

Hugh L. Carey Battery Park City Authority
Meeting of the Members
One World Financial Center
New York, New York 10281
January 27, 2010
9:30 a.m.

AGENDA

I. CORPORATE ACTION

Approval of Minutes of Meeting of January 12, 2010

II. PROJECT ACTION

- A. Authorization of Contract with McGowan Builders, Inc. for Pier A General Construction Work
- B. Authorization of Contract with Stellmar Plumbing & Mechanical Corp. for Pier A Plumbing and Fire Protection Work
- C. Authorization of Contract with ACS System Associates, Inc. for Pier A HVAC Work
- D. Authorization of Contract with Crana Electric, Inc. for Pier A Electric Work

III. EXECUTIVE SESSION

DRAFT – SUBJECT TO MEMBERS’ APPROVAL

HUGH L. CAREY BATTERY PARK CITY AUTHORITY

MEETING OF THE MEMBERS

One World Financial Center, 24th Floor
New York, NY 10281
January 12, 2010

Members Present

James F. Gill, Chairman
Frank J. Branchini, Member (by telephone)
David B. Cornstein, Member
Evelyn K. Rollins, Member
Andy K. Shenoy, Member

Authority Staff in Attendance: James E. Cavanaugh, President and Chief Executive Officer
Alexandra Altman, Executive Vice President and General Counsel
Daniel Baldwin, Senior Development Counsel
Lauren Bruggess, Administrative Assistant
Megan Churnetski, Assistant General Counsel and Assistant
Corporate Secretary
Sidney Druckman, Director, Special Projects
Stephanie Gelb, Vice President, Planning & Design
Antigona Hajdaraj, Special Assistant to the President
Steven E. Harper, Vice President, Safety & Site Management
Robert Holden, Vice President, Human Resources &
Administration
Carl D. Jaffee, Senior Development Counsel and Corporate
Secretary
Susan Kaplan, Director, Sustainability
Wilson Kimball, Senior Vice President, Operations
Lisa Miller, Vice President, Internal Audit and Compliance
Stan Molinski, Director, Information Technology
Leticia Remauro, Vice President, Community Relations,
Affirmative Action and Press
Robert M. Serpico, Senior Vice President, Finance and
Treasurer/Chief Financial Officer

Others in Attendance: Tessa Huxley, Executive Director, Battery Park City Parks
Conservancy
Betty Chin, Director of Administration & Finance, Battery Park
City Parks Conservancy
Eric T. Fleisher, Director of Horticulture, Battery Park City Parks
Conservancy

Bruno Pomponio, Director of Maintenance, Battery Park City
Parks Conservancy
Vincent McGowan, Assistant Executive Director, Battery Park
City Parks Conservancy
Randolph Tancer, Human Resources Manager, Battery Park City
Parks Conservancy
Margaret Lin, Battery Park Realty
Tim Sheehan, CB Richard Ellis
Julie Shapiro, Downtown Express
Brian Krapf, George Arzt Communications, Inc.
Carl Glassman, Tribeca Tribune

The meeting, called on public notice in accordance with the New York State Open Meetings Law, convened at 10:05 a.m.

The first item on the agenda was approval of the minutes of the November 17, 2009 meeting.

Upon a motion made by Mr. Branchini and seconded by Ms. Rollins, the following resolution was unanimously adopted:

APPROVAL OF MINUTES OF THE NOVEMBER 17, 2009 MEETING

BE IT RESOLVED, that the minutes of the meeting of the Members of the Hugh L. Carey Battery Park City Authority held on November 17, 2009 are hereby approved.

* * *

The next item on the agenda, introduced by Mr. Gill, was a request to authorize the use of \$6,838,052 from the Authority's Operating Reserve, Contingency and Replacement Fund in order for the Battery Park City Parks Conservancy to recognize the actuarial accrued liabilities associated with the proposed new Conservancy post-retirement health insurance benefits program. Mr. Gill declared that he is very pleased that the Conservancy's employees will now be on equal footing with the Authority's employees.

Mr. Cavanaugh noted that at a meeting of the Conservancy Directors scheduled to follow this meeting, the Directors will be asked to approve a post-retirement health insurance benefits program for Conservancy employees.

Next, Mr. Serpico explained that the Authority had retained Buck Consultants ("Buck"), an actuarial firm, to determine the costs associated with providing a post-retirement health insurance benefits program to Conservancy employees. Buck has established \$6,838,052 as the current value of the projected benefits through January 31, 2010. Because Buck quantified this accrued benefit, the Authority must account for it on its balance sheet as a liability. Therefore, he continued, Management recommends that the Directors approve a separate fund in which to set

aside assets equal to the accrued benefit to fully recognize and segregate assets equal to the liability. The source of the \$6,838,052 is the Authority's Operating Reserve, Contingency and Replacement Fund (the "Fund"), Mr. Serpico explained. He further noted that the normal annual costs associated with the new Conservancy post-retirement health insurance benefits program as of February 1, 2010 will come out of the Conservancy's annual operating budget which is approved by the Conservancy's Directors each year.

