

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 22, 2022

The 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 22, 2022 on Governors Island (the “Island”) in Building 108.

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

Alicia Glen, *Chairperson*
Alice Blank
Karen Brooks Hopkins
Carolee Fink
Patrick Kennell
Susan Mercandetti
Daniel Squadron¹
Matthew Washington

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

Chairperson Alicia Glen started the meeting at approximately 9:55am by welcoming the Directors and introducing the Trust’s new General Counsel, Daniel Hantman. As a quorum of Directors was not yet present, Chairperson Glen began the meeting with non-voting items.

1. President’s Report (Non-Voting Item)

Clare Newman, the Trust’s President, provided a report, touching on the number of visitors to the Island, programming, art exhibits, concessionaires, and other ongoing and upcoming events on the Island for the 2022 peak season. Ms. Newman then discussed her report with the Directors.

2. Committee Reports (Non-Voting Item)

Director Fink summarized the June 15, 2022 meeting of the Trust’s Real Estate Committee. Willa Padgett, the Trust’s Chief Financial Officer, then summarized the May 17, 2022 meeting of the Finance Committee.

3. Approval of the Minutes of the Board of Directors Meeting held on March 8, 2022

Mr. Hantman confirmed the presence of a quorum of the Directors, and Chairperson Glen called to order the voting portion of the meeting at approximately 10:15am. There were no questions or

¹Director Squadron joined the meeting during Item #2.

comments on the draft minutes. Upon motion duly made and seconded, the minutes of the Board of Directors Meeting held on March 8, 2022 were approved unanimously.

4. Election of Corporate Secretary

Ms. Newman presented the item, noting that Director Weisbrod, on behalf of the Governance Committee, had been consulted and confirmed his support for the appointment of Mr. Hantman as the Trust's Corporate Secretary. Upon motion duly made and seconded, the resolution attached as **Schedule 1** was unanimously adopted.

5. Approval of the Fiscal Year 2023 Operating Budget

Ms. Padgett presented the Trust's Fiscal Year 2023 Operating Budget. Director Hopkins requested clarification as to the Real Estate Pathway Fellowship funded by FGI, and Ms. Newman shared additional details relating to the fellowship program. Director Kennell asked about the proportion of operating funds provided by the City of New York. Ms. Padgett noted that the percentage of Trust operating funds being provided by the City has decreased over time, and Ms. Newman noted the Trust's ongoing efforts to increase revenues to support operating costs. Director Squadron reiterated the City's commitment – when the Island was transferred from shared City and State control to City control – to support the Island as it moved to financial self-sustainability and suggested that the Trust track costs and revenues associated with the Climate Center in order to more clearly identify the Trust's investments for the future. Director Fink requested clarification regarding the Trust's contingency funds, and Ms. Newman discussed the existing contingency funds and operating reserve. Director Glen noted the growing strength of the Trust's balance sheet.

Upon motion duly made and seconded, the Directors passed a resolution approving the Trust's Fiscal Year 2023 Operating Budget as proposed for a total of \$27,126,952.

6. Approval of the Fiscal Year 2023 Capital Budget

Chris Tepper, the Trust's Chief Development Officer, presented the Trust's Fiscal Year 2023 Capital Budget. Director Washington requested clarification regarding expenses related to the new vehicle ferry to be constructed, and Mr. Tepper noted in response that the new ferry construction costs were funded in Fiscal Year 2022.

Upon motion duly made and seconded, the Directors passed a resolution approving the Trust's Fiscal Year 2023 Capital Budget as proposed for a total of \$40,675,000.

7. Approval of Resolutions Relating to the Acquisition of Ferries for Governors Island

Mr. Tepper presented the item, noting that there were four separate resolutions that the Directors were being asked to consider: (1) the construction of a new vehicle and passenger ferry; (2) construction oversight services for the new vehicle and passenger ferry; (3) the acquisition of a used vehicle ferry; and (4) naval architecture services related to the necessary retrofit of the used vehicle ferry. Mr. Tepper referred the Directors to the written materials provided by Trust staff.

