

THE TRUST FOR GOVERNORS ISLAND

MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
OF
GOVERNORS ISLAND CORPORATION d/b/a
THE TRUST FOR GOVERNORS ISLAND

June 17, 2020

The annual meeting of the Board of Directors of Governors Island Corporation d/b/a The Trust for Governors Island (the “Trust”) was held on Wednesday, June 17, 2020 via Zoom.

The following members of the Board of Directors of the Trust were present by videoconference:

Alicia Glen, *Chairperson*
Karen Brooks-Hopkins
Carolee Fink
Catherine Hughes
Gaurav Kapadia
Patrick Kennell
Benjamin Lawsky
Susan Mercandetti
Daniel Neidich
Daniel Squadron
Carl Weisbrod

Also present were staff from the Trust and The Friends of Governors Island (“FGI”).

Chairperson Alicia Glen started the meeting by welcoming the Directors to the annual meeting, welcoming new Director Gaurav Kapadia and asking Ms. Marni Friedlander, the Trust’s Secretary, to confirm that a quorum was present, to which she responded affirmatively.

Ms. Glen then introduced the first voting item.

1. Approval of the minutes of the meeting of the Board of Directors held on April 8, 2020

There were no questions or comments. A motion to approve the minutes, as submitted, was made, seconded, and unanimously adopted.

2. Approval of the minutes of the meeting of the Executive Committee held on May 4, 2020

There were no questions or comments. A motion to approve the minutes, as submitted, was made, seconded, and unanimously adopted.

3. President's Report

Ms. Clare Newman began her report by discussing that the Trust is working to open Governors Island to the public sometime in July with a reopening plan that ensures health and safety. For example, the Trust staff is actively collaborating with FGI staff to coordinate for the use of volunteers as social distance ambassadors. The Trust is working with City elected officials and community partners to provide access to the Island.

Ms. Newman briefly noted that the Trust ended the Fiscal Year 2020 on a strong note. The loss of income from the delay in the public access season was covered by an equestrian event that was not previously budgeted for and the Paycheck Protection Program loan the Trust received. The surplus will be rolled into the FY 2021 budget, if there are budget cuts.

Ms. Newman shared that the Trust has been working on three Requests for Proposals (“RFP”): (i) Nolan Park; (ii) an event and restaurant space; and (iii) a green office space. The Trust issued the Nolan Park RFP before the pandemic and is excited about the robust response to the RFP, which received about 10 responses.

Ms. Glen congratulated the Trust staff and Ms. Newman for their hard work.

4. Committee Reports

Ms. Glen then asked Carolee Fink, Chair of the Real Estate Committee, to present a brief report.

Real Estate Committee Report

Ms. Fink stated that the Real Estate Committee had a meeting in early June where it shared brief updates on the rezoning, responses to an RFP for Nolan Park, seasonal vendor outreach and infrastructure projects.

Ms. Glen asked Ms. Newman to present the Finance Committee Report.

Finance Committee Report

Ms. Newman stated that the Finance Committee discussed the Trust's budget and constructed scenarios as to how the Island could feasibly reopen.

Ms. Glen then asked Ms. Friedlander to present the next item.

5. Authorization to amend the Trust's By-Laws

Ms. Friedlander noted that the Trust seeks Board approval to amend its By-Laws to comply with a recent amendment to The New York State Not-for-Profit Corporation Law (the “NPCL”) and to change other business matters. The amendments include: (i) an increase in Membership, from one to three; (ii) eliminating the ability to vote by proxy, to comply with the New York State Open

Meetings Law; and (iii) a requirement for the Trust's Board to approve contracts or leases where aggregate payments exceed \$100,000.

Daniel Squadron asked whether the amendments were in compliance with the Public Authorities Law to which Ms. Friedlander responded affirmatively and added that it was also to be in compliance with the NPCL. Patrick Kennell asked if the Trust must amend its Certificate of Incorporation. Ms. Friedlander said no, as the By-Laws provide for the Membership of the Trust. Ms. Friedlander stated that the additional two Members would be those individuals who are in the positions of the First Deputy Mayor of the City and Deputy Mayor of Housing and Economic Development of the City (or their successor offices).

Hearing no further questions, a motion to authorize the amendments to the Trust's By-Laws was made, seconded, and unanimously adopted. Ms. Glen asked Ms. Friedlander to present the next item.

6. Adoption of the Trust's Discretionary Spending Policy

Ms. Friedlander stated that the Discretionary Spending Policy (the "Policy") was for guidance on how to spend private monies. The Policy outlines permitted and prohibited expenditures. Ms. Friedlander offered two examples of permitted expenditures: a meal for a group doing a "Lunch and Learn" at the office and a gift for the birth or adoption of a staff member's child. She noted that the Trust will ensure that any amounts spent are reasonable and comparable to other non-profits. There were no questions.

A motion to authorize the adoption of the Policy was made, seconded and unanimously adopted. Ms. Glen asked Ms. Friedlander to present the next item.