Mr. Serpico continued by noting that the Fund was created to meet certain needs of the Conservancy over time. It is held and invested by the Authority in accordance with its approved investment guidelines, and monies from the funds, which now total approximately \$21 million, have been used from time to time to meet various Conservancy expenses, he stated. In response to inquiry by Ms. Rollins, Mr. Serpico explained that the Fund is no longer annually funded by the Authority because it has already grown so large.

In response to an inquiry from Mr. Branchini, Mr. Jaffee explained that in February of 1991, the Members authorized the Fund to provide for "operating, administrative and/or maintenance costs and working capital needs" of the Conservancy in accordance with the Management Agreement between the Authority and the Conservancy. Therefore, he explained, use of the fund for the post-retirement health insurance benefits program is completely consistent with its originally-stated purpose. Mr. Branchini requested that the minutes include such explanation.

Mr. Cavanaugh then reminded the Members that they had previously approved a resolution which changed the Conservancy's health care insurance provider from Oxford Health Care to the New York State Health Insurance Program (NYSHIP), which will save the Conservancy approximately \$300,000 in annual insurance premiums, and will partly mitigate the additional costs related to granting health care benefits for the Conservancy's future retirees.

Ms. Huxley and Mr. Gill expressed their gratitude to Mr. Holden for his efforts in moving the Conservancy into NYSHIP.

Ms. Altman noted that the proposed resolution addresses the last significant inequity in benefits between the Authority staff and the Conservancy staff. Mr. Cornstein noted that this is long overdue.

Upon a motion made by Ms. Rollins and seconded by Mr. Branchini, the following resolution was unanimously adopted:

AUTHORIZATION FOR UTILIZATION OF A PORTION OF THE OPERATING RESERVE, CONTINGENCY AND REPLACEMENT FUND TO RECOGNIZE CONSERVANCY HEALTH INSURANCE PLAN LIABILITIES

BE IT RESOLVED, that in accordance with the materials presented to this meeting, the amount of \$6,838,052 in the Operating Reserve, Contingency and Replacement Fund established to meet certain operating, administrative and/or maintenance costs and working capital needs of the

Battery Park City Parks Conservancy may be utilized for the purpose of establishing a separate, designated fund to satisfy the actuarial accrued liabilities associated with a proposed new Conservancy Post- Retirement Health Insurance Benefits Program of the Conservancy.

* * *

There was then a brief recess during which a meeting of the Directors of the Battery Park City Parks Conservancy was held to authorize the approval of the post-employment health care benefits program. Upon resumption of the meeting of the Members of the Authority, Mr. Cavanaugh presented the next item on the agenda, a request to approve a five-year extension of the term of the Authority's lease of space in the Regatta Condominium, for the 7,420 square feet of space occupied by the Authority, subject to possible future reduction.

Mr. Cavanaugh stated that at the request of the Members made at the September 2009 meeting at which approval for this lease extension was first requested, Authority staff has attempted to renegotiate the proposed initial base rent of \$65 per square foot and 2% annual increase, but that the landlord was unwilling to reduce the rent he was asking.

Mindful of the Members' concern regarding cost control, the Authority plans to reconfigure the space to reduce the amount required by the Authority, Mr. Cavanaugh said. The Authority does have to take into account that currently a portion of the space is utilized by FJC Security Services, the Authority's contract security force. It also contains a community meeting room, used by residents for various functions, as well as by a senior citizen group that meets several times a week. It is also used as a polling place for primary and general elections and the Authority makes office space available to the Battery Park City Citizens Emergency Response Team, which is a federally-sponsored volunteer program enacted after 9/11.

Therefore, Mr. Cavanaugh stated, Management recommended continuing to lease space at the Regatta Condominium, but to further downsize the amount of space rented there in the future in order to lower costs. However, the landlord will not finalize an agreement as to a further reduction of the size of the Authority space until the New York State Department of Transportation ("DOT") vacates the adjoining space, previously sublet from the Authority, which it and its engineering firm currently occupy. DOT has informed the Authority that it plans to vacate the Regatta within the next few months, but will not provide a firm date. However, the landlord has agreed to permit the Authority to downsize its space once DOT vacates, Mr. Cavanaugh explained.