Beginning with the new ferry, Mr. Tepper noted that the Trust had run a successful Request for Proposals for a shipyard to construct the ferry. He explained the new ferry will have a hybrid engine, with the potential to be fully electric in the future. Director Mercandetti noted a potential sponsor partnership opportunity related to the naming of the new ferry. Director Fink requested additional information about the potential for the ferry to run solely on electricity, and Mr. Tepper noted that this would be a future project involving additional dock-side electrical infrastructure, and that federal funds may be available for the future project. Mr. Tepper also discussed the

various regulatory reviews involved before the ferry would become operational. Director Squadron asked about the shipyards that responded to the Trust's Request for Proposals and about the increased costs associated with operating new vessels. Mr. Tepper and Ms. Newman responded with additional information about the size requirements for a shipyard to construct the new vessel and noted that the new ferry would allow for increased service at a lower operating cost than the Trust's current primary ferry, the *Coursen*.

Mr. Tepper then discussed a plan for the Trust to purchase an existing used vehicle ferry and retrofit it for use with the Island. Mr. Tepper noted that the used ferry would create additional redundancy and would be significantly less expensive to operate than the Trust's existing contingency method of utilizing a tug-powered barge as a backup vehicle ferry. Chairperson Glen commended the Trust's staff for its work in researching and negotiating the various contracts required for increasing the Island's ferry capacity.

In response to questions from Director Washington, Mr. Tepper noted that the used ferry was in Louisiana and that the location for the retrofit work was not yet determined. In response to questions from Director Mercandetti, Mr. Tepper noted that the used ferry and the existing *Governors I* could be renamed. Director Squadron asked if the Trust was considering selling the *Coursen*, and Mr. Tepper responded that the Trust could consider a sale, but the net value of the *Coursen* is likely very low due to its age and condition. Mr. Tepper noted that the used ferry to be purchased is powered by a diesel engine, but the Trust would explore the potential to electrify the vehicle during the design phase of the retrofit.

Upon motion duly made and seconded, the resolutions attached hereto as **Schedule 2** were unanimously adopted.

8. Approval of Resolutions Relating to Design & Construction Projects on Governors Island

Mr. Tepper presented the item, noting that there were four separate resolutions that the Directors were being asked to consider: (1) the emergency repair of Slip 7 at the Battery Maritime Building; (2) on-call contracts for civil and maritime engineering design services; (3) electrical engineering services related to a new electrical substation to be constructed on the Island; and (4) resident engineering services related to the Battery Maritime Building Slip 5/6 Pile Cluster Replacement project. Mr. Tepper referred the Directors to the written materials provided by Trust staff.

Upon motion duly made and seconded, the resolutions attached hereto as **Schedule 3** were unanimously adopted.

9. Authorization to Extend the Contract with North Shore Golf Car Repair Service, Inc. for Golf Cart Rental Services

Ms. Newman presented the item. Her remarks mentioned the Trust's exhaustive outreach to identify potential suppliers with available capacity in the tristate area. Director Mercandetti noted a potential opportunity to brand the golf carts.

Upon motion duly made and seconded, the resolutions attached hereto as **Schedule 4** were unanimously adopted.

10. Authorization to enter into a strategic relationship agreement with Governors Island Alliance, Inc., d/b/a The Friends of Governors Island

Sarah Krautheim, the Trust's Senior Vice President of Public Affairs, presented the item. In response to a question from Director Hopkins, Ms. Krautheim noted that the agreement will not

form a new relationship between the Trust and FGI, but rather would set formal terms of collaboration for a defined term. In response to a question from Director Fink, Ms. Newman elaborated on the financial support FGI provides for the Trust to support gardening and arborist staff positions. Director Washington requested clarification on the support provided to the Trust by FGI, and Merritt Birnbaum, the Executive Director of FGI, noted that FGI supports the operation of the electric tram and visitor services on the Island.

Upon motion duly made and seconded, the resolutions attached hereto as **Schedule 5** were unanimously adopted.