7. Authorization to make and confirm appointments to the Audit, Executive, Finance, Governance, Programming and Real Estate Committees

Ms. Friedlander explained that at each annual meeting, the Board votes on the appointments recommended by the Chairperson. She also noted that the composition of the Board's committees was not changing except for Mr. Kapadia's appointment to the Programming Committee. There were no questions.

A motion to authorize the appointment and confirmation of appointments to the committees was made, seconded, and unanimously approved. Ms. Glen asked Ms. Newman to present the next item.

8. Approval of the FY 2021 Operating Budget

Ms. Newman presented the FY 2021 Operating Budget. She noted that the Trust was expecting budget cuts in the upcoming year and that the FY 2021 budget was adjusted to reflect an abbreviated public access season and projected lower visitorship to the Island, due to the pandemic. She stated that the Trust had a budget surplus in FY 2020 and that some of the surplus will be used as contingency funds for additional budget cuts from the City.

Carl Weisbrod asked if the Operating Budget would be affected by the City's decision of whether to reopen schools. Ms. Newman replied no.

Mr. Squadron asked if the Island will be asked to take a budget cut, similar to other City agencies. Ms. Newman explained that the City was looking for agencies to take a 6-7% reduction and that she believes that the Island's maximum budget cut would be less than that amount.

Catherine Hughes asked if there were Hurricane Sandy FEMA funds the Trust could use. Ms. Newman explained that there are some FEMA funds in the Capital Budget. Karen Brooks-Hopkins asked about whether there were other private funds available. Ms. Newman replied saying the Trust, partnering with FGI, was aggressively looking for additional private funding support and felt optimistic about the efforts.

There were no other questions, and a motion to approve the FY 2021 Operating Budget was made, seconded and unanimously adopted. Ms. Glen asked Chris Tepper to present the next item.

9. Approval of the FY 2021 Capital Budget

Mr. Tepper began by explaining that the Trust has a 10-year capital plan and that the FY 2021 Capital Budget includes some funds from the FY 2020 Capital Budget for projects that were previously approved and are still on-going. He stated that the FY 2021 Capital Plan includes approximately \$18 million to be used for maritime projects; \$23 million to utilities; and \$10 million toward building renovation and stabilization projects. He emphasized that the Trust will continue to bring individual projects to the Board for approval, but that at this meeting, the Directors were approving the total FY 2021 Capital Budget.

Ms. Hughes asked if contractor prices were increasing due to the pandemic. Mr. Tepper said he has not seen price changes. Daniel Neidich noted that demand has dropped, and protocols are more complex for contractors. There were no additional questions.

A motion to approve the FY 2021 Capital Budget was made, seconded and unanimously adopted. Ms. Glen asked Mr. Tepper to present the next item.

10. Authorization to enter into a contract for Building 108 waterproofing

Mr. Tepper began by stating that Viking Restoration Services LLC ("Viking") had been selected for the Building 108 waterproofing work at a previous Board meeting, but due to its inability to secure bonds, Viking was disqualified. LiRo Program and Construction Management P.E., P.C. ("LiRo"), on behalf of the Trust, is now asking the Board to allow it to proceed with one of the three remaining responsive bidders, for a maximum contract price of \$340,000. There were no questions.

A motion was made to authorize a contract with one of the three remaining bidders, seconded and unanimously approved. Ms. Glen then asked Mr. Tepper to present the last item.

11. Authorization to enter into a contract with a plumbing company

Mr. Tepper explained that QC Terme NY LLC (“QC Terme”) is a tenant that is in active construction. The Trust’s lease agreement with QC Terme requires the Trust to bring utility connection to the property line. The Trust designed the connections with Langan Engineering and Environmental Services, Inc., and issued a bid in February for a plumbing contractor. The Trust received seven responses in May 2020.

Due to QC Terme’s timeline, LiRo, on behalf of the Trust, is asking the Board to allow it to proceed with one of the seven responsive bidders, for a maximum contract price of \$750,000. There were no questions. The motion to authorize a contract with a plumbing company was made, seconded and unanimously approved.

12. Director Questions and Comments

Ms. Glen then asked if any directors had additional questions. Ms. Hughes asked about how public restrooms would be monitored, due to COVID-19, on the Island. Jenny Staley, Vice-President of Operations and Facilities, explained that the Trust would put in place social distancing ambassador volunteers to regulate bathroom density and that there would be handwashing stations outside to avoid crowding in enclosed spaces.

13. Public Comment and Adjournment

Ms. Glen asked if anyone had a statement to make. Merritt Birnbaum, Executive Director of FGI, expressed that FGI is working to find donors for the Island, such as corporate partners and private donors. She concluded by stating that FGI is excited to return to the Island to mobilize its staff and volunteers for a great season.

Ms. Glen then asked if there were any other comments. Hearing none, Ms. Glen next entertained a motion to adjourn the meeting. The motion was seconded and unanimously approved, and the meeting was adjourned.