In response to inquiry by Ms. Rollins, Mr. Cavanaugh explained that even when the north neighborhood's Community Center is operating, there will still be a need for community meeting space in the south neighborhood. Ms. Remauro confirmed that there is a need for this type of space in both the north and south neighborhoods.

Next, Mr. Gill requested more information as to what efforts were made to determine whether or not the Authority could get appropriate space at a lesser price. Mr. Serpico explained that he and Mr. Jaffee inquired of building managers throughout Battery Park City as to space

availability, including basement space, but found that there was no comparable or usable space available in the area for a lesser price.

Then, as to the rental under the proposed lease renewal at the Regatta, Mr. Sheehan explained that CB Richard Ellis ("CBRE") assessed the Authority's needs with regard to the space, examined comparable retail ground floor spaces and came to the conclusion that \$65 per square foot as a starting rent for a five-year lease term, is within the range, albeit at the high end, of market rents. He noted that other considerations include the lack of escalation payments in the lease for common area expenses and taxes, the avoidance of relocation fees for a move to another space, and the flexibility of a five-year lease term. Given those factors and given the market comparables, "it was our opinion that the negotiated terms of this lease renewal were fair and reasonable within the market context," Mr. Sheehan stated. At Mr. Gill's request, CBRE's memorandum will be attached to these minutes.

Upon a motion made by Mr. Shenoy and seconded by Mr. Branchini, the following resolution was unanimously adopted:

AUTHORIZATION OF EXTENSION OF LEASE TERM FOR SPACE IN THE REGATTA CONDOMINIUM

BE IT RESOLVED, that in accordance with the materials presented to this meeting, the President of the Authority or his designee(s) be, and each of them hereby is, authorized and empowered to execute an agreement (the "Agreement") extending the term of the lease of 7,420 square feet of space in the Regatta Condominium for a period of five years; and be it

RESOLVED, that the President of the Authority or his designee(s) be, and each of them hereby is, authorized and empowered to execute and deliver the Agreement on behalf of the Authority, subject to such changes as the officer or officers securing the Agreement shall, with the advice of counsel, approve as necessary and appropriate and in the best interest of the Authority such approval to be conclusively evidenced by the execution and delivery of the Agreement; and be it further

RESOLVED, that the President of the Authority or his designee(s) be, and each of them hereby is, authorized and empowered to execute all such other and further documents and to take all such other and further actions as may be necessary, desirable or appropriate, in connection with the transaction contemplated in the foregoing resolutions, and any such execution of documents and any other and further actions heretofore taken are hereby ratified and any action hereafter taken are confirmed and approved.

* * *

There being no further business, the meeting thereupon adjourned at 10:30 a.m.

Respectfully submitted,
Carl D. Jaffee
Corporate Secretary

Timothy E. Sheehan
Senior Vice President

CB Richard Ellis, Inc.
Brokerage Services

Date: December 30, 2009
To: Robert Serpico, Carl Jaffee
From: Tim Sheehan
Subject: 21 South End Avenue, The Regatta
CC: Loren Baron

You have requested our opinion as to the reasonableness of the rental terms negotiated with the landlord for the renewal of the lease for BPCA's current premises at the 21 South End Avenue (the Premises). This response should not be construed as a formal appraisal, but rather, an opinion rendered by a participant in the real estate markets with sufficient knowledge to provide that opinion. This opinion is based on a tour of the Premises, a review of rents for comparable space in and near Battery Park City and discussion with other brokers active in the retail market. This memorandum provides CBRE's conclusions and a summary of our research in arriving at our conclusions.

The Premises comprises approximately 11,400 square feet on the ground floor plus a limited amount of storage space in the basement of the building. The ground floor space includes a separately demised area of approximately 3,980 square feet that is currently subleased to the NY State Department of Transportation. The Premises is served by a dedicated main entrance on West Thames Street and a secondary entrance on to the Esplanade at the Southwest corner of the building. The space extends the full width of the building along the Western façade with views onto the Esplanade and the river. The space is occupied by BPCA's operations and security groups and is used for administrative offices, locker rooms and public meetings. The basement space contains a caged area that is used for storage. Under the proposed lease renewal the Premises would be reduced to the 7,420 square feet currently occupied by BPCA and the 3,980 square foot sublet space would be returned to the landlord.

Based on our observations and discussions with you, several features make the premises well suited for BPCA's specific requirements, including: the accessible, ground floor location; the convenient, dedicated street entrance; the single floor layout, and the ample public meeting space. These features are available primarily in ground floor locations that in Battery Park City and similar neighborhoods are commonly used for neighborhood retail, personal services, professional offices and nursery schools. The other spaces on the ground floor of the building are occupied by retail tenants including a restaurant with outdoor patio seating along the southern side of the building adjacent to the Premises. We have considered neighborhood retail and personal or professional services, such as,

educational, medical or dental offices, to be the most likely and best use of the space. This is consistent with the position that the owner has taken in his negotiations with you.