11. Public Comment and Adjournment

Ms. Birnbaum noted the upcoming gala supporting FGI, scheduled for October 3, 2022.

There being no further business, Chairperson Glen requested a motion to adjourn the meeting, and upon the motion being duly made and seconded, the meeting was adjourned at approximately 11:10am.

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SCHEDULE 1

June 22, 2022

ELECTION OF CORPORATE SECRETARY

BE IT RESOLVED, that in accordance with the provisions of the By-Laws of Governors Island Corporation d/b/a The Trust for Governors Island (the “Trust”), the following person is hereby elected to the office of the Trust set forth opposite his respective name, such person to serve in the capacity indicated until the election or appointment and qualification of his successor or until his prior death, resignation or removal:

<u>Name</u>	<u>Office</u>
Daniel Hantman	Secretary

SCHEDULE 2

June 22, 2022

APPROVAL OF RESOLUTIONS RELATING TO THE ACQUISITION OF FERRIES FOR GOVERNORS ISLAND

BE IT RESOLVED, that Governors Island Corporation d/b/a The Trust for Governors Island (the “Trust”) is hereby authorized to enter into a contract with Conrad Shipyard, LLC for the construction and delivery of a vehicle and passenger ferry with a maximum contract price of Twenty-Six Million Dollars (\$26,000,000), plus change-order authority for up to 15% of the maximum contract price; and be it further

RESOLVED, that the President of the Trust and her designees be, and each of them hereby is, authorized and empowered to execute all documents and to take all actions as she or they may deem necessary or appropriate to effectuate these resolutions.

* * *

BE IT RESOLVED, that Governors Island Corporation d/b/a The Trust for Governors Island (the “Trust”) is hereby authorized to amend the contract with Elliott Bay Design Group LLC, dated as of February 24, 2020 (the “EBDG Contract”) to specify additional services; and be it further

RESOLVED, that the price of the EBDG Contract be increased by the sum of Six Hundred Thousand Dollars (\$600,000) for a new total not-to-exceed EBDG Contract price of Two Million Five Hundred Thousand Dollars (\$2,500,000), plus change-order authority of up to 15% of the maximum contract price; and be it further

RESOLVED, that the President of the Trust and her designees be, and each of them hereby is, authorized and empowered to execute all documents and to take all actions as she or they may deem necessary or appropriate to effectuate these resolutions.

* * *

BE IT RESOLVED, that Governors Island Corporation d/b/a The Trust for Governors Island (the “Trust”) is hereby authorized to enter into a contract with Chicago Lakefront Cruises for the purchase and sale of the vehicle ferry known as the *Mark G. Goode* with a maximum sale price of Five Hundred Thousand Dollars (\$500,000); and be it further

RESOLVED, that the President of the Trust and her designees be, and each of them hereby is, authorized and empowered to execute all documents and to take all actions as she or they may deem necessary or appropriate to effectuate these resolutions.

* * *

BE IT RESOLVED, that Governors Island Corporation d/b/a The Trust for Governors Island (the “Trust”) is hereby authorized to enter into a contract with Elliott Bay Design Group LLC for naval-architecture services related to the retrofit of an existing vehicle ferry known as the *Mark G. Goode* with a maximum contract price of One Hundred Twenty Thousand Dollars (\$120,000), plus change-order authority for up to 15% of the maximum contract price; and be it further

RESOLVED, that the President of the Trust and her designees be, and each of them hereby is, authorized and empowered to execute all documents and to take all actions as she or they may deem necessary or appropriate to effectuate these resolutions.

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SCHEDULE 3

June 22, 2022

APPROVAL OF RESOLUTIONS RELATING TO DESIGN & CONSTRUCTION PROJECTS ON GOVERNORS ISLAND

BE IT RESOLVED, that Governors Island Corporation d/b/a The Trust for Governors Island (the “Trust”) is hereby authorized to contract with Reicon Group, LLC, for the performance of maritime construction services for a non-to-exceed price of Six Hundred Fifty-Seven Thousand Dollars (\$657,000) plus change-order authority of up to 15% of the not-to-exceed price; and be it further

RESOLVED, that the President of the Trust and her designees be, and each of them hereby is, authorized and empowered to execute all documents and to take all actions as she or they may deem necessary or appropriate to effectuate these resolutions.

