

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 18, 2015

A meeting of the Board of Directors of Governors Island Corporation d/b/a The Trust for Governors Island (“The Trust”) was held on Thursday, June 18, 2015, at City Hall, New York.

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

Ronay Menschel, Chair
Andrea Bender
Alicia Glen
Catherine Hughes
Janno Lieber
Judy Rapfogel
Elizabeth Richman
Carl Weisbrod

Also present were staff members of The Trust and members of the public.

Ronay Menschel, Chairperson of the Board, called the meeting to order and welcomed all in attendance. Elizabeth Rapuano, Chief of Staff for The Trust, served as Secretary of the duly constituted meeting, at which a quorum was present.

Voting items were then introduced.

1. Approval of Minutes of the May 12, 2015 Board Meeting

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

2. Approval of Fiscal Year 2016 Operating Budget

Willa Padgett, CFO of The Trust, presented this item. Ms. Padgett began by stating that the Fiscal Year 2016 Operating Budget will be \$15,053,859, and that the budget had been reviewed in detail at the Board’s Audit and Finance Committee meeting prior to the full Board meeting. Ms. Padgett pointed out that the budget reflected a \$554,541 decrease from the

previously approved Fiscal Year 2015 Operating Budget as the City has assumed responsibility for the Trust's water bill.

Mr. Weisbrod inquired as to whether the monies expended for public access are much higher than projected for the current fiscal year. Ms. Padgett answered yes because Governors Island ("Island") is now open seven days a week to the public.

Mr. Weisbrod also asked whether The Trust had looked at expenses both on the capital side and operational side compared to other public facilities, such as costs per visitor. Jon Meyers, COO of The Trust, answered that The Trust does communicate with peer organizations located around New York City, including parks and public spaces, to make sure The Trust falls within the spectrum of general operations of public access. This includes areas of operations that are specific to the public, and areas of the operations that are more focused on maintenance of the Island's buildings and systems. In addition, Mr. Meyers indicated that The Trust has looked at cultural institutions' visitorship and operating budgets and The Trust is constantly evaluating aspects of its operations in relation to other institutions.

Deputy Mayor Alicia Glen asked whether The Trust has tested whether it can charge more than two dollars (\$2) to take the ferry to the Island and what is included in the fee income portion of the operating budget for the ferry. Mr. Meyers responded that there is a cost to collect the fare and that the Trust has not tested the market to see if it can charge more for the ferry to the Island. Ronay Menschel stated that there is a history of free access to the Island and that The Trust should be careful about charging too high a fare. The Board agreed that Trust staff should look into this issue further, and should specifically coordinate with EDC as Citywide Ferry RFP responses are reviewed.

With no further questions or comments, a motion to approve the Fiscal Year 2016 Operating Budget was made, seconded and unanimously adopted.

3. Approval of Fiscal Year 2016 Capital Budget

Jon Meyers presented this item. Mr. Meyers began by stating that each year the Trust presents a list of new projects. In addition, he reminded the Board that at its meeting in May, 2015, the Board approved a list of approximately \$12,695,366 for projects related to Federal Emergency Management Agency's ("FEMA") reimbursement to the Trust. Those items are restated in this Capital Budget.

Mr. Meyers stated that the Fiscal Year 2016 Capital Budget provides funding for two new capital projects, a \$3.8MM sum for work to be performed for the rehabilitation of dock structures and \$1.5MM sum for electrical system upgrades. Mr. Meyers stated that these two projects plus the previously approved FEMA projects bring the Fiscal 2016 capital budget to \$16,602,110.

Ms. Glen asked whether The Trust has received bids on its dock rehabilitation project, noting that in her experience it is difficult to secure bids on this type of project. Ms. Glen suggested that The Trust investigate whether it would prove more prudent to request bids from

vendors along with other city agencies. Mr. Weisbrod agreed with Ms. Glen and Mr. Meyers stated that The Trust will look into this recommendation.

With no further questions or comments, a motion to approve the Fiscal Year 2016 Capital Budget was made, along with the authorization to perform the projects listed in the Fiscal Year 2016 Capital Budget, seconded and unanimously adopted.