The pertinent retail submarket is Battery Park City. The financial district and other areas in Lower Manhattan to the east of West Street are not comparable due to the presence of a large and dense worker population. BPC contains three distinct retail submarkets: the southern and northern residential neighborhoods and the commercial center. The commercial center differs significantly because retail in the World Financial Center and the hotel / retail complex attracts office workers and visitors. The two residential neighborhoods are similar, although the northern neighborhood is viewed as a somewhat better retail location due to the denser residential development and the presence of the schools. Within a market, retail rent per square foot for a specific space is influenced by several variables including size, frontage, pedestrian traffic, corner vs. inline location, floor levels, and other factors.

The attached table presents information on rental terms for comparable retail space in BPC and nearby. The limited number of recent leases is consistent with the decline of demand in the retail market generally, and the small supply of retail space in the neighborhood. The two closest comparables are the Kumon Learning Center at 2 South End Avenue and the pending lease for a delicatessen at 300 Albany Street. The higher rent at 2 South End Avenue reflects the premises' superior avenue and corner location. The rental terms of the pending lease at 300 Albany Street are somewhat higher than those proposed for the Premises. This difference may be attributed to its smaller size space, prior retail use, and existing cooking ventilation. The rental terms for both these spaces include scheduled increases in base rent, and tax or CAM escalations. Of the space now on the market, 375 South End Avenue is similar in that it is also faces the Esplanade and the river. The space is being marketed as a restaurant location, which it had been for many years, at \$75 per square foot but we would expect the taking rent would be 10% to 20% less.

In forming an opinion on the reasonableness of the proposed rental terms, we have also taken into consideration BPCA's existing investment in the fit out and furnishing of the Premises and the considerable expense of relocation to an alternative space in the event the lease is not renewed. (In this market, we would not expect a new landlord to provide any cash allowance for tenant improvements that would mitigate such relocation expense.) Such impediments are a consideration in any lease renewal negotiation as are the reciprocal costs to the landlord to market and relet the space to a new tenant.

Based on our review of the market; the size, location and other characteristics of the space; the limited availability of alternative space suitable for BPCA's requirement; and the cost of relocating BPCA's operation, we would conclude that the rental terms contained in the Landlord's proposal renewal are within the range of market rents for comparable space. The \$65 per square foot rent with 2% annual increases is at the high end of the range but that is partly offset by the absence of CAM or tax escalations. The 5-year term with a renewal option likewise offers some incremental value to the tenant. In addition to the monetary cost of relocation, BPCA may also weigh the potential for disruption in its operations and in public information and participation that may accompany any relocation. In consideration of all these factors, we are of the opinion that the lease renewal terms negotiated with the landlord are fair and reasonable.

Status	Address	Size SF	Floor	Rent per SF	Comments
Subject	21 South End Avenue	7,420 >600	Ground Bsmt	\$ 65.00	Ground only 5 years with 5-year option 2% annual increases No CAM charge Built offices, lockers and meeting room Storage Dedicated entrance on West Thames Street
Comparables					
Leased	2 South End Avenue Kumon Learning Center	3,000	Ground Corner	Low \$80s	Reported 10 years; 10% every 3 years RE Taxes over base year; no CAM Corner, apprx 100 ft frontage, Ask was \$120 psf No Tenant Improvement allowance
	300 Albany Street (Lease pending signature)	4,300	Ground	\$ 67.00	Estimated 10 years; 10% increase every 4 years 100% of CAM increases over base year 2009/2010 No Tenant Improvement allowance Vented kitchen 120 foot frontage
	BPCA Conservancy	8,134 9,530 17,664	Ground BSmt Blended	\$ 65.00 \$ 30.40 \$ 45.00	Arbitration settlement based on 2006 Reset Date CAM reset Dedicated entrance
On Market	375 South End Ave	1,500 800	Ground Bsmt	\$ 75.20 \$ 49.04	Ground only Blended Asking Built out restaurant Dining Terrace - 2200 square feet Additional Storage 650 sf No key money
	17 Battery Place North	2,600	Ground	\$ 100.00	Asking Retail building
	75 Battery Place	4,300	Ground	\$ 100.00	Asking New construction
	40 Rector Street	7,000	Ground	\$ 75.00	Asking Vented restaurant space 15 foot ceilings Corner of Washington St.

FOR CONSIDERATION:

January 27, 2010

To: The Members

From: James Cavanaugh

Subject: Pier A Phase III Core & Shell General Construction Work

Request for: Authorization of Contract with McGowan Builders, Inc.