* * *

BE IT RESOLVED, that Governors Island Corporation d/b/a The Trust for Governors Island (the “Trust”) is hereby authorized to enter into on-call contracts with the following consultants for the provision of services set forth opposite their respective names, with maximum contract prices of Five Hundred Thousand Dollars (\$500,000) each:

<u>Consultant</u>	<u>Services</u>
M.G. McLaren Engineering and Land Surveying, P.C.	Marine Engineering and Design
Langan Engineering, Environmental, Surveying, Landscape Architecture and Geology, DPC	Marine Engineering and Design
Jacobs Civil Consultants Inc	Civil and Marine Engineering and Design
KPFF, Inc.	Civil and Marine Engineering and Design
Indigo River Architecture and Engineering D.P.C. (or an affiliated entity)	Civil and Marine Engineering and Design

and be it FURTHER RESOLVED, that the President of the Trust and her designees be, and each of them hereby is, authorized and empowered to execute all documents and to take all actions as she or they may deem necessary or appropriate to effectuate these resolutions.

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BE IT RESOLVED, that Governors Island Corporation d/b/a The Trust for Governors Island (the “Trust”) is hereby authorized to enter into a contract with either Arup US, Inc. or JFK&M Consulting Group, Inc. for electrical engineering services with a maximum contract price of Two

Million Five Hundred Thousand Dollars (\$2,500,000) plus change-order authority of up to 15% of the maximum contract price; and be it further

RESOLVED, that the President of the Trust and her designees be, and each of them hereby is, authorized and empowered to execute all documents and to take all actions as she or they may deem necessary or appropriate to effectuate these resolutions.

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BE IT RESOLVED, that Governors Island Corporation d/b/a The Trust for Governors Island (the "Trust") is hereby authorized to enter into a contract with Torvalsen Consulting LLC d./b/a TMS Waterfront for the provision of resident engineering services with a maximum contract price of Three Hundred Twenty-Five Thousand Dollars (\$325,000) and change-order authority of up to 15% of the maximum contract price; and be it further

RESOLVED, that the President of the Trust and her designees be, and each of them hereby is, authorized and empowered to execute all documents and to take all actions as she or they may deem necessary or appropriate to effectuate these resolutions.

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SCHEDULE 4

June 22, 2022

AUTHORIZATION TO EXTEND THE CONTRACT WITH NORTH SHORE GOLF CAR REPAIR SERVICE, INC. FOR GOLF CART RENTAL SERVICES

BE IT RESOLVED, that Governors Island Corporation d/b/a The Trust for Governors Island (the “Trust”) is hereby authorized to enter into a contract with North Shore Golf Car Repair Service, Inc., for golf-cart rental services with a maximum contract price of Two Hundred Seventy-Five Thousand Dollars (\$275,000.00) and change-order authority of up to 15% of the maximum contract price; and be it further

RESOLVED, that the President of the Trust and her designees be, and each of them hereby is, authorized and empowered to execute all documents and to take all actions as she or they may deem necessary or appropriate to effectuate these resolutions.

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SCHEDULE 5

June 22, 2022

**AUTHORIZATION TO ENTER INTO A STRATEGIC RELATIONSHIP AGREEMENT
WITH GOVERNORS ISLAND ALLIANCE, INC., D/B/A THE FRIENDS OF
GOVERNORS ISLAND**

BE IT RESOLVED, that Governors Island Corporation d/b/a The Trust for Governors Island (the “Trust”) is hereby authorized to enter into an agreement with Governors Island Alliance, Inc., d/b/a The Friends of Governors Island for the provision of guiding principles, fundraising goals, and related relationship terms in connection with supporting Governors Island; and be it further

RESOLVED, that the President of the Trust and her designees be, and each of them hereby is, authorized and empowered to execute all documents and to take all actions as she or they may deem necessary or appropriate to effectuate these resolutions.

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