4. Authorization to renew and amend the Master Contract with the City of New York

Mr. Meyers also presented this item. Mr. Meyers noted that this is the last extension of the Master Contract with the City of New York as it will expire on June 30, 2016. The original three year Master Contract provided the City with the option to renew the contract for two (2) additional one-year periods. The Board previously authorized the first extension year. The Trust has begun working with the City to draft a new Master Contract which will take effect at the conclusion of the Fiscal Year 2016 extension.

This amendment to the Master Contract includes \$32,582,000 in City and Federal capital funds to the Trust. This represents both new projects and projects previously approved by the Trust Board. In its Fiscal Year 2016 expense budget, the City has appropriated an additional \$14,069,522 in operating funding to the Trust which will be used towards maintenance, preservation and redevelopment of the Island in accordance with the Master Contract.

Based on the new funding from the City's Fiscal Year 2016 budget, the Master Contract price will be increased by \$46,651,552 to \$441,651,711.

With no questions or comments, a motion to authorize The Trust to renew and amend the Master Contract with the City of New York was made, seconded and unanimously adopted.

5. Authorization to amend the Facilities and Construction Management Contract with Turner Construction Company

Mr. Meyers also presented this item. Mr. Meyers began by stating that each year the Board authorizes new funds for the Turner Contract. Each year the contract amount is increased to cover both new capital and operating projects on Governors Island. Turner earns no fee on the value of the contract or any subcontract. Turner's only fee is based on a multiplier for Turner staff that oversees these projects.

For Fiscal Year 2016, the proposed increase to the Turner Contract is \$29,283,973, for a total not to exceed contract amount of \$449,386,790.

Mr. Weisbrod asked why the total sum of the Turner Contract exceeds the total amount of monies listed in the Master Contract with the City. Mr. Meyers indicated that this was because the Turner Contract includes State funds that are not part of the City's Master Contract and that the Turner Contract pre-dates the City's Master Contract.

Janno Leiber suggested that the Trust look into the efficiencies of each of the projects Turner has worked on to determine if it is the most cost effective way to manage the projects on the Island. Mr. Meyers agreed to meet with Mr. Lieber at a later date to look at the efficiencies of Turner Construction and the capital projects on the Island.

With no further questions or comments, a motion to authorize The Trust to amend the facilities and construction management contract with Turner was made, seconded and unanimously adopted.

6. Authorization to enter into a new Cooperative Management Agreement and Task Agreement with the National Park Service (“NPS”)

Mr. Meyers also presented this item, the annual agreements with NPS for certain services for which The Trust is reimbursed. Mr. Meyers indicated that this year’s agreement reflects an increase in payments made by NPS relating to public access services on the Island. Mr. Meyers reminded the Directors that authorization for this agreement is requested every year. With no questions, a motion to authorize The Trust to enter into a Fiscal Year 2016 Cooperative Management Agreement, along with a Task Agreement with NPS whereby the Trust will provide certain services to NPS from October 1, 2015 through September 30, 2016 (federal fiscal year 2016) for a not-to-exceed contract amount of \$325,140 was seconded, and unanimously approved.

7. Authorization for the election of Marni Friedlander as an Officer of the Trust

Mr. Meyers also presented this last voting item, the election of Marni Friedlander as an Officer of the Trust. Mr. Meyers described Ms. Friedlander’s credentials for joining The Trust, stating that she came from the Queens Borough Public Library as Interim General Counsel and as Associate General Counsel. Mr. Meyers then requested the Directors elect Marni Friedlander as Secretary of the Trust, along with the President, Treasurer as well as CFO and Contracting Officer to the Trust. With no questions, a motion to authorize the Trust to elect Marni Friedlander as Secretary to the Trust was made, seconded and unanimously adopted.

8. Presentation from the COO

Finally, Mr. Meyers made a brief presentation to the Board concerning the 2015 public access season. Mr. Meyers enthusiastically reported that the 2015 public access season is going incredibly well to date with an estimated amount of 90,000 visitors to Governors Island. Mr. Meyers also indicated that there have been an increasing number of day camps visiting the Island.

Public Comment and Adjournment

Ms. Menschel then asked if any Directors had anything else to add. Hearing nothing, Ms. Menschel asked if any members of the public had any statements or questions. Hearing none, Ms. Menschel thanked all for attending and adjourned the meeting.