Background:

Pier A is located at the southwest tip of Manhattan opposite the Statue of Liberty, west of historic Battery Park and immediately to the south of Battery Park City. It was first constructed from 1884 to 1886 and is the last surviving historic pier in Manhattan. Pier A is on the National Register of Historic Places and has been accorded landmark status by the City Landmarks Commission.

Pier A has been vacant and closed to the public since 1993, and is currently in a state of disrepair. Since late 2008, the Authority has been working on the redevelopment of the Pier under a long-term lease with the City of New York's Economic Development Corporation ("EDC") which owns the Pier and is funding the redevelopment.

This project is the third phase of work on Pier A – the core and shell restoration of the interior and exterior of the building. As with all work on Pier A, this will be done to the standards of the Authority's green guidelines, as well as to those of the U.S. Green Buildings Council. Construction of the core and shell work by the Authority is a "Wicks Law" project, which means that pursuant to New York State law, the project is broken into four prime contracts (general construction, electrical, plumbing and fire protection, and heating ventilation and air conditioning (HVAC)), rather than built under a single general construction contract.

Work is scheduled to begin in May of 2010, when the second phase of work is complete. However, the essential work of coordination of trades can begin immediately upon approval of the contracts. The Authority's construction manager, phb Catalyst Group, will oversee all aspects of the construction. EDC has reviewed and approved all of the Authority's contractor recommendations as is required under the lease with that entity.

This project was advertised in the New York State Contract Reporter, the Minority Commerce & Employment Weekly and in the City Record on in September 2009. In addition, names were solicited from the Affirmative Action Department. A total of twenty-one firms requested and picked up Proposal (RFP) packets. Three of these firms were M/WBE firms.

A pre-proposal meeting was held on October 23, 2009. Addenda Nos. 1 to 4 were sent to all firms listing additional required work that was not in the original RFP packet. On November

18, 2009 proposals were received from the four firms listed below. One of these firms is an MBE* firm.

Contractor	Amount
McGowan Builders, Inc.	\$5,219,628
D'Onofrio General Contractors	\$7,542,000
Beys Specialty, Inc.	\$8,830,000
Ashnu International, Inc.*	\$9,924,535.72

Pre-award meetings were held individually with each of the firms on December 1, 2009, with Authority staff, the Authority's construction manager, phb Catalyst Group, and the Authority's architect, H3 Hardy Collaborative.

Upon review, it was found that McGowan had proposed the most competitive price. During the scoping meeting McGowan demonstrated that they had a good understanding of the scope of this project. McGowan did not, however, include in its original proposal two related items of construction: temporary heat and dewatering and the requested add alternate for new windows. McGowan's revised proposal with these items is \$6,915,417.00, still the lowest of the proposals received. (D'Onofrio would not include a price for add alternate #3, controlled inspections. Accordingly, \$75,000 was added to this proposal which represents a cost the Authority would need to incur to hire a control inspector, resulting in a total cost of \$7,617,000.)

McGowan Builders, Inc. has a clear understanding of the scope of work, has met the qualifications required, and has evidenced that it can complete the work in a timely fashion. References for McGowan were uniformly positive.

Requested Action:

The Members are requested to authorize a contract with McGowan Builders, Inc. in the amount of \$6,915,417.00 for the Pier A Phase III Core & Shell General Construction Work.

Recommendation:

I recommend that the Members approve the attached resolution.

Attachment:

Resolution

**AUTHORIZATION OF CONTRACT WITH MCGOWAN BUILDERS, INC. FOR
GENERAL CONSTRUCTION WORK FOR THE RESTORATION OF PIER A**

BE IT RESOLVED, that the President of the Authority or his designee(s) be, each of them hereby is, authorized and empowered to execute a contract (the "Contract") with McGowan Builders, Inc for the Pier A Phase III Core and Shell General Construction Work in the amount of \$6,915,417; and be it further

RESOLVED, that the President of the Authority or his designee(s) be, and each of them hereby is, authorized and empowered to execute and deliver the Contract on behalf of the Authority, subject to such changes as the officer or officers executing the Contract shall, with the advice of counsel, approve as necessary and appropriate and in the best interest of the Authority, such approval to be conclusive evidence by the execution and delivery of the Contract; and be it further

RESOLVED, that the President of the Authority or his designee(s) be, and each of them hereby is, authorized and empowered to execute all such other and further documents, and to take all such other and further actions as may be necessary, desirable or appropriate, in connection with the transactions contemplated in the foregoing resolutions, and any such execution of documents and any other and further actions heretofore taken are hereby ratified and any actions hereafter taken are confirmed and are hereby ratified and any actions hereafter taken are confirmed and approved.

