NEW BUSINESS ITEM #4

The fourth item of new business was the authorization to enter into contract with KS Engineers, P.C. for the structural evaluation and feasibility study of the Sportspark facility.

Mr. Chironis briefly explained the nature of the contract. He noted that with the closing of the Steam Plant, Sportspark needs a new source of heat. Mr. Chironis stated that it may be more prudent to address several other issues in connection with the Sportspark facility and possibly replace the entire structure. Mr. Chironis stated that RIOC issued an RFP to conduct an evaluation of various options available to the Corporation. KS Engineers, P.C. was selected among nine bidders that responded to the RFP. Mr. Chironis recommended the contract with KS Engineers, P.C. for Board approval.

Ms. Indelicato noted that the study will provide an overview of several different components that would be crucial in making the decision regarding the future of the Sportspark facility. Mr. Polivy noted that this item had been discussed by the Real Estate Development Advisory Committee and recommended its approval.

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

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RESOLUTION

AUTHORIZATION TO ENTER INTO CONTRACT WITH KS ENGINEERS, P.C.
FOR THE STRUCTURAL EVALUATION AND FEASIBILITY STUDY
OF THE SPORTSPARK FACILITY

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 KS Engineers, P.C. for the structural evaluation and feasibility study of the Sportspark facility, upon the terms and conditions substantially similar to those outlined in the memorandum from Steven Chironis to the Board of Directors dated May 6, 2013, attached hereto;

Section 2. that the President/Chief Executive Officer or her designee shall take such actions and/or execute such instruments as necessary to effectuate the foregoing;

Section 3. that this resolution shall take effect immediately.

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NEW BUSINESS ITEM #5

The fifth item of new business was the ratification of contract with Hill International, Inc. for owner’s representative services.

Mr. Chironis explained that with the resignation of the Director of Engineering, there is an emergent need for a temporary replacement until a permanent Director of Engineering is hired. Mr. Chironis noted that Hill International, Inc. previously worked for RIOC in similar capacity. According to Mr. Chironis, Hill International, Inc. provided rates that are reasonable. Mr. Chironis stated that a Senior Project Manager will be engaged for three months with an option to renew his contract for additional three months at RIOC’s discretion. He further noted that the contract price is \$172,560 and recommended the contract for Board’s ratification. Mr. Smith noted that even though the item is a ratification, the Board Members were previously advised and are familiar with this contract.

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

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RESOLUTION

RATIFICATION OF CONTRACT WITH HILL INTERNATIONAL, INC.
FOR OWNER’S REPRESENTATIVE SERVICES (SENIOR PROJECT MANAGER)

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

Section 1. that the contract entered into with Hill International, Inc. for Owner’s Representative Services (Senior Project Manager), upon such terms and conditions substantially similar to those outlined in the Memorandum from Steven Chironis to the Board of Directors dated May 8, 2013, attached hereto, is hereby ratified;

Section 2. that the President/Chief Executive Officer or her designee shall take such actions and/or execute such instruments as necessary to effectuate the foregoing;

Section 3. that this resolution shall take effect immediately.

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PRESIDENT’S REPORT

Ms. Indelicato noted that the power on the Island had been restored subsequent to the partial blackout on May 24, 2013. She thanked Board Members and local media outlets for their assistance in handling the situation. Ms. Indelicato noted that RIOC needs to revisit and revise its emergency response procedures. She suggested revisiting the idea of emergency alerts system for the Island, in addition to the NYC emergency alert system. Ms. Indelicato stated that the New York City Office of Emergency Management did an excellent job.

Ms. Indelicato noted that she was able to do a lot of work in the first two weeks. She met with various community groups, private shareholders and government officials. Ms. Indelicato stated that she is aware of the PSD issue and assured the Board that she will work to resolve it.

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COMMITTEE REPORTS

AUDIT COMMITTEE

Mr. Polivy stated that the Audit Committee did not meet.

GOVERNANCE COMMITTEE

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

1 OPERATIONS ADVISORY COMMITTEE

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3 Ms. Shinozaki stated that the Operations Advisory Committee met on May 2, 2013 to
4 discuss the items presented to the Board of Directors today. He noted that the New York Public
5 Library construction at 504 Main Street is proceeding as planned. Mr. Shinozaki also noted that
6 the Committee is planning to schedule a meeting regarding the relocation of the cat house.

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8 REAL ESTATE DEVELOPMENT ADVISORY COMMITTEE

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10 Mr. Polivy stated that the Real Estate Development Advisory Committee met on May 6,
11 May 13 and May 28, 2013. He noted that on May 6, the Committee discussed issues concerning
12 Cultural Center rehabilitation, Good Shepherd Community Center permitting and Sportspark
13 refurbishment.

14
15 On May 6, 2013 the Committee held an executive session to receive an update on the
16 current negotiations regarding the Southtown Building 7 and Cornell University. The Southtown
17 Development Building 7 negotiations were also discussed during executive sessions of the
18 Committee held on May 13 and May 28. Mr. Polivy noted that no votes were taken during the
19 executive sessions on May 6, May 13 and May 28, 2013.

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21 Mr. Polivy stated that the Steam plant RFEI has been published and that the Roosevelt
22 Island Garden Club issues are being worked out.

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26 **PUBLIC SAFETY REPORT**

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28 Mr. Towns noted that the Public Safety Report was included in the board package.

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32 Upon a motion duly made, seconded and carried by unanimous vote in favor (Mr. Towns,
33 Ms. McCann, Ms. Christian, Dr. Grimm, Mr. Kraut, Mr. Polivy, Mr. Shinozaki and Ms. Smith),
34 the meeting was adjourned at 7:30 p.m.

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Donald D. Lewis, Secretary