FOR CONSIDERATION

January 27, 2010

To: The Members

From: James Cavanaugh

Subject: Pier A Phase III Core & Shell Plumbing and Fire Protection Work

Request for: Authorization of Contract with Stellmar Plumbing & Mechanical Corp.

Background:

Pier A is located at the southwest tip of Manhattan opposite the Statue of Liberty, west of historic Battery Park and immediately to the south of Battery Park City. It was first constructed from 1884 to 1886 and is the last surviving historic pier in Manhattan. Pier A is on the National Register of Historic Places and has been accorded landmark status by the City Landmarks Commission.

Pier A has been vacant and closed to the public since 1993, and is currently in a state of disrepair. Since late 2008, the Authority has been working on the redevelopment of the Pier under a long-term lease with the City of New York's Economic Development Corporation ("EDC") which owns the Pier and is funding the redevelopment.

This project is the third phase of work on Pier A – the core and shell restoration of the interior and exterior of the building. As with all work on Pier A, this will be done to the standards of the Authority's green guidelines, as well as to those of the U.S. Green Buildings Council. Construction of the core and shell work by the Authority is a "Wicks Law" project, which means that pursuant to New York State law, the project is broken into four prime contracts (general construction, electrical, plumbing and fire protection, and heating ventilation and air conditioning (HVAC)), rather than built under a single general construction contract.

Work is scheduled to begin in May of 2010, when the second phase of work is complete. However, the essential work of coordination of trades can begin immediately upon approval of the contracts. The Authority's construction manager, phb Catalyst Group, will oversee all aspects of the construction. EDC has reviewed and approved all of the Authority's contractor recommendations as is required under the lease with that entity.

This project was advertised in the New York State Contract Reporter, the Minority Commerce & Employment Weekly and in the City Record in September 24, 2009. In addition, names were solicited from the Affirmative Action Department. A total of six firms requested and picked up proposal packets. None of these firms was an M/WBE firm.

A pre-proposal meeting was held on October 23, 2009. Addenda Nos. 1 to 4 were sent to all firms listing additional required work that was not in the original RFP package. On November

18, proposals were received from the three firms listed below. Two of these firms were M/WBE firms.

Contractor	Amount
Stellmar Plumbing & Mechanical Corp.	\$ 762,725
Parchment Plumbing	\$ 843,765
ARA Plumbing	\$ 900,917

Pre-award meetings were held individually with each of the three firms on December 12, 2009, with Authority staff, the Authority's construction manager, phb Catalyst Group, the Authority's architect, H3 Hardy Collaborative, and its engineer, AKF Engineers.

Stellmar has been in business over twenty years and has worked on numerous government projects and green/LEED projects. At the pre-award meeting, Stellmar demonstrated to the interviewing team that it had a good understanding of the scope of this project. Stellmar has met all the required qualifications, received positive reference checks, and has demonstrated its ability to complete the work in a timely and satisfactory fashion.

Requested Action:

The Members are requested to authorize a contract with Stellmar Plumbing and Mechanical Corp. in the amount of \$762,725 for Pier A Phase III Core & Shell Plumbing and Fire Protection Work.

Recommendation:

I recommend that the Members approve the attached resolution.

Attachment:

Resolution.

AUTHORIZATION OF CONTRACT WITH STELLMAR PLUMBING & MECHANICAL CORP. FOR PLUMBING AND FIRE PROTECTION WORK FOR THE RESTORATION OF PIER A

BE IT RESOLVED, that the President of the Authority or his designee(s) be, each of them hereby is, authorized and empowered to execute a contract (the "Contract") with Stellmar Plumbing & Mechanical Corp. for the Pier A Phase III Core & Shell Plumbing and Fire Protection work in the amount of \$762,725; and be it further

RESOLVED, that the President of the Authority or his designee(s) be, and each of them hereby is, authorized and empowered to execute and deliver the Contract on behalf of the Authority, subject to such changes as the officer or officers executing the Contract shall, with the advice of counsel, approve as necessary and appropriate and in the best interest of the Authority, such approval to be conclusive evidence by the execution and delivery of the Contract; and be it further

RESOLVED, that the President of the Authority or his designee(s) be, and each of them hereby is, authorized and empowered to execute all such other and further documents, and to take all such other and further actions as may be necessary, desirable or appropriate, in connection with the transactions contemplated in the foregoing resolutions, and any such execution of documents and any other and further actions heretofore taken are hereby ratified and any actions hereafter taken are confirmed and are hereby ratified and any actions hereafter taken are confirmed and approved.

FOR CONSIDERATION:

January 27, 2010

To: The Members

From: James Cavanaugh

Subject: Pier A Phase III Core & Shell HVAC Work

Request for: Authorization of Contract with ACS System Associates, Inc

Background:

Pier A is located at the southwest tip of Manhattan opposite the Statue of Liberty, west of historic Battery Park and immediately to the south of Battery Park City. It was first constructed from 1884 to 1886 and is the last surviving historic pier in Manhattan. Pier A is on the National Register of Historic Places and has been accorded landmark status by the City Landmarks Commission.

Pier A has been vacant and closed to the public since 1993, and is currently in a state of disrepair. Since late 2008, the Authority has been working on the redevelopment of the Pier under a long-term lease with the City of New York's Economic Development Corporation ("EDC") which owns the Pier and is funding the redevelopment.

This project is the third phase of work on Pier A – the core and shell restoration of the interior and exterior of the building. As with all work on Pier A, this will be done to the standards of the Authority's green guidelines, as well as to those of the U.S. Green Buildings Council. Construction of the core and shell work by the Authority is a "Wicks Law" project, which means that pursuant to New York State law, the project is broken into four prime contracts (general construction, electrical, plumbing and fire protection, and heating ventilation and air conditioning (HVAC)), rather than built under a single general construction contract.

Work is scheduled to begin in May of 2010, when the second phase of work is complete. However, the essential work of coordination of trades can begin immediately upon approval of the contracts. The Authority's construction manager, phb Catalyst Group, will oversee all aspects of the construction. EDC has reviewed and approved all of the Authority's contractor recommendations as is required under the lease with that entity.

This project was advertised in September 2009 in the New York State Contract Reporter, the Minority Commerce & Employment Weekly and in the City Record. In addition, names were solicited from the Affirmative Action Department. A total of five firms requested and picked up proposal packets. One of these firms was an M/WBE* firm.

A pre-proposal meeting was held on October 23, 2009. Addenda Nos. 1 to 4 were sent to all firms listing additional required work that was not in the original RFP packet. On November 18, 2009 proposals were received from the two firms listed below. One of these firms is an

M/WBE* firm. The prices shown below reflect proposals both with and without a deduct amount for a geothermal system which management assumes will be eliminated from the project.

Contractor	Amount
ACS System Associates, Inc*	\$ 2,197,000/\$1,947,000
Martin Associates, Inc.	\$ 2,671,000/\$1,974,000

Pre-award meetings were held individually with both of the firms on December 9, 2009, with Authority staff, the Authority's construction manager, the Authority's architect, H3 Hardy Collaborative, and its engineer, AKF Engineers.

During the course of the interviews, both contractors demonstrated their understanding of the scope of the work, and that they had included all items in their base proposals. References for both firms were positive.

After taking into account the deduct for the geothermal system, ACS remains the contractor with the lowest cost proposal. If the geothermal system is eliminated, a different system will replace it; however, the design for this system is not yet fully determined, so it is not yet possible to evaluate the cost impact of this change.

Requested Action:

The Members are requested to authorize a contract with ACS System Associates, Inc. in the amount of \$1,947,000 for the Pier A Phase III Core & Shell HVAC Work.

Recommendation:

I recommend that the Members approve the attached resolution.

Attachment:

Resolution

AUTHORIZATION OF CONTRACT WITH ACS SYSTEM ASSOCIATES, INC. FOR HVAC WORK FOR THE RESTORATION OF PIER A

BE IT RESOLVED, that the President of the Authority or his designee(s) be, each of them hereby is, authorized and empowered to execute a contract (the "Contract") with ACS System Associates, Inc. for the Pier A Phase III Core & Shell HVAC Work in the amount of \$1,947,000; and be it further

RESOLVED, that the President of the Authority or his designee(s) be, and each of them hereby is, authorized and empowered to execute and deliver the Contract on behalf of the Authority, subject to such changes as the officer or officers executing the Contract shall, with the advice of counsel, approve as necessary and appropriate and in the best interest of the Authority, such approval to be conclusive evidence by the execution and delivery of the Contract; and be it further

RESOLVED, that the President of the Authority or his designee(s) be, and each of them hereby is, authorized and empowered to execute all such other and further documents, and to take all such other and further actions as may be necessary, desirable or appropriate, in connection with the transactions contemplated in the foregoing resolutions, and any such execution of documents and any other and further actions heretofore taken are hereby ratified and any actions hereafter taken are confirmed and are hereby ratified and any actions hereafter taken are confirmed and approved.

FOR CONSIDERATION

January 27, 2010

To: The Members

From: James Cavanaugh

Subject: Pier A Phase III Core & Shell Electrical Work

Request for: Authorization of Contract with Crana Electric, Inc.

Background:

Pier A is located at the southwest tip of Manhattan opposite the Statue of Liberty, west of historic Battery Park and immediately to the south of Battery Park City. It was first constructed from 1884 to 1886 and is the last surviving historic pier in Manhattan. Pier A is on the National Register of Historic Places and has been accorded landmark status by the City Landmarks Commission.

Pier A has been vacant and closed to the public since 1993, and is currently in a state of disrepair. Since late 2008, the Authority has been working on the redevelopment of the Pier under a long-term lease with the City of New York's Economic Development Corporation ("EDC") which owns the Pier and is funding the redevelopment.

This project is the third phase of work on Pier A – the core and shell restoration of the interior and exterior of the building. As with all work on Pier A, this will be done to the standards of the Authority's green guidelines, as well as to those of the U.S. Green Buildings Council. Construction of the core and shell work by the Authority is a "Wicks Law" project, which means that pursuant to New York State law, the project is broken into four prime contracts (general construction, electrical, plumbing and fire protection, and heating ventilation and air conditioning (HVAC)), rather than built under a single general construction contract.

Work is scheduled to begin in May of 2010, when the second phase of work is complete. However, the essential work of coordination of trades can begin immediately upon approval of the contracts. The Authority's construction manager, phb Catalyst Group, will oversee all aspects of the construction. EDC has reviewed and approved all of the Authority's contractor recommendations as is required under the lease with that entity.

This project was advertised on September 2009 in the New York State Contract Reporter, the Minority Commerce & Employment Weekly and in the City Record. In addition, names were solicited from the Affirmative Action Department. A total of seven firms requested and picked up proposal packets. Two of these firms were M/WBE firms.

A pre-proposal meeting was held on October 23, 2009. Addenda Nos. 1 to 4 were sent to all firms listing additional required work that was not in the original RFP packet. On November 18, proposals were received from the seven firms listed below.

Two of these firms were M/WBE* firms.

Contractor	Amount
M&M Electric	\$ 1,356,000
Crana Electric	\$ 1,380,812
Corporate Electric	\$ 1,468,800
Fervent Electric *	\$ 1,700,000
Community Electric	\$ 2,094,000
Unisys Electric	\$ 2,324,740
A Tech Electric Enterprise *	\$ 2,735,040

Pre-award meetings were held with the three lowest proposers on December 8, 2009, with Authority staff, the Authority's construction manager, the Authority's architect, H3 Hardy Collaborative, and its engineer, AKF Engineers.

M&M Electric failed to attend the mandatory pre-award meeting/walk-through, which, combined with its attendant failure to demonstrate a clear understanding of the scope of work for the project, rendered the M&M submission unresponsive.

Of the two responsive proposals received, it was found that Crana Electric had proposed the most competitive price. At the pre-award meeting, Crana representatives demonstrated that it has a good understanding of the project's scope of work and had included in its proposal everything needed to evidence its ability to successfully complete this project in a timely fashion. References for Crana Electric were uniformly positive. Crana Electric has worked on a number projects for governmental agencies including the Department of Environmental Protection and New York State Dormitory Authority. In addition, the firm has experience working on historic restoration projects.

Requested Action:

The Members are requested to authorize a contract with Crana Electric, Inc. in the amount of \$1,380,812 for the Pier A Phase III Core & Shell Electrical work.

Recommendation:

I recommend that the Members approve the attached resolution.

Attachment:

Resolution.

AUTHORIZATION OF CONTRACT WITH CRANA ELECTRIC, INC. FOR ELECTRICAL WORK FOR THE RESTORATION OF PIER A

BE IT RESOLVED, that the President of the Authority or his designee(s) be, each of them hereby is, authorized and empowered to execute a contract (the "Contract") with Crana Electric, Inc. for the Pier A Phase III Core and Shell Electric Work in the amount \$1,380,812; and be it further

RESOLVED, that the President of the Authority or his designee(s) be, and each of them hereby is, authorized and empowered to execute and deliver the Contract on behalf of the Authority, subject to such changes as the officer or officers executing the Contract shall, with the advice of counsel, approve as necessary and appropriate and in the best interest of the Authority, such approval to be conclusive evidence by the execution and delivery of the Contract; and be it further

RESOLVED, that the President of the Authority or his designee(s) be, and each of them hereby is, authorized and empowered to execute all such other and further documents, and to take all such other and further actions as may be necessary, desirable or appropriate, in connection with the transactions contemplated in the foregoing resolutions, and any such execution of documents and any other and further actions heretofore taken are hereby ratified and any actions hereafter taken are confirmed and are hereby ratified and any actions hereafter taken are confirmed and approved.